

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Monday, March 28, 1983 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS****Bill 211**
Public Ambulance Act

MR. MARTIN: Mr. Speaker, I beg leave to introduce Bill No. 211, the Public Ambulance Act.

This Act would ensure uniform and adequate ambulance standards province-wide, as related to training of personnel, equipment, communications, and a host of other essentials of good ambulance service.

[Leave granted; Bill 211 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. ZAOZIRNY: Mr. Speaker, I wish to file with the Assembly a reply to question 127.

MRS. LeMESSURIER: Mr. Speaker, I wish to table the 1981-82 annual report of the Alberta Art Foundation.

MR. TRYNCHY: Mr. Speaker, I wish to table the annual reports of the Alberta Games Council for the year 1980-81 and '81-82. Copies will be available for all members.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. ADAIR: Mr. Speaker, I'd like to introduce to you and to the Legislative Assembly a young lady by the name of Kylie Smith, from Diemals Station in Western Australia. For the information of the House, Diemals Station is 400 miles east of Perth in the Australian outback.

Kylie is in Alberta for one year as part of the Rotary Club's international student exchange program and is accompanied today by Mr. John Scott, at whose home she is staying. Mr. Scott is the executive director of the heritage fund small business and farm interest shielding program. I ask them to rise and receive the welcome of this Assembly.

MR. CHAMBERS: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of the Assembly, 10 Girl Guides from the Griesbach area of the Edmonton Calder constituency. In order to earn their citizen's badges, the girls are visiting the Legislature and attending the session this afternoon. Accompanied by their leader Mrs. Rice, they're seated in the members gallery. I'd like them to rise now and receive the traditional welcome of the House.

MR. ZAOZIRNY: Mr. Speaker, it's my pleasure to introduce to you and to the Members of the Legislative Assembly a group of 45 grade 8 students from Ian Bazalgette school, in the constituency of Calgary Forest Lawn. They are accompanied today by Mr. Robert Kerr, Mr. Robert Cole, and Mrs. Pat Moore. They've had an opportunity to visit the museum and attend now in the Legislative Assembly.

Mr. Speaker, I've been asked by them to give the Assembly fair notice that they have now invested me as an honorary member of the Bazalgette Bombers, with all the powers attendant thereto. Would they please stand and receive the welcome of the Assembly.

MR. McPHERSON: Mr. Speaker, it gives me great pleasure today to introduce to you, and through you to the members of the Assembly, 51 students from two grade 6 classes of Joseph Welsh school, in the constituency of Red Deer. They're accompanied today by two of their teachers, Mrs. Gail Delaney and Mr. Ted Boyd, along with their bus driver Mr. Larry Simmons. They're also accompanied by seven parent volunteers: Ivy Tucker, Janet Albert, Ed Hicks, Eleanor Gillert, Lynn McTaggart, and Linda Plastow. They're seated in the public gallery, and I wonder if they would rise and receive the warm welcome of the Assembly.

head: **MINISTERIAL STATEMENTS****Department of Municipal Affairs**

MR. KOZIAK: Mr. Speaker, in January 1974 the government introduced the municipal debenture interest rebate program, for the purpose of stabilizing municipal debt service charges and helping reduce increases to mill rates and taxes. The program has guaranteed an effective interest rate on eligible debenture debt through direct cash rebates to municipalities. The effective interest rates have been: 8 per cent from January 1, 1974, to March 31, 1980; 9 per cent from April 1, 1980, to March 26, 1981; and 11 per cent from March 27, 1981, to the present. During that period of time, the actual interest rate on 20-year Alberta Municipal Financing Corporation debentures rose from 9.75 per cent to a high of 19 per cent and has since dropped back to 13.25 per cent.

The cash rebates to municipalities have increased dramatically each year, beginning at \$1,211,178 in the year 1975-76 and estimated at \$118 million in the fiscal year '83-84, for a total in excess of \$300 million in cash rebates over the nine-year period. In 1979 the government provided a \$1 billion debt reduction program.

Thus, over nine years municipalities will have received interest and principal support in excess of \$1.3 billion. This level of provincial support to municipalities is unparalleled anywhere in Canada. These generous programs have directly reduced the cost to the property tax payer of sewer and water systems, roads, bridges, curbs, gutters and sidewalks, land and municipal buildings, equipment and machinery, and parks and recreation facilities.

This period was also a time of extraordinary growth in Alberta. Provincial population grew by almost 35 per cent from 1974 to 1982. The municipal debenture interest rebate program has been a very significant factor in enabling municipalities to provide the facilities required by these new residents, without undue burden on the existing population.

Prior to April 1, 1982, all eligible debentures were

shielded for their entire term so that for a 25-year debenture issued in early 1982, the province will continue to provide interest rebates until the final payment comes due.

Last year, several modifications to the program were announced. If the Local Authorities Board certificate was dated between April 1, 1980, and April 1, 1982, and the money would be borrowed before March 31, 1985, then the debentures would be eligible for subsidy for their entire term. If the certificate was dated April 1, 1982, or later, the debentures would be eligible for subsidy for the first five years, at a time when the interest component is highest and when making the payments may be the most difficult.

In addition to the cash rebates of more than [\$300 million] already paid or provided for in this year's estimates, it is estimated that \$1.4 billion will be required over the next 24 years to continue to provide interest rebates until all of the presently shielded debentures finally come due in the year 2008.

This program has achieved its goals. It has stabilized debt service charges during the time of fluctuating interest rates. By the time the final payment is made, it will have reduced property taxes by more than \$1.7 billion. In addition, growth has returned to more manageable levels and interest rates have stabilized.

Therefore, the government has concluded that full responsibility for debt service management may be returned to municipal councils. The government will honor its commitments to pay the rebate on debentures which have been subsidized in the past. The outstanding commitments to shield eligible debentures issued prior to March 31, 1985, will also be honored. However, debentures issued under the authority of by-laws for which the Local Authorities Board certificate of approval is dated March 28, 1983, or later, will not be eligible for subsidy.

Alberta Education administers a complementary program of interest shielding for borrowings by Alberta school boards. Effective March 28, 1983, new borrowings will not be eligible for subsidy. Commitments currently in place will continue to be honored.

The very real benefits currently enjoyed by all municipalities in obtaining funds at the best available interest rates through the Alberta Municipal Financing Corporation will continue subject only to AMFC's authority and ability to raise sufficient funds.

The government will continue its wide variety of other grant programs which assist municipalities in maintaining the most reasonable level of property taxes in Canada. Programs of assistance to individuals under the Property Tax Reduction Act will directly reduce the property tax burden of senior citizens, widows, and other eligible persons by \$110 million this year.

Thank you, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, in rising today respond to what is an astonishing and disturbing ministerial announcement, I cannot help but express surprise at the decision of the government to abandon the interest shielding program. I recall when the program was announced in this Legislative Assembly. There is no doubt that it has been of considerable benefit to Alberta municipalities as well as participating school boards as far as capital projects are concerned.

I would say that to abandon the program at this time is short-sighted in the extreme. Number one, municipalities and school boards are now pressed, as never before, in a very tight situation between the amount of revenue they

can collect, on the one hand, and the amount of expenditures they have to fulfil, on the other. So it is just going to worsen the position of municipalities and school boards in the province.

Secondly, the expansion of capital projects is clearly something that should be undertaken at a time when we have serious unemployment, at a time when public dollars go further. To eliminate the shielding on capital borrowing by municipal governments will stop the normal expansion of these projects on a planned basis, whether it be in cities, towns or, for that matter, school boards that would formally be eligible under the plan. By deferring capital projects which would be usefully constructed, all we are doing is contributing to higher unemployment in the short term and, in the long run, when these projects are undertaken the cost to the taxpayer will be much greater.

I say to members of the government that regardless of the difficulties of the province, in my judgment and in the judgment of my colleague, it is simply not fair or correct to simply shuffle the high interest rates to the shoulders of local government in this province. I say high interest rates because while interest rates have dropped in the last several months, they are still quite high compared to when this program was introduced in 1974.

There is no doubt that we as a province have financial difficulties, Mr. Speaker. But if one looks at the situation of the province of Alberta in 1974, when the program was introduced, our relative position is no worse today than it was at that time. Nevertheless, the program was introduced in 1974 and, as I've described, in our view it played a useful role in shielding some of the costs of debt carrying charges for local governments in this province.

In summarizing my reply to the ministerial announcement today, Mr. Speaker, it's our feeling that the move announced is a retrogressive one. It is simply shifting responsibility from the shoulders of the provincial government to local governments in this province.

head: ORAL QUESTION PERIOD

Ambulance Services

MR. NOTLEY: Mr. Speaker, I'd like to direct my first question to the Minister of Hospitals and Medical Care. It flows out of concerns expressed by Mr. W.J. Coghill, president of the Alberta Ambulance Operators' Association, with respect to the co-ordination — I say "co-ordination", not the quality of service; I don't want any misunderstanding on that aspect — with respect to the arrival of ambulances, paramedics, and medical personnel, at the tragic VIA train wreck at Carstairs. In the light of that concern, is the government now giving any consideration to the implementation of a province-wide co-ordinated ground ambulance system?

MR. RUSSELL: No, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Municipal Affairs. Given the position of the government before, that this is a local responsibility, is any consideration being given by this government to introducing a system of grants to local governments so that higher ambulance standards can be developed at the local level?

MR. KOZIAK: Mr. Speaker, the grants provided through the Department of Municipal Affairs are substantial in number and in dollars. This afternoon, I outlined in a considerable amount of detail the \$118 million provided for one program alone in this year's budget. In other respects, we provide unconditional grants which are not tied to any particular program. It's always been my understanding that municipalities prefer this method of municipal funding, rather than having grants tied to particular programs.

Admittedly, there are grants provided by various program departments which, as a matter of course, seeing that it's a service that might come from a particular department, might have a condition or string attached. In those respects, the Leader of the Opposition may want to ask questions on the level of grants and the conditions that might be attached to those grants, of the various ministers in the House who have program responsibilities, such as the Solicitor General, in the area of policing grants, and the Minister of Social Services and Community Health, in terms of what used to be the PSS and the family and community support service grants. There are many others I could list, but I'm sure the Leader of the Opposition will have an opportunity to refresh his memory as time goes on.

MR. NOTLEY: The answer is no, I gather.

Mr. Speaker, is the hon. Minister of Hospitals and Medical Care in a position to advise the Assembly today where things stand on a proposal produced by officials in the department, I believe, with respect to an improvement in the communications system for ground ambulance, using both Alberta Government Telephones and the department of highways. Is any program or initiative now being undertaken by the department, to deal with the question of better co-ordination of the systems in the province?

MR. RUSSELL: Mr. Speaker, I believe the hon. leader is referring to a segment of a proposed ambulance service for Alberta that dealt with communications on the ground as well as air/ground communications. It was to be tied in as part of an improved service to a wider range of radio communications for the province, dealing with a variety of government departments. As far as I know, that proposal has been tabled for the time being in view of the current financial situation of the province.

MR. NOTLEY: Mr. Speaker, a supplementary question. Given the concerns of Mr. Coghill, can the Attorney General assure the House that the terms of reference of any inquiry into the fatalities at Carstairs will in fact include the adequacy of the co-ordination of rescue attempts at the time?

MR. CRAWFORD: Mr. Speaker, three types of investigation are going on at the present time or potentially are to come into play. Clearly, the federal Department of Transport and the railway operators have an inquiry responsibility, which has been undertaken. Secondly, the RCMP clearly have duties in that respect, and that has been undertaken.

As to a fatality inquiry under the Fatality Inquiries Act, no decision has yet been made in that respect. The Fatality Review Board will undoubtedly be considering that. Because the transportation industry is primarily under federal jurisdiction, there may be the view that all the inquiries should take place there. My own view is that

if there is anything at all that might be learned from an inquiry under our provincial inquiry legislation, it should be undertaken, and that assessment will be made by the board. It's my further view that the suggestion that that include rescue co-ordination would be appropriate to the inquiry.

Disaster Services Agency

MR. NOTLEY: Mr. Speaker, I would like to direct a supplementary question to the hon. minister in charge of Disaster Services. What contingency plans have Disaster Services prepared, not to deal with those things classified as disasters but to deal with what are classified as multiple casualty incidents, such as the Carstairs fatalities?

MR. M. MOORE: Mr. Speaker, the role of Alberta Disaster Services is to assist in co-ordinating responses by municipal authorities, police departments, and others who might be involved in the event of peacetime disasters or, for that matter, in wartime as well. In this particular case, over the course of many years Disaster Services has worked with municipal governments and with various transportation systems, such as CP rail or CN rail. In the event of a disaster such as is being discussed at the present time, the procedures followed by Canadian Pacific or other companies of a like nature are well-defined.

I have reviewed the matter since that tragedy occurred, and I'm not aware that there was any particular thing that could have been done by the various agencies involved to assist in any way in speeding up the involvement of various authorities at the scene or in saving lives of people who may have been involved. If the hon. member does have information that would suggest that there was some shortcoming by officials in Alberta Disaster Services or any others who may have been involved, I'd be pleased to review it.

Ambulance Services (continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct a final supplementary question to the Minister of Hospitals and Medical Care. Given the minister's answer that this matter of a province-wide co-ordinated ambulance system is not going to be undertaken at this stage, what steps is the government prepared to take to review what one might describe as the anomalies in the present system?

If people are transported by air ambulance, their costs are covered; if they go by ground ambulance, they aren't. If they are inpatients, their costs are covered; if they're outpatients, their costs aren't, even though they might be critically ill. At this stage, is there any process under way by either the Department of Hospitals and Medical Care or any other department of the provincial government, to reconcile some of these inconsistencies in the payment for ambulance attention in this province?

MR. RUSSELL: Mr. Speaker, what we are trying to do at the present time is reduce the incredible, rising costs of ambulance service. Since we expanded the scope of inter-hospital transfer by ambulance some two or three years ago, the costs, the bill to the government and the health plan, have ballooned.

We recently sent all hospital administrators bulletins to see if some of these interhospital transfers could not be handled by other kinds of transport, rather than these very expensive trips. I wonder if all members are aware

that a round trip from the Royal Alex hospital to the University over here, a few blocks and back again, is now \$234. That's happening several times a day, and that just gives you some idea of the bill the government is facing. So our challenge is to try to reduce those costs and get more effective value for the dollars, not add to them.

Social Allowance

MR. NOTLEY: Mr. Speaker, since there'll be other opportunities to raise the question, I'll direct my second question to the hon. Minister of Social Services and Community Health. It's with respect to these changes in the social allowance benefit and policy changes that were announced on Friday morning, for that date. What assessment has the government given to the change in shelter ceilings on families with schoolchildren, particularly mothers with children, where changes may require moving during the year?

I realize the program is coming in July 1, but with 48,000 clients there are always changes, the system is always in a state of flux. What particular instructions have been issued to social workers with respect to the impact on schoolchildren of suddenly finding that they have to move to a different locale?

DR. WEBBER: Mr. Speaker, the overall changes in shelter ceilings were brought about primarily because of the increased vacancy rates across the province. Originally, shelter ceilings really weren't ceilings, in the sense that social services would pay an amount above that. This was the only province in Canada where that was done. With the new program, notices have already gone out to social allowance recipients to inform them that the program for new cases will begin April 1 and, in the shelter area, those people who are currently on social allowance will have up to three months to find different accommodation.

The hon. Leader of the Opposition zeroes in specifically on schoolchildren. In terms of the school year ending in June, I think the three months' notice would give adequate time to accommodate that particular concern. Also, over 70 per cent of the cases affecting people on shelter are in Edmonton and Calgary. Again, the vacancy rate is such that it's anticipated that people will be able to accommodate them.

MR. NOTLEY: Mr. Speaker, a supplementary question. My question recognized that the program for existing clients will start on July 1. But the question related to the overall policy with respect to families with children, because with 48,000 clients you always have changes existing in the system. Is there going to be any provision or any flexibility in the shelter allowance for mothers with children, so they don't have to move in October, November, or whenever their lease comes up, if they aren't able to negotiate a proper allowance as viewed by the minister?

DR. WEBBER: Mr. Speaker, the situation for the new ceilings is such that there are exceptions. The exceptions apply to three categories of people, and it's those three categories about which we have the most concerns. In those cases, it relates to the possibility for regional directors to approve additional payments of up to \$300 per month for a maximum of three months. So to July 1 for existing cases, individuals can search for new accommodation. They may not even have to move. It may be that the rents landlords will be charging will enable them to

stay in their current facilities.

In terms of meeting the needs of Albertans, these new regulations certainly are designed to do that. However, in view of the changes in the economic situation, we feel it's important to make some modifications and adjustments.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. What role will employees of the department be instructed to play, particularly with respect to the shelter allowance limit as it applies to people who are handicapped in one way or another? Will any assistance be afforded by the department in dealing with landlords who may just tell a person who is handicapped that they are not prepared to drop the rent to the ceiling the minister has now prescribed?

DR. WEBBER: Mr. Speaker, the hon. member should note that special consideration is given to handicapped people in the new policy, in that they would allow up to \$100 above the new maximums that have been established. Certainly that is there because of the special concerns handicapped people would have, in terms of adapting their homes to accommodate their particular handicaps.

The departmental people received a letter, which the hon. member has probably seen and which was filed in the Legislature on Friday, which gives instructions to the income security workers across the province, in terms of adjusting to this new policy. As well, through the district directors the regional directors will be having meetings with these income security workers, to discuss how to carry out the new program.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Will the discussions with department personnel specifically include — and I go back to my last question — the social workers helping to negotiate with landlords, where negotiation is required? There are many clients who are handicapped in one way or another, or where this is just not possible. Will the department provide assistance in that regard?

DR. WEBBER: Mr. Speaker, I've already pointed out the special accommodations here for the handicapped individuals in Alberta. With the case loads the income security workers have, I don't think it would be fair, nor would we expect them to go out and hunt for new accommodation for individual social allowance recipients. Certainly, in most cases Albertans who are required to move are able to find accommodations for themselves. With the new regulations, we have taken into special account those who are handicapped.

MR. NOTLEY: A supplementary, Mr. Speaker. If I understand it, the former policy was a shelter allowance set out, and then up to 50 per cent of additional costs above that — whether it be insurance, utilities, or what have you — would be borne by the department. Is the minister in a position to advise the Assembly what provision, if any, beyond the once-only loan for extraordinary utility charges, is going to be made for recipients to deal with the substantial increases in utilities which the Public Utilities Board continually authorizes?

DR. WEBBER: As I mentioned, Mr. Speaker, the policy related to the shelter ceilings, in particular with the 50 per cent above, was a unique situation in Canada. No other province had been paying anything above the particular ceiling. That was because of the tight rental markets we

had a few years ago, when the economy was different than it has been. In order to adjust to the current situation, it was decided to eliminate the 50 per cent above the ceiling. Even in doing that, we still end up with the highest rental ceilings in Canada. With that particular point — and also the point that there will be a basic increase of 5 per cent on July 1 and, in addition, an increase from \$85 to \$115 that social allowance recipients will be able to earn before there's any deductions — it's felt that this will accommodate those unfortunate people who are ending up on social allowance for reasons they can't help.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. In the announcement, the minister indicated that some 48,000 individuals and families will be affected by the announcement. Does that mean that that many individuals above the ceiling level will have to go out and look for alternate accommodations? It's not clear in the announcement. If that figure is incorrect, could the minister indicate how many people we're actually looking at, in terms of receiving income above that ceiling?

DR. WEBBER: Mr. Speaker, most of the people who are above the ceiling are renters. Approximately 30,000 individual cases would be affected by the shelter ceiling, but the vast majority of those people would be in the rental category.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether the appeal committees will come into play with regard to a family — a mother with dependent children — which wishes to appeal some decision by the department? Is that procedure still in place with regard to this policy?

DR. WEBBER: Mr. Speaker, the appeal committee structure will remain in place for a number of the adjustments that would still apply. However, there will be no appeal in the shelter ceiling situation, except in those circumstances I described earlier, where they could appeal to the regional director in those special cases.

MR. MARTIN: A supplementary question to the minister. Are these shelter changes part of the economic resurgence plan, so we can give money to the moving industry?

MR. SPEAKER: Order, please. The hon. member has made a representation. Whether it's accepted or not, I don't know.

MR. R. SPEAKER: Mr. Speaker, could the minister table the studies done with regard to the facts and figures that brought about the change in policy, so we could have them for estimates study?

DR. WEBBER: Mr. Speaker, on Friday I tabled a number of documents, including the fact sheet related to the changes, as well as the letters to the social allowance recipients and the social workers. I'm not going to table any further documents in that regard.

MR. NOTLEY: One final supplementary question, if I may. Could the minister outline to the Assembly the reasons the government has chosen to exempt the shelter allowance ceiling from the appeal board process? What's the reasoning behind that policy?

DR. WEBBER: Mr. Speaker, when the rental market was tight and the ceilings were in place and the changes occurred to allow payment above the ceilings for up to 50 per cent, that was done by social workers. They have the authority to do that. Any desire for payments above the 50 per cent, to the point where possibly the social allowance recipient wanted 100 per cent of their shelter costs paid for, went to the appeal committee. In terms of the number of appeals that took place, we ended up with a large number of individual cases that were above the ceilings. In view of the current economic situation, it was felt that the current regulations would accommodate the needs of those people who do apply for shelter allowance.

Canola Production

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Agriculture. Could the minister indicate what initiatives are being taken by the department to encourage farmers in Alberta to grow canola this year? Have the forecasts by the minister's department or the minister's investigations indicated that we can be optimistic about the 1983-84 canola market?

MR. FJORDBOTTEN: Yes, Mr. Speaker, we are certainly encouraging our producers in the province to grow canola all over the province. We also have advanced more research into new varieties that might work around the province. We are excited about the possibilities of canola this year. One of the concerns of the Japanese market is that we will be assured suppliers of canola. Last year, with the drought in some areas and the frost we had, the quality of the canola wasn't that good. So they are looking at our having an increased acreage this year and, from our regional staff, our indications are that that is going to happen.

MR. R. SPEAKER: Mr. Speaker, a supplementary question in terms of the \$20.4 million stop-loss program initiated last year. The canola crushing industry is still receiving those grants. In light of the optimism, my question to the minister is: will those grants continue under those circumstances, or is it the minister's intention to terminate that program under present conditions?

MR. FJORDBOTTEN: Mr. Speaker, I'd be happy to discuss that one in my estimates when we come to them. However, the assistance program was put in place to make sure we had a crush because if we didn't have a canola crush, we wouldn't have an industry. I intend to see that our crushing plants are not disadvantaged by any other crushing plants in the country, and we'll be looking at that.

Social Allowance (continued)

MR. MARTIN: Mr. Speaker, I'd like to direct this question to the Minister of Social Services and Community Health. I'd like to deal with the new policy on asset limits. As I understand the new policy, there will be a substantial reduction in the amount of assets permissible for unemployable people: the handicapped and others who are most dependent on social allowance for survival. As I understand it, this policy would only serve the interests of restraint in public spending if it reduces the number of people . . .

SOME HON. MEMBERS: Question.

MR. MARTIN: Mr. Speaker, I'm trying to make the point that . . .

MR. SPEAKER: I understand that the hon. member is trying to make a point, but he might just come directly to the question. If he has some debate in regard to this matter, I invite him to use the Order Paper.

MR. MARTIN: Has the minister completed any studies on the degree to which this policy will render ineligible those who need assistance the most?

DR. WEBBER: Mr. Speaker, the new policy on asset limits is a change that occurred which classifies all persons, whether unemployable or employable, to the point where there's an asset limit of \$2,000 for single people, and up to \$3,500 for a married person or one with dependants. That was the policy for unemployables. For other than unemployables, it was \$1,500 and \$2,500.

The new policy is for all recipients, coming to \$1,500 for a single person and \$2,500 for a married person or one with dependants. With this new asset limit, there are the exceptions we had originally. There's no change in that. There was a change in this particular policy approximately a year ago. This new policy more reflects the situation before that change took place. Once again, Mr. Speaker, in terms of the new economic situation, it was felt that individuals could use whatever assets they had to this new limit, rather than the one that was in place before.

MR. MARTIN: I understand the numbers, but I'll ask the question again. What is the purpose of this? Have any studies been done to see the degree to which this will affect people? These are the unemployables, handicapped people. What is the rationale for doing it?

DR. WEBBER: Mr. Speaker, in terms of applying, it applies across the board to employables and unemployables. The hon. member refers specifically to the handicapped, and certainly there are overall provisions in the new policy which address the concerns of the handicapped. As of April 1, these new asset limits go into place, and they are the result of study and investigation in terms of how many would be affected. I can provide the hon. member with the numbers if he wants them.

MR. MARTIN: Supplementary question. I'm worried about dependants here. I'll ask it this way: will this new policy force unemployable recipients deeper into debt before they're eligible, and thus make eventual independence from the welfare system more difficult?

MR. SPEAKER: That's a matter of opinion really. The hon. ministers aren't required to express opinions, any more than the members aren't required to . . . [inaudible]

MR. MARTIN: A supplementary question, Mr. Speaker. What sanctions will be applied to enforce this new policy, and is it the intention of the minister to cut off social allowance for unemployable recipients who do not sell \$1,000 worth of assets by July 1?

DR. WEBBER: I'm not sure where the hon. member is getting his \$1,000, unless it's the difference between the \$1,500 and the previous ceiling. In terms of people quali-

fying for social allowance, they will have to apply to these new asset limits. As I mentioned, it does allow up to \$1,500 for a single person. That does not include a vehicle worth below a certain amount and the case of having a particular home or household furniture within that home. So it certainly is not a new regulation that's designed to provide hardships; it's not that at all. It's the intention to initiate policies to result in cost savings to the government and, at the same time, make the whole program fair to Albertans who are in the position where they have to be on social allowance.

MR. MARTIN: Supplementary question. The hon. minister wonders where I get the \$1,000. It's for a family, \$3,500 to \$2,500. If a person had \$3,500 worth of assets and they were eligible now, would the minister cut them off if they didn't spend a \$1,000 and get it down to \$2,500?

DR. WEBBER: The hon. member is understanding very well, Mr. Speaker.

MR. MARTIN: A supplementary question. What review has been undertaken of the effect of this new policy on staffing needs? I ask this question because I assume staff would be needed to monitor, audit, and enforce the policy.

DR. WEBBER: Mr. Speaker, in terms of staff, the new budget reflects an increase in the number of man-years that will be necessary to assist in carrying out the social allowance program. The hon. member leaves me the opportunity to indicate that the throne speech indicated that some 155 positions would not be filled in the coming year. Those were primarily administrative and consulting-type positions. But in order to accommodate the increased case load and the complexity of the case loads, there has not been any reduction in staff in the social allowance area. In fact, as I mentioned, there will be a significant increase in terms of the number of man-years to assist social workers in dealing with their loads.

MR. MARTIN: A supplementary question. What contact was made with the Social Workers Association? Surely the minister would agree that these changes will . . .

MR. SPEAKER: Order, please. Let's deal with the contact and leave the debate.

MR. MARTIN: I will direct the question to the minister. Has he had any contact with the Social Workers Association in regard to the possible change in their duties and responsibilities — perhaps becoming a private eye; I'm not sure.

DR. WEBBER: Mr. Speaker, before these policies came into place, I took it upon myself to visit a number of district offices in Alberta to talk to social workers on the front lines who were dealing with individual cases. I got some of their viewpoints and, in terms of initiating the policy, there was consultation from the deputy minister down to district managers and social workers. So certainly a lot of thought and a lot of work went into initiating these policies.

MR. MARTIN: One final supplementary. Did you have any dialogue with the Social Workers Association, the professional body, about this policy?

DR. WEBBER: Mr. Speaker, since I've been minister, the Social Workers Association hasn't approached me on anything that I'm aware of.

MR. NOTLEY: Mr. Speaker, I too would like to direct a question to the hon. Minister of Social Services and Community Health. It's with respect to the changes that have been announced in the shelter allowance and the various other aspects of the program. Beyond the government caucus, can the minister tell the House specifically what organizations or groups he met with prior to developing these basic changes? Could he identify those groups, if any, for the House?

DR. WEBBER: Mr. Speaker, if the hon. member wants a listing of groups that I've talked to since I became minister, I think he should put it on the Order Paper.

DR. WEBBER: In terms of specific organizations, I've met with dozens of organizations since last November, and we have discussed a number of topics, including social allowance. So there has been input from a variety of sources about this policy.

MR. NOTLEY: Mr. Speaker, a supplementary question. Did the minister receive recommendation as to the changes announced on Friday from any province-wide organization of professional or paraprofessional people in the field?

DR. WEBBER: Mr. Speaker, as I interpret the question, the hon. Leader of the Opposition is asking if I have received any representation for changes prior to the implementation of those changes.

MR. NOTLEY: Province-wide.

DR. WEBBER: I don't recall any province-wide organization writing or visiting me, advocating these changes. However, I wouldn't want it to be left that that isn't sufficient reason for making changes. As I mentioned before, these changes came about after discussing them with a number of people across the province, as well as my responsibilities for building in cost efficiencies in the department while at the same time meeting the needs of Albertans, and we are doing that with these changes. More than any other province in this country, Alberta is still meeting the needs of those unfortunates who are on social allowance. [interjections]

MR. NOTLEY: I'm glad the minister's response evoked so much enthusiasm.

Mr. Speaker, if I am not mistaken — and I don't want to misinterpret his answer — the minister has indicated that he has met and discussed these ideas with various people. My question is: if it's various people, why did it not occur to the minister or the government caucus to discuss these changes with the professional organizations representing social workers, or people in the field who have expertise in the area — but I'll leave the question directly at the association of provincial social workers. Why was there no formal consultation with them? If the minister apparently was talking to individual social workers, why did he not seek out the provincial association?

DR. WEBBER: Mr. Speaker, I certainly can take advice from the hon. Leader of the Opposition. However, in terms of the people who have been contacted, I have

already gone through the fact that a great deal of thought and a lot of work went into providing these changes. I don't think it's practical to approach province-wide organizations on making changes of this sort and dealing with the budget.

Coal industry

MR. GOGO: Mr. Speaker, I have a question for the hon. Minister of Economic Development. It concerns the announcement today of the Fording Coal company's suspending operations for the Shaughnessy coal mine, an activity of some \$25 million or \$50 million that was under way. First of all, could the minister advise the House whether he's aware that this was announced? What, if anything, might his department be doing in terms of advice to that company so that perhaps it could get under way again?

MR. PLANCHE: Mr. Speaker, my colleague the Minister of Energy and Natural Resources may want to supplement this answer. Over time, Fording has been very responsible in coming forward and discussing their future plans for Alberta coal development. In the case of the Shaughnessy mine, their judgment is that the price levels for thermal coal and the future outlook, at least in the medium term, are not bright enough to make that a solid economic investment at this time, so they've decided to forego any future investment and development at that mine. Some months ago we were made aware that the decision was iffy, and as late as two weeks ago it was confirmed to us.

MR. GOGO: A supplementary question, Mr. Speaker. Could the hon. Minister of Energy and Natural Resources advise the House whether he's aware of some particular price oil might sell for — X dollars per barrel — which would make a project like this feasible?

MR. ZAOZIRNY: No.

MR. GOGO: A supplementary, Mr. Speaker. The community of Coalhurst, the constituency of Macleod, and certainly Lethbridge, are eager to see this get under way. Can the Minister of Economic Development see where the communities of Lethbridge or Coalhurst could actively participate in a helpful way to the Fording Coal company?

MR. SPEAKER: I'm not sure we're dealing with the official responsibilities of the minister, and I'm not sure whether the community in question would need the minister's advice to make those approaches.

MR. GOGO: A final supplementary, Mr. Speaker. Then could the minister assure the House that he will do everything in his power, based on his policies within his department, to help resolve the problem?

MR. PLANCHE: Mr. Speaker, coal is an export item, and the economics of coal are dictated in the international market. If you take the price of coal at tidewater and back it up with freight, the economics become very simple to calculate. In this case, there just isn't any potential for black numbers.

ORDERS OF THE DAY

head: GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 28

Appropriation (Interim Supply) Act, 1983

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 28, the Appropriation (Interim Supply) Act, 1983.

[Motion carried; Bill 28 read a second time]

[On motion the Assembly resolved itself into Committee of the Whole]

head: GOVERNMENT BILLS AND ORDERS (Committee of the Whole)

[Mr. Appleby in the Chair]

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

Bill 24

Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Supplementary Act, 1983

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Bill?

MR. NOTLEY: Mr. Chairman, I'd like to take this opportunity in the committee stage of Bill 24 to briefly urge the government, as we did in committee study of the capital estimates, to give consideration to a children's hospital for northern Alberta. I don't want to take a lot of time in re-emphasizing the arguments, but I think that the case for a children's hospital in northern Alberta is a very important one. I certainly support appropriation 1(a) in this Bill. But I think we really have to look at the kind of care across the province as a whole, and a children's hospital in northern Alberta is long overdue.

Those of us in the northern half of the province are very supportive of the investment from the trust fund in a children's hospital in southern Alberta. But I think I would just like to take the opportunity in committee study of Bill 24 to draw, once again, to the attention of members of the committee the very strong view of most people in northern Alberta, regardless of their political vantage point, that an appropriate investment from the trust fund would be a children's hospital for northern Alberta.

I might just say, Mr. Chairman — and I'll have just a word or two when we get to Bill 25 — that I think now is the time to push ahead some of our capital projects, particularly with respect to hospital planning. I can't help but feel that a very large part of the reason for cost overruns, whether it be the cancer centre in Calgary — and I recall the debate we had in this Legislature in '77, '78, and '79 over the cancer centre in Calgary — or the Walter C. Mackenzie, was the fact that we were constructing major capital projects by the province at a time when the private sector was going full tilt, when there was tremendous pressure on wages, materials, and expertise

to organize and manage a project as large as some of these major capital undertakings.

I simply say, Mr. Chairman, that with the slackness we now have in the economy and in view of the fact that almost every capital project I know of is coming in either on or under budget, now in fact is the time, it seems to me, to proceed with some of these necessary capital projects. I would just like to underline my view as the representative of Spirit River-Fairview, not as Leader of the Opposition but as a representative of a rural riding in northern Alberta, that people in my constituency would strongly support moving ahead with a children's hospital for northern Alberta.

[Title and preamble agreed to]

MR. HYNDMAN: Mr. Chairman, I move that Bill 24 be reported.

[Motion carried]

Bill 25

Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1983

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Bill?

MR. R. SPEAKER: Mr. Chairman, I would like to ask the Minister of Agriculture — and maybe it could belong to the Minister of the Environment — with regard to the section in the Act that talks about irrigation headworks and main irrigation systems improvement. Does that include the improvements on the Red Deer River; that is, site 6 that is presently being installed on that river? Can the minister indicate whether that is so? If so, I would like to discuss what's happening at site 6. If not, we'll save the item until a later discussion.

MR. FJORDBOTTEN: I'm sorry, Mr. Chairman, I'm can't answer that. It's not under Agriculture; I believe it's under Environment.

MR. MARTIN: At this point — I know this will go through — but I would suggest . . .

MR. CHAIRMAN: Could the hon. member please address the Chair?

MR. MARTIN: Yes, Mr. Chairman. I would like to make a plea at this particular point. I know, for example, that we're going to spend \$200 million more on welfare. I would like to enlarge on it and take the point that my colleague was saying, through you to the hon. Treasurer. That \$200 million increase in welfare payments: if we are putting it in other capital projects — and I use the old standby LRT, or a lot of the other capital works — perhaps now is the best time to be moving in other areas.

I say this for two reasons. One, for job creation, Mr. Chairman, because I am sure that the hon. Treasurer would agree that it's much better to have people working than to be giving out welfare. So at the same time, we put people back to work on these massive public projects or capital expansions. I suggest to you that it is the cheapest time that we will ever be able to do them. I'm talking about necessary capital expansion; I'm not talking about make-work projects. I'm suggesting things we know are

coming in five, six, or seven years down the way. I hope we would not wait on these projects, because it's going to be much more expensive to the taxpayer later on if we wait until oil perhaps starts to come back. We hope that will be the case, that the price of oil will at least stabilize. Perhaps we might want to look at some projects like a heavy oil upgrader. But the minute we get into that sort of thing and we have to be building our capital projects and looking at capital expansion, we are immediately going to drive the price up.

So I make a plea — I know it's not going to happen in this budget, Mr. Chairman, but perhaps in the next budget when the Provincial Treasurer makes his new economic statement three or four months down the line — that they take a look at this particular avenue. Instead of adding *ad infinitum* to welfare, if we could perhaps look at some capital expansion, then there would certainly be, as I said, the job creation aspect to that. I also suggest that it would make good economic sense to build things now when they're cheaper, not when we're competing later, perhaps in inflationary times.

Thank you, Mr. Chairman.

MR. NOTLEY: As we assess Bill 25 in committee, I think it's worth taking a moment or two to look at this question of the role the capital works division of the trust fund can play in Alberta's economic recovery. Mr. Chairman, I recollect the discussion we've had in previous select committees on the demarcation, if you like, between the role of the capital works of a province as a whole and the capital works funded by the Heritage Savings Trust Fund. It's always been difficult to draw that fine line of distinction. But I would say that over the years, in both the select committee and the government, we have been able to set out some guidelines for capital funding under the Heritage Savings Trust Fund.

I would argue, as my colleague just stated in the committee, that there are some strong arguments now to expand the capital works section of the trust fund to perhaps complete some of these projects a little more quickly. There's no doubt, Mr. Chairman, that we have a gap between the amount of investment forthcoming, both public and private investment, and the amount of investment needed to bring down the number of unemployed in the province. It's a fair comment that we're going to end up, it seems to me, paying for a deficit one way or the other. We're going to pay for a deficit to have employables on welfare rolls or, as Canadians, we're going to exhaust the unemployment insurance benefits because of heavy unemployment.

Mr. Chairman, it's fine to say that the engine of recovery is the private sector, but the fact of the matter is that there is a very significant role for the public sector. You can argue over what the extent of that role should be, but I know of no one, not even the William F. Buckley of this world, who would argue that there isn't a significant role for the public sector in economic recovery.

That being the case, what I think we see in the estimates before us this year — not only in Bill 25 as it applies to the heritage trust fund, but also in the capital estimates of the province — is a moving back, an edging away from expansion, a contraction. Now I can understand why the Provincial Treasurer would like to do that. He has a budget to balance. And when there's already some significant amount of red ink and an uncertain oil price picture, it's an attractive proposition to move away from capital projects.

Mr. Chairman, as I listened to the discussion on the capital estimates of the Heritage Savings Trust Fund, in at least several areas we discovered that we could have moved a little more quickly. In fact, we were cutting back on the pace of completion of some of these projects. The reason we were cutting back was presumably financial restraint. I say to members of the committee that, in my view, if contracts for all public projects are now coming in at very competitive prices — and this is what I get from talking to highways and public works people; this is what I gather from discussions with contractors in the private sector — then this is in fact a good time to undertake these projects. It seems to me that a better strategy is perhaps to move ahead a little more quickly.

I'm not going to be dishonest enough to say that won't in fact increase the deficit; it will. But, surely, in the short run it may make sense to have a slightly larger deficit, building useful things we need and creating employment and, on the basis of employment, people then start paying taxes to both provincial and federal governments instead of collecting assistance. At the same time, we get more competitive bidding on projects we're eventually going to build anyway.

Again, Mr. Chairman, I look over some of these projects. I remember our discussion a year and a half ago in the fall. We looked at how some of these costs got away from us. I think there are a multitude of reasons, but one common reason was that we were competing with a private sector that was going all out. When you invest public dollars in a market place that is stretched and every available resource is being used, then it seems to me you're just asking for cost increases. I remember talking to our district highways director three years ago. He was quite properly lamenting the problem that every single estimate was under because it was such a tight situation that people didn't want to bid on the roads. That wasn't a problem last year, I can assure you. All the bids were coming in on or under estimate because we had a totally different situation.

So, Mr. Chairman, I would just say to members of the committee that it's not at all an unreasonable proposition to push ahead some of these capital projects. Perhaps rather than slowing down and picking up the deficit in added welfare costs, it makes eminently more sense to us that if we're going to have to borrow anyway, we borrow to build things we need and, in the process, put people to work rather than simply borrow to keep them on various kinds of public assistance of one form or another.

Having said that, Mr. Chairman, I notice that the Minister of the Environment has come back. The question the hon. Member for Little Bow raised is a question I was interested in too. To what extent is site 6 accommodated in this particular budget? Could the minister bring us up to date on that question?

MR. BRADLEY: It's not part of the capital projects.

MR. R. SPEAKER: Mr. Chairman, is the funding for the dam that's going in at site 6 out of another Heritage Savings Trust Fund appropriation, or what other capital works appropriation would we look at?

MR. BRADLEY: Mr. Chairman, the Dickson dam is not being funded under the Heritage Savings Trust Fund projects; it's out of the Department of the Environment.

[Title and preamble agreed to]

MR. HYNDMAN: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 10
Rural Electrification Revolving Fund
Amendment Act, 1983

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Bill?

[Title and preamble agreed to]

MR. BOGLE: Mr. Chairman, I move that Bill No. 10 be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of the Whole Assembly has had under consideration and reports Bills 24, 25, and 10.

MR. SPEAKER: Having heard the report, do you all agree?

HON. MEMBERS: Agreed.

head: GOVERNMENT BILLS AND ORDERS
(Third Reading)

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

No.	Title	Moved by
18	Alberta Heritage Savings Trust Fund Amendment Act, 1983	Hyndman
23	Alberta Heritage Savings Trust Fund Special Appropriation Act, 1983	Hyndman

head: GOVERNMENT MOTIONS

9. Moved by Mr. Hyndman:

Be it resolved that the Assembly approve in general the fiscal policies of the government.

[Adjourned debate March 25: Mr. Payne]

MR. PAYNE: Initially, Mr. Speaker, I'd like to pay a personal tribute to the Provincial Treasurer for the budget he presented to the Legislature last Thursday evening. As we come to grips with the realities of an economic downturn, what was needed by this province was a provincial budget that would form the basis for three things: firstly, stability; secondly, confidence; and, thirdly, enduring growth. I'd like to submit that the 1983 budget fits the bill admirably.

Typical of the reaction I have been getting in my constituency since Thursday evening is the following editorial observation in one of Calgary's daily newspapers. I'd like to read a sentence or two from that editorial to illustrate the viewpoint I'm hearing in my riding:

The province is to be praised for taking what is a difficult stand, especially in these days of "give me." Limiting its spending increase to 7.5% is responsible. It sets an example for the private sector and maintains essential programs aimed at the people who most need them.

Hyndman has done an excellent job of balancing maintenance of these programs with incentives for the private sector to develop and provide a desperately needed increase in employment.

And the concluding comment in that editorial observation, Mr. Speaker:

Hyndman has taken an admirable first step in showing us the way.

It's not often that a provincial treasurer gets comments and observations like that with respect to a budget. In this instance, I think the laudatory language is entirely appropriate and suitable.

Mr. Speaker, if I may, I'd like to turn for a moment to the budget response of the Leader of the Opposition in the House last Friday. At the outset of his remarks, members will recall he smiled pleasantly and suggested that government members shouldn't be unduly concerned with his criticism of the budget. Well, that was one of the few remarks that I agree with. Frankly, his speech was totally unsurprising and a traditional mixture of doctrinaire socialism and economic myopia. Let me assure the hon. Leader of the Opposition that the government members weren't overly concerned with his criticism of the budget.

Nevertheless, lest some of the glaring deficiencies of his budget assessment escape comment, I would like to make a couple of observations of my own. Last Friday, with furrowed brow and a theatrical clutching of his lapels, the hon. leader pleaded for an economic strategy, some white paper or other formal expression of government economic policy. May I commend to the leader and his colleagues in the opposition a thorough reading of this document, *The Road to Recovery: Restoring Investor Confidence*, and may I recommend in particular the hon. leader's reading of the fifth paragraph on the first page which, if I could summarize, suggests the following by way of economic strategy:

The future of Canada depends heavily upon our ability to attract and retain investors. In the seventies, non-residential investment by business was directly responsible for 14% of aggregate demand. Its indirect significance is far greater.

Moving to the nub of the paragraph:

Investment is the difference between jobs and unemployment lines. It is an important source of productivity growth.

It concludes with this comment:

If investment is to be forthcoming, policies must be put in place to create a climate that recognizes and is supportive of the private sector's pre-eminent role in economic performance.

May I recommend to the members of the opposition, and to the Leader of the Opposition in particular, a further reading of the section of this document entitled *Policy Options for Restoring Investor Confidence*.

I have referred to this document today because restoring investor confidence, as well as consumer confidence,

is a crucially important objective of the 1983 budget. I have to add that erosion of investor confidence would be the sad and inevitable result of the Leader of the Opposition's doctrinaire devotion to government intervention, expanded capital works, and unbridled deficits.

At one point during the Leader of the Opposition's comments Friday, he made the point that performance guarantees should be attached to royalty reductions, tax concessions, and all incentive programs. I hope none of the members will miss the implicit message of that suggestion from the opposition leader. To repeat, he would link performance guarantees in the private sector with royalty reductions, tax concessions, and any and all incentive programs. I think the inevitable result of that line of thinking would be apparent to all thinking Albertans. What the leader in fact is proposing is a national energy program for all of Alberta's provincial industry. Surely the leader must recognize that those kinds of NDP strategies would undermine our present fragile investor confidence.

Despite the leader's skilful efforts last Friday to make a distinction between stimulative deficits and what he termed "accidental deficits", it's clear that he must have been an honors graduate from the borrow and spend school. As I contemplated how I could best respond to his point of view with respect to exacerbating our deficit, I thought I might simply quote one or two lines from a recent speech by the hon. Minister of Hospitals and Medical Care, in which he focused for a moment or two on the question of deficits:

There is a need to be cautious about large government deficits — deficits which must be tamed as the economy recovers even though our recent track record in the Western world is not encouraging. I need note only the federal deficits and the plight of the Quebec government whose stance with its unions and employees is dictated by empty coffers. The jury of business confidence is watching and weighing and could be easily spooked if it believes governments neither know why, nor have the gumption, to trim the spending sails and set new priorities.

I would suggest that the hon. minister's precautionary note is far more responsible than the leader's impassioned plea for additional provincial borrowings.

Mr. Speaker, I'm sure you will recall that in the hon. leader's comments on Friday, he made more than passing comment with respect to the Public Affairs Bureau advertising programs. I believe he made the critical judgment in the context of means to reduce government expenditures and thereby expand capital works spending. I'm sure that, even though the hon. leader is not here today, he would certainly be disappointed if I did not, at least in a fleeting way, respond to that categorical castigation of the use of government advertising.

We have on the Order Paper a motion for a return, that I'll be dealing with in the very near future, with respect to government advertising expenditures. Although I still have some numbers to come in, I think I'm safe in making the rounded or ballpark judgment that government advertising expenditures in aggregate would total less than one-tenth of 1 per cent of this government's annual budget.

I would like to assure the leader that this government, however, is quite prepared to include the use of paid advertising in its communications programs. Does the Leader of the Opposition genuinely question the use of advertising to attract tourists to this province, recognizing that tourism is one of the largest sources of revenue for

this province? Does he genuinely question the use of advertising to advise senior citizens of home improvement program details they need to know to take advantage of that program? Would he question the use of advertising to help Albertans understand who would qualify for health care insurance premium reductions? Or would he question the use of advertising that would assist owners of mobile homes to understand the implications of the Mobile Home Sites Tenancies Act for them? Finally, would he seriously question this government's advertising program with respect to child abuse, "Stick Up For a Kid"? There was a glaring inconsistency in the leader's speech Friday with respect to the question of government advertising, Mr. Speaker, when in one breath he praised the widow's pension legislation, then in the next breath, at least by implication or inference on my part, condemned the use of advertising to let those people know who would be affected by those legislative amendments.

One explicit message of the 1983 Budget Address deals with the question of reduced government involvement. On behalf of the constituents of Calgary Fish Creek, could I assure the hon. Provincial Treasurer that the bulk of the people of my riding would be supportive of any legislative or budgetary thrust in the direction of reduced government involvement. If I could just cite one illustration of that laudable thrust, it appears on page 24, in the housing section of the Budget Address:

... it is now appropriate that the government reduce its support and look to the private sector for a larger role, especially since interest rates have declined.

Needless to say, the constituents of Calgary Fish Creek, by and large, agree with the principle and with that specific provision of the 1983 budget.

Members who were in the House last Friday will recall that I made a brief reference to a survey undertaken in my riding, whereby 18,000 questionnaires were circulated and we got 2,000 back. Incidentally, that number is now 2,100. One of the questions, which dealt with the Alberta Energy Company Ltd., drew out a response from the riding that I think illustrates for the Provincial Treasurer and my government colleagues the views of my constituents with respect to government involvement in the market place. In those 2,100 questionnaires that I've got back, 79 per cent of the respondents approved the government decision not to participate in the recent Alberta Energy Company Ltd. rights offering, thereby reducing the government holding from 50 per cent to 44 per cent. That's an illustrative statistic, at least insofar as Calgary Fish Creek is concerned.

Now, Mr. Speaker, if I could just strike a brief patriotic note with respect to the tobacco tax. It's difficult for me to participate objectively in a discussion of the tobacco tax, having been a non-smoker for a number of years. I might mention in passing that when I did enjoy the good habit, I was paying 10 cents a pack as an able seaman in the Canadian navy. At least my sense of timing was appropriate. Members having read the Budget Address will be aware that the tax on cigarettes has gone from .32 cents to 1.48 cents a fag. I understand that taxes on other tobacco products will be increased similarly. I understand that the revenue expectation from that taxation revision will be in the order of \$97 million, indeed a handsome sum. For those who would like to quit the good habit, but can't, and have been looking for justification to continue the habit, could I suggest that with these new taxes there is certainly a patriotic element to the habit. I for one appreciate their contributions to the provincial economy.

Before I conclude my remarks today, Mr. Speaker, I would like to express my very deep-seated misgivings over the Leader of the Opposition's attempt to foster the erroneous impression that little or no progress has been achieved with respect to diversifying Alberta's economy. In the interest of helping the leader to develop a more balanced and accurate perspective on the question of diversification of the economy, I would like to summarize eight fundamentally important points that illustrate the significant achievements that have been the experience of this government on the question of diversification.

They are as follows. One, every single industry sector in Alberta grew faster between '71 and '82 than for Canada as a whole. That telling statistic is provided by the Conference Board. Two, Alberta's share of Canada's manufacturing activity increased from a little better than 4 per cent in '71 to almost 7 per cent in '81. Three, while all western economies were experiencing a decline in 1982 versus 1980 with respect to employment, Alberta was one of the few provinces to still have more people employed in 1982 than in 1980. This employment strength comes not from the oil and gas sector or other primary sectors, but from construction, finance, trade, and service sectors. In other words, Mr. Speaker, Alberta is putting on a stronger performance than the country as a whole without stimulus, appreciated though it is, from the oil and gas sector.

Four, oil and gas related employment led employment growth in Alberta from 1975 to 1982, but growth occurred in a significant way in other sectors. There were over 30 per cent more manufacturing jobs; close to 30 per cent more transportation and communication jobs; 30 per cent more jobs in the wholesale and retail trade; over 80 per cent more people employed in finance, insurance, and real estate; and over 50 per cent more jobs providing services to people and businesses. Five, Alberta's manufacturing industries almost doubled the real value, that is in constant dollars, of their output between '71 and '82. This is four times the growth of the manufacturing sector for Canada as a whole.

Six, if I could refer once again to the subject of tourism. Tourism revenues have increased sixfold over that interval, now over \$1 billion in provincial revenues. Number seven, between 1975 and mid-1982 over 400 food-processing firms were established or expanded with Alberta government assistance. Finally, number eight, Alberta's exports have grown at a faster rate than the rest of Canada during 1979, 1980, and 1981. In fact, Alberta's exports doubled in value in the three-year period from 1978 to 1981.

Mr. Speaker, I realize that a number of my colleagues wish to enter the debate on the budget. Suffice it to say that the hon. Provincial Treasurer's budget is a program of which every member can well be proud. At the beginning of my remarks today, I pointed out that what we needed was a budget that would bring stability, confidence, and enduring growth. In fact, that has been achieved. Could I suggest that the hon. Provincial Treasurer's budget was the right budget, at the right time, and in the right place. Without question, it merits our fullest support.

Thank you, Mr. Speaker.

MR. LYSONS: Mr. Speaker, it gives me a great deal of pleasure today to address the Legislature on the 1983 budget. I'd like to compliment the Provincial Treasurer for the eloquent way in which he presented it. In the mood of the country, it was timely and proper that we

came in with a budget such as we did.

In the last few months I've managed to travel over most of Canada, from the west coast to the east coast and through the territories. One of the outstanding things I noticed was how things were so much different in every region. There was no place quite like Alberta. In most places there certainly was no enthusiasm as we see it here. But there comes a limit to enthusiasm, I guess. When we were in Halifax a little over a year ago, I talked to a number of young people and they said that people under 25 were rarely working. Most people that you saw working were at least 35 and older. It was quite dramatic to come back here to Alberta. A good many of the truck drivers, the people working in stores, and so on, were still in sneakers and blue jeans. We had almost everyone working.

In the last few years, Alberta has had a dramatic turnaround. As a young man growing up and looking around as to what I could or should do, one of the great worries in the country was, where were you going to get a job in a small town or, indeed, in the country, unless you worked on roads or heavy construction? I have three children, and all three of my children are working in small towns today. A few years ago it would have been very unusual if all the members of your family were able to work in a small town. Over the last few years, our decentralization program has truly and indeed worked; it has worked very well. In Vermilion, my home town, we have three factories that we didn't have 10 years ago. They employ a great many people. Perhaps they're not large in a world-scale situation, but we do have Canada's largest grain dryer manufacturer located in the country, far from the major cities. They're doing very, very well, although their sales are down dramatically right now, not because of the product or lack of sales effort on their part but because of interest rates and the sagging agricultural economy at the moment.

I'm very proud of rural Alberta. I'm extremely proud of what people can do. We just had a group of young girls from out in the country come back from Chicago. Most of them had never really been away from home to any extent. They were in a world champion cheer-leading contest. They came back with seventh place. I'm very pleased and proud to represent some of those youngsters who are adding so much to our way of life. It shows that there is a little bit of get up and go in the country. I would invite all members who are cooped up here in the city to take a step out into the country once in a while and see what's happening out there.

Getting into the budget and what it means, Mr. Speaker, we've got a problem on our hands. Approximately 60 per cent of all our spending in this province — and it's maintained that for a number of years — has gone into education, hospitals, and medical care. If we go back to the first budget that I saw on the table in 1976, our total budget was \$2.56 billion, which I thought was a colossal amount of money. This year, hospitals and medical care and social services account for \$3.4 billion. If we don't get a grip on this sort of expenditure — it's increased over 400 per cent just in the time I've been in this Legislature. We've got some positive benefits out of it in the country. We've got three brand new hospitals and many other things. I'm happy about that. But if we don't take a good, hard, solid look at curbing some of these expenditures, what will it be like when our children are up here in this Legislature?

I really applaud the Provincial Treasurer for making the first step in cutting some of the costs in hospitals by

putting a tax on smokers. Now I'm a smoker. But I don't mind paying quite a little bit extra on cigarettes because I understand that the results of cigarettes and booze account for 40 per cent of the people we have in hospitals. Having spent a great deal of time in the hospital, I just naturally assume that it was mostly from cigarettes. I think it's a good way for me to pay my way.

Mr. Speaker, in our constituency we have a great many things to be thankful for. In the last few years, we have certainly had the most incredible road construction program anywhere in Canada. One of the very important things to a rural member of the Legislature is transportation. I just made some notes of what has happened in my area in the time I have been in the Legislature: we've almost rebuilt primary Highway 36; the paving of Highway 41 and a brand new bridge in Vermilion, several million dollars; and we're twinning, rebuilding, and straightening Highway 16, the Yellowhead Highway. Three new airports are built and operating. There is no place in Canada that has matched or even come close to maintaining what they have.

Unfortunately, we have some socialists in this Legislature. They have apparently never driven in the western provinces that have had socialist governments. I can assure you, Mr. Speaker, that when we look at what we have, compared to what they have in provinces that have had socialist governments, we're far ahead.

I happened to sit on a board, and there were two other provinces on that board that had socialist governments. It didn't matter what it was that came up from Alberta, it had to be bad. I finally had to quit; I could not take the negativism from socialists. They talked all they wanted about health care and so on, but when it came to getting out and doing the things that might keep a province rolling and surviving, they just fell far short.

Mr. Speaker, in the last few years in our constituency, as in all others, every town and village has had their water and sewer and roads upgraded to almost a universal standard. Our senior citizens' housing is unmatched anywhere in the world. Our entire country, rural Alberta, is so nice compared to some of the other parts of this great land. Not that we don't have other nice places in Canada, but by and large there's nothing that can compare with Alberta.

We must keep that going. We must keep the push, the pressure on, to develop rural Alberta because that's really where the action is. There are a lot of buildings, a lot of hospital care, scientific research, and that, done in the large cities; I'm not knocking that at all. But the real action is in the country, where the crops are grown; where the mines, the oil and gas fields, and the pipelines are located; and where all the good things happen. You don't see many oil wells, feedlots, or good things like that in downtown Edmonton. So I'm proud to represent and be part of a government that has had the vision to help over 200 growth centres in this province.

Our agricultural industry is suffering a bit now in cattle prices and the lack of price for grain and other commodities. But agriculture always was a cyclical occupation, and we'll pull out of this. I know that the Minister of Agriculture has some first-hand knowledge of agriculture and what it really means. He's certainly invited to come to our constituency any time to meet with our farmers and business people and to have a look at some of the prettiest parts of Alberta. In June and July, it's just got to be one of the very prettiest parts of Canada.

I would really like to compliment you, Mr. Speaker, on the way you have handled yourself in the eight years I've

been a member of this Legislature. I know that you are eminently fair, and with your guidance in the House and with all of us working together for the same end result — that being a better Alberta and a better Canada — this province will pull out of this temporary slump we're in, and we will have, as we have now, the most advanced, self-sufficient province in Canada.

Thank you.

MR. HORSMAN: Mr. Speaker, I would like to take this opportunity to participate in the debate on the 1983-84 budget and on the speech delivered in the Assembly last Thursday evening by my colleague the Provincial Treasurer. But in doing so, I would like to take a few moments to talk a little about the constituency of Medicine Hat, to inform some of the new members of the nature of the constituency, its history, its current economic situation and, finally, how it may be impacted by the budget which is before the Assembly at the present time.

First of all, Mr. Speaker, I would like to lead off by saying, in this my first speech in this session, that this year of 1983 is a very significant and important year for the community in which I live and which I have the honor to represent in this Assembly. This is the 100th anniversary of the founding of the city of Medicine Hat. It is our centennial year.

Therefore, in short order, I will be distributing to each member of the Assembly, for them all to wear on an appropriate occasion, a significant emblem representing and acknowledging Medicine Hat's 100th anniversary. I have the pleasure to be wearing a badge today. I know that all members of the Assembly, some in particular, are avid collectors of mementos of that nature, and I will add to their collections. In addition, Mr. Speaker, I will be providing each member with a copy of a very beautiful book entitled *Medicine Hat, Alberta*, which outlines in some way the background and the history, and contains a pictorial display of some of the buildings that now exist in the community of Medicine Hat.

The city of Medicine Hat, as I say, is 100 years old this year. Its name is based upon an Indian name, *Saamis*, which means "Place of the Medicine Man's Hat". I will not repeat the history outlined in the booklet which will be provided to all members, but of course it relates to the legend that at one time, while crossing the river on his horse, a medicine man stumbled and fell and lost his head-dress in midstream. The place therefore became known as Place of the Medicine Man's Hat, which was then shortened by European settlers to Medicine Hat. It's certainly unique in Canadian place names, and I hope it will always be remembered by people of Canada and visitors to this country.

Mr. Speaker, in 1883 the Canadian Pacific railway, during the course of its construction, arrived at the banks of the South Saskatchewan River. It was necessary to build a river crossing to take the railway on its journey to the Pacific, and a tent town sprang up in the early part of 1883. That tent town gradually became a permanent community and became the city of Medicine Hat.

This is a year of celebration, and we're going to have a lot to celebrate in Medicine Hat on its 100th anniversary. On New Year's Day afternoon over 4,000 people attended the opening celebrations which took place in the Arena Convention Centre, where we had musical and historical depictions of the history of the community. One of the key elements of that celebration was the depiction of the very many volunteer organizations that came marching into the arena, dozens upon dozens of voluntary organi-

zations that have grown up to serve the community I have the pleasure and honor to represent. It was a most impressive ceremony, and brought home to me and to the people there the importance of the role of the volunteer in our society.

The next major event — and there are literally dozens to take place this year; I can't touch upon all of them — was the hosting in Medicine Hat of the Uniroyal World Junior Curling Championships which took place between March 13 and March 19. On the 13th, it was an honor for our community to have the Governor General of Canada attend and officially open the curling championships.

It was my great pleasure on the 19th to host the closing banquet for visitors from 10 countries, including Canada, and their teams who came to Medicine Hat to curl in the world championships. And on behalf of the people of Alberta, and on your behalf, Mr. Speaker, and all of us, it was my honor to extend to the winning team — which fortunately was from Canada this year, represented by an outstanding young Canadian, a delightful young man, John Base, as skip, and the rest of his team from Ontario. Mr. Speaker, that was a very significant event in the life of a community such as Medicine Hat.

[Mr. Anderson in the Chair]

Mr. Speaker, I'd like to point out that in addition to the community itself celebrating a 100th anniversary this year, there are two churches which also celebrate the fact that church services began in Medicine Hat the very same year the first settlers arrived. I'm pleased that the first such celebration will take place on June 3, and is of the church to which I belong, St. John's Presbyterian, which, in addition to having served the community and the spiritual needs of its congregations for the past 100 years, served as well for many years as the first schoolhouse in the community. So what came to Medicine Hat 100 years ago were people who were prepared to start right away in providing a spiritual home for the people of the community and, as well, teaching the young people to make sure they had a proper education right from the very beginning.

The second church which will celebrate its 100th anniversary in November of this year is what is now known as Fifth Avenue United church. There has been some argument, Mr. Speaker, as to whether the Methodists had the first church service in Medicine Hat or the Presbyterians, but in view of the actual dates of the celebration, the nod in this case apparently goes to the Presbyterians. But in any event, it was not long after that that other major denominations came to Medicine Hat to provide a spiritual home for the people of the community.

The official birthday of Medicine Hat will take place on June 10. It will be a day of great celebration. The whole day will be dedicated to what will be called the *Saamis* jubilee and the heritage festival, with the CPR historical train being present in the community. The evening will be concluded by the RCMP regimental ball. I look forward to participating in all those events on June 10. Other members of the Assembly may be elsewhere in Canada, perhaps in Ottawa, but I won't be, because I believe it to be my responsibility as a member of the Legislature to be in Medicine Hat on June 10 to take part in those official celebrations. Whether or not I'll be in Ottawa on June 11 remains to be seen.

Other significant events will take place during the summer months. There will be a reunion of the Alexandra high school and St. Theresa's academy, which I

understand has attracted several thousand people who attended those two institutions of secondary education over the years and will be returning to Medicine Hat; so many in fact that because of the great interest, they've had to cut off the registration. That will take place on the weekend starting July 1, Canada's birthday, which for some years has been celebrated in Medicine Hat with a very large picnic.

As well in July, Medicine Hat will host the southern Alberta Summer Games. Of course that will be followed by what I regard to be the finest exhibition and stampede put on anywhere in the province of Alberta and, indeed, in western Canada. I might even take a certain amount of pride in saying that the rodeo events that take place in Medicine Hat during the course of the stampede are unmatched anywhere in North America.

Members will be pleased to learn that our Premier, the Hon. Peter Lougheed, has consented to be the guest at the official opening of the Medicine Hat exhibition and stampede this year. I look forward, as do the citizens of Medicine Hat, to his visit on that occasion, during which he will officially participate in Medicine Hat's 100th birthday, and I invite all hon. members to come along and see what I mean about the Medicine Hat exhibition and stampede.

Conventions, sporting events, and cultural activities of all sorts will take place during the year. Mr. Speaker, already several provincial conventions have taken place in the community, and there will be many, many more, too numerous to mention. It will all conclude, quite appropriately, with a community Christmas party on December 17, at which time we will get together as a community and look back on a year of great significance. No doubt those of the many thousands of us who assembled in the Arena Convention Centre on January 1 will look back with fond memories on the year of activities, celebration, growing and getting together, and getting to know each other better.

Medicine Hat has grown since that small tent town appeared on the shores of the South Saskatchewan River 100 years ago. It has grown to a community now of over 40,000 people, and of course its base is very diversified. I should add that prior to the coming of the railway, ranching had started in what is now southeastern Alberta and southwestern Saskatchewan but at that time was known as the District of Assiniboin in the Northwest Territories. Ranchers had come in to take advantage of the shortgrass country and the nature of the terrain, which was ideal for raising cattle.

But following the coming of the railway, diversification really began and industry, based upon the early discovery of vast reserves of natural gas and coal, sprang up. Those two energy sources were well utilized to establish an industrial base which remains today. That industrial base includes such manufacturing concerns as brick, tile, ceramics, and glass. Of course utilizing natural gas as a feedstock, we have moved into the production of petrochemicals in a very major way in the last few years.

The agricultural community has diversified substantially. The milling industry has had its ups and downs but continues to provide a source of employment for the community and, of course, a market for the production of agricultural products in the southeast corner of the province. Greenhouses form a very important agricultural endeavor in Medicine Hat and, I might add as well, in the adjacent community of Redcliff, which is represented by my colleague from Cypress. Because of the dramatic growth of irrigation over the past several years, the

economy in the agricultural sector is diversifying rapidly.

In that respect, Mr. Speaker, I wish to commend the hon. Provincial Treasurer and my colleagues in government for the specific and particular attention paid to the development of irrigation, particularly through the Alberta Heritage Savings Trust Fund capital projects division, over the past several years. We believe that given the hours of sunlight and the heat units available for agricultural production and given water properly applied through irrigation, we can indeed substantially enhance and diversify the agricultural produce which comes from the soil in our region of Alberta.

From that will grow eventually further diversification of agricultural processing and manufacturing. All these elements are extremely important to the growth and development of not only the city of Medicine Hat but indeed the entire province. Those of us who live in Medicine Hat believe that the whole economy of Canada will be substantially enhanced by a further diversification of the agricultural industry as well as taking advantage of other natural advantages, particularly natural gas.

[Mr. Speaker in the Chair]

But all these things have not come about without people, Mr. Speaker. I want to talk about the people. Of course the plains were originally the home of the Indians and subsequently the Metis. But in most cases those peoples have moved on or have settled elsewhere as a result of treaties. There are not very many of the original peoples who still reside in the southeast corner of Alberta.

The early settlers who came were primarily of British origin, the ranching community almost entirely so. But subsequent to the turn of the century, Mr. Speaker, large numbers of immigrants began arriving in Medicine Hat and district, primarily German-speaking people who had been displaced from Bessarabia as a result of actions taken by the government of czarist Russia. These German-speaking peoples formed the base, in large measure, of a very substantial agricultural growth.

During World War II, I might add, Mr. Speaker, Medicine Hat had one of the largest prisoner-of-war camps ever assembled in Canada. In fact the population of the prisoner-of-war camp in Medicine Hat was 12,500 at a time when the population of the community was 12,800 and some. There were 800 guards, I might add, or fewer, to look after those 12,500 German prisoners of war. That was quite an achievement for a community such as Medicine Hat, which also served as a base for the Commonwealth air training establishment during the Second World War.

Following the Second World War, a new wave of immigration came, and we now have in Medicine Hat people of many cultures who are extremely proud of their rich heritage. On many occasions we have the opportunity to acknowledge the actions that this government has taken to encourage the retention of cultural activities and heritage. I wish to pay particular tribute to the Department of Culture in this province for its encouragement of all the groups that have come to settle with us in our community.

Let me now deal briefly with the budget and what it has meant to Medicine Hat. The first and most evident expansion in the field of capital respects the development of the regional hospital. Over \$36 million is allocated towards the continuation of that development. I might add, Mr. Speaker, that the very first permanent hospital

in the Northwest Territories was built in the city of Medicine Hat, then a very small town. I regret that it was not preserved as an historic site. Thank goodness we are now taking steps to preserve many of our historic buildings as historic sites. The new hospital is under construction and, obviously, we hope will serve the needs of the region for many years to come.

I take particular pleasure, Mr. Speaker, in underlining the fact that the Medicine Hat courthouse will be expanded. It will be expanded in the setting adjacent to the new city hall, which is presently under construction on the banks of the South Saskatchewan River. Together the city hall, the courthouse, and the river valley park, which is being developed under the Alberta Heritage Savings Trust Fund, will add substantially to the beautification of the community and, at the same time, provide a vital element in revitalizing the downtown area of the community of Medicine Hat. From the library corner through the civic buildings, the recreational areas, through Lion's Park, through Strathcona Island — tied together by the Alberta Heritage Savings Trust Fund regional park development — we will have a proper and effective use of our most attractive natural, physical element, the river.

I might add, Mr. Speaker, that despite what has been alleged, I'm pleased to announce that from the information provided by my colleague the Minister of Culture, there will be a 14 per cent increase in funding for the Medicine Hat library for their operating costs. I noted some comments in *Hansard* that there was going to be a cutback. From the information I have, it is not apparent that such will be the case.

Mr. Speaker, the Medicine Hat College is now in the midst of completing a centre to serve the cultural needs of the community, together with the school system. I might add that three new schools were completed and opened in Medicine Hat last year, two by the public school system and one by the Roman Catholic separate school system. I had the pleasure of attending the opening of each of those three new schools, in very real measure funded as a result of the co-operation of this government, again emphasizing the thrust of the development of outstanding school systems in the community. I'm pleased that that type of financial contribution and assistance has been made available by the people of Alberta through this government.

Mr. Speaker, I cannot close without making reference to the Trans-Canada Highway twinning program. I was particularly pleased, despite what *The Calgary Herald* may say, that the Trans-Canada Highway and the Yellowhead Highway twinning projects will continue to proceed, and in fact the commitment which was made to the people who live along those highways and all the people of Alberta who use them. Those projects will continue unabated despite the fact that we are exercising some economic restraint this year.

As a government, we believe that we can get as much done this year as we did in previous years, despite the fact that there is somewhat less money being spent in the capital budget. It is still, Mr. Speaker, a capital budget hardly contemplated by any other province in this country at this time. I look forward to the continuation of the twinning program in several segments during the course of this coming building year.

Mr. Speaker, I wish to conclude by thanking the people of Medicine Hat who gave me their confidence once again on November 2, 1983, when they re-elected me for my third term in this Legislative Assembly.

AN HON. MEMBER: Nineteen eighty-two.

MR. HORSMAN: Did I say 1983? Well let me correct myself: November 2, 1982.

In my first election, Mr. Speaker, I shared a rather nervous night, I gather, along with the Member for Spirit River-Fairview. He and I were fighting it out for the member who had the lowest plurality. I won by 130 votes, and I think he won by 100 or 99, or something like that. I improved upon my margin considerably, and he has improved on his, but not quite as well. However, he has doubled the representation of his party, much to my regret.

But I'm indeed proud to represent a community such as Medicine Hat in its 100th year, and to follow the tradition of those who went before me in saying that I believe a community such as mine — and I think this applies generally to the people in Alberta — came here with strong beliefs. They came here with strong religious beliefs. They founded churches, schools, and hospitals, and they did so right away. They came here with a strong belief in hard work. They didn't believe that everything should be given to them.

Certainly they didn't believe everything should be given to them by the government. They believed in the strong volunteer efforts of neighbors working together. That's why I was so proud to see dozens of service organizations — service clubs, sports organizations, recreational organizations — march into the Arena Convention Centre on January 1, all of them prepared to work together to serve their fellow man, their fellow citizens.

I want to pay tribute to the people who stood for elected office. Going back to the days when Medicine Hat was part of the Northwest Territories, the first Member of the Legislative Assembly was Thomas Tweed — with a name like that, he was obviously a Scotsman — followed by other members of this Assembly who served with distinction, including the first member of the government of Mr. Rutherford, Mr. Finlay, who occupied a Treasury position, and so on over the years. The elected officials who stood for school boards, hospital boards, and city councils made Medicine Hat and Alberta a better place to be.

I believe that the citizens of Medicine Hat still believe in those same principles. I look forward to a future, Mr. Speaker, when those same principles will be applied. If I may, I will conclude by quoting from St. Matthew, chapter 7, verses 24 to 27. On the same principles as these, those people came to Medicine Hat. They have continued to build there and will continue to build in the future.

Therefore whosoever heareth these sayings of mine, and doeth them, I will liken him unto a wise man, which built his house upon a rock:

And the rain descended, and the floods came, and the winds blew, and beat upon that house; and it fell not: for it was founded upon a rock.

And every one that heareth these sayings of mine, and doeth them not, shall be likened unto a foolish man, which built his house upon the sand:

And the rain descended, and the floods came, and the winds blew, and beat upon that house; and it fell: and great was the fall of it.

Mr. Speaker, we have built our community of Medicine Hat upon a rock. We have built Alberta and Canada upon a rock. I believe it will stand, and it will not fall.

Thank you, Mr. Speaker.

MR. HYLAND: Mr. Speaker, it's a pleasure to take part in the budget debate. One of my colleagues was just saying this is almost unbearable — two southern speakers, speaking one after the other.

AN HON. MEMBER: Agreed.

MR. HYLAND: Well there is a bit of an advantage to that. The hon. Member for Medicine Hat, Minister of Federal and Intergovernmental Affairs, has outlined what his constituency is composed of in the city of Medicine Hat, and many of these people and their relations are in much of the area of Cypress.

For the benefit of new members, Cypress is a fairly large constituency. I believe the last enumeration was 9,100 people. I'm not sure how many cattle — probably 10 times what there are people, or more. Some of my colleagues think that's small by numbers — and for the Member for Calgary McCall, it is — but it is quite large in area. Part of the constituency is composed of irrigation. The largest part of the St. Mary-Milk River irrigation district is inside the boundaries of the constituency. The remainder of the constituency — the majority of it — is composed of dryland farming. Also across the southern part of the constituency and partially up the Saskatchewan border is short-grass ranching.

The major town in the constituency is Redcliff, which is adjacent to the city of Medicine Hat. Redcliff has a couple of major industries: Dominion Glass, which is right inside the town limits and has been there for a large number of years, and the brick plant, which has also been in existence for a number of years. These two industries form the majority of the industry in the constituency.

There is a great deal of industry in the city of Medicine Hat, where the people that live in the town of Redcliff go to work. It's a short distance, maybe half a mile, from almost anywhere in Redcliff to the industrial sites in the northern part of Medicine Hat. So that's the reason why a limited industry, with a large number of people in the town working in different industries.

In the irrigation area, the Heritage Savings Trust Fund is playing a very large role. We have some projects going on now, a major project on the main canal reaching from Highway No. 3 to Stafford reservoir. I think that project is somewhere in the \$10 million plus category, and it is for widening and upgrading of that canal so it will stop some of the leakage and straighten the canal in some spots so it will convey the water better and serve the farmers in the area much better.

We also have a project south of Bow Island that is covering approximately 7,000 plus acres, where they are putting the entire irrigation works underground in pipe. That pipe will be pressurized, and the farmers will have no need for sprinkler pumps. This whole area will be served from one major pump station about four miles south of town, where it will be delivered to the farmer's outlet at about 70 to 75 pounds pressure. This will enable him to put it through his systems without needing a booster pump or any open ditches or anything like that on his farm.

One of the reasons why this project went ahead was the active involvement and the work of the farmers, the time they spent with the irrigation district to get this on the priority list, and indeed the support they paid for this project. This project was funded under the Department of Agriculture, under the 86/14 formula. The farmers paid almost the total amount of the 14 per cent to have this system installed and replace the open ditches that existed

in this area before.

As I said previously, Mr. Speaker, agriculture plays a large role in the constituency of Cypress, and this year, as everywhere, we are experiencing some problems with agriculture. One of the problems is related to white beans and colored beans that are grown in the area and processed in the plant in Bow Island. That plant is now owned by Alberta Wheat Pool. The problem that exists with beans is that there is no market right now or doesn't seem to be a market, or there is a very limited market. In the areas of the world where these beans formerly were grown, I suspect there's probably a severe lack of dollars for buying the product, so they are reducing their internal food supplies instead of buying a product to supplement them.

The Pulse Growers Association has approached the federal stabilization board to have beans included under the stabilization Act. They have received support from the provincial government in their attempts to have beans included under the Act. They are still working in conjunction with the provincial government and the Department and Minister of Agriculture to encourage the federal government to include beans under the stabilization Act. It's my understanding that beans grown in other parts of Canada are indeed included under the stabilization Act. Yet these types of beans that are grown in western Canada are not.

Many members that have heard me speak before in the Legislature on issues relating to either agriculture or the throne debate have heard me talk many times about soft white wheat. Soft white wheat is becoming a major industry in the irrigation areas. It's a product that doesn't compete with the wheat grown on dryland. This wheat cannot be grown on dryland and obtain the low protein necessary for the markets that it can get into. So it's strictly irrigation wheat.

This year there is a tremendous increase in the acres devoted to soft white wheat. I believe there were about 169,000 acres of this wheat last year. I would expect there will be at least that many acres this year. The price of soft white wheat is a little less than ordinary wheat, but it will grow well on irrigation, the yield is quite high, and in the last few years it has been a product moving through the system. It generates the cash flow that's needed for irrigation farmers when they have high input costs to contend with.

This year part of the reason why such a large amount of wheat moved in a short period of time was that there were problems with the soft white wheat grown in Ontario and they needed to have good quality wheat without the problem with the poison in it. They needed that wheat to mix with the Ontario wheat. We got rid of a large amount of wheat to Ontario growers so they could move their product. It helped us and it assisted them.

Mr. Speaker, that's a place where we don't always know if we are going to have that market for that wheat. The Soft White Wheat Growers Association has been very active in the last number of years and, because of direction from an annual meeting, they are now doing some investigation along with the Department of Agriculture into the possibilities and the benefits of their becoming a commission so they can better promote their product and take an active part in the promotion of the product.

Mr. Speaker, as we look in the budget, we look at economic development and \$65.5 million for the Prince Rupert terminal, a very large commitment for the agricultural-oriented of this province, a commitment that in time I believe will revolutionize the loading of grain at

the coast. If Rupert works, it will relieve some of the pressure on other terminals and allow them to load ships more quickly so we don't always hear stories coming back that they'd have liked to have bought some of our wheat. But just for one boatload some of the elevator companies, or the dealers, or others involved were just too nervous about our ability to deliver and our ability to get it to tidewater on time.

[Mr. Appleby in the Chair]

Mr. Speaker, some comments about housing. It's my understanding that loans on mobile homes are not as easy to get as those on houses. In many areas, banks require up to 25 per cent as down payment for a new mobile home, whereas under some of our programs with housing I believe we are somewhere between the 5 and 10 per cent mark with the availability of using sweat-equity into reducing that percentage. I think this financing has to be looked at so that people who wish to buy a mobile — it could be for many reasons. A son who is going to farm with his father wants to buy a mobile so he can sit on the farm for a number of years until the father decides to retire, instead of building a brand-new house and there may be a very good house there already. Cost-wise for them it would just be prohibitive.

We also need ... Gee, I didn't think my speech was that bad. [interjections] Mr. Speaker, they seem to be all going to sleep on me.

I believe that to finance a used mobile home now, if the unit is any older than 7 years, it's almost an impossibility unless you have some other collateral. If it's between that time and being a new unit, you are looking at somewhere in the time limit of 15 years with 30 per cent down.

Again, we get into problems that I think not just the government but the Department of Housing should be looking at, along with private industry, to see if they can indeed change that financing system to allow those who wish to buy these homes a lower down payment, a longer period of time, and allow those who feel they can't afford a new one, maybe one that's older than 7 years old but is in very good shape with absolutely nothing wrong with it. Now you're looking at terms that you just can't handle. You've got to have a very large down payment and a limited time 5-year payback or something like that; it's just impossible to do.

Next I'd like to talk a little bit about workers' health, safety and compensation and the increased assessment that the Workers' Compensation Board has put on some industries. I've been contacted by the president of the Medicine Hat Canadian Manufacturers' Association, expressing his concerns with the large increase in assessments that they have put against this group. I just forward his concerns to the Assembly.

It would seem odd that the assessments in the compensation board would have to increase very drastically last year when, as we read our figures of unemployment and employment, there were a lot of people who weren't working. So how did we get so many accidents? How did we get such a high cost? Is it administration? If that's the case, it would lead one to believe that in the years when there was a hub of activity — why were the costs what they were then?

I think it's something that needs to be looked at, Mr. Speaker, because an industry such as the manufacturing industry is finding it tough to compete right now. A large increase in assessment over their previous year makes it all that much more difficult for them to compete and get

contracts, and to employ the people they have been employing all along.

Mr. Speaker, I look forward to the minister's thoughts on that when his estimates are on, and his thoughts on — I understand there is movement in some provinces on payout on certain injuries where, if the client wants to receive a payout on an injury instead of a monthly pension of a few dollars, they are allowed to do that. I hope the minister would be looking at things such as these.

Mr. Speaker, we've heard a lot about education in the last while, about comprehensive exams from the discussion paper from the minister. I would like to say I've got a number of letters. I believe just about every student in the grade 10 social studies class in Senator Gershaw high has written me a letter on what they think of comprehensive exams. I'm sure, Mr. Minister, you'd be interested to know that about half of them are for and about half against; a very good split. The letters are well-written, well thought out. For those that say that, in some cases, students coming out of school can't read, write, or compose, I would ask them to look at some of these correspondences. They are well put together. They lay out their views, and they express them very well.

Mr. Speaker, like many MLAs, I've had meetings with various local groups of teachers discussing the comprehensive exams, as well as a number of other issues. One issue that was brought up was that students are supposedly coming out of school unable to read properly, write essays properly, et cetera. One thing that came up from one of the teachers during that discussion was that 10-plus years ago, when he came to town to teach, they were spending about 1,000 minutes a week on the three R's. Now because of curriculum changes — a recent one that will be coming in next year, I believe, including drama in elementary school — what we call the three R's will be down to 540 minutes a week.

Mr. Speaker, for me, a person who's not been involved in the education field, it is hard to understand that we as government in the Department of Education and the curriculum committee are advising changes in the curriculum that are indeed taking time away from the three R's and, in the same breath, saying we have to do something to get the three R's back into schools. We have to do something to get these students to be able to write when they leave grade 12. We have to do something to get these students to be able to read. If you are cutting out on those kinds of things and putting in such things as drama, as a lay person, it's very difficult for me to understand. Maybe after I get through, some of my colleagues who are involved in the field of education will explain it to me.

Mr. Speaker, another comment that I think I should pass on is that naturally they were concerned with the 5 per cent funding related to the Education Department. The comments made were that, okay, it's in a period of restraint, a period when we have to reassess our programs and priorities. But if we have to live within that 5 per cent, as people who work there, other parts of the province and organizations funded by government should have to live in that 5 per cent. I suppose, Mr. Speaker, they were indicating that the settlements that have been made for other sectors of our industry, especially those relating to the arbitration settlements where it was higher than what was awarded — they felt that what is fair to one should be fair to all.

Mr. Speaker, another thing that has very recently come up in my constituency and is gaining a lot of publicity — in fact, tonight there's a meeting — is ecological areas, a

very innocent little Bill we as members of this Legislature passed two or three years ago that was not going to affect anybody very much. Well, it depends what very much is: a 6,720-hectare or, in the language we all understand, 26-square-mile ecological area that will be held out, and has been held out, from active use; an area against the American border to be known as Milk River canyon.

Mr. Speaker, I think we'd better assess our priorities. I agree that there may be areas that need to be protected. But we sure as heck don't need 26 square miles to protect some yucca plants, horny toads — or whatever they're called. I think that's what it is, if I can find it in here. A much smaller area would do. About five miles away from this reserve, they propose to have another one: Pinhorn. This one is reasonable, 125 hectares. Another one within a couple or three miles from that is Sage Grouse, 259 hectares. Those sizes, I would submit, are more reasonable than the 26 square miles where we sit with that much land out of active use. Accessibility is not that great.

If they're going to protect something — so they publicize it. I would submit to you, Mr. Speaker, that the greatest way not to protect it is to tell everybody about it. If you hold it there and keep your mouth shut, nobody is going to find out about it and it'll be there for future generations. Those that would be interested can find it. But if you publicize it and have it out there, everybody is going to be going out looking. Pretty soon we can forget about it. We have seen that with some of the rocks at Writing-on-Stone, where the Indian writing has been abused, carved over, and whatever else by the people who visit it. I would suspect that that same thing might happen there.

Mr. Speaker, transportation: very quickly, there is a substantial increase in the transportation budget. But as a rural member, I guess I'd be less than honest to say that, if one ever got enough roads and enough money to build roads, I don't think you could have enough money to make every MLA and county councillor happy. We need to work harder, I think, with our priority system in conjunction with the Department of Transportation and the counties, IDs, and road authorities involved to see that the money is spent where it is most needed, to upgrade the right roads so they gain the most use.

Mr. Speaker, the comments I've had on the budget over the weekend were that the people were happy with it. In a time of restraint, they thought we made the right moves. We kept government increases to 7.5 per cent, and we had come to the realization that we cannot, as the federal government does, keep on borrowing to borrow our way out of a deficit. It's something you cannot do. We've reduced our deficit by about two-thirds, I guess, from \$2 billion plus to \$800 million. I would hope that next year, when we see the budget, that figure will be much less, hopefully in a positive situation. I think the people realize and are supportive of that.

Mr. Speaker, finally I'd like to thank those constituents of Cypress who saw fit to re-elect me in the November 2, 1982, election. I had an opportunity again to visit with a great many of them during the campaign. I thank them for their support and the support they expressed to the team that we have in sending me back to be their representative in the Legislature.

Mr. Speaker, I think that about winds up my remarks. Because of the time, I'll quit and use my other three pages of notes during the estimates of the various departments.

Thank you, Mr. Speaker.

MR. RUSSELL: Mr. Speaker, I beg leave to adjourn debate.

MR. DEPUTY SPEAKER: You all heard the request to adjourn debate. Are you all agreed?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: It is so ordered.

MR. CRAWFORD: Mr. Speaker, I move we call it 5:30.

MR. DEPUTY SPEAKER: Are you all agreed?

HON. MEMBERS: Agreed.

[The House recessed at 5:28 p.m. and resumed at 8 p.m.]

MR. CRAWFORD: Mr. Speaker, I wonder if the Assembly would give me unanimous leave to revert to Notices of Motions.

MR. SPEAKER: Does the hon. Government House Leader have unanimous leave?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

head: **NOTICES OF MOTIONS**

MR. CRAWFORD: Mr. Speaker, I'd like to give notice of a motion that I propose to call during the designated government business tomorrow afternoon, as follows: that the Select Standing Committee on Privileges and Elections, Standing Orders and Printing take under consideration the question of allocation of office space to opposition members and report its recommendations to the Assembly on Wednesday, March 30, 1983, and that a motion for concurrence in the report may be made at any time thereafter, without notice.

head: **GOVERNMENT MOTIONS**

(continued)

9. Moved by Mr. Hyndman:

Be it resolved that the Assembly approve in general the fiscal policies of the government.

[Adjourned debate March 28: Mr. Russell]

MR. RUSSELL: Mr. Speaker, I rise tonight to participate in the budget debate and share some various serious concerns and some proposed solutions with respect to the matter of funding Alberta's health care system. I want to congratulate my colleague the hon. Provincial Treasurer for bringing in what I think was an excellent budget, knowing the challenges he faced with respect to revenues. In my own case, I am more than keenly aware of the rising costs. Just before this Legislature assembled, we had to pass a special warrant for \$150 million to put additional funding into our health care system. That's

merely symptomatic of the challenge that faces all governments, probably in the world but certainly in North America, with respect to the problems of health care financing.

It's interesting to note that in the 20-year period between 1960 and 1980, Canada went from 5.6 per cent of its gross national product to 7.9 per cent of the product, with respect to contributions to health care. During the same period, the United States started out lower than us, at 5.3 per cent, but are now considerably higher, at 9.8 per cent, and still growing. So the cost of health care each year is consuming more and more of the gross national products of the expanding nations on the North American continent.

During the last decade, the per-capita costs of health care in Alberta went from \$327 to \$1,154. In Canada, the same figures went from \$322 to \$1,051. So again you can see, going back from the national figure to our scene here in Alberta, we are increasing at a more rapid rate than the national average. Our patient day cost in hospitals during this same period has gone from \$66 to over \$230. During that same decade, the median gross payments to our doctors went from \$42,000 to \$84,000 per year, exactly double. During that time, a single person's health care premium only increased from \$69 to \$114 per year.

That's a range of statistics that I want to throw out to set the tone and pace for the remarks I'm going to make, because I'm going to lay before you a fairly difficult and challenging problem, but not without its excitement too. I recall in 1971, the last year the Social Credit Party formed the government of this province, the then Provincial Treasurer brought in Alberta's first \$1 billion budget — \$1 billion the cost to government for all departments, and that was a breakthrough. In 1979, the first year I held the portfolio of Minister of Hospitals and Medical Care, I brought in the first department budget that broke through the \$1 billion mark, and three years later, in 1982, brought in the first department budget that broke the \$2 billion mark. So you can see the rate at which health care costs are expanding, and I think it's fairly self-evident that the revenues necessary to support a program of that nature haven't kept up.

If we go to this year's budget, you'll see that the Provincial Treasurer has brought in an overall operating increase for government of 4.7 per cent, whereas the Hospitals and Medical Care Department is 9 per cent. The Provincial Treasurer has decreased capital requirements by 10.4 per cent; the Hospitals and Medical Care Department has gone up 49 per cent over last year. Overall, the Provincial Treasurer is looking at a blended increase of 1.3 per cent, but in Hospitals and Medical Care we're looking at 14.6 per cent.

Now if it were a small department and the number of dollars we were talking about was relatively small, those figures wouldn't necessarily be important. But this year my department is asking for \$2.2 billion out of a total of \$9.4 billion of the provincial budget, nearly one-quarter, 23 per cent of the provincial budget, and growing at a rate much faster than the Provincial Treasurer's revenues or the rest of the provincial budget. So there's a challenge there, Mr. Speaker, and I haven't even told the whole story. Another \$400 million-plus is also spent by way of public funds, via what we collect in premiums, contributions from the Canadian government, and our own Alberta Heritage Savings Trust Fund dollars. So we're talking about a lot of money.

I'd like to break my remarks down into two parts tonight, Mr. Speaker: first, talk about the capital part of

the budget, because it's very significant and, secondly, the operating. In operating, I'll be talking about two sections, medical care and hospitalization.

First of all, in capital, we've instituted a program that I think is incredibly exciting. We've gone back, and we are rebuilding a hospital system that was rapidly becoming obsolete or too small because of the rapid growth and the economic surges that have happened in Alberta. At the same time, we're trying to dramatically expand the system to take care of a rapid increase in population. This year the budget request I'm putting in front of the Legislature for capital purchases has increased 55 per cent over last year's \$236 million vote, to a gross figure of \$366 million. In anybody's terms, I think that's a pretty significant boost for not only the hospital system but the Alberta economy for the coming 12 months.

There are four major parts to this capital program, and they're important. When I say parts, I mean thrusts. First of all, we want to continue the impetus of the overall directions of the program I mentioned to you earlier. We want to continue preparing for the four major urban hospitals which I previously made reference to and which will provide another 2,000 active-care beds for the citizens of Alberta. We want to start some very significant planning for some of the existing major metropolitan hospitals that are simply becoming obsolete and worn out and are going to need replacing in the next few years. Last but not least, we want to continue the very significant Heritage Savings Trust Fund projects.

I'd like to mention some highlights of what's involved in what I've just mentioned, Mr. Speaker, to give you an idea of what we're talking about. This means that work will continue on some 78 hospitals in a variety of communities throughout Alberta and involve approximately 95 different construction projects. To give you an idea of what's involved, \$37 million is proposed for continuing work at Rockyview hospital in Calgary, \$33 million for the new regional hospital in Grande Prairie, another \$21 million for the Lethbridge regional hospital, and \$33 million for the Medicine Hat regional hospital. In addition to those major centres, there's another \$175 million for a variety of new and renovated hospital projects in communities from one end of the province to the other. We also included a request for \$15 million for improvements and additions to long-term care facilities.

I am also kind of excited about two special projects, Mr. Speaker. Two of these new hospitals that are being continued will have special units attached to them for the medically dependent handicapped who are being moved from the site at Calgary. Those units will be located at Bow Island and Fort Macleod.

I mentioned the work continuing on the four urban hospitals that were previously announced, and I'm very sorry to say that there's going to be a slowdown. We had things geared up to start construction in April 1983 and, under current economic conditions, that's simply not going to be possible. I think anyone who is able to visualize the cash-flow requirements for those four hospitals once they are put into the construction stage can see the magnitude of the problem there in a program that's on a pay-as-you-go basis.

We've come up with a solution which I think will meet the requirements of our citizens very well. We've got \$9 million in the budget this year to continue and finish the planning for all four hospitals. In addition to that, my colleague in Public Works, Supply and Services is purchasing the necessary sites, because the municipalities do not wish to provide them under the conditions we've

outlined. So the sites will be purchased, the zoning and planning requirements that are necessary will have all been cleared up, the planning will be finished, and we'll be ready. We'll have those rolls of drawings on the shelf by this fall, and as soon as the window is open with some more capital funds, those hospitals will start to go. I can't give any more details on that at the present time. I've outlined some of the other work we are doing in the cities and on other projects, and I think we'll get by just fine with that new revised schedule.

In addition to that, there is significant planning money, and we're very anxious to keep planning and programming activities going during this particular period in the Alberta economy, Mr. Speaker. So for the Calgary General hospital board, there is \$2 million to start planning their redevelopment program, \$1.6 million for the Calgary Holy Cross, \$1.6 million for the Edmonton General, and \$1.8 million for the Edmonton Royal Alex. In addition, there is \$600,000 for the board of the Cross Cancer hospital to commence their programming for the new upgrading and rebuilding plans they have under way, and \$2.2 million for the Ponoka General hospital board for finishing programming work necessary for their new brain damage unit.

All in all, Mr. Speaker, I look at that and add on the \$100 million we've got in the Heritage Savings Trust Fund, and there's not another capital program in health care facilities like this anywhere in Canada. Nobody in this Legislature needs to be at all defensive about what we are doing with respect to health care facilities. This is an incredible program, and it's going to be a wonderful boost for our local building economy.

Mr. Speaker, I would now like to switch to the problem of operating, because while it's exciting to build these projects, of course it's a bigger challenge to find the money to run them. Historically, the rule of thumb has been — and it's proved true — that the capital cost of the building is multiplied by 40 per cent each year, and that's your annual operating budget. Every time I talk about a \$100 million hospital going up in some community, that means every year thereafter somebody has to find \$40 million to run it. That gives you some idea of the challenge that's facing not only this government but hospital boards in the future.

Not only is our hospital system expensive and challenging, but so is our health care system. There are two aspects to the health care system in Alberta, Mr. Speaker, and actually they're common across Canada. If you stop and think about those, you'll see the nature of the challenge that faces us as legislators. Our health care system is universal, and it's on demand. You just think about those two things for a moment: universal and on demand. That means that tomorrow morning everybody in this room could show up at a doctor's office and ask for, and probably receive, every test he felt was necessary to diagnose his health. If he didn't like what the first doctor told him, he could go to a second, a third, and a fourth. We've had some people go to as many as eight in one day for the kind of procedures I mentioned. The only thing that would be asked of the individual, by way of responsibility, is perhaps some extra billing. All the rest would be churned out by that computer over on Groat Road that does nothing but print cheques 365 days of the year. That's the nature of the problem, Mr. Speaker.

Last year our health care system costs increased 30 per cent over the previous year. When you're talking about a program in the neighborhood of \$600 million and looking at costs increasing 30 per cent a year, you know that

obviously something has to be done. You can't just keep reaching into the public purse, on a non-responsible basis, to fund a program of that nature.

I think even more disturbing than the 30 per cent increase in costs was the 17 per cent increase in utilization. We had a 4.5 per cent increase in population, so I can explain that much. But I cannot explain the other 12.5 per cent increase in utilization. I guess it just means that we're all seeing doctors more and, if that is another developing trend, of course that adds to the problem.

For the coming fiscal year, we expect the federal cash contribution to go from this year's \$77 million to \$83 million. The addition of \$6 million under the established programs financing Act isn't really a very significant increase. Although it's a lot of money, the amount of increase isn't very large when you look at the kinds of projections we're afraid are coming. The general revenue contribution we're asking for is going to be \$353 million. Earlier, during the Budget Address by my colleague, we mentioned that health care premiums are going to be raised. Something that my colleague didn't mention and which is optional is the Blue Cross plan, which covers a variety of optional health care services. Those premiums also will be significantly increased on July 1 of this year. One year later, we propose to turn the administration of that plan back from the Department of Hospitals and Medical Care to the Alberta Blue Cross plan, and hope to effect some additional savings that way.

I want to refer hon. members to the graph on page 77 of the Treasurer's Budget Address. Those of you who have it in front of you, it is a bar graph showing the health care premiums as a percentage of health care costs for any given year. If you draw a line through the graph at the level which we propose for the '83-84 fiscal year, you'll see that in the last 13 years there were 10 years when that share was higher and only three years when that share was lower. So the increases that we're asking citizens to contribute are very realistic when, in the life of the medicare plan, you look back to 1970. I want to make that point because I think it is important.

I mentioned the increase in premiums under the Blue Cross plan. Mr. Speaker, it's our belief that Alberta Blue Cross will start to devise a number of optional programs on a wider basis, giving citizens a wider choice of optional health care insurance that they may or may not wish to take out. We also expect that other insurance groups may enter that optional health care insurance field.

The last thing I want to talk about is the cost of running hospitals, because this is the year of decision and change. We've been talking about it, that it has been coming, and the year is here. About three years ago, we completed a very comprehensive report by a commission of private citizens on hospital utilization. We have the results of that. We've seen the questions that are still unanswered. We know where we think we can effect improvements in the use of our hospital buildings, and also ask for the co-operation of the medical profession in using those hospital facilities in a more efficient way. As a government department, we've also been doing a considerable amount of work with respect to trying to improve the operating practice of different hospitals and, in turn, get a better basis for our department to establish the annual budgets of each hospital. By annual budgets, I mean the grant which we turn over, on a global basis, to the various hospital boards.

We've come up with what we believe is a very exciting model. We call it the Medicus model — that's the name of the consultant involved in the last stages of doing this

— and propose to put three hospitals of different sizes on this new budgeting technique for the coming fiscal year. The three hospitals are the Foothills Provincial hospital in Calgary, the Medicine Hat general, and the Drumheller General hospital. We've also used the principles of that Medicus plan in carrying out what we called reassessments or responses to budget appeals put forward by a variety of hospital boards during the past 12 months.

While all this has been going on, we've been working very hard with the different boards in trying to establish what we think are nationally accepted standards with respect to staff/patient ratios, when they're related to the kinds of programs the different hospitals are delivering. So instead of building on the size of the hospital or what its budget was last year, we'll now look at a programming basis, the number of people necessary to deliver those programs throughout the year, and base our global support on that.

The last thing I want to mention in this overview of hospital operating costs is to remind people that for the last several years we've been saying that the day is ending when hospital budgets could be completely funded all the time, with autonomous boards, by global government funds or grants. We've had debates in this House about where additional discretionary funds may come from. We discussed lotteries. We discussed at some length a return to the system that used to be in place; that is, the local requisitioning on the property tax. We discussed the principle and the idea that a user pay some fair share of hospital costs.

Our caucus has considered this very weighty problem at some length during the past months, and effective October 1, 1983, a system of hospital user fees is going to be introduced into Alberta. It's a very fair system. As I describe it, I think you'll see the merits of it and the protections that have been built into the system to prevent anyone not receiving hospital care because they may not be able to afford a user fee.

The five principles of the plan are as follows. First of all, it's discretionary. We are merely going to make it permissive for boards, on an individual basis and at their own discretion, to set any number of a range of hospital user fees if in the judgment of the board they decide they need that additional money beyond the global grants we give them. It will be self-administering. We do not propose to set up a central bureaucracy to oversee this plan. The responsibility will fall on the hospital boards to charge the user fee, and on the user of the facilities to keep track of the fees he has paid throughout the year.

The third principle is that the range of fees all have a maximum, so there's not the possibility of it working a hardship on anybody. The fourth principle is that there's a very large class of exemptions — different kinds of Albertans we either don't want to have to pay user fees for the use of the hospitals or whom we believe may not be able to pay them. So those groups of citizens have all been exempted.

The last principle is that in any calendar year there is an annual limit that a family would be asked to contribute in the way of hospital user fees. That last principle is put there to safeguard against the possibility of any one family that may have a tough year with respect to the health of the family being financially hurt in a major way by a large range of hospital user fees.

Mr. Speaker, the net result of this plan that I'm announcing today is that no family will ever pay more than one day's average hospital costs in any given year in Alberta. For those who are able to afford it, I think that's

an extremely fair proposition to ask people to support.

To give hon. members an idea of the kinds of fees we're talking about, in the couple of minutes left I'll very quickly go over the schedule of user charges that will be permissive by way of regulation effective October 1, 1983: admission charge, \$10 maximum; emergency and outpatient charge, \$10 maximum; and the *per diem* charge, \$20 a day maximum or 10 per cent of the hospital's average *per diem* costs, whichever is less. The preferred rates which are added to the *per diem* charge for semiprivate and private rooms are \$8 and \$16 a day. At this time, we don't propose to make any changes in the charges for auxiliary hospitals or nursing homes.

The exemptions are fairly lengthy but, very quickly, we've tied them. All groups of citizens, including senior citizens, are tied to the income exemptions as now pertain to the health care insurance plan. So the unique part of that exemption is that senior citizens who can afford to pay will be asked to pay in some cases. This is a new thrust in our health care approach to senior citizens, but it's one they have asked us to do.

Social allowance recipients obviously won't be asked to pay, nor will newborns or children up to and including the age of six. Another large group of citizens who suffer from chronic illnesses or special diseases, special treatments which require a lot of hospital care, will be exempt from any of these charges. That includes people like cancer patients, those on renal dialysis, et cetera. The last group is another group that will be defined in detail in the regulations, children who have a single or multiple handicap and require some long-term hospitalization.

I mentioned that the maximum yearly charge will be set by regulation and, for a family, will be the average cost of one day's stay in the hospital.

So there it is, Mr. Speaker, an outline of some of the fiscal and financial considerations we as members will have to be concerned with as we deal with the health care plans of our citizens. I'm excited about them. I don't think there's another health minister in Canada that could stand up and reel off the list of benefits that I've just described. We have an incredible capital program on a pay-as-you-go basis. We've got the richest and broadest medicare plan in Canada, and all that is being delivered to citizens who enjoy the lowest taxation situation by far in our country.

Thank you very much.

MRS. CRIPPS: I didn't really want to speak. I was waiting for the hon. Member for Little Bow. Would you like to accept the invitation?

MR. NOTLEY: He's waiting for you, Shirley.

MRS. CRIPPS: Mr. Speaker, it is my pleasure to speak briefly in the budget debate today. I was out in my constituency last week, and I generally received favorable comment on the budget. Many of the businessmen I talked to stated that it wasn't as tough as they had anticipated it might be and, on the other hand, they felt it was a responsible position for the government to take and that it would add a certain amount of stimulus and stability to the business of this province.

I'm glad to follow the Minister of Hospitals and Medical Care because one of the areas I was particularly interested in was the increase in medical premiums, and I didn't receive any adverse reaction on that statement. The most common comment was, we certainly should be obliged to pay for our medical care; at least a certain

portion of it. I believe, Mr. Speaker, that this reaction is largely the result of the position the government has taken to ensure that people who are low-income do not in fact pay the full premium and, in some cases, don't pay any premium at all. As I indicated last week on the amendments, residents of my constituency, even senior citizens, declared that possibly they should be paying more of the medical costs.

Mr. Speaker, I'd just like to take a look at the medical care we enjoy in Alberta. I notice that the hon. minister said it was universal and on demand, and that's true. There isn't one of us who hasn't been able to have the attention of a doctor if we really need it. I know that we've had criticisms because there are waiting lists in the hospitals, and I've written on occasion myself to the minister saying, why is this, what's happening?

I've had the opportunity to be personally involved over a period of many years with a critically and chronically ill relative. I'd just like to say, Mr. Speaker, that that illness in another country would have probably left us with debts for the rest of our lives and probably the loss of the farm.

Our neighbors to the south pay dearly for their medical care services, for services that we take for granted. Terminally ill or chronically ill people rarely reside in an extended care hospital. I had an aunt who was in a coma for over a week at home. That has to be a horrendous strain on the family, who really don't have the training to take care of someone in a coma.

I had some research done today. In Alberta an appendectomy costs \$221. In the States, depending on the state, it ranges from \$1,000 to \$2,000, and that's cash in advance in many places. I don't believe that covers the hospital costs. I believe that's the medical costs. The delivery of a baby in Alberta is \$300. I've had three of them; I don't remember being charged for any of them.

MR. HYLAND: Your husband paid.

MRS. CRIPPS: Well, he should have paid.

In the U.S., it ranges from \$1,000 to \$2,000. I have cousins down there. The next day, they usually come out of the hospital because they simply cannot afford hospital costs. I think we have to realize this and in that context temper any criticism we have of the hospital fees and the medical care fees we have in our province.

I remember talking to a gentleman whose wife had passed away in Hawaii. She'd been in the hospital, I believe it was overnight, before she passed away. He had to pay \$3,000 to get the body out, before they would let him take her out of the hospital. I don't know what they would have done if he'd refused to take her or refused to pay the \$3,000. We're not faced with that kind of uncaring medical system.

Mr. Speaker, I'm unfortunate enough, I guess, to have had one of the first public-sector strikes in my constituency. I believe that kind of thing may be one of the biggest problems in the government, private industry, and the people's response to this economic downturn.

I was recently asked my opinion about strikes. I'd like to state it for the record. I was involved in a strike situation only one time, and that was in the second year of teaching in 1957. I voted against it then, and I would do so again today. A strike is non-productive, self-defeating, and destructive. It causes untold hardship to business and workers alike. Surely there has to be a better mechanism for arriving at a fair and just settlement for both management and employees.

in the 1957 strike, teachers were given only half the information. I'm not sure what the vote would have been if everyone had known the full situation. That's one of the biggest criticisms I have of union bargaining, where the members are not given adequate information on the terms, the conditions, the offers, and management's position.

If an employer and employee sit down and talk about the problem, it can usually be resolved. In a strike situation, neither side is permitted to talk to the other one. If you are an employee on strike, you can't talk to your employer about the strike, even if he's a neighbor down the road. That's an untenable situation.

I guess my position is that if a union or a negotiator is really working for the benefit of its members, it would not put them in a position where there was a chance of lost job opportunities. Surely continued employment should be one of the highest priorities for the members, and if their demands cause the shut-down of an industry, then they're excessive. I guess that goes back to the public-sector wage negotiations which must, I think, follow the private sector.

Recently I was in Winnipeg at a meeting, and the workers at Schneider's voted on a wage offer. They knew that this offer was the bottom line. [interjection] You're right. He's figured out my age. I'll bet you can't guess my weight. That has nothing to do with the budget, Mr. Speaker.

Anyway, they were voting on the bottom line. If they accepted it, the plant stayed open; if they rejected it, the plant closed. The vote, Mr. Speaker, was 51 to 52 in favor of rejection. I saw numerous interviews on television that night. I didn't see one person who could justify their decision to vote against the offer, yet the bitterness and despair of the people who had voted in favor of the offer and who were losing their jobs, some of them after 25 years, was heart rending.

The only reason given for wanting an increase in wages was that Schneider's in Vancouver was paying higher wages. Not once did anybody say that the wage was unfair, that they could produce more if they had higher wages, or that the company was making an unfair profit. Surely consideration must be given to the difference in working conditions, the economic activity, and the local available market to branches of the same company, one in Vancouver and the other in Winnipeg.

It would seem to me that the 52 who voted to oppose the package have the right to quit the job if they don't feel the pay is sufficient. I don't believe they have the right to take the jobs of the 51 people who favor the agreement. I realize, Mr. Speaker, that that's the position and result of collective bargaining, but I don't think it's necessarily the fair way.

Closer to home, a central Alberta trucking company had a meeting with its drivers last fall and discussed alternatives. The discussion didn't centre on wage increases but rather the choice of reduced wages or layoffs of drivers. The drivers chose to cut their wages and save all the jobs. That was before Christmas. Since Christmas, they've gone into a profit-sharing plan which would guarantee them minimum wages and give them, over and above that, the average of the profit for any one month, if there were a profit. The minimum was \$6.50 an hour. Their wages are now tied directly to the amount of freight that's moved in a month. The plan does not necessarily get more productivity, but it keeps the trucking company afloat, and it ensures that the drivers have jobs.

Two weeks ago on the way home I had a flat tire, and a

fellow stopped to offer me kind assistance. He works for a steel fabrication outfit at Nisku. His company has divided the men into two crews. One crew works three days one week and two the next; then they alternate. So each crew is working two days one week and three the next. He said, you can imagine the salary cut these men have taken. He wasn't bitter about it; he was just glad he still had a job. He said that he certainly hopes things improve, but it's a willingness to take a responsible look at the situation and the alternatives. In this case, the alternative probably would be no job.

Compare the above situations — and, Mr. Speaker, I can list many more — to public-sector employees who do not have a cutback in working time and do not have a cutback in wages. I'm not only talking about the government. I'm talking about anyone who's working municipally, in hospitals: all the sectors paid out of the public purse. Even if they had zero increase in wages, most of them would get an incremental benefit, and quite often that amounts to about 3 per cent. Mr. Speaker, I ask you, if the Edmonton city police and firemen had had to draw straws to decide who lost their jobs, do you think they would have voted the same? I wonder.

To get back to the original question: do I favor strikes? I certainly do not. When an organization claiming to represent its member workers initiates an action which causes hardship on those members, I think it's irresponsible. There has to be a better method. I believe it's the responsibility of each and every one of us to work consciously for an amicable resolution to employer/employee relations in negotiations.

Mr. Speaker, I'd like to discuss briefly an industry which is vital to my constituency, the oil industry. If the deficits of 1982 and '83 are any indication, it's also vital to the well-being of this province. The oil well servicing industry in my constituency is working at about 40 per cent of normal capacity. By the way, they've been working at between 40 and 60 per cent of normal capacity for almost the past two years. The maximum has been 60 since the NEP.

Let's just take a look, though, at the past record of the industry. It's led to a significant increase in Canadian manufacturing, and Canada has shown a steady growth in the ability to manufacture the components for drilling rigs, production equipment, wellhead, and other oil field related equipment. As Canada's importance in the oil industry has become more evident, so has its reputation as a supplier of materials and services, both domestically and internationally. That's why I approve of the thrust of the budget speech and the throne speech to look toward international markets and assist those companies trying to improve their export position.

Many companies are already effectively exporting overseas. As a major consumer of tubular steel products, automobiles, trucks, chemicals, and other essentials, the oil industry has created jobs throughout the province and throughout Canada. The locations of drilling activities have created economic benefits not only in major cities but in the smaller areas.

In some cases, this has caused an over-reliance on the petroleum industries in certain centres. Mr. Speaker, Drayton Valley is one of those centres which is over-reliant on the oil industry.

With the advent of the NEP, incentives were outlined which encouraged more development in the Hibernia and arctic areas. That hasn't been good news for Alberta. I wouldn't even mind if they were doing it with their own money and not public money. But about 90 per cent of

their costs are offset by grants. The cost of one well in the Hibernia field is \$33 million to \$35 million. The daily cost is \$350,000. Mr. Speaker, you could drill six deep wells for one Hibernia, 15 shallow wells at Jumping Pound, 120 wells in eastern Alberta, or 25 medium-depth wells in north and central Alberta.

Just let me give you a comparison of the activity produced by that \$35 million in Alberta as compared to off the Hibernia. A Hibernia well produces 100 contract days; 120 wells in Alberta would produce 960 contract days. The Hibernia well employs 50 men; the Alberta well would employ 180. The casing: the Hibernia well uses 8,000 metres, give or take; the 120 Alberta wells would use 156,000 metres. The logging jobs: the Hibernia well would use two or three man days; the Alberta wells, 120. Bits: the Hibernia well would use 25 to 50; the Alberta wells would use 480. Mr. Speaker, there's a definite spinoff for all of industry and manufacturing across Canada for wells which are drilled in the conventional field.

Shut-in oil and gas is another major problem. I just hope the minister is successful in his attempt to solve that problem.

I'd also like to make a couple of comments, Mr. Speaker, on the need to diversify the economic base of Drayton Valley. If the province is reliant on oil revenues, Drayton Valley is doubly so. Last year, hearings were held to listen to proposals for the development of the Brazeau timber area. I recognize that any development which will benefit my constituency must result from the O'Chiese block. I don't believe I can overemphasize the importance of this development to the economic well-being of Drayton Valley. I recognize the difficulty of the Forest Products Association at this time. It may not be possible to enter into a forest management agreement in today's economy which is beneficial to the company, the local area, and the people of Alberta. If permanent long-term economic benefits cannot be assured for Drayton Valley at this time, then I would not be in favor of approving development.

Mr. Speaker, agriculture is so important to my constituency that I should make some comments. However, I don't want to discuss it extensively as there are two private member's motions in which I'm interested in covering the costs of agriculture, especially financing. I think that's a major problem right now.

The key to agriculture stability and profitability is marketing. I support any changes which will result in increased efficiency to Alberta farmers. I also support changes in the Crow rate which will enable added-value products to be produced in Alberta. The ability of our farmers to take advantage of our tremendous natural resources — land, water, grass, and exceptional soil in many areas — is paramount.

Mr. Speaker, I support the budget proposals and believe that we can meet the challenge ahead with ingenuity, determination, resourcefulness, and good will.

[Motion carried]

head: **GOVERNMENT BILLS AND ORDERS**
(**Second Reading**)
(*continued*)

Bill 2
Aerial Photographic Survey
Repeal Act

MR. SPARROW: Mr. Speaker, it is my pleasure today to reintroduce Bill No. 2, the Aerial Photographic Survey Repeal Act, for second reading.

The purpose of this Bill is to no longer require private individuals or companies to require licences to photograph land in Alberta from the air to be used for mapping or surveying purposes. It is my first introduction of legislation. I'm very pleased to be sponsoring a Bill that reflects our government's position and positive approach of deregulation in necessary areas of our provincial administration.

[Motion carried; Bill 2 read a second time]

Bill 7
Department of Economic Development
Amendment Act, 1983

MR. PLANCHE: Mr. Speaker, in speaking to second reading of Bill No. 7, I'd like to point out to the Assembly that there are really three principles involved. First of all, the Department of Economic Development now has the capacity to guarantee loans. We would like to restructure the Department of Economic Development Act so that we could have the capacity to guarantee other obligations — for instance, guarantees on lease agreements and debentures — as a vehicle to promote economic development in the province.

The second issue is that it's presently worded in such a way that the loans must be directly beneficial to economic development in Alberta. We would like to have that restructured so that it would be "directly and indirectly" beneficial. For instance, we would judge the Prince Rupert terminal to be indirectly beneficial.

The third issue is that the present wording is such that it could be construed as meaning we could only guarantee contracts with other governments and their agencies. We would now like to have that broadened so that we could clearly guarantee contracts with the private sector and individual corporations.

So what it is, Mr. Speaker, is a broadening of the capacity under the wording of the Act to allow us more flexibility in our economic development thrust.

[Motion carried; Bill 7 read a second time]

Bill 11
Department of Utilities and Telephones
Amendment Act, 1983

MR. BOGLE: Mr. Speaker, I move second reading of Bill No. 11, Department of Utilities and Telephones Amendment Act, 1983.

The purpose of the Bill is to reflect the responsibilities and title of the minister and, in addition, to allow for the transfer of the administration of the municipal water and sewage program from the Department of the Environment to the Department of Utilities and Telecommunications.

[Motion carried; Bill No. 11 read a second time]

Bill 12
Alberta Government Telephones
Amendment Act, 1983

MR. BOGLE: Mr. Speaker, I move second reading of Bill No. 12, the Alberta Government Telephones Amendment Act, 1983.

The Bill will reflect the current title and responsibilities of the minister; as well, will make the definition of telecommunications consistent with that contained in the Alberta Public Utilities Board Act. In addition, the composition of the commission and the pension board will be affected.

[Motion carried; Bill 12 read a second time]

Bill 13
Water Resources Commission Act

MR. PAYNE: Mr. Speaker, I move second reading of Bill No. 13, the Water Resources Commission Act.

This Bill acknowledges the importance of water to our province. Water of course is not only vital for human consumption and agriculture, but obviously it is going to play an increasingly important part in this province's future resource development.

The establishment of the commission is related to the fact that because of the diverse uses of water and its long-term potential, it's desirable to have a body such as this commission to co-ordinate the plans of the many departments of government who have an interest in the water resources of our province.

The make-up of the commission is spelled out in section 3 of the Bill. It comprises nine members, two of whom are members of this Legislature, three of whom are public citizens at large, and four of whom are assistant deputy ministers from the departments of the Environment, Economic Development, Municipal Affairs, and Agriculture.

As I mentioned on the occasion of the introduction of this Bill, Mr. Speaker, there are four primary functions that will be discharged by the commission. They are as follows: to assess and review long-term water resource planning by the government; secondly, to undertake evaluations of specific short-term and long-term projects that affect the water resources of the province; thirdly, to monitor intergovernmental negotiations that are related to our water resources; and fourthly, an advisory function wherein the commission will periodically advise the government with respect to its water resource policies.

I'd like to draw attention of the members in the House tonight to two additional sections, section 6(2) wherein the commission will be empowered or authorized to hold public hearings with respect to Alberta's water resources when done so by an order of the Lieutenant Governor in Council. Members will also note that there is a sunset clause to this legislation as indicated in section 10, wherein it is held that the Act will expire on December 31, 1987.

I would certainly encourage the support of hon. members for this important statute.

MR. COOK: Mr. Speaker, I wonder if I might rise in debate on second reading and say that, first of all, I support the Bill. Secondly, I wonder if the hon. minister could prepare for committee study of the Bill. My con-

cern in these water resources in the province is that in the water resources statement of policy filed with the Legislature about four years ago, that I was recently looking at, environmental considerations played a very low priority.

The Department of the Environment and this government have a policy that simply says that there is no environmental problem if a stream clears itself within 12 miles of discharge of effluent. In effect, 12 miles downriver of any discharge, we can treat the river as an open sewer and consider that there is no problem. I think we have some very serious problems; for example, in the North Saskatchewan drainage basin where the city of Edmonton is allowed to discharge its storm sewer run-off, which can gather anything — oil and sludge from gas stations that goes into the sewer system after a heavy rainstorm, all the garbage that is lying around, chemicals from industrial applications in the city: it all gets dumped untreated into the North Saskatchewan.

We do treat the sewage from our sewer system, but only to the point where we have made the material more biodegradable, and then we dump that into the river as well. In the Water Resources Commission, the environmental concerns are listed in such a way that they are not a big priority with the commission. I'm scared that until now, the policy and objectives of the government have been to manage water for agricultural, industrial, and urban consumption, but we have not considered the recreation value of our streams. Certainly you would not want to swim in the North Saskatchewan River as my parents used to do in the 1930s and '40s. Today if you did that, you would be advised by your physician to get a tetanus shot. When my grandmother came to Edmonton by barge from Athabasca Landing in the late 1890s, we used to have gravel bars and the river was basically a gravel-bottom river. I'm told today that the North Saskatchewan has a sludge bottom. That is directly related to our treatment of our water resources.

I think we have to look at two things: the quality of the resource and maintaining the quality of the water in it, as well as managing the resource for agricultural or industrial purposes. But I think the emphasis so far has been on the latter rather than on the former. I think that's something we should seriously examine.

MR. R. SPEAKER: I'd like to make a couple of comments with regard to this Act. In terms of the intent, in trying to prioritize the use of water and determine the long-term use of it, I think it has some good objectives in mind. I have no problem with that. I understand the hon. Member for Chinook will be appointed chairman of this particular commission. I know from past experience and the contribution he's made to this Legislature and to private life that he will do an objective and good job. I have no problem with that either. So I would have to say that in initiating the commission, that gives me confidence, because I know a dollar invested in the commission will certainly have a dollar output at the other end. That seems to be a good, balanced investment.

I'd like the hon. minister who has sponsored the Bill to look at a couple of things, though. One, what are the projected costs between now and 1987 of this commission we're going to establish? We've become very budget conscious in this Assembly and, in terms of putting a piece of legislation like this on the books, I think there are going to be costs. Someone should have thought through what it's going to cost us; then in relationship to that, we balance the benefits. At the moment, I haven't heard anyone comment with regard to that matter.

The other item I'd like to discuss further with the member in Committee of the Whole is the more specific objectives that we feel will be accomplished by this legislation and the commission in terms of control of the water supply in the South Saskatchewan basin, specifically the Red Deer River. What will we look at in terms of diversions from the north, if that is one of the items on the agenda? I know we deny that for political reasons at this time in this Legislature, but what are the possibilities of that committee looking at it?

I for one have said in this House that I'm not against that kind of program or that kind of concept of moving water from northern Alberta into southern Alberta, so that we can make good use of that resource that's available to us. I often wonder why some of us in this Legislature duck our heads with regard to that question. I think that's part of our environment. If we do things logically and rationally and it becomes a good decision, what's wrong with it? So I see no problem with looking at that kind of thing. I'd like to discuss that further when the Bill does go into committee. But I wanted to raise them to give the member just a little more time to work on those two matters.

MR. SPEAKER: Does the hon. minister wish to conclude the debate?

MR. PAYNE: Yes, thank you, Mr. Speaker. First, I'd like to express appreciation to both the Member for Little Bow and the Member for Edmonton Glengarry for the advance indication of their interest that will be raised in Committee of the Whole, and I'll be more than pleased to try to deal with them.

I think it might be worth while, Mr. Speaker, with respect to the environmental question raised by the Member for Edmonton Glengarry — if he has the Bill at his desk, I could draw his attention to section 3(1)(c), wherein one of the four assistant deputy ministers who will be members of the commission is from the Department of the Environment, and his specific departmental responsibility in the Department of the Environment is assistant deputy minister of water resource management services. I think he would be able to make a worth-while contribution.

I'd like to draw the hon. member's attention — once his head stops wagging in the horizontal plane — to section 6 and that the very first concern that's provided for is the one he has raised:

to assess and review long-term water resources planning by the Government . . . in relation to agricultural, economic, community and environmental factors;

The hon. member appears to be wagging four fingers, from which I infer that the reference to the environment is the fourth in that first clause, and I'll accept his arithmetic. None the less, Mr. Speaker, I don't believe that takes away from the point I'm trying to make: that environmental concerns are indeed reflected in the Bill before the members, and it's a concern that I'd be prepared to elaborate on when the Bill reaches committee.

[Motion carried; Bill 13 read a second time]

Bill 19
Department of
Social Services and Community Health
Amendment Act, 1983

MRS. KOPER: Mr. Speaker, I wish to move second reading of Bill No. 19, Department of Social Services and Community Health Amendment Act, 1983.

The purpose of this Bill is to give the Minister of Social Services and Community Health the authority to provide accountable advance payments to persons or organizations providing services through programs under the administration of the minister. The conditions and circumstances under which these payments would be made would be prescribed thoroughly in regulation.

The Bill is necessary in order to provide foster parents and day care operators with working capital, pending payments on invoices submitted at month's end by individuals and agencies. This would enable them to provide a level of service required by these programs without expending their personal funds. It was felt that inability to provide advances would slow recruitment of foster homes and new day care facilities. It could also result in financial advantage to those providers who presently do receive advances, and therefore make levels of services quite uneven.

In addition, Mr. Speaker, it could be entirely possible that subsidized day care parents could find themselves less welcome in day care centres as their fees would not be paid in advance. In addition many day care facilities would not have the resources to borrow working capital, and therefore not be able to maintain the standards of services that our government insists upon. It's felt that this would be enabling legislation and would encourage foster homes and new day care services that meet these standards.

The amendment is in accordance with requirements of the Provincial Treasurer and will do two things: first of all, provide the legislative authority for the minister to make advances; secondly, bring the Act into line with present legislation by changing the authorizing Act under which a local authority can provide services in the field of health and social development from the former Preventive Social Services Act to the Family and Community Support Services Act.

For these reasons, Mr. Speaker, I ask the Assembly to support the passage of Bill No. 19.

[Motion carried; Bill 19 read a second time]

Bill 21
Alberta Games Council
Amendment Act, 1983

MR. TRYNCHY: Mr. Speaker, I move second reading of Bill 21, the Alberta Games Council Amendment Act, 1983.

In doing so, Mr. Speaker, let me outline briefly the function of the Alberta Games Council in the past and what we foresee in the future. The Alberta Games Council was commenced in 1974, and its purpose was basically to provide the Alberta Winter and Summer Games in the province of Alberta. Since then, we've added the Seniors Games. In 1974, the first games started in Calgary, and we had some 2,000 participants. They have now grown to where the last games in 1982 were held in Lloydminster with some 3,600 participants. There were nearly 100,000 Albertans involved in zone playoffs in the 1981-82 games.

I want to pay tribute, Mr. Speaker, to the chairman of the Alberta Games Council, Mr. Don Skagen, and all his members for doing a tremendous job. I'd be remiss if I didn't pay tribute also to a fast-running little fellow, Max Gibb, who is the managing director and has just been a tremendous force behind this council.

Mr. Speaker, the council has provided a tremendous effort and a valuable contribution to all Albertans in the past number of years. We want to make sure that continues, and we want to get them involved in a more positive and more active way. We want to amend the legislation so we can involve a number of sporting organizations. We will be asking for nominations from sporting organizations from across the province. They will submit their nominations to the minister, from which the minister will appoint eight members. Eight members will be picked at large from other nominations, to give us a board of some 16 members. This will provide an expansion of their functions. It will involve a great number of volunteers both on the board and in its functions on a day-to-day basis.

One of the more important things, I feel, will be a way for the sporting association to have a say and also to get the private sector involved with the games or the new sports council. The sports council will receive, in addition to the funds they're receiving today — and I just want to point out that they receive some \$372,300 from the department for administration and hosting of games; they receive some \$570,000 from the lotteries. In addition to that, they will be receiving some \$344,000, which will be transferred from Recreation and Parks to the sports council, and some \$450,000 which is now going to the Recreation, Parks and Wildlife Foundation will be transferred to the new sports council for their operations.

Mr. Speaker, I would ask that all members support this great move forward to get the volunteers involved more fully, and also to have the private sector involved in providing the athletics and sportsmanship that we know will prevail and persist in Alberta.

Thank you.

MR. GOGO: Mr. Speaker, rising to speak to Bill 21, I first of all indicate very strong support for the new name, changing from the Games Council Act to the Sport Council Act. With this Games Council, over the past nine years, since 1974, we've seen ever-increasing participation by Albertans throughout the province. They've gone from some 2,000 participants in the Summer Games in Calgary in 1974 to the most recent games at Lloydminster, approaching about 4,000. They are participants in the games.

We sometimes tend to forget, in my view, that the games are really not only affecting those who are participants. The thing that excites me about these games is the number of citizens throughout the province who supply the support structure and the infrastructure for these participants who travel from all across the province to these games. For example, I think the winter games are being held in the Crowsnest Pass this winter and, again, I think we'll see an example of those citizens coming together to put on an excellent show as hosts for citizens throughout the province.

Two things stick out in my mind, Mr. Speaker. One, it not only affords the opportunity for the champion of athletics but for those who want to participate in a competition, either winter or summer. Secondly, I think it brings a component that many of us don't always appreciate; that is, we'll get people from as far away as Fort

Chipewyan down to the Crowsnest Pass, and they will see part of their province as other people perhaps don't see it.

The final comment, Mr. Speaker. With the passing of this new Act, the Sport Council Act, I hope we don't for one minute forget that a very clear alternative to prisons for our young people is amateur sports. It takes not only active involvement of the parents but active involvement of the communities. Surely we as a government, recognizing we've got at least \$15 million coming in from lottery profits in this province, could perhaps find some money to directly fund these amateur sports throughout the province.

I want to conclude, Mr. Speaker, by commending not only the council but certainly the commissioner for zone 1, Mr. Art Batty. Another member I've been particularly impressed by is Mr. Morley Roelofs, who now has joined the Games Council with Max Gibb.

I would certainly recommend the passage of second reading of Bill 21.

[Motion carried; Bill 21 read a second time]

Bill 34
Provincial Court
Amendment Act, 1983

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill 34, the Provincial Court Amendment Act.

Mr. Speaker, this Bill would accomplish two purposes. One is to increase the size of the claims that can be handled by the Provincial Court in the small debt procedure from \$1,000 to \$2,000. This adjusts a figure which was adjusted a few years ago, as I recall it, from \$500 to \$1,000, and once again takes note of the workload of the courts and the opportunity there is to have claims in fairly large numbers tried in the relatively informal atmosphere of the small debt court where people can frequently choose to appear without counsel. We have had requests to revise the figure and re-examine it. That was done, and the result is that part of the Bill.

The other aspect of the Bill provides for a form of default procedure. In the superior courts, debt claims can be taken to judgment by a default procedure. Up until the present time, that has not been available in small debt court. The proposal is not precisely the same as in the Queen's Bench but is consistent with the type of proceeding which has traditionally been had in the small debt court. In the result, the judge need not hear oral evidence with respect to the claim on the part of the plaintiff, so long as he can establish that the defendant was properly served with respect to the date that the case has been called for and with respect to which the plaintiff has appeared.

I think both of those changes, Mr. Speaker, benefit the process in small debt court, and will make it a more workable and smooth-flowing operation.

[Motion carried; Bill 34 read a second time]

MR. CRAWFORD: Mr. Speaker, that's all the business that was proposed for today. The Assembly will not sit tomorrow night. There is the hour of government designated business tomorrow afternoon. In that time period we hope to see each of the deadline Acts, if I can refer to them that way, advanced another step, the ones on interim supply and the like that should be passed by March

31. If there is further time, Mr. Speaker, the motion of which I gave notice earlier today will also be called.

[At 9:26 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]