

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Thursday, May 5, 1983 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF VISITORS**

MR. DIACHUK: Mr. Speaker, I take pleasure in introducing to you and to members of the Assembly a guest seated in your gallery, Lieutenant Colonel Leslie Dow, of Edinburgh, Scotland. Colonel Dow is visiting Alberta to interview the famous Cheremosh Ukrainian Dancers with regard to their participation in the 1985 military tattoo in Edinburgh.

Colonel Dow has a renowned, respected service with the British forces in such places as Gibraltar, Hong Kong, Malaya, Germany, Singapore, and Kenya, and he tells me he was back to Scotland on several occasions. In 1976 he was appointed by the general as a producer of the Edinburgh Festival. He here accompanied by Rick Wacko, the artistic director of the Cheremosh Dancers. I want to share that this is Colonel Dow's first visit to Alberta. I already made it a point that he meet his former countryman, Dr. Reid; they both have the same accent. I would like to ask Colonel Dow and his guest to rise and be recognized by this Assembly.

My apologies, Mr. Speaker, because in the haste that this took place today, I introduced Colonel Dow to the hon. Minister of Culture, Mary LeMessurier, in the event that the Cheremosh Dancers are accepted to go to Edinburgh.

head: **NOTICES OF MOTIONS**

MR. MARTIN: Mr. Speaker, I rise to give oral notice of my intention to request unanimous consent of the Assembly to move the following motion when Orders of the Day is called:

Be it resolved that this Assembly congratulates the Edmonton Oilers on their triumph as Campbell Conference champions for 1983, and wishes them the very best of luck in their efforts to bring the Stanley Cup back to Canada.

head: **INTRODUCTION OF BILLS**

**Bill 30**

**Alberta Heritage Savings Trust Fund  
Amendment Act, 1983 (No. 2)**

MR. HYNDMAN. Mr. Speaker, I request leave to introduce a Bill, being the Alberta Heritage Savings Trust Fund Amendment Act, 1983 (No. 2).

The three key purposes of this amending Bill are: firstly, to enable the capital projects division of the heritage fund to provide the financing to establish the new Alberta venture capital corporation; secondly, pursuant to the February 1982 recommendation of the Alberta Auditor

General to propose amendments which require that investments in provincial Crown corporations made under the Alberta investment division after March 31, 1984, would require approval by specific resolution of the Legislative Assembly; and thirdly, to improve the investment flexibility under the commercial investment division and section 10 of the Act so that the income return to the heritage fund can be maximized and to facilitate the cash management.

[Leave granted; Bill 30 read a first time]

**Bill 54**

**Financial Administration  
Amendment Act, 1983**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill No. 54, the Financial Administration Amendment Act, 1983. This being a money Bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of the Bill, recommends the same to the Legislative Assembly.

Mr. Speaker, there are four main amendments contained in this Bill: firstly, it proposes to establish a loan fund mechanism to enable the province to borrow in the public debt markets and re-lend moneys to provincial corporations if necessary; secondly, to permit the Treasury Board or the Provincial Treasurer to approve remissions of debts payable, or payable to the Crown in certain circumstances; thirdly, to provide for the partial payment of guarantees of rural gas utility loans; and fourthly, to clarify the procedures for the province and for provincial corporations regarding the assignment of debts owed by the Crown.

[Leave granted; Bill 54 read a first time]

**Bill 231**

**An Act to Amend  
the Occupational Health and Safety Act**

MR. MARTIN: Mr. Speaker, I beg leave to introduce Bill 231, An Act to Amend the Occupational Health and Safety Act.

The main purpose of this Bill is to improve government Bill No. 51, which was recently introduced. There are a number of provisions but two main areas. No definitions of health and safety are found in Bill 51, so it would seem that definitions of both would be a good place to start. The second area is that the health and safety committees in Bill 51 are left to ministerial order. In section 6 of my Bill, we provide for the establishment of such a committee at every place of employment where 10 or more workers are employed.

MR. SPEAKER: I propose to submit the hon. member's motion to the House with some hesitation, because it would appear that the intent of the Bill he is now proposing to the Assembly could be achieved by amendment to the other Bill which is already before the House. If the other Bill is discussed first, that would make the situation very clear, since that would pre-empt discussion of the Bill now proposed by the hon. member.

Having heard the motion by the hon. Member for Edmonton Norwood for first reading of Bill No. 231 — and, may I respectfully suggest, subject the conditions I have just submitted to the Assembly — would all those in favor of the motion for first reading please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed, please say no. . . . The motion is adopted.

[Bill 231 read a first time]

**Bill 6**  
**Architects Amendment Act, 1983**

MR. CHAMBERS: Mr. Speaker, I request leave to introduce Bill No. 6, the Architects Amendment Act, 1983.

Mr. Speaker, the purpose of this Bill is to improve the appeal process used in the processing of complaints made against members of the architectural profession.

[Leave granted; Bill 6 read a first time]

**Bill 240**  
**Retail Business Holidays Act**

MR. PURDY: Mr. Speaker, I beg leave to introduce Bill 240, the Retail Business Holidays Act.

This Bill will set forth parameters as to who may be open on any holidays as designated under the Bill, and this includes Sundays. It may be noted that retail businesses offering foodstuffs for sale may open their establishments if they are less than 4,000 square feet, and this also holds true for pharmacies. There is a clause in the Bill allowing municipalities to declare by by-law that the Act not be enforced in their municipality. The Bill sets forth any fines for contravention of the Act. Attached to the Bill is a schedule exempting various retail businesses.

[Leave granted; Bill 240 read a first time]

**head: INTRODUCTION OF SPECIAL GUESTS**

MRS. LeMESSURIER: Mr. Speaker, it is a pleasure for me to introduce to you, and through you to members of this Assembly, 15 members from the University Women's Club. Accompanied by their leader Miss Anna Guest, they are seated in the members gallery. I ask that they rise and receive the warm welcome of this Assembly.

MR. MUSGROVE: Mr. Speaker, I would like to introduce to you, and through you to the rest of the Assembly, 43 grade 9 students from the Griffin Park school in Brooks. Accompanying the students are their teachers Bill O'Neill, Kay Thibert, and Ross and Erin Hickman, and parents Brenda Houseman, Alice Gray, and Mary Ann Whiteside. They are seated in the members gallery, and I would like them to stand and receive the warm welcome of the Assembly.

MR. ISLEY: Mr. Speaker, today it's my pleasure to introduce to you, and through you to members of the Assembly, three members of the Lakeland public school board. Located in the members gallery are Mr. Adolph Ryll, the chairman; two trustees, Hansa Thaleshvar and Ted Bodnar; the superintendent, Gary Kiernan; and the secretary-treasurer, Charles Gault. I would ask them to stand and be acknowledged but I see a number of them are already standing, so would you please wave your hands to be acknowledged.

MRS. LeMESSURIER: Mr. Speaker, again I rise to introduce to you, and through you to members of this Assembly, 20 students from the Alberta Vocational Centre in Edmonton Centre. Accompanied by their teacher Ms Grazyna Walentynowicz, they are seated in the members gallery. I ask that they rise and receive the warm welcome of this Assembly.

MR. HORSMAN: Mr. Speaker, I am very pleased today to have the opportunity of introducing to you, and through you to members of the Assembly, a class of 24 grades 10 and 11 social studies students from Medicine Hat high school. The students are in the capital city today, accompanied by Cal Hauserman and Peter Mueller. They are seated in the public gallery, and I ask that they rise and receive the warm welcome of the Assembly.

MR. STEVENS: Mr. Speaker, I am very pleased, too, that during Education Week we have an opportunity to welcome and introduce to you a group of students from the Banff community school, one of the first community schools established in the province. I am sorry the Minister of Education cannot be here today, because he was able to present their certificate to them. There are 28 students from grade 9. They are in the public gallery, accompanied by the assistant principal Yvonne Machuk, teacher Jody Glacken, and tour leader Paul Raymond. Perhaps they would rise and be welcomed by the Assembly.

MR. PAHL: Mr. Speaker, it's my pleasure to introduce to you, and through you to members of the Assembly, 26 grade 6 students from Malcolm Tweddle school in Edmonton Mill Woods. They are accompanied by their teacher Gloria Kelly and are in the public gallery. I must say that I've had occasion to visit Miss Kelly's class in Mill Woods, and she always has an active, civic-minded group. I am pleased to see them here, and I wonder if you would join me in welcoming them to the Assembly.

**head: ORAL QUESTION PERIOD**

**Social Services News Analysis**

MR. MARTIN: Mr. Speaker, I would like to direct my first set of questions to the Minister of Social Services and Community Health. I have here a news brief summary digest from the Department of Social Services and Community Health. Can the minister indicate why his department is compiling the names of citizens who write letters to the editors of various newspapers? Is it because it's 1983, one year before 1984?

DR. WEBBER: Mr. Speaker, on the last point, the hon. member is correct; it is the year before 1984. [interjections]

MR. WEISS: Don't ask him what comes after '84.

DR. WEBBER: In terms of the news brief summary digest the hon. member referred to, this is a publication put out in the department for departmental employees and for me by an individual who is in the department from Public Affairs. Certainly it is very useful to have a summary of news releases or news statements for department staffs awareness. Should the hon. deputy leader of

the opposition like to get on the list, we'd be happy to add his name so that he can receive the same publication.

MR. MARTIN: Thank you, Mr. Speaker, I appreciate the answer. Richard Nixon would be proud of the minister.

Is the minister able to describe the exact extent of the circulation? How many people are seeing this, and what's the purpose of it?

DR. WEBBER: Mr. Speaker, if he has the news brief summary digest, I think he would also have the attached circulation list. Certainly there is no problem in terms of providing him with who receives the list. Again, we would be happy to provide the hon. member with a copy of the digests or the summaries that go out every day. I might add that in terms of the information going out to the staff, I find it very useful for the staff as well as for myself, as I said before. That's as far as I'll go with regard to saying that.

MR. MARTIN: I appreciate that he's going to put me on his list for these internal memos.

A supplementary. Can the minister outline what precautions have been taken to ensure that these lists are not used adversely by people seeking work with the government or seeking social assistance?

DR. WEBBER: Mr. Speaker, there is nothing I can see in the lists that is going to cause problems to any individuals. As he referred, there is a list of letters to the editor from different newspapers across the province. I see nothing wrong with providing a list of these letters to the editor. However, one aspect of it I don't agree with is the comments along the side, indicating whether it is positive or negative. I certainly will see to it that those aren't continued.

MR. MARTIN: Along with this, Mr. Speaker, will the minister assure the Assembly that he will direct his officials to cease compiling these names?

DR. WEBBER: Mr. Speaker, I would assume that anyone who writes a letter to the editor . . . The information is public, and this is just a compilation of that list.

MR. MARTIN: A supplementary question. I suggest to the minister that there is a very big difference when government starts compiling it.

I will direct my next question to the Minister without Portfolio in charge of the Public Affairs Bureau. Can the minister advise if this practice of compiling lists of names is general government policy? If so, can the minister tell us what other departments are doing this?

MR. PAYNE: Mr. Speaker, I think my colleague the Minister of Social Services and Community Health has at least in part dealt with that matter. But if it would be of some satisfaction and reassurance to the hon. member opposite, I'd be happy to confirm that public affairs officers and others of the bureau do not make a practice, periodically or sustained, of maintaining lists. Rather, their interest is in the opinions and feelings of Albertans with respect to government programs.

If I may continue, Mr. Speaker, I would like to remind the acting opposition leader that just a few days ago in this Chamber, he was berating government members and ministers for what he perceived as an inadequate concern

for the feelings and views of those outside the House. I know I speak for all my colleagues when I say that we have a great . . .

MR. SPEAKER: Order please. The direction has become abundantly plain.

DR. BUCK: The minister of propaganda.

MR. MARTIN: Thank you, Mr. Speaker. Will the minister find out what other departments are doing this and report back to the Assembly?

MR. PAYNE: Mr. Speaker, I'm somewhat hesitant to respond, because I'm not sure of the antecedent of the word "this". If the acting opposition leader is asking me to confirm that public affairs officers throughout the departments of government are not compiling lists of Albertans who send letters to newspapers — whether they're positive or negative — I can give him that assurance now.

MR. MARTIN: A supplementary question.

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

MR. MARTIN: Does the minister not believe that compiling lists of people who are writing negative, critical of department . . .

MR. SPEAKER: Order please. [interjections] Order please. The beliefs of the hon. minister are not any more a subject for the question period than the beliefs of the hon. member who asked the question.

MR. MARTIN: Let me rephrase it. Does the minister in charge of Public Affairs not believe that publishing lists like this for government departments is undemocratic and dangerous?

SOME HON. MEMBERS: Order.

MR. SPEAKER: Order please. Even if the question were proper, it's asking for an opinion. Expressions of opinion are the very stuff of debate. If we want to have debate in the question period, let's cancel the question period and have debate in the ordinary way.

MR. MARTIN: On a point of order, Mr. Speaker. What we're talking about is an internal government memo. I'm trying to determine, first of all, the need for it. Secondly, if you look at the . . .

MR. SPEAKER: Order please. What the hon. member is trying to determine is abundantly plain. Is he interested, as acting leader, in asking a second question?

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Social Services and Community Health. Could the minister indicate what purposes the list has been applied to and how long the list has been compiled?

DR. WEBBER: Mr. Speaker, I would have to check on precise dates, but I've been receiving daily copies of a summary of news articles for some time. As I mentioned

before, certainly it is very useful for me to be aware of the issues that are being printed.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether any directive has gone from the minister's office or the minister to the staff of his department as to the utilization of that list?

DR. WEBBER: Mr. Speaker, with respect to this particular document, I'll be indicating to the author that in future the statements, particularly the letters to the editor, not be marked either positive or negative relative to the particular articles.

#### **Nursing Home Funding**

MR. MARTIN: I'd like to direct my second question to the Minister of Hospitals and Medical Care. According to government estimates, while Alberta will have five fewer nursing homes and district nursing homes, district nursing homes will suffer a .7 per cent drop in government funding but private nursing homes are to enjoy an increase of 12.5 per cent in funding over last year's forecast. Is the minister in a position to inform the House as to the logic of this funding?

MR. RUSSELL: Mr. Speaker, I have no idea what figures the hon. leader is referring to. If he's worked those up from my estimates, we've already spent two days on those. I expect we'll be back to them again.

MR. MARTIN: The minister should check his own estimates once in a while. Let me ask the question: are the increases which this government has proposed for private nursing homes this year ...

MR. SPEAKER: Order please. It would be impossible to conceive how there could be a supplemental to a question on a subject where the minister has indicated that he will be dealing with it, or the hon. member may deal with it, when the estimates are discussed. Surely that takes it outside the bounds of the question period.

MR. MARTIN: Mr. Speaker, on a point of order. I accept that he doesn't know his own figures. [interjections]

MR. SPEAKER: Order please. Would the hon. member kindly resume his seat. We are not going to turn the question period into Committee of Supply.

MR. MARTIN: Mr. Speaker, on a point of order. If you'd waited until I'd finished, I was going to talk about the philosophy of — the next question is in regard to ...

MR. SPEAKER: Order please. I'm sorry, would the hon. member resume his seat. The point of order has been determined. The hon. leader of the Independents.

MR. MARTIN: On a point of order, Mr. Speaker.

SOME HON. MEMBERS: Order.

MR. SPEAKER: Order please. Would the hon. member resume his seat.

DR. BUCK: Why?

MR. SPEAKER: The point of order has been determined. We are going to proceed, if the hon. leader of the Independents wishes to, with his question.

MR. MARTIN: Mr. Speaker ...

MR. SPEAKER: We can't endlessly debate points of order in the House. I realize that, on occasion, there has been an irresistible impulse to get the last word after a point of order has been determined. Once I have ruled with regard to a point of order, it belongs to the House; it doesn't belong to me any more. We can't deal with it any further. The hon. leader of the Independents.

MR. MARTIN: Mr. Speaker, on a point of order.

MR. SPEAKER: Order please. The point of order has been determined, and we are not going to continue to debate it.

MR. MARTIN: Point of order. I would like to know the citation that you're saying this under. [interjections]

MR. SPEAKER: I'm not going to refer to numbers. It is abundantly known and a very elementary principal of the work of the Chair that once the Chair has made a decision, it does not have the luxury ... [interjection] The question is out of order. It belongs in Committee of Supply, in the discussion of the estimates.

As I was going to say a moment ago, once the point of order has been decided, the Chair has no further control over it. I do not have the luxury of changing my mind in regard to a matter which has been definitely decided. On occasion, when it's a matter of doubt, I say so and rule on it in a provisional way. But in this case, there is no doubt.

MR. MARTIN: Well, maybe you shouldn't rule so fast.

MR. R. SPEAKER: Mr. Speaker, am I clear at this time that there isn't any further discussion with regard to the point of order?

MR. SPEAKER: That's true. If the hon. leader of the Independents wishes to ask his question, would he kindly proceed.

#### **Crowsnest Pass Freight Rate**

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Agriculture is with regard to the Crow rate and the announcement yesterday by the federal minister. I wonder if the minister could indicate what steps have been taken today to again impress Alberta's position on the federal government? Could the minister also indicate the steps that are being taken on behalf of Alberta farmers who believe that the railroad shouldn't get all the subsidy, in terms of the federal policy?

MR. FJORDBOTTEN: Mr. Speaker, we are of course greatly concerned with the report yesterday at the press conference. Mr. Pepin is making significant changes to his February statement, in which he said that the payment would be shared fifty-fifty between producers and the railroad. We would have no further additions to what we've already stated with respect to the payment mechanism, beyond what we stated in the telex we sent to Mr. Pepin on May 2.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Is the minister assessing the impact of yesterday's press statement by the federal minister, in terms of the financial impact on Alberta farmers?

MR. FJORDBOTTEN: Yes, Mr. Speaker, we are. Of course, because it was a development we hadn't anticipated, we are now in the process of evaluating what that impact would be. Initial indications are that it certainly will not be positive toward agriculture in the province, particularly to secondary processing and the livestock industry.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Would the minister table those figures, or the reports from the department, in the Legislature so that they're available not only to this Legislature but to the farming community of Alberta as well?

MR. FJORDBOTTEN: Mr. Speaker, we have some difficulty with it. We started back at the Gilson process, which we responded to. Then we responded to Mr. Pepin's original announcement. Now we have another announcement, saying there'll be legislation tabled on Monday. Then everything isn't going to be in the legislation, and other amendments will be made at committee stage. So it's a little like trying to shovel fog. We're not exactly sure what we're responding to. Until we can be accurate with the facts, I wouldn't feel comfortable about filing them with the Legislature.

The hon. leader of the Independents' question is of vital concern to us, however. We know that initially it's going to be a negative impact on the changes as we read them at the moment. That could change as it develops. But we're certainly going to stay on top of it and be sure that we can make a measured or adequate response when the time comes.

MR. R. SPEAKER: Mr. Speaker, a supplementary. Would it be the minister's intent to lead to Ottawa a delegation composed of Alberta farmers and people in the processing industry to make a direct presentation to the federal government, like representations made from other provinces that seem to have changed the federal minister's mind?

MR. FJORDBOTTEN: Mr. Speaker, I suppose that's an option we could consider. Of course, it's hypothetical at the moment, because they've made a number of changes in their policy to this point. We only hope they would recognize and realize the economic development possibilities in western Canada and make the changes which we could benefit from, and that that delegation wouldn't be necessary. However, if they proceed on their present course and if, as all the elements of the legislation come together and they're at the committee stage and it's negative, we would have to consider that.

MR. R. SPEAKER: Mr. Speaker, could the minister indicate whether Mr. Pepin made contact with you, as Minister of Agriculture in Alberta, prior to making those public statements yesterday?

MR. FJORDBOTTEN: Mr. Speaker, the Minister of Economic Development and I did have conversations with the minister the night before. He suggested that he was going to be making an announcement, but not the total details of the package.

MRS. CRIPPS: A supplementary, Mr. Speaker, to the Minister of Economic Development. Has the government any assessment of the effect on the value-added agricultural processing industry in Alberta, of payment of all these subsidies on the funding of the Crow going to the railways?

MR. PLANCHE: Again, Mr. Speaker, we can only approximate and forecast. We prefer to withhold the precise answer until we've seen the legislation, because right now it's only hypothetical. But it's clear that if the report is accurate as the newspapers printed it and as Mr. Pepin gave it in his press conference, the news is not good for either livestock or agricultural processing in Alberta.

#### Park Development

DR. BUCK: Mr. Speaker, my question is to the Associate Minister of Public Lands and Wildlife. I would like more information on the Blackfoot grazing reserve. Is the minister in a position to indicate if a firm date has been established for the start of the development of this multi-use park in the area east of Edmonton?

MR. SPARROW: Mr. Speaker, no firm date for commencement has been established as of this point.

DR. BUCK: Mr. Speaker, then can the minister indicate if he has asked to have any more public meetings and public hearings on the subject of the multi-use park, or have all the public hearings been completed?

MR. SPARROW: Mr. Speaker, going back in history, this Blackfoot provincial grazing reserve plan has been quite widely talked about. We've had up to 500 public groups and individuals participating in the plan. The plan is basically at a final stage now. It's ready for construction and just awaiting the detailed bidding process for construction getting under way. We could have a public meeting to make people aware of the final plan, if that is a suggestion the member is making.

DR. BUCK: Mr. Speaker, I believe the minister said "we could have". I'd like to remind the minister that he is the minister; he is responsible to do these things. My question is, will there or will there not be further public hearings?

MR. SPARROW: Mr. Speaker, I definitely would consider having a public information meeting on the Blackfoot. I could, and will, instruct my staff to plan a date for it to make sure that the citizens around the area know what the final plan is.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate if the department has given any consideration, or will there be any directive, as to what will happen to hunting in the area? Will hunting of wild game in that area be discontinued, or will hunting still be allowed in the Blackfoot reserve?

MR. SPARROW: Yes, Mr. Speaker, hunting will be allowed within the reserve. That is all part and parcel of the plan. I will deliver a copy of that final plan to the member, as it is in his constituency. It covers all the topics you've just mentioned.

DR. BUCK: Mr. Speaker, the minister indicated there will be hunting. Will the hunting be limited to bow and arrow, or will it be big game rifles?

MR. SPARROW: I haven't got the plan with me, Mr. Speaker. I'm sure that's all part of a different process and is not spelled out specifically in this plan. It will be part and parcel of the hunting regulations.

MR. SPEAKER: The hon. Minister of Agriculture wishes to supplement some information previously dealt with, followed by the hon. Minister of Manpower.

#### Grocery Market Industry

MR. FJORDBOTTEN: Mr. Speaker, on April 21, the hon. Leader of the Opposition asked whether the Department of Agriculture

had undertaken any study which would assess to what degree Safeway's own specially built Calgary meat processing and packing plant has had ... on Alberta's other meat packing plants.

Mr. Speaker, the simple answer to the question is no.

The hon. member also inquired specifically as to what impact has been felt by those plants which still slaughter, process, and package pork products.

Mr. Speaker, the fact is that the Lucerne facility impacts very little on pork products, as it doesn't really process any pork products.

#### Employment Programs

MR. ISLEY: Mr. Speaker, on Thursday, April 21, the hon. Member for Little Bow asked what percentage of the new employment expansion and development applications were being approved. For his information and for the information of the House, as of April 29, 404 applications were received, and 306 had gone into the review process. One hundred and twenty-nine were rejected or withdrawn; 115, or 37.5 per cent, were approved; and 62 were deferred at some stage in the system. I'm sure the hon. Member for Little Bow will appreciate knowing, as will the hon. Member for Edmonton Whitemud, that the number of golf course projects has now exceeded four.

Mr. Speaker, on Monday, May 2, the hon. Member for Little Bow raised a series of questions in the House that I agreed to respond to. A review of *Hansard* indicates that the hon. member is somewhat confused about the figures.

MR. R. SPEAKER: You didn't know. It's your responsibility.

MR. ISLEY: He talked about 5,000 jobs as if they were under the 1983 provincial government element of STEP. This is not the case. If he rereads the brochure, the 5,000 jobs were created under the total STEP in 1982. In 1982, only 900 of those jobs were under the provincial government department. As was indicated in the press release of March 31, 1983, we allocated approximately \$12 million to the 1983 STEP, to provide short-term employment and work experience for approximately 6,000 Alberta young people. Of those 6,000 jobs, 1,560 are under the provincial government element. That's up from 900 in 1982 and 735 in 1981.

As I indicated on Monday, Mr. Speaker, 1,541 of those positions were approved as of April 29. A recent check shows that 60 per cent of them were filled, and the students reported to work on May 2. The other 40 per

cent were in the interview process. Of the remaining 4,400 jobs allocated under STEP, the community employment element, which is aimed at high school students, accounts for approximately 3,100; the summer farm employment element, approximately 800; and the career opportunity element, approximately 500.

Mr. Speaker, I'm going to be providing to the hon. member opposite a copy of the press release of March 31, the first STEP brochure with the provincial government elements in it — which I'm sure he missed — that was made available to the public in the postsecondary institutions on April 13, and the final one that had the later starting jobs he was referring to.

The hon. member also requested the number of STEP jobs under each government department and where these jobs were located throughout the province. Twenty-seven government departments are participating under STEP in attempting to create job opportunities for postsecondary students. Rather than taking the time to read all the information into the record, I will provide the hon. member with a breakdown of the number of positions under each government department and a second breakdown showing which census divisions in the province the jobs are located in and how many jobs in each census division.

In response to the hon. Member for Little Bow's next question, regarding hiring procedures ...

MR. SPEAKER: I hesitate to interrupt the hon. minister. But in view of what has just occurred, I have some difficulty in assessing what is still to come. I'm concerned about possibly starting a new routine in the question period. It seems that either I failed to recognize the question as being one suited for the Order Paper — or perhaps it has turned out that the answer is that way — or perhaps we're into a ministerial announcement.

MR. ISLEY: Mr. Speaker, there were only two other questions, if you wish me to continue. I can live with your ruling either way. But if you expect me, through the question period, to clarify the confusion in the mind of the hon. member, it will take me some time. If he wants to join me in my office, I could clear it up there.

MR. R. SPEAKER: Mr. Speaker, on a point of order. It wasn't clarifying the confusion in the mind of the Member for Little Bow; it was holding the minister accountable in attempting to do my job as one in an opposition. I'd like this to be noted, in terms of our remuneration as an opposition group. [interjections]

MR. SPEAKER: Somewhat more seriously speaking ...

MR. R. SPEAKER: That's serious.

MR. SPEAKER: I'm not suggesting the hon. leader of the Independents wasn't serious.

It's impossible, of course, for anyone in the House, including the Chair, to anticipate at what length a minister is going to go on. If he is able to complete briefly, may I suggest that he continue. If that's not possible, may I suggest that the remainder of the information be provided by means of documents.

MR. ISLEY: Thank you, Mr. Speaker. I will complete very briefly.

With response to the hon. Member for Little Bow's next question, regarding hiring procedures, I suggest that

if he has concerns about specific hiring procedures in a given department with respect to STEP positions, he direct those questions to the appropriate minister.

The hon. member's final question was a request that I report back the number of jobs still available to young people in this province. Under the provincial government element of STEP, we have 620 at the interview stage; in the community support element, 2,650 still available; summer farm employment element, 800; and career opportunity element, 400. In addition, on April 20 this government announced an additional \$4.25 million for the Alberta youth employment program. There are 2,200 jobs available under that, of which 272 have been filled. In total, Mr. Speaker, that means there are still 6,400 jobs available for Alberta youth under STEP and the Alberta youth employment program.

DR. BUCK: Mr. Speaker, a supplementary question. I'd like to say to the hon. minister that I'm really pleased to see his deputy minister is doing his job. It's too bad the minister didn't have those answers in the House; we'd have been happy. [interjections] The guy's getting paid 65 grand. He should know those things. [interjections] I guess the question should be: should he be fired or not?

MR. JOHNSTON: Blaze orange, Walt. Blaze orange.

DR. BUCK: Mr. Speaker, can the minister indicate what discussion and involvement his department has had with the private sector right across the province, as to what the private sector can do to provide jobs in conjunction with government — especially the hire-a-student program, which basically appeals to high school students. What discussion has he had with the private sector?

MR. ISLEY: Mr. Speaker, I thank the hon. member for making his shots and raising that question. With response to the shots, with a moving target like the number of jobs being filled and still available, I do not attempt to keep track of them on a day-to-day basis.

With respect to his question as to our discussions with the private sector, two of our programs have been developed in co-operation with the private sector, and with a fair degree of success. The hire-a-student program, running in numerous locations throughout this province, is administered jointly with the private sector and the provincial and federal governments and has been going very successfully. I'm sure the hon. Member for Clover Bar had many constituents who took advantage of the ...

MR. SPEAKER: Order please. My recollection of the question is that it inquired about consultation with the private sector, rather than with regard to any activities of the hon. Member for Clover Bar.

MR. ISLEY: Sorry, Mr. Speaker. Consultation between field staff and the private sector led to the development of the small business support element under the priority employment program. Consultation with the private sector led to the small business and farm support element, a major element under the Alberta youth employment program.

MR. SPEAKER: The hon. Minister of Social Services and Community Health also wishes to complete some information previously sought.

### **Social Services News Analysis** (continued)

DR. WEBBER: Mr. Speaker, I'd like to comment further on the question posed by the hon. Member for Edmonton Norwood. First of all, I would like to make clear that daily news briefs indicating news items and letters to the editor come to my office. Those have been coming in for some time. The other document the hon. member referred to earlier was the first analysis I've received, and it's my understanding that it's the first analysis that was done. It was dated March 9. In terms of any future analysis, I will be indicating to staff that I'll be eliminating the names associated with the letters to the editors, as well as any comments pertaining to letters to the editors.

### **Family and Community Support Services**

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Social Services and Community Health is with regard to the family and community support services program. At the municipal level, the program is based on a deficit funding model. In that process, any funds taken from private collections are deducted from monthly payments to the various preventive social service projects. In light of the fact that the way the model is set up obviously discourages agencies from raising their own funds from private sources, I wonder if the minister is reviewing the program.

DR. WEBBER: Mr. Speaker, I'll take that question as notice and look into it.

### **Employment Programs** (continued)

MR. MARTIN: Mr. Speaker, I'd like to direct a follow-up question to the Minister of Manpower. Will the minister inform the Assembly approximately how many STEP and youth employment positions will start in June?

MR. ISLEY: Mr. Speaker, it's rather difficult to put a figure on that without going to the list. The provincial government elements can start anywhere from May 2 to the end of September; they start at various times. The earliest starting date for the 3,000 jobs under the community support element of PEP is June 13, so theoretically all 3,000 could start in mid-June. A number of the 1,560 under the provincial government element of STEP and quite a variety of jobs under the new Alberta youth employment program could start in June. Again, they can start anywhere from May 2 to July 17 and terminate on October 28.

MR. MARTIN: A supplementary question. Has the minister provided any information to potential [employers] on the length of the school year, so they can adjust the length of the project accordingly? For example, I understand NAIT students end classes on May 27, SAIT students are in school until June 17, and most university students are finished their exams in late April.

MR. ISLEY: Mr. Speaker, that is basically why we have a variety of different programs with different start-up dates aimed at different target groups.

MR. MARTIN: One final supplementary, Mr. Speaker. Can the minister inform the Assembly what steps he has

taken to ensure that NAIT and SAIT students have the same access to STEP and youth employment positions as do university students?

MR. ISLEY: Mr. Speaker, in order to reduce the length of my earlier response, statement, or whatever it was . . .

MR. SPEAKER: That's impossible.

MR. ISLEY: I didn't indicate that on April 7 and 8, we sent letters to all postsecondary institutions, municipalities, Indian reserves, Metis colonies, et cetera, communicating the various aspects of STEP. As soon as the brochures were available, they were delivered to all the postsecondary institutions.

MR. MARTIN: One supplementary. I'm aware of the minister's answer from before. What I'm getting at is that it would be an unfair advantage if you're out earlier. What steps has the minister taken to ensure that NAIT and SAIT students have the same opportunity of getting into these programs? They're not getting out at the same time as university.

MR. ISLEY: Mr. Speaker, I would view that students coming from institutions that have later exit dates are probably in a better position this year than in previous years. In addition to elements of STEP that are still available to them, for the first time in Alberta's history we have the Alberta youth employment program, designed to provide 2,200 jobs.

### ORDERS OF THE DAY

MR. MARTIN: Mr. Speaker, I request unanimous consent of the Assembly to move the following motion:

Be it resolved that the Assembly congratulates the Edmonton Oilers on their triumph as Campbell Conference champions for 1983, and wishes them the very best of luck in their efforts to bring the Stanley Cup back to Canada.

MR. SPEAKER: Is there unanimous consent?

HON. MEMBERS: Agreed.

MR. KING: Mr. Speaker, the hon. member having received unanimous consent of the House to move the motion, is he now going to move the motion?

MR. MARTIN: Mr. Speaker, I thought I already had, but I'd be glad to do it again. I like saying it a number of times. The motion is:

Be it resolved that the Assembly congratulates the Edmonton Oilers on their triumph as Campbell Conference champions for 1983, and wishes them the very best of luck in their efforts to bring the Stanley Cup back to Canada.

I think all Albertans and all western Canadians — I'm not sure of the exact year, but we'd have to go back in history many, many years since a team from western Canada had a chance to bring back the Stanley Cup. I think it will bode well for not only Alberta but western Canada and Canada in general.

MR. KOZIAK: Mr. Speaker, as a representative from the Edmonton area, I'm pleased to support the thought contained in the motion before us. It is a duplicate expres-

sion of the thought expressed yesterday by the Member for Edmonton Gold Bar. I most heartily endorsed the expression of that thought on that occasion. So, to be consistent, I would of course express my concurrence in the thought expressed here.

However, Mr. Speaker, with the penchant of the party that made the motion on this occasion, I am surprised that it wasn't followed by the introduction of a Bill. [laughter] What normally happens in these events is that teams play off. The rules are there, and there are referees to make sure that everybody abides by the rules and the game is conducted in a good, sportsmanlike fashion. And the best team — which, as we all are aware, is the Edmonton Oilers — ultimately wins. But with the penchant of the NDP to legislate and regulate, I would have expected that there would have been a private member's Bill which, as a matter of course, would have required that the Edmonton Oilers win the Stanley Cup without the playoffs. [laughter] In making those remarks, Mr. Speaker, I hope that the oversight in the development of the NDP philosophy isn't brought to the point where we see such a Bill tomorrow. It's not that I'm encouraging it.

In any event, Mr. Speaker, there is absolutely no doubt in my mind and in the minds of my colleagues that the Edmonton Oilers probably have fielded the best team in the history of the Stanley Cup playoffs that has ever challenged for that cup. We're particularly pleased that our team, the Edmonton Oilers, represents not only the city but this province and this country. [applause]

MR. ANDERSON: Mr. Speaker, I am happy to speak to this motion. As a Calgary MLA, I am happy to support it, on the understanding that the training the Calgary Flames managed to give the Edmonton Oilers this season is returned in kind during the next season.

MR. HIEBERT: Mr. Speaker, since I introduced the matter in the Assembly yesterday, I would like to respond to the motion that has been made by the Member for Edmonton Norwood. I note that it is a day late, and it's as usual — they always get on the bandwagon after the fact. I would also like to point out that the motions that come on the floor are usually the day after they read about it in the newspaper.

We concur in the congratulations to the team. They certainly are an exciting team. However, as a long-standing season ticket holder right from day one in the WHA, I feel I probably have the best reason to be here supporting the endeavors of the team. I would also like to note, Mr. Speaker, that it's nice to see that the Member for Edmonton Norwood certainly is supporting free enterprise and the likes of Mr. Peter Pocklington in his ventures.

MR. BRADLEY: Mr. Speaker, I too would like to lend my congratulations to the Oilers and wish them every success in the upcoming event. At this time, just to respond to my good colleague and friend from the constituency of Calgary Currie, I'd like to offer my condolences to all the supporters of the Balzac Blades.

DR. BUCK: Mr. Speaker, I would like to speak to the motion. It's really quite interesting to sit here this afternoon and find a government that is so large and powerful they sometimes forget to do the proper things, like to have a motion that the entire Assembly congratulate the Edmonton Oilers. I would personally like to add my congratulations to them.



Having played the game a bit myself a few years past, I would like to say that I thought maybe they were a year away from making a genuine challenge for the Stanley Cup. But, Mr. Speaker, watching the past series with the Chicago Black Hawks, the team is playing some very, very basic hockey, doing some very, very basic things that you have to do to win a cup. If they don't win it this year, I would give two to one odds that they will win it next year. My best wishes go to them, and I certainly support the resolution.

MR. LYSONS: I would also like to go on record as congratulating the Edmonton Oilers, but I'm standing in a very envious position. I can't cheer too loudly for the Oilers, because there are some pretty great constituents of mine called the Sutter boys who are playing on the opposite team. So I just wish them both luck, and that they play a good game and play fair.

MR. ADAIR: Mr. Speaker, speaking to the motion, I certainly want to convey, on behalf of the constituents of the Peace River country, and I would say almost all of the north — I'm not sure about the Yukon and the Northwest Territories — best wishes to the Edmonton Oilers and their fans. I should mention to the hon. Member for Edmonton Norwood, though, that when he said we would have to go back a long, long way to find a western contender for the Stanley Cup, he obviously isn't that much of a sportsman. Last year the Vancouver Canucks were in the final.

[Motion carried]

MR. SPEAKER: I'll be glad to ask the Clerk to see to it that the motion and the debate are brought to the attention of the appropriate representatives of the Edmonton Oilers.

#### head: MOTIONS FOR RETURNS

168. Mr. Martin moved that an order of the Assembly do issue for a return showing copies of any and all working papers drafted by or for the Department of Labour detailing
- (1) the anticipated effects of the amendments proposed in Bill 44,
  - (2) the situation or conditions, current or anticipated, the effective addressing of which, in statute, is the intent of the amendments to existing statutes proposed in Bill 44, and
- copies of any other such working papers dealing generally with the bases on which Bill 44 was drafted.

MR. YOUNG: Mr. Speaker, speaking to Motion 168, first of all, I would point out that Motion 168 calls very expressly and explicitly for "any and all working papers drafted by or for" the department. In the second portion, it again repeats "other such working papers".

I point out to the hon. Member for Edmonton Norwood something I had understood had been pointed out before. In determining and ensuring the effectiveness of senior advisors and staff of the various government departments, if we are to have the benefit of their best advice, it is a practice and a requirement, really, that such advice not be made available in this manner.

Secondly, Mr. Speaker, I would point out that a portion of that, since it speaks of anticipated effects in both sections 1 and 2 of the motion, would clearly be a very

debating kind of thing. I have no idea what the hon. member anticipates when he tries to achieve the anticipation of members of the department who give me advice.

Thirdly, an aspect of this would clearly be legal opinion in terms of the interpretation of alternative wordings of the statute. Fourthly, Mr. Speaker, I suggest that the kind of public hearing we have just completed last week would provide the hon. member — even if he didn't want to take time to anticipate and consult on his own on this matter — plenty of different ways of looking at the proposals that have been advanced in Bill 44. Therefore, I recommend to members of the Assembly that this motion be defeated.

MR. SPEAKER: May the hon. Member for Edmonton Norwood conclude the debate?

HON. MEMBERS: Agreed.

MR. MARTIN: I cannot say that I'm surprised, Mr. Speaker. When we had the debate about getting this information, we were told very clearly by members opposite that we should put it on a motion for a return. So we took their advice, and this, of course, is the answer we are receiving.

The point I'd like to make, Mr. Speaker, is that there has to be some rationale why the Department of Labour has come to the changes they're proposing in Bill 44. They're very wide-ranging changes. When we sat in the public hearings — I listened, and I hope the hon. minister did — the groups that were affected reacted very negatively; so obviously there wasn't consultation with them. If there was, it was not the type of consultation they were giving the minister. If we're going to present a Bill that's, frankly, taking away peoples' rights, as Bill 44 is, we should know the rationale before this Assembly votes on it. When we couldn't get it the way we tried the other night — I remember them yelling across that it should be in a motion for a return. When we bring it back as a motion for a return, what do we get? We get the answer that they can't give us the answer again.

Now we're used to this. It's not a surprise. But I say, Mr. Minister, that often when you're bringing in a major Act like Bill 44, and you don't show the public why you're coming to that realization, it's inevitably going to backfire on you. That's what's going to happen. So I would urge members, although I'm not going to stand up and hold my breath waiting, that they in fact open up this process and agree to Motion 168.

Thank you, Mr. Speaker.

[Motion lost]

169. Mr. Martin moved that an order of the Assembly do issue for a return showing, in each case,
- (1) the names of those groups, organizations, and individuals notified by the Minister of Labour or any person acting on his behalf, of the government's intention to mount public hearings on Bill 44 before the Standing Committee on Public Affairs, and the date in each case on which that notification was given,
  - (2) the names of those groups, organizations, and individuals to which or whom was extended an invitation by the Minister of Labour or any person acting on his behalf, to present a submission on Bill 44 to the Standing Committee on Public Affairs, and the

date in each case on which that invitation was extended.

MR. YOUNG: Mr. Speaker, with regard to Motion 169, I'd like to move an amendment. I would move that Motion No. 169 be amended as follows: first, insert following "in each case", the words "up to April 17, 1983, a copy of the correspondence to"; second, in paragraph 1, delete the words "the names of"; and, third, in paragraph 2, delete the words "the names of. For clarification, the amended motion would then read:

That an order of the Assembly do issue for a return showing, in each case, up to April 17, 1983, a copy of the correspondence to:

- (1) those groups, organizations, and individuals notified by the Minister of Labour or any person acting on his behalf, of the government's intention to mount public hearings on Bill 44 before the Standing Committee on Public Affairs, and the date in each case on which that notification was given,
- (2) those groups, organizations, and individuals to which or whom was extended an invitation by the Minister of Labour or any person acting on his behalf, to present a submission on Bill 44 to the Standing Committee on Public Affairs, and the date in each case on which that invitation was extended.

Mr. Speaker, the first reason for moving the amendment is that it establishes a time frame which is one week past the introduction of Bill 44. I think that's the time period the hon. Member for Edmonton Norwood is interested in. Secondly, it covers all written communications to groups, which again I think achieves the objective of the hon. member. It is not possible, in the period between the time Bill 44 was introduced and following, to know how many people, and who, spoke to various members of the Department of Labour and were provided copies of the motion from this Assembly establishing public hearings and who were also provided copies of Bill 44.

Mr. Speaker, I am pleased to amend and will provide the information if that's acceptable.

[Motion as amended carried]

MR. YOUNG: Mr. Speaker, I am pleased to file the answers to the motion with the House. I earnestly commend to the hon. Member for Edmonton Norwood that he read the same with diligence, because it will affectively change his view of some of the suggestions he made during other times in the House. [interjections]

#### head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

219. Moved by Mr. R. Speaker:

Be it resolved that the Assembly urge the government to sharply reduce its involvement in the housing industry in Alberta by:

- (1) consolidating the three existing housing agencies, the Department of Housing, the Alberta Housing Corporation, and the Alberta Home Mortgage Corporation, into one agency;
- (2) terminating the Alberta Home Mortgage Corporation's lending activity to eliminate unfair competition with private sector housing investment;
- (3) adopting a policy which will encourage private developers and lenders to concentrate on housing re-

search, approval of mortgages, and use of its own capital to finance the housing industry in Alberta

MR. R. SPEAKER: Mr. Speaker, I'd like to move the motion standing in my name on the Order Paper.

Mr. Speaker, addressing that particular motion this afternoon, I think it is very important in the history of this province. In the last few years, many dollars have been invested and directed toward the housing industry by government. Much intervention has gone on, and I think it is time to reassess the object that government had with that program here in this province.

I believe that the 1983-84 budget, which is before us, reflects a government that really has not assessed this objective. There is a continued expansion of expenditures in the area of the Department of Housing. It indicates to me that the government seems to be unaware of some of the dramatic changes taking place in our economic and social system in the housing market place in Alberta. I believe it is time to reassess the matter on that basis. With that in mind, I would like to make my comments.

Firstly, I would like to concentrate on the very high level of government involvement in housing in this province at a time when interest rates are reasonable, vacancy rates are high and increasing, people are leaving the province, and we are having some difficulty keeping many of the social housing units we have already built completely occupied. According to the budget, we have a dramatic deficit in the order of some \$3 billion. We use \$1.7 billion from the heritage fund to help fund government expenditures. I think that in itself should be a good motivation and indicator to reassess the housing program here in Alberta.

I note in the budget that of this amount, \$400 million is required for the Alberta Home Mortgage Corporation, and some \$353 million is needed for the Alberta Housing Corporation. Together — and this excludes the Housing Department budget — this takes up 43 per cent of the heritage fund capital at a time when most of these expenditures are rather questionable.

Let's look at the government's plans a little more closely, according to the figures presented. The Alberta Home Mortgage Corporation plans to finance 4,000 new homeownership units in 1983-84, down from the 4,300 estimated for 1982-83. At the present time, we wonder about this proposal when current mortgage rates are down to 11 per cent, and some builders are buying down mortgages to 7 per cent in an effort to move their product. The result is that AHMC is continuing to compete with the private market place, as well as tying up badly needed capital from the heritage fund that could easily be provided at this time by private lenders. Mr. Speaker, I think if we listen to what some of the bankers and the banking community is saying at the present time, they would like to get into some of these areas and not compete with government.

At the same, the Provincial Treasurer shows us in the estimates that the operating funds for AHMC are up a whopping 53 per cent, from \$87 million in 1982-83 to \$133 million in the current fiscal year. I'm sure the Minister of Housing can come up with an explanation for that large growth. However, I might have him note that the 1982-83 estimates illustrate the actual subsidies to AHMC for 1980-81, just three years ago, in the middle of the growth boom, at a time the Alberta taxpayers had to pay only \$13 million for subsidies, while today the government wants to spend \$133 million. Surely this must be more than a little concern to the new Minister of Hous-

ing. This is what the government, in their budget and throne speech, refer to as a cutback in housing.

The situation in the Alberta Housing Corporation is quite similar. The government says it is cutting back but still needs \$353 million in the heritage fund capital for its programs. This includes 2,760 social housing units, mostly for senior citizens, and a \$72 million expenditure for land banking. The plans for more senior citizens' housing, some 2,100 units, is most puzzling at a time when the province is saturated with senior citizens projects.

Right now the minister should seriously question whether constructing more apartments and lodges is what is really needed. Most other provinces in Canada have reduced the production of senior citizens projects quite drastically over the past few years. For example, some — like B.C., Manitoba, New Brunswick, and Nova Scotia — replaced these expensive programs with shelter allowance schemes to allow elderly renters to pay their rent in the private sector.

Alberta should consider this approach as well, especially considering the large current availability of apartments in this province. If we look at some of the research I've done lately on vacancy rates across the province, as of April 1983, we see in Edmonton the vacancy rate is 6 to 8 per cent; Calgary, 12 per cent. The source of this is CMHC, which certainly should be an authority on a matter such as that.

At the present time, the government is proposing to spend two-thirds of its capital budget on senior citizens' housing, even though only about 8 per cent of Alberta's population is over 65 and less than half of these people are renters. The total subsidy bill for the Alberta Housing Corporation in the current budget is planned at no less than \$240 million. The bulk of this figure is for senior citizens' housing. In 1980-81 the figure for the Alberta Housing Corporation was only \$34 million. I would like to know if the Minister of Housing, in his current responsibilities, has any plans to reverse that trend in expenditure in the year ahead.

The growth in the government's expenditure in housing is not limited to the two Crown corporations I've just described but also affects the Department of Housing. I notice that the estimates ask for \$73 million for the department, up 50 per cent from the \$48 million in 1982-83. That doesn't cover the Alberta home mortgage interest reduction program, which I'd like to make remarks about at a later time.

In 1983-84 the department plans to spend another \$31 million on senior citizens' repair grants, even though almost all senior citizen home-owners in Alberta have already received grants under two previous programs, the senior citizen home improvement program and the pioneer repair program. Over the years, these programs have been questioned, not only by other groups who have not benefited but by senior citizens' organizations themselves. Even the Alberta Council on Aging and the Senior Citizens' Advisory Council have questioned such expenditures on a universal basis where all seniors, whether or not they need financial help, qualify for the grant. I ask the government how it can repeatedly justify such programs, while not allowing other Albertans, such as families or handicapped individuals, the same benefits.

Mr. Speaker, to summarize the first point I have made here this afternoon, in terms of the impact of government in housing, I must take issue with the Provincial Treasurer's statement that "this is a hold-the-line budget" in terms of housing. In actual fact, the government is asking Alberta taxpayers to commit \$753 million of heritage

fund money to housing programs, as well as \$495 million for an operating budget to run the various programs of the Department of Housing, the Alberta Housing Corporation, and the Alberta Home Mortgage Corporation. This is a 61.2 per cent increase from the previous year, where budgetary estimates were \$307 million.

My second area of concern on this issue deals with the structure of housing delivery in the province of Alberta. Mr. Speaker, this province is now the only one in Canada that has three bureaucracies to deliver housing programs: the Department of Housing, the Alberta Housing Corporation, and the Alberta Home Mortgage Corporation. In 1976 when the Alberta Housing and Public Works Department was created, along with the Alberta Home Mortgage Corporation, the rationale might have had some logic. At that time, we were faced with unprecedented growth. A department was needed to plan and guide this growth, and the mortgage corporation was needed to administer a large volume of mortgages and subsidies to the private sector.

Unfortunately, we have now created a bureaucratic monster with some 34 different programs, many of which are unknown to the public, and three separate agencies, employing some 850 civil servants. I am told that most don't consult with each other or work in a co-operative manner in delivering the service. Rather than the department guiding the direction and activities of the two Crown corporations, what we really have is the most incredible case of bureaucratic duplication seen in the government of Alberta.

For example, in 1982, after the mortgage interest reduction program was announced, the workload of the Alberta Home Mortgage Corporation had already been reduced dramatically due to the downturn in the economy. I raised that with the Premier in this Legislature during the study of the Heritage Savings Trust Fund. However, rather than using the resources available in Housing, the department hired several hundred additional employees to handle this new program.

Today, to the best of my knowledge, there are 849 employees working in the three housing agencies. This is almost four times as many as there are in British Columbia, six times as many as in Saskatchewan, and more than twice as many as in Quebec. Even Ontario, which has three times Alberta's population and many more social housing units to administer — that is, providing housing to some 250,000 people in 310 communities — has only about 1,000 employees working in the provincial Department of Municipal Affairs and Housing. This is made up, in large part, of a number of employees in field offices.

I ask the Minister of Housing whether he feels such a large bureaucracy is required here in Alberta, and whether the work of three agencies could now be more effectively directed and controlled through one housing agency. I point out that the public of Alberta is not well served when three separate housing agencies work independently of one another. I am told that every other province delivers housing programs through one housing agency and is quite satisfied with that arrangement. While I am sure the government is reluctant to consolidate the housing agencies under one roof and that the employees would protest such a move, I believe such an initiative would demonstrate the new Minister of Housing's genuine commitment to reducing the government's role in housing, while at the same time being more responsive to the public need.

Mr. Speaker, the third major area of housing I would

like to discuss is the Alberta home mortgage interest reduction program, which I might add seems to have been partly responsible for the government's success in the last election. If we look at the recent sharp drop in interest rates, I believe this program is becoming more of an embarrassment. We seem to have some strange contradictions here. On the one hand, we now see the Alberta government, through the Heritage Savings Trust Fund, subsidizing the banks through interest subsidies, when current rates are in many cases actually lower than the 12.5 per cent cutoff.

Then the government had the idea to encourage people to renegotiate their current mortgages to provide longer term stability, not to mention the dramatic savings to the government as well. The only trouble with this scheme is that the government made it almost impossible for most people to take advantage of the program, because renegotiation funds were to be prorated over many months. Mr. Speaker, you will recall that I brought this problem to the attention of the Minister of Housing on April 8. It is also notable that the minister, 12 days later, announced that he was changing the policy so that all administrative and lawyers' fees will be covered, rather than limiting the coverage to \$200.

I felt that was a very laudable change and a good move on the part of the minister, except that the home-owners at this time will probably have to pay the fees in a lump sum and depend on reimbursement from the government in a series of monthly payments. In reality, the home-owner still has to find the cash to renegotiate a mortgage. So in one way, nothing much has really changed. The only real advantage is that the mortgagee will eventually get the administrative and legal fees paid. The only one to really benefit initially is the lender, who in these cases really can't lose anyway.

I suggest that if the government had decided to pay the renegotiation costs in a lump sum, up front, many people would have immediately gone out and obtained a three- to five-year mortgage at 11 or 12 per cent. This would have assisted a good number of people, created a tremendous amount of confidence in the housing industry, and probably could have eliminated the need for a mortgage interest reduction program in a matter of a few months. Of course, the Housing Department employees would probably object because we would be cutting back on the bureaucracy. I'm sure this explains why such a program was developed in the first place.

Mr. Speaker, the fourth idea I wish to discuss this afternoon is the matter of ineffective programs that have been on the books for a number of years but have produced almost no results. I can think of no better reason why we should eliminate or decrease the cost of housing programs in this province. The four programs I'd like to refer to are the shell housing program, the home adaptation program, the home conversion program, and the senior citizen unique home program.

First of all, the shell housing program is listed as a program administered by the Alberta Home Mortgage Corporation. It provides mortgages and subsidies for persons who want to finish off their homes themselves and save money. From my information, this program has been terribly unsuccessful in other provinces in Canada and really hasn't gone anywhere here in Alberta. In my opinion, it should be dropped.

Secondly, the home adaptation program was introduced several years ago to provide funds to wheel chair users to modify their homes, or even modify the construction of new housing to facilitate occupancy by wheel

chair users. Home-owners, tenants, and landlords are eligible for grants of up to \$1,000. Since the program began, I find that 753 owners, seven landlords, and only 31 tenants have taken advantage of it. Over the years, agencies which work very closely with disabled Albertans have lobbied that the program be improved, that \$1,000 is not sufficient to carry out much in the way of home adaptations. It has been suggested that the program be made available to other disabled groups besides those confined to wheel chairs.

The recent Klufas report, submitted to this Legislature by the Minister of Social Services and Community Health, recommended that this program be broadened and the grant increased to \$5,000. In view of the fact that senior citizen home-owners in this province have now been able to qualify for \$6,000 in provincial grants and close to \$4,000 in federal grants for home renovations and that there are some 51,000 senior citizens eligible, and in view of the fact that there are only about 5,000 disabled Albertans who would be eligible, I request that the government move rapidly to improve and enhance the home adaptation program and treat disabled Albertans with the same priority as the government treats its senior citizens.

In reviewing this year's budget estimates, I note that there is \$40 million for repair grants for seniors, but only \$150,000 for grants to disabled Albertans. I think there an explanation is necessary for this discrepancy; this could be called injustice.

The third program is the home conversion program. This program is and was intended to stimulate the development of additional rental accommodation through basement suites, with provision of interest subsidies or loans taken out by owners of existing housing who wish to provide additional units for rent. I note from the budget that the department is requesting expenditures of \$200,000 for this program in 1983-84. Surely the Minister of Housing should question why that is happening. Since this program was started in 1980, my information is that only 14 grants have been approved throughout the province. Most of these only pay between \$100 and \$250 per year in interest subsidies.

Mr. Speaker, while I don't want to appear critical of the minister, especially because this program is not his creation — it's that of someone else — I must point out that the program seems to be ill-conceived and certainly should be reviewed at this time. I understand that loan limits for the program, at \$10,000, are about five years out of date. The requirements for building permits will guarantee that this program will continue to produce very little. I would suggest that the Housing Department get into some serious dialogue with the larger municipalities in this province and make this program workable and, hopefully, worth while. I might point out, for example, that there is a waiting list of about 1,400 for student housing at the University of Alberta. Despite the contention that there is no rental shortage, a successful basement suite program would possibly be of genuine benefit in this area.

The last program I wish to discuss is one that most hon. members, and perhaps even the Minister of Housing, aren't aware exists in its state. It is the senior citizen unique home program, for which the minister is requesting a budget of \$850,000 for this year. This program provides grants of up to \$4.57 per patient per day to private, non-profit senior citizens projects that have operating deficits and provide a level of care between senior citizens' lodges and nursing homes. The minister may or

may not be aware of this situation, but I understand there is no real legislative authority for this program.

When the program began in the 1979-80 fiscal year, it was only meant to run for two years as a band-aid measure to keep about a dozen senior citizens projects from going out of business. Before the two years were completed, a task force from Housing, Social Services and Community Health, and Hospitals and Medical Care was expected to report to the respective ministers on more satisfactory and long-term solutions to the problems of increasing health care requirements in these projects and the associated problems of increasing deficits.

Needless to say, it's my understanding that the government did not call a task force together, and the issue has never really been addressed. Each year after the legislative authority expired at the end of fiscal year 1980-81, budgets were increased to this program, again as I understand it, with no real legislative authority. Now several homes, such as those in Camrose and Coaldale, will soon close because the funding is still inadequate to meet deficits. Meanwhile, to my knowledge, the government has not evaluated the situation.

[Mr. Purdy in the Chair]

I should point out as well, Mr. Speaker, that what the minister has as a responsibility here is no real problem but could really be the tip of the iceberg. Alberta has more than 14,000 senior citizens in lodges and nursing homes. Each year they grow older. Their ability to look after themselves decreases. It is no secret that these people will require a dramatic increase in support services and that buildings they now live in were not adequately designed for their future needs. I'm sure that many of us who have been in this Legislature many years, see this every day.

I think of persons who entered the Peter Dawson lodge in Vulcan at age 65, who are now 85, some 90. They need a different kind of health care. They're still mobile and able to move around the senior citizens' lodge, but they haven't anywhere else to go. Do they get a hospital bed at a high cost? That's what many of them are doing. We have a shortage of nursing-home beds at the present time. So there is a group of senior citizens who we have given care through the senior citizens' lodges, who need some type of a health care facility. I think it's a gap that the government must examine and look at, not necessarily the Minister of Housing but most likely the Minister of Hospitals and Medical Care should examine this gap in the program.

The last area I would like to discuss this afternoon, Mr. Speaker, is the government's vision of the future direction of housing in Alberta. I'm sure the Minister of Housing is aware that the role and nature of housing programs in this province must change. The question is: where is it going? I will conclude my remarks with some thoughts as to the kinds of issues that should be pursued and hope to get the minister's reaction to those directions.

As I mentioned earlier, the days of massive production of all kinds of government-assisted housing are over. But in the rental area, there will still be some problems for some tenants to secure affordable rent. Like some other provinces, Alberta might be wise to explore rent supplements and shelter allowances as a method of bridging that gap. In the area of senior citizens' housing, the government should stop building apartments and lodges, but begin to build multilevel care facilities, where seniors with various health needs can live together and move up

and down and through the continuum of health care as their needs change.

In 1981 the Alberta Housing Corporation was involved in a major multilevel care study completed by Woods Gordon and company and funded by Hospitals and Medical Care. The study was never released, to my understanding. But I understand it recommended that this concept be explored in health care. I certainly recommend that the government try that program and try to make modifications and improvements to adapt to a growing number of the frail elderly.

Mr. Speaker, in the limit of my time, I trust that the government and the new Minister of Housing will take these remarks seriously. The minister may not realize it, but he has inherited a department and two Crown corporations that have grown at a dangerous rate since 1976, with budgets that have not been seriously questioned previously. In fact, they have not really been allowed to be questioned because, in the past, the Heritage Savings Trust Fund has been large, and the government has been able to find funds very easily to expand and carry on these programs. I certainly recommend that changes be made. It is time in our history — change in the economy, change in social needs — that we review the housing program, and do it on the basis of our belief in the private sector, that the financial institutions of this province can finance most of the housing, that people who are able to look after themselves can also find shelter for themselves, that we support the construction industry, the industry of this province, by giving confidence that the private sector can do the job in building.

I don't think it's a time for government to continue to expand and put more funds into this area. It is a time to change. We in this province at this time need greater funds for health care and for education, which are two very great priority items. I think it is a time when the Alberta public would look with confidence and support at changing the housing program in this province, diminishing our expenditures in that area significantly, but as well taking our responsibility with local hospital boards, school boards, and municipalities that need our help at this time. We can do that. The political climate is right for that kind of change.

I know I stand on thin ice at times when I raise the question in my remarks about senior citizens' accommodation. I can be criticized for that because that is a sacred, motherhood area; you don't take anything away from the senior citizens. I've been supportive of the accommodation they get. But in a time when we have to have a large deficit — as I've said, \$3 billion, cushioned by the Heritage Savings Trust Fund — and when we have pressure in the priority areas of education, health care, and municipal government, then it's time for government to examine where other programs, such as housing, fit on the list of priorities. I'm saying it is time to reduce that budget significantly. It's over a billion dollars, we could place those funds in other priority areas. It takes a bit of courage to stand up and do that. Who wants to hurt some grandmother somewhere or someone living ...

MR. ACTING DEPUTY SPEAKER: Order please. Can the member now conclude.

MR. R. SPEAKER: Thank you, Mr. Speaker, I will.

We can at this time. If the government of Alberta really believes in the private sector, in private funding, and the cause that is out there, I think the needs in terms of

shelter for people will be looked after, even though we make this major change in priorities.

DR. CARTER: Mr. Speaker, I'm pleased that you had an eye on the clock. Some of us thought there was an extra extension being given with respect to the length of the wording of the motion so that perhaps at other times when we make our motions, we might add more words in hope of getting more time to speak. The other thing is that those of us who have not been in the House as long as the hon. Member for Little Bow take some encouragement from him this afternoon because of his excessive reference to his notes, almost as if he were reading a speech which someone else had prepared for him. I'm probably wrong in that, but it does encourage the rest of us to feel a little less anxious when we do have to read from notes.

There's one point for clarification. The hon. member mentioned the 4,000 family home-ownership units. That's not exclusively for new homes, because included in the 4,000 units is the opportunity to purchase existing homes. The Alberta Home Mortgage Corporation program is aimed at low- and middle-income families, most of whom would otherwise not be able to afford their own housing.

I was pleased that toward the end of his remarks, the member did qualify his comments to let us know that he is not opposed to the self-contained program for low-income seniors, because that was causing me a bit of concern as he raised that earlier. Again, I trust that he would ameliorate his position with respect to the senior citizen home improvement program as well. That has had inestimable benefit, especially with regard to the independence of senior citizens to be able to stay in their homes for much longer periods of time.

In the research with respect to Motion 219, it's been interesting to go back over the speeches of the hon. Member for Little Bow and his participation in the estimates of the last three to four years. There isn't that much material with respect to his speaking on this issue before, but I see that in March 1983, he did bring forth this point which is embodied in the motion of this afternoon's discussion. But prior to that, even as late, if you will, as his reply to the throne speech in 1980, his remarks lead us to believe that he's urging the government to increase its programs and therefore, I suppose, to increase the number of employees and things like that, which would be somewhat of a contradiction to the wording of the motion on this day.

Also with respect to this afternoon's comments by the member and his section 4, where he talks about ineffective programs, I agree that as members of the Assembly we should be pointing out areas of improvement. In terms of the four areas which he chose to discuss, I think there is room to have some improvement. With respect to the home adaptation, the matter of more accessibility to the program for other people who are handicapped, perhaps the amount of \$1,000 should be assessed and raised in light of construction costs. But again, when you stop to analyse it, the member is really advocating more funds. And more funds and a wider application of the program in all likelihood means that you're going to have to involve more personnel.

That then is seen in contradiction to his own wording in the preamble to his motion that we should "sharply reduce" involvement in the housing industry. So I think we need to examine for awhile the fact that here the member really is reverting to his much more positive stance of trying to fine-tune the effective programs of the

government. It's very helpful and encouraging that he should join with government members in that regard.

I think the same applies to his example of the home conversion, because he went on to give us the useful example that university housing has backed up somewhat and that it would be useful to have the home conversion program taken advantage of, especially here in the city of Edmonton — and that probably applies also in Calgary. But again, that means expanding the program, rather than sharply reducing, in the words of the preamble. The same would apply to his useful comments with respect to senior citizens in nursing homes and that type of adaptation.

It's interesting that earlier this year, the Minister of Housing, in comments quoted in the media with respect to the 1983 budget, pointed out that the government and his department want to pull back from the amount of involvement that has been there over the last number of years. That's been stated by the minister on public record. It's interesting that this motion then picks up the theme which the minister himself had announced as early as November, I believe. Of course, involved in all of this is the matter of trying to adjust to a cyclical demand and supply, which was there because of that vast in-migration to the province in the boom years, and now we've all had to go through some kind of adjustment with respect to the current economic conditions. So all of us in the Assembly who were previously encouraging and yelling and screaming at times for the government to be more involved in housing programs, now find that, yes, we have to make some adjustments. It's only fair and appropriate that we give a bit more time to the department to be able to carry out those types of adjustments.

It's always interesting to examine the exact wording of motions. Part 1 talks about consolidating the three existing housing agencies — the Department of Housing, the Alberta Housing Corporation, and the Alberta Home Mortgage Corporation — into one agency. Well, I for one would be opposed to that, because I understand that at least this way the minister with his — aside from his department, it allows for greater flexibility of operation between the guidelines and the terms of definition under which the Housing Corporation itself acts and also the Alberta Home Mortgage Corporation. If we went along, for example, with this first part of the motion and consolidated the three, I for one would certainly not want to be involved in trying to put those three together into one melting pot and standing by to see what kind of flak and fall-out would develop.

Nevertheless, I think the intent of the member needs to be examined further. During the course of his remarks this afternoon, I agreed with certain aspects of his comments. Within, say, the Alberta Housing Corporation, there does exist the need, as always, to have good management practices. From my own understanding, working with a number of senior citizen housing projects in the city of Calgary, one of the difficulties over the last seven to eight years was a fairly frequent turnover of staff in the ranks of Alberta Housing Corporation. That was difficult to deal with in terms of a number of management and construction projects. So I'm certain that given this economic breather and the ability of the new minister, hopefully he will be able to give greater attention to the matter of fine-tuning the Alberta Housing Corporation even further. In all of this, I think words of commendation and praise should be given to the members of the corporation for the fine work they were able to carry out in what could only be described as a very

hectic time in terms of the history of this province.

The second part of the motion would have us reduce programs, especially the Alberta Home Mortgage Corporation's lending activity. Mr. Speaker, I believe that would be very difficult. We have to examine the role not only of Alberta Home Mortgage Corporation but also of the Alberta Housing Corporation. Over the space of the last number of years, if we didn't have either of those two organizations with the back-up capability of the Department of Housing, a tremendous number of facilities would not have been built in this province, especially in the inner cities, which are regarded as less than wonderful places in which to live, or in rural Alberta, where often the private market would see it as just not being economically feasible. So this combination of the department and the two agencies has meant a tremendous growth in terms of more than adequate housing for senior citizens and people on lower incomes, and for these construction projects to have taken place throughout the length and breadth of this province.

We also have to take into account that under the Housing Corporation — I think at the moment they are managing on an ongoing basis something like 27,000 units. Now it might well be that the Housing Corporation can continue in a program which it already has under way, of moving more and more of these units to be governed and managed by non-profit groups, whether it be in large or smaller centres of population.

In terms of his motion of sharply reducing involvement, I wonder if the hon. Member for Little Bow would have us affect the smaller communities in his constituency, such as cutting off all funding with respect to the revolving trunk fund for water and sewer. I'm quite certain the answer there would be a good "no". Again, we have other programs which affect rural members, especially those in the northern half of the province. As administered under the Alberta Housing Corporation, the rural mobile home program, for example, has been able to enhance and upgrade the housing for native people in particular in the northern part of this province.

The whole motion causes me some difficulty, if we take the precise definition of the words. I can't help but wonder if "sharply reduce" in the preamble would then look at each one of these 32 programs and do away with them. I won't list them all, but I don't for one moment believe the Member for Little Bow really wants us to do away with a program as good as the Alberta heritage fund mortgage interest reduction program. He really doesn't want us to do away with all senior citizen self-contained housing program units, senior citizen lodge programs, nursing home financing, rural and native housing, or senior citizen home improvement programs, especially if all these things happen to occur in his constituency.

Mr. Speaker, I offer these few comments here this afternoon. I have obviously voiced a fair amount of confusion and concern in trying to fully identify the position of the Member for Little Bow, but I for one would be voting against this motion were it to come to a vote.

MR. NELSON: Mr. Speaker, it is indeed a pleasure for me to be able to speak to the motion. I commend the hon. member who just spoke for those very good words of wisdom, and I hope the mover of the motion, the hon. Member for Little Bow, was listening intently. I don't intend to read a long speech that possibly somebody else produced either. I haven't been here for 20 years, Mr. Speaker, but I understand that that's against the rules. If

it's not, maybe I'm incorrect. I'd sure like to know; then I could get someone to help me out.

DR. BUCK: It would sure be a help.

MR. NELSON: Mr. Speaker, in the context of the deliverance of the product by the mover, I would certainly like to encourage the Minister of Housing to place the funding of these programs that are very well appreciated and received by the citizens of this province into areas other than the Little Bow constituency. I'm sure that even though they don't appreciate them, other members of this government and the House would.

Mr. Speaker, it's very interesting to note — and I certainly would like to encourage private enterprise — these some 29 housing and home ownership programs and other types of programs that allow people to remain in their homes, offer the private sector of this province the opportunity to develop many, many thousands of jobs, and give other people the opportunity to own their own homes or live in affordable rental housing. Believe it or not, there are many people in this province who don't earn big chunks of money. There are people on low- and middle-income scales who need assistance. They need help.

We're not all like some members of this House, particularly on the other side, who possibly wish to obtain certain funding that may assist them in being able to afford their own product. Certainly there are some of us who are unable to do so. Which programs do we delete from the list that the Minister of Housing has under his control? Do we remove the Alberta family home purchase program? Do we stop assisting families with low and moderate incomes to buy new or existing houses?

MR. DEPUTY SPEAKER: Order please. The time for this particular debate has now concluded.

MR. NELSON: Mr. Speaker, I ask that this item be adjourned.

MR. DEPUTY SPEAKER: That's not necessary, because you automatically adjourn when the time elapses.

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

**Bill 213  
Consumer Purchasing Power Index Act**

MRS. CRIPPS: Mr. Speaker, I believe that the principle to establish a realistic comparison of consumer purchasing power in relation to the market place is a very important issue. For the record, I'll outline the principles in Bill 213. Section 2 reads:

(1) In respect of every year, the Bureau shall prepare and publish a report showing a purchasing power index for individuals in Alberta, based on the average cost of living and the average earnings of Albertans.

(2) The purchasing power index may be expressed in 1 or more forms and in any manner considered appropriate by the Bureau but shall include an expression of the number of hours of work necessary, at the average earning rate of Albertans for the year

in question, to earn enough money to purchase standardized items of each of the elements of the average cost of living listed in subsection (3).

(3) The Bureau shall determine and publish the manner of calculation of the average cost of living which shall be based on such factors as the Board considers appropriate, but shall include

- (a) income taxes;
- (b) cost of shelter including expenses in respect of:
  - (i) rent;
  - (ii) property taxes;
  - (iii) maintenance;
  - (iv) utilities;
  - (v) interest on home financing;
- (c) food;
- (d) clothing;
- (e) consumer goods including service and financing charges incurred in their purchase;
- (f) transportation;
- (g) education;
- (h) entertainment;
- (i) recreation;
- (j) health and personal care;
- (k) vacations.

(4) The average earnings shall be expressed before deduction of taxes.

(5) The Bureau shall determine and publish a purchasing power index in respect of urban residents and in respect of rural residents based on their respective average earnings and average costs of living.

(6) The Bureau may determine and publish purchasing power indices for subdivisions of the population other than those described in subsection (5), based on geographic, occupational, economic or other factors.

I had the suggestion made the other day that two further items should be added to section 3(b): investment and savings. If these two items were included, it would be possible to assess the health or maybe the wealth of the economy, as these generally are an indicator of what families are able to save. This might not be accurate now, as the savings are higher than ever before and the consensus is that these unusually high savings reflect a lack of confidence in the market place and the economy. However, the change would be reflected in the overall change of the spending, which the consumer purchasing power index savings percentages would therefore increase.

You will note that "average earnings" is mentioned in section 2, and section 3 clearly indicates that the bureau shall include a comparison of the time it takes to purchase one of the elements listed in this section. This comparison of consumer purchasing power in relation to their earning power is distinctly different from the consumer price index, which traditionally has been used to show the relative position of the consumer. The CPI is based on the purchase price of a basket of goods compared to the base year 1961, '71, and '81, the latest.

The consumer price index does not give any consideration or weight to the changes in wages. Therefore it only reflects increasing costs and, for that reason, has been widely quoted to prove inflation. The CPI in itself is inflationary. It has been used as an argument for increasing wages, and has even been included in some agreements as a cost-of-living factor. Percentagewise the CPI only relates the cost of a product to the base year. It's misleading when used as a basis for cost of living, because even the experts agree that it isn't a true reflection of these costs. The purposes and uses to which the CPI is

put is ridiculous, to say the least. It continually tells the consumer how poor he is and how his buying power is slipping, when the opposite is the case.

Purchasing power should be related to the time it takes to earn rather than a statutory dollar figure. The index also distorts the real cost of living to people who make above or below the average income. For example, a person who makes \$12,000 may spend more than the 21 per cent, given in the CPI, of his income feeding a family of four. But this is the weighting factor used. Similarly, a person making \$25,000 may not spend the 21 per cent, which is the weighting factor used, to feed his family of four. So it's an overestimation for him. As a result, the consumer price index does not accurately reflect the changes in the actual cost of living for the non-average family. When the cost of necessities rises, it overestimates the actual cost for the wealthy, and underestimates for the lower income brackets.

Rather than the 1981 dollar value, the consumer purchasing power index would make a comparison of consumer purchases and their buying power; that is, their earnings today. If the life style of each and every family depends entirely on their ability to purchase necessities and then the amenities, both are related to the wages the family earns, not the 1981 dollar. For instance, we can purchase more food today than ever before for an hour's labor.

When bread was 5 cents a loaf, a low wage earner earned \$2 a week, which is the equivalent of 40 loaves of bread for a week's work. If they were in the low-income bracket, they earned a dollar a day, which is 20 loaves of bread for a day's wages. Today, at a minimum wage of \$3.80 and bread at 70 cents a loaf, you can buy 43 loaves of bread for a day's work. That's equivalent to a week's work when wages were \$2 a week. So bread is expensive compared to what? Compared to the 5 cents it was formerly? Yes. But compared to your earning power, it's cheap.

Let me use some examples from a price comparison in *The Lethbridge Herald* of May 3, 1980. The years I have are 1950, '69, '75, and 1980, and I'll use only three articles from this chart. In 1950, one dozen large eggs cost 54 cents and took 38 minutes to earn; in 1969, 61 cents and 154 minutes; in 1975, 88 cents and 114 minutes; and in 1980, \$1.11 and 10.7 minutes. In 1950, one pound of chicken cost 46 cents and took 33 minutes to earn; in 1969, 49 cents and 124 minutes; in 1975, 83 cents and 10.8 minutes; and in 1980, \$1.12 a pound and 10.6 minutes. The fact is that it takes less time to purchase food today than ever before.

Mr. Speaker, let me be perfectly clear about the consumer purchasing power index: it is not equally applicable to wage earners at different salary levels. It clearly does not apply fairly to the unemployed. It would really only point out the fact that, regardless of the index, employed people are well off and the unemployed are not. It must be remembered that any index is only as accurate as its components.

Most indexes are based on averages. Notwithstanding that we've just been discussing averages, to clearly indicate that you can't use averages, I'd like to compare people who are working at the minimum wage level. Let's take just two examples. The first one is a practical example because it's someone I know. I'm going to call her Marlene, a working girl out of high school earning \$4.50 [an hour]. A 40-hour week equals \$180 — \$160 take-home pay. The total net monthly wage is \$640, and the total net yearly wage is \$7,680. Let's look at Marlene's



expenses. Three hundred dollars rent for a single-bedroom apartment and \$80 for utilities leaves \$260 a month for all other expenses, including gas and car payments if she has a car, food, clothing, and recreation. Mr. Speaker, welfare pays better than that. And I know many girls who are working for that wage.

Now let's compare that with Mrs. X, a teacher with one child, earning \$33,000 a year. I took \$33,000 because it's the average teacher's wage in the counties of Wetaskiwin and Leduc. Suppose she has the same basic costs — since she has one child, we'll allow her two bedrooms — which give her an apartment rent of \$500 and utilities at \$80. That leaves \$1,500 for food, clothing, car payments, gas, and other costs, for which Marlene had \$260.

Let's take the example of a secretary earning \$12,000 a year. Her net pay is \$800. After paying the same expenses, she has \$420 left. There's absolutely no way of fairly comparing these people in a consumer purchasing power index or, for that matter, making any kind of comparison in their life styles and their ability to meet their minimum everyday needs.

I might add, Mr. Speaker, that wages have changed considerably. I was cleaning out a closet the other day and I found an old wage receipt from the county of Wetaskiwin. In 1960 the monthly wage for teachers was \$287.50 gross.

AN HON. MEMBER: That's more than you make now, Shirley.

MRS. CRIPPS: Just about.

I also noticed that in 1971 the average teacher's salary was \$9,552.28. In 1979-80 it was \$24,108.37. As I said, the average in Wetaskiwin now is considerably higher than that.

The above illustrate the need to look at lower income groups and do a comparison. Minimum wages in 1949 ranged from 30 to 35 cents an hour. Today's minimum wage is \$4.50. I have some statistics, Mr. Speaker, which indicate which groups earn that minimum wage. I think I have about 20 groups: bellhops, bus boys, hotel or restaurant cashiers, chambermaids, junior clerk typists, cocktail waitresses, desk clerks, hostesses, hotel laundrymen, maintenance men, office girls or boys, pot washers, sales clerks, school caretakers, service station agents, and coffee shop waitresses. All these people are in the minimum wage bracket, about \$640 a month.

Senior citizens were another group I looked at because they're usually discussed when talking about the impact of prices. Senior citizens had no assured benefits in 1947. Today, if they're 65 and single they're eligible for the old age security pension of \$254.13 a month and, if they don't have other income, the guaranteed income supplement of \$255.13 a month. That adds up to \$509. The Alberta assured income supplement is \$95, which brings it to \$604 for a single senior citizen. A couple would be eligible for \$545.83 each. I might add that the assured income for the handicapped is also \$604, and I would suspect that if the widows' allowance is in keeping with that, it would probably be a similar figure.

Social allowance recipients are often referred to as the lowest income group. As I indicated earlier, Mr. Speaker, they certainly are not, as these statistics will show. Alberta Social Services and Community Health pays a mother with two children \$817 to \$899 a month for long-term assistance, and \$725 to \$801 for short-term assistance. This varies, because it depends on the age of the two children. It is to be pointed out that people in these last

three brackets — senior citizens, social allowance recipients, and people on insured income — have medical/dental benefits paid for them.

Since a large portion of the work force is employed by government, I've included their average incomes. I don't have the average income going back to, say, 1951, but I do have 1971. The average income for all full-time government employees was \$7,300.27 in 1971. It was \$19,901 in 1980. And according to *Hansard*, April 19, 1983, Mr. Stevens is recorded as saying the average salary for all employees of the government is around \$24,000. So it's up considerably since 1980. I'm not in any way indicating that all government employees are average. Certainly there's a major discrepancy, which is only aggravated by the percentage increases as they all have the same basic costs: food, shelter, clothing, et cetera. That's another argument.

It's also interesting to note that the Saskatchewan Chamber of Commerce has released its first circulation of the real costs of consumer goods since 1979. The chamber states that "comparisons with previous years are difficult to make". Mr. Speaker, it's interesting to note:

The chamber's definition of "real" cost is based upon the time it takes the average person to earn enough money to buy a good.

That's precisely the principle involved in this Bill. With the exception of income tax, every single item in this list takes less time to earn in 1981 than it did in 1949. I'll just give you a few comparisons. Since income tax has increased, and it's one of our major costs and isn't considered in the consumer price index, I'll include it.

In 1949 it was \$147, 3.5 weeks to earn; in 1959, \$291 and 4.1 weeks to earn; in 1969, \$653 and 8.1 weeks to earn; in 1979, \$2,702 and 9.8 weeks to earn. A new car: in 1949, \$2,950 and 75 weeks to earn; in 1959, \$3,787 and 54 weeks to earn; in 1969, \$3,564 and 33 weeks to earn; in 1979, \$5,334 and 19 weeks to earn; in 1981, \$8,557 and 19 weeks to earn. Who drives that kind of car? [interjections] I'm not sure which of these I should pick. I'm looking at the houses, and they're not realistic. Of course this is Saskatchewan, isn't it?

In any case, in 1981 it takes less time to earn each and every one of these items than it did in 1949, 1959, 1969 or, for that matter, 1979. There's no doubt we're better off in terms of the time it takes to earn necessities. I'm not saying everyone's better off, but generally speaking, I would say we're in a better purchasing power position than ever before in history. Look at the number of cars, campers, boats, trailers, et cetera, on the road. Look at the number of holidays taken. Thirty years ago only the rich could afford holidays, and they didn't have time to take them.

The problem with trying to reach criteria for any type of index is that people at the low-income levels have to purchase exactly the same consumer items the ones at higher income levels do. A survey of 45 cities shows that a basket of goods varies tremendously around the world: \$163 in Chicago, \$292 in Tokyo, and \$94 in Mexico. But the real comparison is made when the number of hours a person has to work to buy the standard selection of goods and services is calculated.

In the purchasing power scale, a person in Chicago needs to work 76 hours to buy the same goods and services that require 100 hours in Zurich, 200 hours in Paris, and 500 hours in Jakarta. The survey from the Saskatchewan Chamber of Commerce used the principle in this Bill. These 45 cities compared used the principle in the Bill. It's becoming more and more apparent that the

principle of consumer purchasing power must have two components: costs and wages.

Alberta's Uniform presented a resolution in 1980 requesting a consumer status index. It reads:

Changes in C.P.I., to more accurately reflect the percentage of consumer income actually spent on housing, clothes, food, recreation, taxes, etc. in relation to total income . . .

This motion was passed by Uniform, the western agricultural conference, and taken to the Canadian Federation of Agriculture, which also adopted it.

I introduced this Bill for second reading on April 15, 1981. It's extremely interesting to note that in a telex to the Right Honourable Pierre Elliott Trudeau on August 24, 1981, the Premier made reference to a meeting held at 24 Sussex Drive on June 30, 1982:

During our [recent] meeting we also discussed the fact that the government's method of calculating the consumer price index was itself inflationary. Since that time you have written to me indicating that the method of calculating the C.P.I., is under review by your government. As I argued at the first ministers' conference in 1978, I firmly believe that the structure of your government's consumer price index overstates the cost of living for the average Canadian. As a result this unnecessarily high target fuels wage demands more excessively than they need be.

From an address that Premier Lougheed gave to the Empire and Canadian Club of Toronto, June 2, 1982, item 6:

The consumer price index should be reassessed to determine its credibility and its inherent inflation-creating aspect as a target for wage demands.

It's time now to establish a meaningful basis to assess the consumer's relationship to the market place. I urge members to support this concept, and will be looking forward to an assessment of the merits of the Bill by the Provincial Treasurer.

[Mr. Speaker in the Chair]

It's been a fairly dry afternoon and, with your permission, maybe just before I close I could read an article which proves that measures taken to reduce costs may not always save money. This is in relation to a gentleman farmer who bought a stove last fall, intending to save fuel costs.

How to save with a wood stove	
Stove, pipe, installation,	
etc.	\$ 458.00
Chain saw	149.95
Gas and maintenance for chain saw	44.60
4-wheel-drive pickup, stripped	8,379.04
4-wheel-drive pickup, maintenance	438.00
Replace rear window of pickup (twice)	310.00
Fine for cutting trees in provincial forest	500.00
Fine for attempting to bribe conservation officer	850.00
Seven cases of '5-Star' rye	126.00
Eleven cases 'Blue' beer	55.00
Littering fine	50.00
Tow charge from creek	50.00
Dentist's fee for capping broken tooth	195.00

Safety glasses	49.50
Ambulance charge (broken arch - dropped log)	125.00
Safety shoes	49.50
New living room carpet	800.00
Paint walls and ceiling	110.00

I guess those things smoke.

Worcester chimney brush and rods	45.00
Log splitter	150.00
Replace coffee table (chopped up and burned while drunk)	75.00
Divorce settlement	33,678.22
Total First Year's Costs	\$52,687.81
Savings in 'conventional' fuel — first year	62.37
Net Cost of First Year's Woodburning	\$52,625.44

I guess this goes to prove that careful consideration must be given to money-saving devices used.

MR. ZIP: Mr. Speaker, first of all, I wish to congratulate the hon. Member for Drayton Valley for introducing Bill 213. If I may, at this point I would like to express my deep appreciation that the hon. member happens to be my seatmate. In this way, I have discovered how hard working, diligent, and worthy the hon. Member for Drayton Valley is.

MRS. CRIPPS: Record that.

MR. ZIP: Before getting into a discussion on the pros and cons of the consumer price index, I would like to briefly discuss what it is supposed to measure; that is, inflation. There is a very long history associated with inflation that goes back to ancient times. When we go into a study of the decline of Rome, the collapse of the republic and setting up the empire, one of the problems Rome faced was inflation and the social disruptions it causes. Going on to more modern times, the discovery of America caused another spell of inflation, associated with a vastly increased supply of gold to Europe. If you go back to the California gold rush and the Yukon gold rush in Canada, there were some fabulous stories about how airy the prices got in communities during the gold rush.

Following the First World War, we saw what happened in Germany, Poland, France, and various European countries. A person had to spend his money quickly because the prices changed so fast. I remember some of my relatives saying how you had to have a suitcase full of money to buy ordinary goods. I remember my aunt telling me one time that she sold a horse and before she got around to buying something with the money she got for the horse, all she could buy was a small pig. So that's inflation.

MRS. CRIPPS: Either that or it was a poor horse.

MR. ZIP: Economists generally describe inflation as a case of too much currency chasing few goods. It can be simplified a little further into one basic fact: scarcity of certain vital goods in relation to the urgency of the need for them. Historically, this scarcity has been brought about by a wide variety of factors which range from natural disasters such as drought, earthquakes, and pestilence to man-made disasters due mainly to war, the distinction of goods and the productive capability resulting from it.

Significant inflation has also resulted from cultural, political, and economic changes within a society. It is significant to note that in history this works both ways. There have been periods of price deflation, not just inflation. When certain regions declined economically and stagnated, values tended to drop in those economies. We can look at Venice over history. We can look at the decline of Constantinople. As different regions took economic momentum from other regions, those regions experienced deflation; whereas in regions where economic activity was intense and there was a significant increase in earning capacity, inflation started to take hold and prices started to rise.

It is also interesting to note that despite claims to the contrary, no government has yet succeeded in controlling inflation. The only result of these attempts is the appearance of the black market which, in a tightly controlled economy, is the real market and represents the real price. Today you can go to countries where you'll see shelves literally bare and relatively cheap prices, but you can't buy anything at those prices. So you have to make your way to the black market where prices are much higher but goods are available in quantity.

One further remark on inflation is necessary. That is the difference between true inflation and change in real value. I think there's a lot of confusion between these two concepts. This applies to land in particular, where development has permanently enhanced its value. We have countless examples of this. Perhaps the best example was the original purchase of Manhattan Island from the Indians for a few trinkets and maybe a couple of muskets — I forget what it was. Then there was the famous purchase of Alaska by Seward from Czar Alexander. The Americans were mad as hell at Seward. What did he buy? Just a mass of ice and snow.

If we went into land values in Calgary or Edmonton over the past 100 years, we would come up with some spectacular examples as well. So many of these original pieces of land — if you ever happen to look at some old titles, what they were purchased for and what they're worth today is unbelievable. Works of art, antiques of all types, books, and so forth fall into this category as well.

Over the years I have done a great deal of economic analysis involving the use of the CPI and price indexes of other countries. As a result, I became aware first hand of the problems associated with price indexes in general. Their biggest problem is that the measurement of price inflation is very narrow and limited. Yet when it comes to the application of this very narrow and limited measuring device, it's very extensive and a great deal more is imputed to its credibility, reliability, and accuracy than it deserves or was ever intended to have by the people who originally developed that concept.

What disturbs me even more is that the comparison of price indexes over a long period of time, in some cases over 100 years, and making statements on inflation trends based on that comparison — because of the changes that have taken place in the product and also in the baskets of products used to make up the indexes over this long period of time, the comparison becomes totally irrelevant. It almost becomes idiotic. I mean, all I have to do is go back to when food was purchased by people in a much simpler form than it is today. Naturally there was less input in preparing the product, bringing it to market, and packaging it. Naturally it was cheaper. But we wouldn't purchase it in that form today. It is much better to measure inflation in terms of purchasing power changes, although there are serious limitations even here, which I

will dwell on a little later.

Coming back to the actual evaluation of the consumer price index as a measure of inflation, I cannot emphasize enough how limited it is. First of all, the rate of inflation varies significantly from one sector of the economy to the other. The consumer price index refers only to consumer prices. This is an important point. Construction costs have a rate of inflation entirely different from consumer prices; so do agricultural input costs. The same is true with the oil and gas industry. Real estate inflation rates break up into distinct sectors. Housing has its own rate; commercial real estate has its own. Land prices break up further, with price performance varying very significantly between, say, agricultural land, urban residential, and urban downtown. Market forces and government involvement have a powerful influence on the way inflation impacts on the different sectors of our economy. The consumer price index simply cannot begin to measure inflation in the economy; for that matter, neither can the consumer purchasing power index. The economy, Mr. Speaker, is simply too complex for that.

On many occasions, I have had people from the United States and other countries come to me for a cost-of-living comparison between their city or country and Calgary. Needless to say, it was most difficult to do, since the comparison on the basis of price involved differing exchange rates, levels of taxes, and earning capacities between countries which obscured the problem too much and made the comparison virtually impossible.

You will note that I referred to earning capacity rather than wages, since a significant percentage of the population, particularly of older countries, earns its income from sources other than wages and salaries. Approaching purchasing power from the standpoint of wages and salaries understates, in a very significant way, the real capacity of people to buy goods in an economy, since income from moonlighting, interest, rents, business profits, and all sorts of deals people make is not included.

A source of continuous wonderment to me has been the extent to which more and more people in this country have become less and less dependent on wages. This is particularly true in older communities where inheritance and accumulated savings of past generations play a significant role in providing income. This is the greatest weakness of the consumer purchasing power index. The other sources of income — let alone mentioning the underground economy of totally unreported income — seriously underestimate the true purchasing power index of the people of a country.

In this connection, large groups of people do not depend on wages and salaries for their income. A good example is our agricultural community, whose purchasing power depends on the difference between farm output multiplied by prices realized, less the input costs incurred in order to obtain this production. A similar situation exists for the businessperson, the professional person, and the commission salesperson.

Now that I've mentioned the weaknesses of the purchasing power index concept, I will discuss its strengths and advantages over the CPI. Its biggest advantage is that it does not overstate inflation anywhere near the extent the CPI does, since it takes into consideration the more rapid rise in people's incomes from wages and salaries. Since wages and salaries are still the most important component of income, that is very significant. I may add that this overstatement of inflation by the consumer price index has caused wage negotiators — as the hon. member mentioned — to achieve higher wage settlements

than are necessary. That of course is true not just with wages but with other things that are negotiated where the consumer price index argument is used. It's really just a form of abuse.

Difficulties also arise when the concept of constant dollars is used, because this overstatement of inflation and inflated expression of costs in constant dollars is actually significantly deflationary, particularly when comparisons are made over a long time frame. So anybody who states anything in constant dollars is really not showing a straight-line cost. The cost is going down. Another form of gimmickery comes into play when somebody starts to use constant dollars, because there's really no such thing as a measurable constant dollar.

Finally, price indexes do not reflect quality and product changes, and do not allow for the introduction of new products resulting from technology. As I mentioned earlier, the trend — particularly within the last 100 years — has been to a rapid increase in the quality of goods and an almost catastrophic increase in the range of goods available to consumers in our economy. Again, the CPI overstates inflation. Because it's not really inflation at all; it reflects our ability to buy things today that even a king, Genghis Khan, never had the ability to buy. So how can you measure that? We don't know how lucky we are because technology is doing so much for us. Relatively, a poor person is immeasurably better off today than an extremely wealthy person was 200 to 300 years ago.

I will close by fully agreeing with the hon. Member for Drayton Valley on the need for adopting a consumer purchasing power index and using it rather than the CPI. In closing, we sorely need additional measuring sticks of economic performance.

Thank you very much, Mr. Speaker.

MR. KOWALSKI: It's my pleasure, Mr. Speaker, to rise today and participate in the debate on Bill 213, the Consumer Purchasing Power Index Act. I think the points put forward by the eloquent Member for Drayton Valley are very important to all members of this Assembly. My distinguished colleague from Calgary Mountain View certainly added additional information with respect to the whole concept of inflation and how it relates to the consumer price index.

I support Bill 213. I supported it several years ago when the concept was first introduced by the Member for Drayton Valley. She's done a heck of a lot of work in this regard. I think all members of this Assembly, upon reviewing and analyzing the concepts put forward by the member, would find no difficulty in supporting the concept either. I would like to refer all members to *Hansard* of December 3, 1981, pages 2042 to 2046, for my views on this very important Bill.

Thank you.

AN HON. MEMBER: More, more.

MR. ALGER: Mr. Speaker, I'm delighted with the rendition, you might say, from the hon. Member for Barrhead. I actually did read that *Hansard* this afternoon, and I can't imagine why we're up here debating it again. Be that as it may, I think I could have supported it then as much as I'm going to support it now.

As I comprehend it, the Consumer Purchasing Power Index Act will attempt to give consumers a better understanding of their relative economic strengths, and would give a new perspective on the purchasing power of today's dollar. I think that's what it's all about, Mr. Speaker.

Used in conjunction with the consumer price index, a clear picture could be formulated that would illustrate that today consumers work fewer hours than in the past in order to purchase commodities and services.

Mr. Speaker, I feel there's a need to supplement the consumer price index because, by itself, it has many shortcomings. Firstly, the consumer price index does not include adjustments in response to changes in consumer price spending. Secondly, the consumer price index reports the purchase power of the consumer dollar by correlating current price levels with a base-period dollar. Consequently, no attempt is made to relate current prices to current dollars earned. Thirdly, since price surveys are not conducted monthly, the consumer price index may not reflect volatile price changes as they occur.

Finally, the consumer price index does not take into account the differences for such things as sales tax. For example, Alberta does not have one but Ontario does. For these reasons and many more, the consumer price index reflects a rather one-sided opinion, and the need to offset this opinion is important. Few consumers realize that they really work fewer hours today for items they took longer to earn a decade ago.

Mr. Speaker, I would like to point out a few of these discrepancies. For example, using 1949 and 1981 comparisons, we should be paying \$5.30 for a pound of butter, \$4.42 for a pound of chicken, and \$8.69 for a pound of hamburger. I don't know about the rest of the hon. members, but if I had to pay \$26.52 for a bottle of booze or \$19.45 for a case of beer, I might reconsider some of my erstwhile habits. I might even start drinking water. I'll grant you it's great stuff, Mr. Speaker, but it'll never sell.

As you can see, we as consumers are rather fortunate in that our purchasing power is somewhat worth while even today. I think it's important that we make it clear to the consumer that in terms of purchasing power, Albertans are better off than in previous years. The advantages of this proposal are important, and it should be one of the aims of this government to provide the public with unbiased and useful information. In all fairness, I think sometimes our provincial and federal governments don't do that for us.

In this vein, Mr. Speaker, you'll recall how the former Progressive Conservative prime minister lost the last election because, in at least one effort to balance the budget, he promised to raise the price of gasoline by 18 cents. The government changed as a consequence and, at the same time, we went to the metric system and gas was only raised 6 cents a litre. The confused average Canadian still doesn't realize that our present Prime Minister went by the former prime minister's increase in prices like Grant went through Richmond. It's just a caution that we got baffled that easily. We're still being confused in many respects, due to the same system.

I support the Bill, Mr. Speaker. In view of the hour, I'd like to adjourn debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. HORSMAN: Mr. Speaker, before moving to adjourn, I should advise members of the Assembly that it is not proposed that the Assembly sit this evening, and that tomorrow, after Orders of the Day, in Committee of Supply the House will deal for the first hour with the

Department of Transportation and, for the balance of the morning, with additional discussion on the Department of the Environment.

[At 5:28 p.m., on motion, the House adjourned to Friday at 10 a.m.]

