

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, May 11, 1983 2:30 p.m.**

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

PRAYERS

[Mr. Deputy Speaker in the Chair]

head: **INTRODUCTION OF VISITORS**

MR. McPHERSON: Mr. Speaker, it's a pleasure for me today to introduce to you and to members of this Assembly a former colleague and member of the 19th Alberta Legislature. Seated in the Speaker's gallery is my predecessor, the former M.L.A. for Red Deer, Mr. Norm Magee, and his lovely wife Kay. Members will be pleased to know that Norm is in excellent health, and he and Kay are semi-retired in their beautiful home in Sylvan Lake. I ask them to rise and receive the cordial welcome of members of the Assembly.

head: **INTRODUCTION OF BILLS**

Bill 38
Health Care Statutes
Amendment Act, 1983

MR. RUSSELL: Mr. Speaker, I request leave to introduce Bill No. 38, the Health Care Statutes Amendment Act, 1983. This being a money Bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, the Health Care Statutes Amendment Act amends three Acts: the Alberta Health Care Insurance Act, the Alberta Hospitals Act, and the Workers' Compensation Act. Aside from some minor upgrading and correcting, the main purposes of the Bill are to provide for payments due to WCB recipients being made by the health care plan and recovered from the WCB. There's a section that will permit the health care plan to withhold benefits from those registrants who have allowed their premiums to go into arrears. It also removes the ratepayer qualification for a hospital trustee.

[Leave granted; Bill 38 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. HYNDMAN: Mr. Speaker, I have four tablings required pursuant to statute: firstly, a document with regard to the Government Land Purchases Act, section 10; secondly, a tabling required pursuant to section 62(3) of the Legislative Assembly Act; third, a tabling required by section 12(4) of the Legislative Assembly Act; and lastly, a tabling of an order in council pursuant to the Government Emergency Guarantee Act.

MR. RUSSELL: Mr. Speaker, I'd like to table the 1982 report of the Alberta Health Facilities Review Committee.

MR. STEVENS: Mr. Speaker, I'm pleased to table the 1982 report of the Public Service Commissioner.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. STROMBERG: Mr. Speaker, this afternoon we have 30 grade 6 students from the Chester Ronning school in my constituency of Camrose. With them this afternoon are their teacher Mr. Robert McClarty and parents Mrs. Musgrave, Mrs. Rempel, and Mrs. Ferner.

For your information, Mr. Speaker, last week the grade 6 students appointed a parliament, duly appointed a premier, and duly appointed a provincial treasurer. They presented me with their provincial treasurer's Year Outlook for the Province of Six-By, 1982-1983. Upon reading it, I have to admire it. He's one of the few provincial treasurers that has balanced his budget. Going through, I might add that in balancing their budget of some \$350, that was raised by popcorn sales, there is also a note to me: total moneys raised to date, et cetera. The note reads:

Even though we have more money to raise we want you to know we do not plan to introduce a "Users Fee" on the toothpicks we hand out at our popcorn sales.

Mr. Speaker, they are seated in the members gallery, and I ask that they rise and be recognized by the Assembly.

MR. M. MOORE: Mr. Speaker, this afternoon I would like to introduce to you, and through you to members of the Assembly, some 21 grades 7 and 8 students from the Nampa public school in the constituency of Smoky River. I might add that although the school isn't located in the fine constituency of Peace River, some of these students do live in that constituency. Earlier the students and a number of parents, teachers, and bus drivers who are with them met with the hon. Mr. Adair and myself. I understand they'll be staying in the capital city until Friday, visiting a number of interesting points. Would all of them and their teachers, parents, and bus drivers please rise and be recognized by the Assembly.

MR. WOO: Mr. Speaker, this afternoon it is my pleasure to introduce to you and to all hon. members a group of 50 grade 6 students from Mills Haven school in the constituency of Edmonton Sherwood Park. They are accompanied by teachers Carolyn Barr, who is their troupe leader, and Peggy Melmock, and by parent Mrs. Trish Gaul. They are seated in the members gallery, and I ask that they rise and receive the very warm welcome of this Assembly.

MR. PAPROSKI: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of this Assembly, approximately 40 students from the Northern Alberta Institute of Technology, situated in the constituency of Edmonton Kingsway. These bright and intelligent young adults are enrolled in the pretechnology program at NAIT. They are accompanied by three of their instructors: Mr. Atwal, Mr. Mayan, and Mr. McFarlane. They are seated in the public gallery, and I ask them to please rise and receive the cordial welcome of all the members.

head: MINISTERIAL STATEMENTS

Department of Transportation

MR. M. MOORE: Mr. Speaker, today I wish to advise members of changes in the speed limit differences between trucks and cars and daytime and nighttime driving on our primary highway system in Alberta. These changes take effect on Monday, May 16, at 12:01 a.m.

Currently on most primary highways, there is a speed differential of 10 kilometres per hour between the speed limit trucks and cars may travel. There is also a lower speed limit in effect at night for cars. This speed reduction is also 10 kilometres per hour.

With two exceptions, this nighttime speed differential and truck speed differential will be removed from our primary highway system effective May 16. The speed limits will then be the same for both trucks and cars, and the limits will not vary from daytime to nighttime. The speed limit differentials will remain on Highway No. 2, between Edmonton and Calgary, and on Highway No. 1, between Calgary and Banff National Park. On this highway, the daytime speed limit for cars will continue to be 110 kilometres per hour, with a reduction to 100 kilometres per hour at night. The speed limit for all trucks on these highways will be 100 kilometres per hour for both daytime and nighttime driving.

Mr. Speaker, the objective of this change is to reduce the potential for congestion on our highways and thereby increase safety of the motoring public, which is a major concern of the Transportation Department. By eliminating the varied speed limits on our two-lane highways, we will allow trucks to travel at the same rate of speed as most of the other traffic. This will greatly reduce the potential for build-ups of traffic bottlenecks. We all know that such build-ups can result in some motorists creating dangerous situations through impatience and bad judgment.

Traffic safety studies show that modern vehicles on good highways, as our primary system in Alberta is, can safely travel at night at the same rate of speed as permitted during the daytime, so long as the speed limit is reasonable and the limit is observed and enforced.

The speed limit differential for trucks is being maintained on Highway No. 2 and Highway No. 1 because of the higher speed limit existing on those highways for cars and the fact that these highways are both twinned, thereby eliminating the congestion problem.

Mr. Speaker, it must be remembered that the majority of traffic collisions are caused by driver error or misjudgment. While this speed change will eliminate some congestion on our highways, we all have the responsibility to urge Alberta motorists to accept personal responsibility for making our highways safe. This can only be done by every motorist driving responsibly all the time, day or night.

Thank you.

Department of Hospitals and Medical Care

MR. RUSSELL: Mr. Speaker, earlier in the session I said that the health care premium subsidy levels were under review, and I have a statement on that matter.

Effective July 1, 1983, the income levels for health care premium subsidies are being raised. This will provide substantial assistance to many Alberta individuals and families.

The income levels are used to determine whether or not

citizens are eligible for a full premium subsidy or for partial assistance. Those on full subsidy are not required to pay any health care premiums; those on partial subsidies pay only 50 per cent of the premiums. The qualification for subsidy will also be used for exempting persons from paying hospital user fees; anyone eligible for even a partial subsidy will be exempt from hospital user fees.

The limits are being raised as follows: for individuals, full subsidy from \$3,000 to \$3,500, and partial subsidy from \$4,000 to \$4,500; for families, full subsidy from \$4,000 to \$6,000, and partial subsidy from \$6,000 to \$7,500. It's important to note that the amounts are in taxable income. In gross income levels, they translate approximately to \$7,400 to \$8,400 for individuals and \$15,000 to \$16,600 for families.

During the month of June, citizens will receive detailed information on this assistance program by way of mailings and advertising. It's estimated that this program of assistance has a value of \$27 million in foregone health care premiums.

MR. NOTLEY: Mr. Speaker, in rising to respond to the ministerial announcement, while one can express some marginal support for an increase in the exemption levels [interjections] — and members may snicker if they like — the fact of the matter is that this is a system which is wrong in principle. In my view and in the view of my colleague, the basic philosophy behind modern health care is that the benefits of modern health should be equally available to everyone, regardless of where they live, and that we should pay for those benefits through the general taxation system, which is based on the ability to pay principle, so high-income people pay a larger portion of the share of picking up the costs of health care.

Mr. Speaker, I might just point out that one of the first provinces in this country to move toward the elimination of medicare premiums was Nova Scotia, under a Conservative government. Unfortunately, this government has chosen to continue a premium system which is inequitable and this session has announced intentions to bring in a user fee system which is going to turn the clock back as far as accessibility of health care in this province is concerned.

Simply raising these exemption levels a very modest amount does not negate the fact that we have a system which is wrong in principle, a system which violates the basic precepts established when Canada moved toward modern health care arrangements with the medicare Act in 1966. When we now find the federal Minister of National Health and Welfare indicating her concerns about the user-fee announcement by this government, I'm sure the modest ministerial statement today, containing as it does only slight changes, will not really alter the concerns expressed by those people who care about the maintenance of our health system.

head: ORAL QUESTION PERIOD

Crowsnest Pass Freight Rates

MR. NOTLEY: Mr. Speaker, I'd like to direct the first question to the Minister of Agriculture. It's with respect to the proposed changes in the Pepin plan. Last week in the Assembly, the minister indicated that it was clear that an "eastern lobby" was primarily responsible for the federal decision that 100 per cent of Crow payments should go to the railways. In determining this observation, what

assessment was given by the minister to the petition signed by 1,008 Saskatchewan farmers and their wives, which supported full railway payment, the views of the prairie pools or, for that matter, the views of the Saskatchewan and Manitoba legislatures?

MR. FJORDBOTTEN: Mr. Speaker, we took everything into consideration when we looked at the impact, particularly on Alberta producers. There is a different mix of agriculture in Saskatchewan and Manitoba than in the province of Alberta. Being that our producer organizations, working together in the Gilson process, arrived at the compromise of the phased-in payment going to the producers — then there was a further watering down to the fifty-fifty. Even though Saskatchewan has taken a position against the Pepin plan, yesterday or the day before, I believe, the Minister of Agriculture said in the Legislature that they as a government accept the fifty-fifty proposal.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. In accepting this fifty-fifty plan, what consideration was given by the government to the very simple observation made in the Hall commission report of 1977 — the most comprehensive report on prairie grain transportation, I might say — that "sending cheques to 160,000 farmers is appalling". What considerations has the government given, what reasons can the government advance, or what changes have occurred in the mix between the Hall report in 1977 and the position of the government today?

MR. FJORDBOTTEN: Mr. Speaker, a considerable number of studies have been done on rail transportation. The Hall study certainly was comprehensive. There were also other studies done after that. Snavelly did a good deal of work on that particular issue. In the telex we sent to Mr. Pepin on May 2, we clearly identified why we were supportive of the fifty-fifty phase-in and why this new *ad hoc* proposal didn't meet the principles we outlined in our April 22 complete and very concise statement on where this government stood as far as the whole area of the western rail initiative.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Does the government accept the figures compiled by the Snavelly commission with respect to the actual cost of hauling grain as in fact being reasonable, when those figures don't take into account such things as the interest saved on hopper cars which have been purchased by the prairie governments? If you take public investment into account, the actual loss isn't \$350 million but \$10 million.

MR. FJORDBOTTEN: Mr. Speaker, certainly we looked at the Snavelly numbers, and we didn't wholeheartedly accept any one of them. We looked at all the numbers that were available, because it was so important to look at performance guarantees from the railroads and at variable and constant costs as they would relate to the railways being paid, on what number should actually be used. So yes, Mr. Speaker, we did look at them.

MR. NOTLEY: Mr. Speaker, a supplementary question. The minister indicated there's a different mix of agriculture, and of course we're all aware of that. What assessment has the government of Alberta given to the impacts of the change in freight rates on the reduction of income

to Alberta grain farmers, as a result of what will now be five-times-Crow by the end of this decade, compared to the increase in beef production? Figures I have seen from the government of Saskatchewan indicate that there will still be a significant net loss to Alberta agriculture. What figures has the government obtained or what reports has the government commissioned to back its position?

MR. FJORDBOTTEN: Mr. Speaker, when we arrived at our position, we tried to look at all areas of agriculture in this province, not only the grain production but also livestock. It's important to realize that in the province of Alberta, we have 40 per cent of the nation's beef supply and a tremendous number of jobs related to the beef industry. One very large component of the livestock industry in this province is the feed grain industry; as long as we have a healthy livestock industry, we have a healthy feed grain industry. So we tried very hard to look at all components: not only livestock but grains, and also new specialty crops, our packing industry, processing plants — the whole area of agriculture within this province.

MR. NOTLEY: Mr. Speaker, a supplementary question. Will it be the intention of the minister to table whatever statistics the government has compiled? The figures I have here would show that notwithstanding the increase in livestock production, five-times-Crow would lead to a net income loss of \$173 million for Alberta agriculture.

MR. FJORDBOTTEN: Mr. Speaker, that may be true and it may not be true. It's very hard to table those kinds of numbers. For example, if we don't have an increase in the capacity of the system and the grain is piled up, there is a significant loss there also. If we don't have improvements in the system — no matter what the rate is, if you can't ship the grain, it's not going to make any difference. We are losing significant sales by the capacity of the system at the moment, for example in demurrage. In actual lost sales, in looking at five-times-Crow, those numbers should be looked at as a comparison to what grain producers will actually lose. You have to add to it that if we don't take care of our livestock industry, we'll lose the feed grain industry we have in the province, and there would be a significant loss there also. So you can't look at just one component. But yes, Mr. Speaker, we looked at the actual loss if you separate it and look at the grain side only, the same way as we separated and looked at the livestock side.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Rather than an approach based on poverty in the grain sector to encourage marginal activity in agricultural processing, why did the government not consider the basic recommendations of the Hall report, which would have provided security for the grain sector and, instead of subsistence for processing, recommended changes in freight rates which would have encouraged the processing of grain products in this province?

MR. FJORDBOTTEN: Mr. Speaker, as I stated before, we certainly did look at that study and also the entire Gilson process. I'm sure the organizations involved in that comprehensive study and compromise solution that was arrived at, looked at all the areas involved. I might say that the wheat pools were also involved in the Gilson process and agreed to that compromise.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to confirm that the Alberta government paid some of the travel expenses to Ottawa of representatives of the Prairie Farm Commodity Coalition?

MR. FJORDBOTTEN: Mr. Speaker, I'd be happy to check that and report back. I would have to wait to answer definitively, but I am quite sure that we made no direct payments to anyone travelling to those discussions.

Hospital User Fees

MR. NOTLEY: Mr. Speaker, I'd like to direct the second question to the hon. Minister of Hospitals and Medical Care. Is the minister in a position to report to the Assembly today on exactly what the status is of his discussions with Madam Bégin on the question of user fees and when a meeting is anticipated?

MR. RUSSELL: They are pending, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, can the minister advise the Assembly whether he has at this point talked to Madam Bégin by phone or whether the meetings are being set up by executive assistants? How is this being handled?

MR. RUSSELL: Mr. Speaker, earlier in the session I tabled copies of the exchanges of telexes between myself and Madam Bégin. At that time, I believe I also indicated that I had spoken to her on the telephone. I think that was referred to in the second telex. To date, we haven't been contacted directly with respect to a meeting. I am only responding to press reports put to me by members of the media. But I have indicated that if a meeting is wanted, we'd certainly agree to one at the earliest possible date.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Subsequent to Madam Bégin's initial telegram, has the government sought additional legal advice with respect to the observations on page 3 of that telegram, which once again appear to be the centre of public discussion? For the benefit of the minister, in case he doesn't have the telegram in front of him, the two sections are:

- 1) Whether such charges, imposed at the discretion of hospitals, conform to the uniform terms and conditions provisions; and
- 2) Whether such charges preclude or impede reasonable access to necessary care to all eligible residents

MR. RUSSELL: Yes, Mr. Speaker. In drafting a reply to that telex, we naturally received in-house legal assistance.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to advise the Assembly whether the legal advice the government received was that the proposals made by the minister in his budget address conform in total with the federal Hospital Insurance and Diagnostic Services Act, or whether there is any risk?

MR. RUSSELL: Mr. Speaker, let me first say that we wouldn't have done this if we didn't believe we were proceeding properly and legally, and that is our position with respect to the federal government. Insofar as releas-

ing details of any in-house advice received, we never do that on any matter.

Mortgage Interest Reduction Program

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Housing is with respect to the mortgage interest reduction program. The program provides for the renegotiation of mortgages. Could the minister confirm that the pay-out penalty resulting from mortgage renegotiation is returned to the home-owner on a prorated basis rather than in one lump sum?

MR. SHABEN: Mr. Speaker, that's correct.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister explain why the home-owner is expected to fund the mortgage renegotiation through personal funds and then wait for those funds over a period of time? They have to pay interest on the funds they borrow from the bank.

MR. SHABEN: Mr. Speaker, when the government announced the mortgage renegotiation option, it was clearly stated, I believe on a couple of occasions, that the mortgage renegotiation option was to provide an incentive for home-owners to renegotiate. Instead of a home-owner receiving a mortgage interest reduction under the program that will run until August 31, 1984, they may renegotiate and apply those dollars against the cost of renegotiating a mortgage. That was, and remains, the intent of the program.

Mr. Speaker, there would be considerable difficulty in providing in advance the funds over and above the \$200 that we announced would be available, in that it would be quite simple for a home-owner, who may be eligible for \$3,000 toward the renegotiation cost, to renegotiate, accept those costs, and sell the home. That is one of the factors that entered into our decision to allow the home-owner to collect, over a period of time, the equivalent of the mortgage interest reduction benefit.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. In investigating the results of the program and what is happening, has the minister found that this repayment by the government over a period of time has acted as a disincentive for people to renegotiate their mortgages?

MR. SHABEN: Mr. Speaker, maybe I'm having difficulty with the question. The mortgage renegotiation option is an incentive for individuals to renegotiate. I have trouble understanding why it's a disincentive, when it was set up as an incentive.

MR. R. SPEAKER: Mr. Speaker, to the minister. The disincentive would be the legal payments with regard to the mortgage renegotiation. As the minister indicated, these payments are made on a prorated basis. I wonder if the minister could indicate whether, because the home-owner must go out and borrow money to make the payment initially, that was acting as a disincentive?

MR. SHABEN: Mr. Speaker, it depends on the particular circumstances of the home-owner. Some home-owners may find it necessary to borrow. Others may choose to pay out their existing mortgage and go elsewhere. Others may choose to handle it in another way. So there is a variety of options for a home-owner to deal with it.

Clearly the mortgage renegotiation option is an incentive for home-owners and assists them in renegotiating. As the hon. Member for Little Bow asked, it may not provide the money up front, but it provides the money over time to assist in that renegotiation.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate the number of renegotiations that have taken place to this point? Would that number be adequate, in terms of the optimism that goes with this program?

MR. SHABEN: I'm not precisely sure, Mr. Speaker, but I believe about 1,000 renegotiations have taken place to date. When we developed the option, we were uncertain as to the number of individuals who would take advantage. Because of the number of inquiries for the forms and the work being done with the lenders, we believe we'll be able to provide members of the Assembly with a better estimate of the numbers in the weeks ahead. But the inquiry rate has been running quite high, and the forms are being sent out. I believe approximately 1,000 have been approved.

Day Care Centre

MR. MARTIN: Mr. Speaker, I direct my questions to the Minister of Social Services and Community Health. In a question period, he said he would get back on why his department asked for written complaints dealing with the Woodcroft Day Care Centre. I wonder if he could update us on this now.

DR. WEBBER: Mr. Speaker, that process isn't complete as yet. However, I would like to indicate to the House that when the question arose the other day, the complainant who had indicated the concern to the licensing officer — the licensing officer had indicated other approaches as well, which apparently were not followed by the complainant. But in terms of the reasons behind that, that's still coming.

MR. MARTIN: A supplementary to the minister. Is there not a contradiction between asking for written complaints and section G2 of the child welfare Act? It states:

When there is an allegation in the form of a request for help, a report or a complaint that a child may be in need of protection, and the person receiving the information makes a judgement that an investigation is necessary, the ... investigation process shall be initiated within 3 days. If there are indications that the child may be in imminent danger the process shall begin immediately (within one hour).

Is there not a contradiction between written complaints and that part of the Child Welfare Act?

DR. WEBBER: Mr. Speaker, you're talking about two different things entirely. He's referring to the Child Welfare Act. First of all, the complaints went to the day care licensing people. Certainly the procedure outlined in the Act related to child welfare is followed.

MR. MARTIN: A supplementary to the minister, Mr. Speaker. Are you saying that the Child Welfare Act does not protect people in day care centres, that that's entirely different?

DR. WEBBER: I don't think I said that, Mr. Speaker. The complainants were free to initially contact Child Welfare if they had a concern in that regard. The complaints went to the licensing officials. As I indicated before, the licensing officials contacted Child Welfare toward the end of April.

MR. MARTIN: A supplementary question, Mr. Speaker. Would the minister then advise his officials not to bother with written complaints but to move quickly on it and follow the Child Welfare Act, which seems to make more sense in this case?

DR. WEBBER: I hesitate to answer. I don't know what there is in answer to that. You gave me some advice; it didn't sound very logical.

MR. DEPUTY SPEAKER: At this particular time, we're not in the Assembly to give advice back and forth or debate the merits of those certain issues. The question should be very specific and actually related to a subject that the minister would readily be able to respond to.

MR. MARTIN: A supplementary question. I was just asking the minister if it would be government policy and if he would advise his officials, where there are complaints of child abuse, not to bother with written complaints but to move similarly to what they suggest in the Child Welfare Act.

MR. NOTLEY: Follow the law.

DR. WEBBER: Mr. Speaker, the hon. member still seems to be confused. The process for the Child Welfare Act is followed. I don't know what the hon. member wants. The other process of day care legislation, relative to his concern the other day about written complaints — I indicated that we were still getting information with regard to that.

MR. MARTIN: That will be interesting. Would the minister investigate the accusations I brought up before — but it seems to be clear — that on Tuesday, the day after charges were laid, children were hit again at the centre in question? Would the minister investigate that possibility?

DR. WEBBER: Mr. Speaker, I indicated the other day that until the date of the trial, a person is in the day care during the hours the day care is open. I have not had any reports of any concerns such as the hon. member raised, but certainly I'll inquire as to whether or not that occurred.

MR. MARTIN: A supplementary question, Mr. Speaker. Has the minister investigated the previous firings of day care workers at Woodcroft, to see if their firings were directly linked to their complaints to the police?

DR. WEBBER: No, Mr. Speaker. I don't see that that's in my bailiwick.

MR. MARTIN: I don't know what is anymore. A supplementary to the minister, I suppose this is not in his bailiwick either, but has he had any discussions with the fired day care workers, so he could personally assess the situation?

DR. WEBBER: No, Mr. Speaker.

Health Care Premium Subsidies

MR. NOTLEY: Mr. Speaker, I'd like to direct a question to the hon. Minister of Hospitals and Medical Care. It's with respect to his ministerial announcement today. When the government decided on the subsidy range for families — and if I follow his ministerial statement, that is in now in the category of \$15,000 to \$16,650 for families — what consideration was given to the federal government's definition of low-income cutoff? In the case of a family of four, the poverty line is \$16,361. On what basis did the government of Alberta choose these subsidy figures?

MR. RUSSELL: Mr. Speaker, we looked at a number of alternative possibilities. On one hand, we could have increased the amounts by some across-the-board formula. We could have used inflation since 1980 as a factor, or we could have compared them to other government programs that also have income levels for entries of various kinds of assistance. We did the latter. The figures we selected approximate those of the incomes that are assured under the Alberta assured income plan.

Insofar as the federal definition of the poverty line is concerned, we've always maintained that that is not an accurate definition to use holus-bolus across all regions of Canada because of the different taxation regimes, the different CPIs, et cetera. But a lot of consideration was given to the gross and taxation income relationship, and I think I described the number of different alternatives that were given consideration.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister saying that it's the position of the government of Alberta that the cost of living in Edmonton and Calgary, given all the factors — utilities rates, rents, et cetera — is below the national average?

MR. RUSSELL: Mr. Speaker, the hon. leader has fallen into the trap that so many socialists do.

MR. JOHNSTON: All socialists.

MR. RUSSELL: They've completely overlooked the net income level of a family after the imposition of taxes. Of course, the tax situation of an Alberta family is better by far than any family in any other part of Canada. So those things must be considered as well.

MR. NOTLEY: Mr. Speaker, one has this "let them eat cake" approach from this government, I'd like to ask the minister what evidence — when one reviews budgets of various provincial governments and looks at certain income categories, it's amazing how every provincial government has the best tax regime.

SOME HON. MEMBERS: Question.

MR. MARTIN: Settle down.

MR. NOTLEY: Yes, just be patient there.

Is the minister telling the House that in the cities of Edmonton and Calgary, the net income position of a family of four, given all these factors — the minister referred to taxes, but also the other factors of utilities, et

cetera — is less than the national average? Is that what this government is telling us?

MR. RUSSELL: Mr. Speaker, the hon. member is still a little testy after his wake up at Dawson Creek last Thursday. [interjections]

MR. JOHNSTON: It was a good thing he went in there, though.

MR. RUSSELL: The point I'm trying to make is that a national average — to say that a poverty line for a family is X dollars — cannot be applied in a blanket effect across the country, because there are so many different factors. The hon. member referred to some of them: the cost of fuels, shelter, and food, and the rates of taxation. They all enter into that, and Alberta families benefit from a number of programs not available in other provinces. While it is true that the cost of living could be as high as in other parts of the country, certainly the benefits are much more substantial. So we're saying it is not reliable to accept that figure which has been developed by the federal government.

MR. NOTLEY: Mr. Speaker, one supplementary question. But you'll forgive me if I point out that I was at a wake last Thursday. The only thing that gives me consolation is that in British Columbia, the Conservatives even came in after the Liberals; as a matter of fact, barely ahead of the Rhinoceros Party and only slightly ahead of the Revolutionary Workers League, which is perhaps an indication of the prudence of the people of British Columbia. [interjections]

My question to the minister is right back to the heart of it. Is the minister telling us that the government is saying to the Legislative Assembly that exclusive of all these considerations, people in Edmonton and Calgary have a net income position which is going to leave them above the poverty line? This is a federal definition. If he doesn't want to accept the federal definition, is the provincial definition that people in Edmonton and Calgary with this kind of income level are above the poverty line?

MR. RUSSELL: Mr. Speaker, I think I dealt adequately with that question, I went through the list of the variables, and I went on to say that the income levels established are very close to the assured income level that is now in effect in Alberta under our income assistance plan. The hon. member referred earlier to marginal increases for families; it's a 50 per cent jump. So again we get this woolly-headed direction from Toronto for these guys here. [interjections]

MRS. CRIPPS: Mr. Speaker, a supplementary to either the Minister of Consumer and Corporate Affairs or the Provincial Treasurer. Would you consider the idea put forward in my consumer purchasing power index to give a fair inference of the consumer purchasing power in this province?

MR. HYNDMAN: Mr. Speaker, I listened with interest to the debate on that last week. It certainly is one option that should be seriously explored. In that connection, I mention that the consumer price index in Edmonton and Calgary was lower in January than it was in the previous month of December.

MR. MARTIN: That's because everybody's unemployed.

MR. HYNDMAN: Spend, spend, spend.

Packing Plant Industry

MR. FJORDBOTTEN: Mr. Speaker, on Monday, May 9, the hon. Member for Clover Bar asked if the Department of Agriculture had any figures relative to "the number of cattle and hogs crossing into the United States from Alberta to be processed." Federal figures are available to us, which indicate that from the period January to March 1983, 4,355 head of cattle and 8,000 hogs were shipped to the U.S. from Alberta.

AOC Loan

MR. ADAIR: Mr. Speaker, on May 10, I took as notice three questions raised by the hon. Leader of the Opposition regarding the Alberta Opportunity Company, to which I would like to respond at this time. The first question regarded an AOC loan to Mustang Machinery, I have checked with the Alberta Opportunity Company and can advise the hon. member that the loan to Mustang Machinery Ltd. was approved but not disbursed. Therefore, no loss was incurred by the Alberta Opportunity Company.

AN HON. MEMBER: Good research.

MR. ADAIR: The member also asked if a complete audit of Ram Steel's financial position was done by the Alberta Opportunity Company, I can advise that audited financial statements were required prior to approval of the loan.

The final question asked if the government had made an assessment of Ram's liabilities-to-asset ratio, I can respond that the assessment did in fact occur. While the specific information is commercially confidential, I can indicate that the hon. Leader of the Opposition's figures are inaccurate. [interjections]

MR. NOTLEY: A supplementary question, Mr. Speaker. When will the minister seek the opportunity to correct those figures so that the people of Alberta will have something other than the minister's word, other than a minister hiding behind commercial confidentiality?

MR. ADAIR: Mr. Speaker, hiding behind commercial confidentiality in the private sector is not a case of hiding. That's basically a way of life in Canada and in this province, I guess it's left to whether the judgment decision should be based on what I provided ... [interjections] Do you want the answer, or do you want to mumble?

MR. MARTIN: Keep up the fair work.

MR. DEPUTY SPEAKER: Could we have order, so the minister can make his reply?

MR. ADAIR: Thanks very much, Mr. Speaker, I should also point out, in reference to the Mustang loan, that a \$370,000 loan and a \$650,000 guarantee for a bank line of credit were authorized, neither of which was disbursed. [interjections]

ORDERS OF THE DAY

head: **COMMITTEE OF SUPPLY**

[Mr. Purdy in the Chair]

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

Department of Housing

MR. DEPUTY CHAIRMAN: Has the minister any opening comments?

MR. SHABEN: Mr. Chairman, I have a few brief comments to make with respect to the estimates of the Department of Housing, I'd like to indicate to the members of the Assembly that the first priority in the fiscal year '83-84 will be to reduce the direct involvement of the government in the housing industry. There are a number of reasons for that. The most important reason has been, and is, the reduced interest rates; interest rates have dropped. It has made it a different market situation than it has been and has resulted in it being possible for individuals to obtain mortgages without subsidies. As well, it has assisted developers in making developments more affordable. The other factor that has led us to the decision of reducing involvement is the lower population growth in the province of Alberta. A third important factor is higher vacancy rates than we experienced previously.

Mr. Chairman, although the Housing capital budgets for '83-84 are not dealt with by the committee, they can be noted on pages 67 and 69 of the 1983 Budget Address. The total recommended is \$645 million for the Alberta Housing Corporation and the Alberta Home Mortgage Corporation. The operating budgets for the Department of Housing, the Home Mortgage Corporation, and the Housing Corporation are noted on page 219 of the estimates book.

Members will note that we have somewhat higher operating budgets in '83-84 than in the previous year, and I'd just like to outline for members of the Assembly the reasons for those increases. The major reason for the increase in the operating budget is the Alberta heritage fund mortgage interest reduction program, which will operate for a full year in the '83-84 fiscal year. The total cost of the grants part of the program is \$192 million.

The new seniors' home improvement program, which was announced in October, is expected to cost in the area of \$31 million. The Alberta family home purchase program subsidies, which are a part of the departmental estimates, have increased by 43 per cent to \$66 million. That results from the take-up of the program and the higher interest rates and subsidies. For the core housing incentive program, commonly known as CHIP, subsidies have increased by about 77 per cent. That also reflects the higher take-up in the program in the previous year and the subsidies in order to keep half the units at a controlled and affordable rent.

Mr. Chairman, I don't want to take too much time in my opening remarks, but I would like to mention three programs to the members of the committee. One program that I think deserves more attention — it hasn't received a great deal in recent years — is the [co-operative] housing action program, known as CHAP. To date, some 3,500 Alberta families have taken advantage of this program

and used it to build their own homes. It's been very well received. The families work with the Department of Housing, obtain information and training on bidding, how to deal with contractors and subtrades, how to choose a design and a lot, how to arrange their mortgage financing, and then either build their own home or contract for it. Substantial savings have been achieved by a large number of families using the co-operative housing action program. It's been a very, very successful program. Using that program, many families have been able to obtain a home without government grant but simply assistance, where they would not have otherwise been able to obtain a home.

Another program I thought the members might be interested in is our innovative housing grants program. By way of grant funds to individuals, companies, designers, and a variety of people, it assists them in conducting research on innovative housing designs, energy efficiency, subdivision design: a variety of areas. This program has offered that opportunity with up to \$25,000 in grants to encourage research. I will soon release a report of some of the results of that research that will provide Albertans more affordable housing in the future and provide ideas for developers, potential home-owners, and municipalities to provide housing at a reasonable cost to Albertans. That's an example of a program, for which we budget approximately \$400,000, that could provide literally millions and millions of dollars in benefits to Albertans, by way of providing that assistance.

Mr. Chairman, as all members know, there is a variety of programs, and I'd be pleased to respond to questions. But another area that we in the Department of Housing and the Home Mortgage Corporation feel is important, is to be able to respond to particular circumstances in a unique sort of way. I'd like to give members of the Assembly just one example of how we are able to respond to those sorts of requests.

In Edmonton there is an organization known as Operation Friendship that works very hard with seniors and people in the Boyle Street area. Along with my colleagues the member for that constituency and the Minister of Education, I met with Operation Friendship at their request, and they drew to my attention a rather unique housing problem. They have people who have been displaced as a result of the removal of the older rooming houses in the Boyle Street area, and the traditional senior citizens' self-contained units that we provide generally, and are very well received throughout the entire province, were not quite the kind of housing that Operation Friendship felt would be appropriate. So we worked with those volunteers and developed a unique idea in providing a different sort of housing that is more appropriate to the kind of housing people in that area expect.

Mr. Chairman and members of the committee, that is just an example of the kind of response communities that have unique sorts of difficulties are able to receive. This project will be a 40-unit, multipurpose facility for the difficult-to-house in that Boyle Street area, and it will come about as a result of the advice we have received from the MLA and the volunteers who work in that area.

Mr. Chairman, there are a variety of areas. If anyone wishes to pursue them, I'd be happy to respond to questions.

MR. HYLAND: Mr. Chairman, during the budget debate I made some comments related to financing manufactured homes or trailers. I wonder if the minister has reviewed those comments and if he has anything to say

about them. The problem with financing mobile homes and manufactured housing is having to have a substantially higher percentage down payment than conventional homes. I believe conventional homes are somewhere in the neighborhood of 10 per cent. Manufactured homes can run as high as 25 per cent and, in many cases, the limit on the length of repayment can be only five to seven years.

I understand that the [Manufactured] Housing Association has put forward a proposal to the minister and/or his department relating to a possible way to alleviate this problem, and it would require very little government assistance. I wonder if the minister is in a position to relate any information on that proposal or if it is still being assessed to see what steps can be taken. Does the minister see anything that can be done to encourage the banking industry, the trust companies, et cetera, to change their views on mobile homes to allow a longer time for mortgages — at least my understanding of them — more to the mortgage way of financing than the consumer loan? Does he feel anything can be done by the government to encourage mortgage institutions to get into mobile homes so that they are longer term, so that when you go to buy the used ones that may be perfectly all right for somebody starting out but somebody may have traded to a bigger home because of the size of their family, the down payment and interest rate don't just about drive you out of the possibility of moving these units, I wonder if he would have any comments on this financing aspect.

MR. MARTIN: Mr. Chairman, I would like to make some statements in just a couple of areas and then ask some questions of the minister. The first has to do with the mortgage relief plan. I wonder if the government has reconsidered how they do it or whether they would in the future. It seems to me that one of the things we could have done is — for instance, we have our own banks called treasury branches. It seems to me that that would have had a much more stimulative effect, and we could perhaps still look at it. If we were dealing with our mortgages through our own treasury branches, people could go into the bank and cut out a lot of the bureaucracy. They could renegotiate their mortgages at the treasury branch, and the money would circulate here in Alberta and act as a stimulative effect in terms of unemployment.

I wonder if the government has looked at that proposal or is in the process of looking at a proposal where we deal with our treasury branches in a much more direct way, rather than going into mortgage relief plans and shipping the cheques out. It's nice to get the political credit, but perhaps it's not the most efficient way around. With the cost of postage and all the rest of it, we're actually wasting millions of dollars by shipping them out. I know the government is concerned about saving money. I'd like to suggest that they might save a fair amount of money that way, while also stimulating the economy and using our own Alberta institutions, I'd like the minister to comment on that.

Mr. Chairman, the other comment has to do with the senior home improvement program. I don't know if the minister has looked at this, but I suggest that the program seems to discriminate toward singles who own their own homes, as well as those who are married but take care of their handicapped or dependent spouses. I wonder if the minister has information that these groups of seniors are any less disadvantaged than widowers.

For example, our federal NDP recently had a task

force that went across the country dealing with what was happening to older women. From the number of people and groups that came and talked to them, they found that a lack of low-cost housing was a major concern as older women frequently pay well over 25 per cent of their incomes for accommodation. In that report, Mr. Chairman, they found that those fortunate enough to own their own homes often have limited disposable income and, especially in cities, live in older areas, in older homes that are in need of repair. Often they cannot afford to maintain them.

Another conclusion they came to was that those with handicapped or dependent spouses cannot get out to work or are often unable to break into the job market due to age or inexperience. Because it was the way of life at that time, women stayed at home. As a result, if they own their own houses, they do not have the income to keep them up. In the end they're often forced to leave their homes. Of course that puts them in a much more dependent relationship and ends up costing the government a lot more money because they usually end up in nursing homes or other institutions, whose care perhaps they really do not need. I wonder if the minister could comment if they're looking at the plight of elderly women and housing and if they have some information or things they're looking at in that regard.

Then I was going to ask the minister a question that I know he will get back to later. Does the minister have any indication as to the number of foreclosures that have occurred in Alberta in the past year? We'd appreciate the minister's comments on this. It's our understanding that it has been increasing. Along with this, I'd also ask if there is a monitoring system in place. If there is, it seems to be secret; I wonder why that would be. What does the government propose to do to deal with the key problems leading to foreclosures and thus work toward preventing them?

I know there are tough economic times, but surely one of the things that creates dignity, pride, and independence in people while we're riding through the recession — if above all we can maintain our homes, the dignity of people and their ability to achieve employment will be much greater. I wonder what the government is doing there. Again, if in fact foreclosures are going up, does the government have some idea how to deal with this in the future? It seems clear that the mortgage interest subsidy program has only had limited success in preventing foreclosures.

The other area I'd like to go into is the mortgage interest reduction program as it's now set up. I believe the brochure states in one of the headings, you know, the question and answer:

Am I eligible if I am already receiving assistance under a different federal or provincial program?

The answer states:

Yes, but assistance under the Alberta Heritage Fund Mortgage Interest Reduction Program will be calculated and may be reduced after taking into account any assistance received under other Federal or Provincial housing programs.

It then mentions:

Such programs include the Alberta Family Home Purchase Program ... and the federal government program, and the Canada Mortgage Renewal Plan.

My questions flow from that, Mr. Chairman. Is the government expecting those who receive funds from the Alberta program to pay back excess when they receive money from a federal government mortgage plan? To

give you an example, one Edmonton woman wrote to us to express her concern — I'm sure she probably wrote to the minister also — that those who receive two subsidies will have the Alberta mortgage interest reduction subsidy reduced, even though the federal government program is tied to income while the Alberta program is tied to the mortgage interest rate. Her point, and I think I would agree, is that this is unfair. I wonder if the government will look into this and perhaps change that policy.

The last question in regard to this: is the government making Albertans aware that they will be expected to pay back some of their assistance if they receive money from other programs? I think that should be clear. If a person is looking for another program, they may not bother if it's going to affect their eligibility or money coming from the mortgage interest reduction program. I wonder if the minister will update us on whether they are letting people know about this.

Mr. Chairman, the last area I would like to ask and deal with the minister on is renegotiation of mortgage interest rates. I know it's been brought up in question period by the Member for Clover Bar and, I believe, the Member for Little Bow. As I understand it, the government scheme is to aid those who want to renegotiate their mortgage interest rates. They will give up to \$200 in administration and legal costs, and payment of up to three months' penalty interest. I understand the reason the government is doing this. Because of falling interest rates, it generally makes good sense to get out of those programs. But as the minister's probably aware, the lenders seem to have different ideas.

Lenders have not taken this into account when they determine penalty. For example, at Royal Trust, the penalty for a person with a long-term loan — that is, over two years — with a difference of interest rates of 1.5 per cent and more, is four months and greater. That's where it is at Royal Trust. Also, the administration costs usually exceed \$200. Very seldom can you get your administration costs below \$200. I would advise the minister to go around and try. Legal fees are usually calculated at 1 per cent of the mortgage. I'm sure the minister's aware of that.

It seems that while generally it was a good idea, we're not offering enough money to get people out of mortgage relief. I guess the question leading from that is: did the government investigate the average penalty or the true costs of renegotiation before they made what seemed a generous offer? Flowing from that, would the minister reappraise — maybe we're going to have to raise — look at raising the \$200 and take a little more realistic look at the legal costs and repayment? With a lot of these firms, it's usually much higher than three months.

I conclude with those few comments and a number of questions, Mr. Chairman, and wait with interest what the minister has to say about them.

Thank you.

MR. McPHERSON: Mr. Chairman, I'm pleased to participate briefly in the estimates of the hon. minister's department. I suppose one of the things we do in debating these estimates is to take an opportunity to see the kind of activity that has happened in our constituency under each department. I did a little research to determine the kind of activity that has developed in the constituency of Red Deer through the Department of Housing, and it's rather interesting.

In Red Deer in the period from March 31, 1982, to March 31, 1983, under the family home purchase pro-

gram, the purpose of which is to assist families with low and moderate incomes buy new or existing housing and to stimulate construction of modest housing to meet the needs of this group, a total of 378 units were built, totalling \$21.4 million. In terms of rentals, under CHIP, the core housing incentive program, Red Deer received 48 units over the last fiscal period, at \$1.6 million. Under the modest apartment program, there were 12 units installed in Red Deer for a total of \$370,000.

I'll stop and ask a question there. Perhaps the minister would like to answer it later. My question with respect to rentals: in light of the high vacancy rates, can the minister advise if these two specific programs — CHIP and the modest apartment program — are being somewhat curtailed, not just in my constituency but across the province, in order that we do not compete with the private sector?

Carrying on under the Alberta Housing Corporation, I note with interest that a number of community housing projects have been developed. Under the community housing program, I've noted six extensive programs that have been established over the course of the past year. This is going to be of great benefit to the citizens of Red Deer in terms of community housing.

I note that the purpose of the self-contained program is to provide apartment units for low- to moderate-income senior citizens. There have been a number of projects developed in the last little while. Canyon View Place had 41 units completed in 1979 at a cost of \$1,353,746. The opening of Barrett Place takes place in Red Deer soon. It has 108 units and was completed in August 1982, at a construction cost of \$4,110,209. The Red Deer III, the Pines, sponsored by the Red Deer Kiwanis, has 25 units under construction at the moment for a total estimated capital cost of \$926,477. A new one that is just breaking ground right now in Red Deer, is the Red Deer V, sponsored by the Oddfellow and Rebecca societies. It's 112 units. Tenders have closed now, at an estimated capital cost of \$4,065,000.

In terms of lodges completed prior to 1980, the Twilight Lodge in Red Deer has some 61 beds and a new addition of 15 beds, at a total capital cost of \$504,306, and the Pines Lodge has 68 beds with a capital cost of \$1,320,904. It is abundantly clear to me that the city of Red Deer has been a major benefactor in terms of senior citizens' lodges and self-contained units. We're very pleased in Red Deer that we are able to afford the kind of accommodation that senior citizens are so deserving of.

I would like to ask the minister a specific question which relates to multilevel care facilities, I wonder if the minister can provide at this time any information on proposals that have been submitted, I have yet to receive it, but I understand a proposal has been submitted from the Piper Creek lodge foundation in Red Deer with respect to a multilevel care facility which would integrate into one complex self-contained apartments, lodge facilities, and nursing homes, I understand this is a new development and one that would be experimental. The city has approved the project in principle, the land is available and, frankly, the city is most eager to have the department purchase the land whether or not the project goes ahead, I wonder if any consideration has been given by the department to pursuing that type of pilot project.

Having said that, I just conclude by congratulating the minister on his appointment, I have found him to be most approachable in the constituency concerns that I have dealt with over the past two or three months, I look forward to working with him in the future.

MR. R. SPEAKER: Mr. Chairman, the other day in the Assembly, I made some specific remarks on a resolution, but I'd like to make some general remarks. First of all, my congratulations to the minister as well, I support the attitude and philosophy of the minister demonstrated in this House, with the exception of the Electric Energy Marketing Agency legislation, which I do not excuse, I'm sure that philosophy will carry itself into his responsibility in the area of housing, I certainly encourage that.

I support the objective established by the throne speech to reduce government involvement in the housing industry, I think the reasons given by the minister in terms of interest rates, population, and vacancy rates are very credible at this time. In that sense, it makes it politically quite easy to go back to the market place and let the market place do its job. From my experience in this Legislature, I know that each time government receives a large amount of resource revenue, we intervene by default in the private market place. We did that in the '60s and again in the 1970s and early '80s, because we had that excessive revenue to use in various places. The demand became one of moving us off a philosophic position and certainly compromising what I feel are the basic principles of Albertans. We've done it.

I think it's now time to reassess and be clear as to where we stand with regard to this matter. As a general comment, as I assess the department in specifics — and I made some remarks the other day with regard to specific programs — one of the difficulties the minister will have to try to look at is social housing projects in relation to those projects that are being subsidized, supported, or encouraged in terms of middle- and low-income people. A large portion of the budget goes toward senior citizens' housing. For example, if I recall correctly, in the area of the Alberta Housing Corporation it's 62 per cent. That's a major portion of that expenditure.

The question we have to ask is: how much further do we go in supporting that type of program in terms of how much need is there for senior citizens? Are we all of a sudden encouraging senior citizens to move out of acceptable accommodation into this new-found government accommodation across the province? I must say that the self-contained units placed in my constituency and others are very acceptable to senior citizens, I also note that there are senior citizens who have the financial capability to invest in their own accommodation, improve their own homes at the same time. So, we're walking a very narrow line, and the minister will face that responsibility as he reassesses senior citizens' housing in this province.

The other area the Department of Housing has moved into in terms of senior citizens is housing accommodation for the elderly, the frail. In terms of that, we are moving closer to what I think would be sort of health care facilities. For example, we started the senior citizens' lodge program in this province in 1959 and into the 1960s. When I came into the Legislature in 1963, we were in the second part of that five-year program. People going into the lodge at that time were at age 60 or 65. They were still quite young, healthy, and very active, so they didn't need this health care component. The lodges became their homes. As an M.L.A. — and I'm sure as any other M.L.A. in this Legislature — there is no way we would ask these seniors to move out and go to another facility. They feel adequate; they feel they can care for themselves in this facility and want to stay there.

In terms of diet, allocation of drugs, the day-to-day health care of these individuals, many of us know that they need some kind of extra care, and the lodge facilities

are not allowed to be equipped to take care of that health care need. They're not quite nursing home patients; they're somewhere in between. There is a gap in that area. In terms of housing in the province, I'm not sure it's the Minister of Housing's responsibility to look after that gap. It's more of a health care function than a housing function, I think we should categorize it as such so that if we are subsidizing that area or assisting that type of program, we do it with good conscience, not through the back door as is happening at the present time.

In my remarks the other day I mentioned the Woods, Gordon report, which I haven't seen. But I understand one of the recommendations of that report is to look at some type of multilevel facility where we could have the original concept of senior citizens' lodges preserved, as well as some kind of semicare facility attached to the lodges. The type of facility following that is the nursing home facility, which we certainly need more of in this province.

I think there's a gap in the programming and, as I say, I'm not sure it's the responsibility of the Minister of Housing, I always felt the Minister of Housing's responsibility was to provide and assist in some areas in housing for those people who are unable to afford it themselves for some reason or another. Even there, that should be a very limited intervention by government. We hope the market place can provide that type of housing.

We have to admit, and we haven't admitted this completely, that there is a role for rental accommodation in a province and a country. We must admit that all people cannot have a home, that they will have to rent accommodation that's provided through other sources, through the private sector building rental accommodation which hopefully is affordable for the families of the province. If it's not, it then becomes a need for the Department of Social Services and Community Health to supplement the income of those people to bring them to a point where they can afford adequate shelter for the husband and wife, wife and family, husband and family, or whatever the case may be. But as I see it, it isn't the Department of Housing, I hope the minister will review the Department of Housing, the Alberta Home Mortgage Corporation, and the Alberta Housing Corporation on the basis that the department and its relative functions in the other two agencies are not his responsibility. That may be one way of moving out of intervention in the housing industry and putting its function where it should be, either under Social Services and Community Health or Hospitals and Medical Care, I make that as a recommendation. That's my general comment.

I think that is the direction the minister is going in some of the things the minister is looking at. But in terms of housing, we must go back to a basic principle, one we have violated; that is, we in Alberta believe that the private sector can provide adequate shelter for its people; that by having adequate compensation in the work place or in their businesses, people can provide for themselves; and that the government of Alberta — and I hope this government represents that — will move out of any areas where we've interfered.

We had an interest crisis, and we introduced the mortgage interest reduction program. Hopefully that crisis is over and things have stabilized, so government doesn't have to get into that area anymore. It certainly assisted some people; it protected them in terms of keeping their homes. But we all know it came in rather late, and a number of people lost their homes in the interim or tried to sell them on the market and did so at a loss. We

are now at a point where the program is in place; it has helped some. Hopefully we don't have to do that again. In my estimation, that certainly isn't a role for government, if we want the market place to do its job, I raised some concerns in question period today on the mechanics of that program. The Member for Edmonton Norwood raised it again, and I am sure the minister will comment with regard to that matter.

Those are general attitudes toward the Department of Housing at this time, Mr. Chairman. In relation to the objective I would see for Housing, I certainly think that some of the 895 employees with the department will have to be transferred to other responsibilities of government. I look at some major developers in the province — Carma Developers, Nu-West homes, and many others — that have cut their staff significantly, some by 50 per cent, under the current economic situation. But as government, we haven't done anything in terms of that.

We haven't reflected what is going on in the economy of Alberta at the present time. So the minister will have to deal with that problem in the current fiscal year. I am sure that how the minister is going to deal with it will be answered in the 1984-85 budget that will be presented to us. The decisions will not be easy, but it's best to make them now and bring things back to principle again.

I will also mention that the budget of Alberta had a deficit of some \$3 billion. We have over \$1 billion spent on housing. For that reason, I think it's even more urgent to go back to principle and assess whether we should be expending that kind of money. If we could cut half a billion dollars, that would bring us much closer to balancing the budget, without hurting anybody in the province. I think Albertans want us to back up, tighten up, and spend only where necessary and only where it doesn't intervene in the private sector. I certainly encourage the minister to take that into consideration.

MR. BATIUK: Mr. Chairman, there are a few areas that I would like to comment on. First of all, I must say to the minister that I applaud a number of programs in his department, particularly the senior citizens' programs. Recently, when I reviewed the Canada statistics, they showed that the Vegreville constituency has the second largest number of senior citizens in the province of Alberta. There is one in Calgary that has a few more. That's why I have such an interest in senior citizen's housing and other programs.

Before I go further, I would like to highly commend the minister's office staff. I really appreciate the fast response that I get whenever I go there. It helps in the success of the minister's office. Much the same may be said about the department staff, although I don't whether they're all identical in that way.

I appreciate the self-contained units in the constituency, and I am glad there has been approval for an additional four for the village of Ryley. Another area, as I mentioned, that I had a concern on was an application from the foundation for some self-contained units for Chipman. That application had been coming for a couple of years. It was recommended yet, for some reason, there was no action. I had to ask the former Minister of Housing and Public Works to make that ruling himself.

For some reason, there are still some individuals in the department who do not favor the programs of this government. In 1971, I am sure we received the mandate of the people of Alberta because of decentralization, to provide balanced growth for Alberta. I am glad Chipman is getting one. It's nearing completion, and the people are

waiting for it. They have made commitments to take it; there is a need. I think it's wrong to ask any senior citizen who is fairly capable to move to another community, for a purpose other than nursing or auxiliary.

I would like to say that the home repair program is well accepted by senior citizens. I hear occasionally that maybe some abuse it. I know there must be some inspectors, but it's very difficult to monitor all of them. It has been brought to my attention that there are occasions when somebody will maybe change his shingles a few years sooner than he has to, or something else. I don't know whether that can be overcome. I still think it is a good program, because the government does subsidize senior citizens' lodges, self-contained units, and other housing. So I think this home repair program is a good program to encourage people and help them live in their homes as long as possible. If a few of them are abusing it, I don't think everybody should suffer.

I would like to mention one particular area and see whether the minister can respond. The senior citizens' lodges throughout the province are getting into more and more deficit. When I was on the Beaverhill senior citizens' lodge foundation in 1968, I recall that a pensioner's basic pension was \$70 per month. The rent for that senior citizens' lodge was \$65 per month. If a person had no other income, all he was left with was \$5 per month for his tobacco or whatever, I think maybe some of them suffered.

Organizations in the communities used to raise money to help them along. But today, when a senior citizen is getting between \$500 and \$600 per month, I wonder if they're paying their fair share, or should the taxpayers be contributing? Here again, if they need it, I see nothing wrong with it. But I remember one incident a couple of years ago, while in a senior citizens' lodge — and what else are you going to discuss? — I asked one of the elderly ladies whether her children had been around lately. She said, well, today is only the 15th. So the message came to me at once that they came at the end of the month when the senior citizens got their pensions.

I wonder whether the general public should be paying a great portion of the expenses for these senior citizens if they do not need the full amount, I wish the minister would respond on whether he's given that consideration. Otherwise, I'm quite happy with the programs, and I hope they continue.

Thank you.

MR. ALEXANDER: Mr. Chairman, just some very brief and fairly broad remarks and then a couple of suggestions for the minister. Housing is one area where we have found ourselves in the trap we often fall into, of trying to achieve social justice by means of the market place. The inevitable outcome seems to be painful adjustment, particularly in economic terms. While many of these projects we try to fund — many of which have just been described — are indeed worth while, it seems that these programs either run on too long or get into areas where they might not belong and, finally, and again inevitably, seem very hard to stop.

In Canada we've seen a lot of market distortions in the last few years. We've had high inflation rates, high interest rates, and terribly high taxes, all of which have messed up the investment market resulting in such things as tax shelters which produced MURBs which added to the building oversupply and is a normal sort of process. Government programs came into the game too late and added to the imbalance of supply and demand. Predictably,

we have to adjust. We're now in that painful period of adjustment. I think the minister recognizes that. I am indeed grateful and want to add my congratulations to him for that.

I think the recognition is there that we're in too deep and we're in some areas where we don't belong. I don't, by any means, mean to suggest in all of them. We have discussed at some length some ways in which we might disengage ourselves from certain segments of the market. One might be from low-cost housing, if it could be made somewhat more affordable for people whose incomes have suffered declines, who may not be able to come up to the necessary down-payment levels, or qualify for conventional mortgages.

There has been some considerable discussion in the market place about inflation-adjusted mortgages. There is a plan abroad at the moment called Fair Plan, and there are variations on it. While it is a long way from being the solution to all the problems, it seems to me that there is a segment of the market that might well be served by inflation-adjusted mortgages. It simply levels out the payments, keeps the front-end loading from being quite so large, and brings these mortgages into payment range for a greater number of people. It is not going to solve the problem, as I said. It isn't going to appeal to the whole spectrum of the market, but it certainly might help to achieve a portion of it.

Other methods of innovative financing have also been suggested and may be necessary to get ourselves out of the situation we're in now where the market is so badly out of balance. For example, in order to achieve inflation-adjusted mortgages, there's going to have to be mortgage insurance because, as in the case of new financial instruments, there's always some reluctance on the part of lenders to get into unknown territory. Mortgage insurance is, of course, available from the private sector.

While CMHC and MICC, for example, appear to be reluctant to get into the inflation adjusted mortgage field at the moment, it seems to me that this government could very well convert some of its present interests in the mortgage industry into such insurance. It strikes me that that is preferable to having a large inventory of houses not being linked up with a large inventory of people who would like to have them. It strikes me that if we're in this segment of the housing industry because of affordability — in other words, to bring affordable housing within the range of more people — then why don't we make some more innovative efforts to bring the two together and bridge the gap? If we have to go into mortgage insurance, I consider that to be a more desirable thing than having the demand unsatisfied and the supply sitting empty.

In order to get into the matter of mortgage insurance, I don't suggest that we raise more money. I'm opposed to that. I suggest that we might just as well try to put some of our present mortgage portfolio to what is commonly called a market test. I suggested this to the minister before, and I'll suggest it to the House for the record. I believe that some of the conventional mortgage portfolios now held by our various agencies could very well be packaged for sale to private investors.

It seems to me that private investors, life companies and so on, are looking for long-term, viable investments. They buy mortgage portfolios; I would like to see us try to sell them one. That would fund, partially at least, a mortgage insurance scheme and replace some of what we presently don't need as income to help us move our surplus housing. Thus I recommend that the minister investigate or at least comment on his view of the possi-

bility of selling some mortgages in order to fund, in part, an insurance scheme.

The other thing that struck me was that while there is a recognition of oversupply — and the minister has said, happily, that he is scaling back — I just wonder whether the capital spending in this sector at the moment couldn't be scaled back a little more quickly. I noticed that the government is confident that the private sector can now play a more active role in the provision of moderately priced housing due to lower interest rates. It's evidenced in the '83-84 budget estimates. The capital budget forecast for AHMC for '82-83 is \$455 million. While that's a decline of 8.7 per cent, I wonder if it couldn't decline a little faster.

In other words, Mr. Chairman, if the market is out there in considerable oversupply — we have a large inventory of unsold units and the reduced in-migration figures seem to indicate that much of this housing is not going to be in great demand in the near term. If the private sector could pick up the slack when that happens, it strikes me that the minister might well be able to reduce his capital estimates and capital spending on housing at a much quicker rate.

I would certainly recommend that he do so if at all possible, keeping in mind his comments about his operational budget and the necessity to service such things as the mortgage programs and whatever mortgage commitments have already been made and what construction is already under way. I don't mean to pull back on anything that's committed. But certainly, if there's any way that that capital budget can be reduced even more sharply, it strikes me that it ought to be done.

In his comments, the minister referred to response to circumstances in a unique way and mentioned Operation Friendship. I guess what I'm saying is, in a sense, that kind of response, I commend the minister for those kinds of quick responses. I commend this one to him as well. Responding to the market place quickly and effectively is not something that governments do easily or well. I think this minister is showing a considerable amount of market awareness in what he has said and done so far. I certainly want to encourage and co-operate with it in every way and hope that even more could be done.

Mr. Chairman, I think that the portion of housing which takes up our total investment portfolio — for example, in the heritage fund — is just simply too large. As a portion of our overall portfolio, we have too substantial an investment in that sector at present. I think there's all kinds of good economic reasons for unwinding that as far as it can be unwound and for reducing it before it gets even worse. I commend those suggestions to the minister and look forward to his response.

Thank you.

MR. SHRAKE: Mr. Chairman, I hadn't really planned on speaking on this, but I hear suggestions from some people who don't appear to have been involved that heavily through the years in the area of senior citizens' housing. So I thought I had better get up and put forth a few views.

The minister and the Alberta Housing Corporation have done such a good job that I didn't think we needed a lot of debate on this, but it appears that some people just don't understand. It's taken about 12 years, and they have now finally rolled the situation around to where I think every country in the world would welcome and envy the problem we have where we actually have a little vacancy rate and a surplus of housing. I think Soviet Russia has

been trying to get enough housing for their people now for 50 years and still can't do it.

[Mr. Appleby in the Chair]

As far as the senior citizens in this province are concerned, I don't think a lot of people understand their situation. In years gone by, a lot of them bought into a pension plan where in 25 years they could retire and be guaranteed at least a couple of hundred dollars a month, which would be very ample to rent their house and live very graciously. Well, 25 years later, inflation has worked it around so that a couple of hundred dollars a month means nothing.

Beyond economics, in the city of Calgary, when I first went on city council, we continually ran into one problem; we went from housing crisis to housing crisis. I think the Alberta Housing Corporation has taken a lot of the strain off. They've levelled out the humps and the lows. Right now we have a surplus, so everybody says: let's get out of housing, especially out of senior citizens' housing. No sir. I think we can shut down, slow back a bit, but let's not go away. As far as keeping them in their own homes is concerned, that's a wonderful suggestion, a wonderful idea, but it's not very practical.

You will find that when a couple retires, he leaves his job, unfortunately the man doesn't live as long as the woman. After a few years, you find the husband passes away. The wife has a 1,000 to 1,200 to 1,400 square foot home. It's an older home. It needs painting from time to time, you have to shovel the snow in the winter, and all these things. We've come up with program after program to try to keep them in their homes, but there's one thing we can't do. When they are in their own homes and the kids have grown up and moved elsewhere, they deteriorate mentally without people. Their old associates die off and so on. Plus if you're cooking for one person, you're not going to cook a real good meal.

So you find that a lot of these people are looking for a place to go. A suite in the private sector is \$400 to \$600 a month. Thank goodness Alberta Housing built a lot of senior citizens' housing which they can go into. Then they are happier; they get people their age, companionship and friendship. They get into social activities: take up bowling, take up lots of games of cards, play a little bingo, this type of thing. They perk up mentally and physically.

Then you get another factor. Eventually they need a little better type of care. Twelve years ago when I went on the city council, the Metropolitan Calgary Foundation had a waiting list of 2,000 people. Their dear sons or daughters from Vancouver, Toronto, or somewhere, would come running to the Metropolitan Calgary Foundation and say: my mother is deteriorating; can you please get her into one of your lodge units? Of course, we'd say: we'll put her on the list; we have a waiting list of 2,000, but we might give her a little higher priority; maybe in another year, year and a half, two years, we'll get her into a Metropolitan Foundation lodge. Often they died before they got into the lodge. It was a premature death because of poor living conditions and things like that.

This government has built enough lodges that the waiting list is actually very short. You can get in. The advantage of a lodge is that when you go from your own home into an apartment-type dwelling, or maybe the cottage-type dwelling which we have with Alberta Housing in the city of Calgary, they have companionship, some people to work with, their colleagues and so on.

Later, when they can't really fend for themselves quite as well — they can no longer really cook and do all these little things — they have another step to go. That's straight into the nursing home.

They can go into a Metropolitan Foundation lodge where they have a matron to kind of help them with their income tax, help them with some of their personal things, and so on. If they go out, she's there to greet them when they come back in that night at 9:30 or 10 o'clock. It's their home, and they are happy there. They can live out their remaining years with a little dignity. Of course the nursing home is a very awful spectre to end up in; in the nursing home, you are in the final stages of your life. As far as the role of government is concerned, of getting out and this type of thing. I think the role of government is helping people.

As for talking with the private sector and their concerns, if you talk to Roy Wilson from Carma — I heard the name mentioned — or Ralph Scurfield from Nu-West developments, one of our largest home builders in this province. I think they were very, very thankful that we had Alberta Home Mortgage Corporation to bring in a lower interest rate when the interest rates on the private market were up at 20 to 21 per cent. It helped them keep selling houses. It helped keep them in business. If you ever talk to Ralph Scurfield, the president of Nu-West or Roy Wilson, the president of Carma, I think they will tell you they appreciate Alberta Home Mortgage Corporation.

So I'm game to see us slow our activities down now. We have reached the point where we have ample housing in this province. But I'd be very reluctant to ever criticize the job Alberta Housing has done. I hope we stay around; maybe tone it down a little for a while, but still be there. Let's keep the edge we have where we have ample housing for the citizens, especially senior citizens, in the province of Alberta.

MR. STROMBERG: Mr. Chairman, I would like to mention that it's my opinion, and that of my constituents, that we in Alberta have in place perhaps the best housing for seniors in the world and by far the best in Canada. I can mention as an example that the square footage allowed in our self-contained is considerably more than what other provinces are currently building.

In the Camrose constituency, we're very fortunate that we have a great number of self-contained units, perhaps the highest percentage on a per capita basis in the province. We are going ahead this summer with another 65 units in Camrose, Forestburg, and two or three other places. However, what I especially appreciate about the program is that the current minister has been listening to those senior citizens in rural Alberta who are saying: we don't necessarily want to retire in Camrose; we come from a small village such as Rosalind, perhaps Ferintosh; we want to retire there; we don't want to go down the road 10 or 15 miles to the larger centre; our children grew up here. Their children may be in business or operating a farm in that community. They want to be near their nearest post office, the community they helped build.

I think it's pretty tremendous when small communities such as Heisler can get six units. I give another example, Mr. Chairman, where the minister has his hearing aid tuned up: that situation where a river serves as a boundary in some constituencies. In my own area, his officials suggested that Heisler was not deemed worthy of self-contained units because Donaldda hadn't yet filled up. But it's across the river. No one at Heisler ever goes to

Donaldda; the traffic flows to Camrose. And no one in Donaldda ever goes to Heisler; the traffic flows to Camrose.

I would like to point out to the minister, and I hope he has time to answer: I believe low-cost housing comes under his department. Some of the bids that have been received and some of the contracts let have been at the bottom line. Some of these contractors couldn't hack it and went into bankruptcy. We have one in Camrose now. Our low-cost housing — I'd say 80 per cent complete — is now standing empty and will probably not get on the road again for another couple of months. With the changes to the allowable amount that recipients on that program can get from Social Services for housing as of July 1, there's quite a waiting list to get into this low-cost housing.

Another rather interesting area: last night, Mr. Chairman, I had the opportunity to visit the Bashaw Heritage lodge and discussed a problem with an elderly lady. I believe she's a widow. She and her husband had, I presume, worked very hard in their lifetime, and had saved considerable funds. She is paying \$525 a month rent, probably because of the interest earned and her assets. However, she feels that for her to move into an apartment in Edmonton or Camrose — she wants to be in this lodge in Bashaw with people her own age. I thought she had a reasonable suggestion. Surely we don't look at the assets; we say, up to maybe \$350 or \$400. But don't wham them \$525 when they're part of that community, built that community, Alberta pioneers. They deserve to go in even if they've got a large bank account.

I've always rather appreciated this department in their fine tuning, their looking forward and advancing new ideas. I would like to mention to the members a new idea at Forestburg. It has had some rough sledding. This idea will be multi-level care for senior citizens, all under one roof: a drop-in centre, a nursing home, self-contained, and a lodge. However, it falls under three departments: Hospitals and Medical Care, Social Services and Community Health, and your department.

There have been considerable problems trying to get the three departments to co-ordinate this. I can recall as far back as three years ago when the minister from Chinook travelled with us to Daysland, I believe, the first time the idea was unveiled. It's been tried in other provinces. It's been very successful in Vancouver. They built a few of these in Ontario. I'd appreciate it if the minister could give me an update on how the first one in Alberta is going.

In closing, before the minister leaves — he's already left — I hope that in 40 or 50 years the minister and I can retire gracefully and peacefully in one of our low-cost housing developments in Camrose.

MR. LYSONS: Mr. Chairman, I would like to bring up a point or two, particularly about the mortgage insurance the hon. Member for Edmonton Whitemud discussed earlier. I'm opposed to it. That's not unusual. We're both solid free-enterprisers, and we wouldn't be expected to agree on something like this. I think people who want to invest would best invest in something they know something about. Mortgage insurance, as I understand it — and I am familiar with it to some degree — is for the lazy investor. If you want a soft, safe, long-term investment, and you have something that's shielded by insurance, great. It's not a big return, but it's safe.

For a number of years, I was a senior mortgage officer in a credit union in Vermilion. We loaned many millions

of dollars. As best as I can recall, I don't remember ever losing any money in a home mortgage. We used to have some pretty innovative mortgage packages. It was a few years ago all right, and times have changed somewhat. But the government getting involved in mortgage insurance is probably going into an area that could lead to some very serious long-term problems. I have to agree with the Member for Edmonton Whitemud that perhaps we're a little heavily into home mortgages, through the Alberta Home Mortgage Corporation, and perhaps we should sell off some blocks of mortgages to private investors. But I think that should be sold as a straight private business deal, and not in any way be tied to mortgage insurance.

Most of us who are getting a few streaks of gray hair, and have grandchildren now, will recall that usually we bought older homes. Some of us bought them with a small down payment. We got our financing from our parents or a friend, or we worked out a deal by ourselves. That can still happen. I have two sons. When the oldest was 21, he bought a mobile home. The old man didn't have to help him with the down payment or anything like that. He saved his money and bought a brand-new mobile home.

I criticized my oldest son because he bought a mobile home. I didn't figure that was a very good investment. My second son bought an old home, kind of battered up and so on. Maybe the hon. Member for Vegreville knows the home, because it's in his constituency. It's a pretty nice-looking home now, and they're going to bring a brand-new baby back to it in a week or so. They've done that without Dad helping them either. Encouragement, yes.

But when the government gets into lending money for homes on an ongoing, "this is the way it's going to be done" basis. I think that's fundamentally wrong. I believe the minister is on the right track when he realizes we have to back out of this. We had to do it in an emergency situation in the '70s, but I think times have changed now to where we should be getting back to some pretty fundamental values when it comes to buying homes.

I have nothing but admiration for the government in the homes and facilities we have for our senior citizens. They're absolutely incomparable. There is nothing in Canada and, I imagine, anywhere else in the world that could be any better. I've had the opportunity to open a few of these senior citizens' homes. When you talk to people, most of them say, we have never lived in accommodation as fine as we have now. It's really gratifying to see that. I would like to see the minister carry on with that program.

But when it comes to the programs of lending money for new homes, I think we should have a look at some of the traditional values. If you want to go out and buy a new home, perhaps you have to take in a boarder, have a suite in the basement, or do some of those things we had to do in the past. I don't think any of us here are more wary than the young people today. I believe the whole concept of homes, the style and size and so on, is much too elaborate for the bulk of young people buying homes.

I can't help feeling that a person should earn the accommodation they live in, rather than have something given to them that's probably too expensive to afford. As long as we subsidize through an interest-shielding program and so on, we will continue to have problems. I suggest that the minister would be wiser if he had a good, fundamental look at whole concept of loaning money.

Thank you very much.

MR. WEISS: Mr. Chairman, just before the minister responds, I'd like to speak about four areas of concern that affect the Lac La Biche-McMurray constituency. I will be very brief so that hopefully the minister can conclude his remarks.

With regard to the mortgage assistance program, I too, as the member for the area, would like to extend a sincere thank you for assistance in developing the program, as it has affected our community with so many new young people and young families — it had a very serious overall impact within the communities of Lac La Biche and McMurray — and particularly for looking at the needs within the corporate structure, with the Syncrude and Suncor housing projects. They were a little different and needed some caretaking and assistance by the department. I would like to extend a thank you to department officials for working out those details in the program.

I would like to ask the minister to review the overall housing program as it relates to subsidized housing for government employees within the Fort McMurray region. I particularly appreciated the help given to me recently with regard to a problem that had arisen; the minister is well aware of it. I believe the program should be addressed for a long-term commitment and not a short-term solution, as perhaps was suggested by some people within the department.

Perhaps something could be worked out to the mutual benefit of all concerned, whether it encompasses a buy/sell package or a commitment on a long-term basis, so that the people working within the community are going to be able to take on a commitment and know where their needs are four or five years from now, rather than having to say, we've lived in a home for five years and what do we have to show for it? I believe an amicable solution could be reached. I'd ask the department to review that in the short time coming up.

With regard to senior citizens' facilities, I'm very pleased with the announcement that we will be proceeding in Wandering River. As well, the approved facility for Fort McMurray will be the second in that community. While a lot of people think we're young — the average age is some 23 or 24 years — we do have a lot of seniors to think of. That area is now being addressed in co-operation with the Canadian Legion, who will be developing a new 12-unit facility in that community.

I'll be officiating on behalf of the minister on June 3 at the North Star Villa in Plamondon. I look forward to that event and visiting with the citizens in that community for the extended unit there as well. It certainly shows the department's and the government's recognition of the need to address the roles of senior citizens throughout rural areas as well.

One final point I wish to speak about, Mr. Chairman, is with regard to housing programs in the rural areas, in particular the native and Metis areas. I have an awful lot of concern, because we have so many people from all walks of life who say that we're not doing anything. We see the deplorable conditions in existing facilities in some of the areas. I agree that we have problems. But, Mr. Chairman, we do so much to help so many, and I don't think any recognition is given to this department. If somebody would take a moment to look in the estimates under Vote 2, they would note there's \$1,718,000 for log-housing grants, \$1,145,000 for Metis settlement housing . . .

AN HON. MEMBER: That's performance.

MR. WEISS: . . . \$865,000 for rural and native housing. That represents \$3.7 million for those three areas alone, which is close to \$800,000 over and above last year's programs. If there's any cutback in that, members of the opposition, I don't know where it is. I only see pluses.

I'm very concerned, because people out there are saying that we're doing nothing. If we take over and above that the water and sewer improvement grants of some \$500,000, we're looking at some \$4 million in those programs alone. And over in Vote 4, in particular, we have \$1,796,000 for transitional housing, \$322,000 for Metis housing, and \$6,800,000 for rural mobile-home programs. I don't know of anybody anywhere who can compare with those programs and, as a person representing a northern constituency, I'm proud of it. I'd like to say thanks to the minister, and keep up the good work.

MR. SHABEN: Mr. Chairman, I'd like to thank the members for their contributions and suggestions. I'll try to deal briefly with the questions in the order in which they were raised.

The Member for Cypress asked about the manufactured housing industry, or the mobile-home industry, with respect to a proposal they placed before the government. That issue also had been raised by the Member for Red Deer. We're considering the proposal because of the affordability of mobile homes. Another area that may be helpful for potential home-owners is the proposed amendments to the Condominium Property Act being developed by the Minister of Consumer and Corporate Affairs, which should assist that industry. Over the weeks ahead, we will be considering the proposal by the Manufactured [Houses] Association. Their proposal is for assistance by way of insurance for chattel mortgages.

The Member for Edmonton Norwood asked a number of questions. The first question had to do with the administration of the mortgage interest reduction program. Prior to the implementation of the program, we considered a variety of ways of administering the program, including treasury branches. This was rejected, the reason being that the treasury branches provide a number of services to Albertans, but it would have been very difficult for them to cope with it because to date the program has involved 140,000 applications. We also discussed the administration with the other lenders, the conventional lenders, and determined that the way we chose to proceed with the administration was the best way. It's worked reasonably well. The time lag has not been undue, and the administration has been handled extremely well by temporary employees at the Department of Housing.

The other question related to renegotiation. I had dealt with it at some length in question period. We recently made modifications to the program to allow more than the \$200 toward legal, appraisal, and other fees. From the response, we've determined that that adjustment has been very helpful. In determining the maximum amount that would be available for mortgage renegotiation, the limiting amount would have to be and must be the amount that home-owner would receive under the mortgage interest reduction program.

[Mr. Purdy in the Chair]

Another question related to the seniors' home improvement program. That program is income tested. Any senior who earns above \$20,000 a year isn't eligible for the program, and someone who earns \$15,000 or less is

eligible for \$3,000. As it affects people between the ages of 55 and 64, our widows' and widowers' pension plan now extends the benefits of the seniors' home improvement program to widows and widowers. That fits in with the policy development of that program contained in the Bill before the House that was introduced by the Minister for Social Services and Community Health.

The question on foreclosures: the number of foreclosures in 1982 was 1,144, which is two-tenths of 1 per cent of the owned homes in the province. Yes, we are monitoring the foreclosure rate, and in recent months the rate has been higher than in the past. There is a variety of reasons for that. One is the overall economy. The other is the time lag under our Law of Property Act. In Alberta, the time taken for final orders is longer than in any other province.

On the question on the relationship between the mortgage interest reduction program and the Canada mortgage renewal plan, when the Canada mortgage renewal was development, it was a loan program. I believe it was converted to a grant program in October. What we did in the administration of the mortgage interest reduction program was forgive benefits individuals had received under the Canada mortgage renewal program for the months of September and October so it wasn't an inconvenience to those persons who had received those benefits and, beyond that point, required that they cannot piggyback the two programs. All applicants for the mortgage interest reduction program are advised that they cannot piggyback or add a federal program to a provincial program, because the objective of our program was to reduce the effective mortgage interest rate to 12.5 per cent.

The Member for Red Deer discussed our activities in the province with respect to core housing incentive program loans, modest apartment loans, and community housing development. Yes, we are very carefully monitoring the housing situation throughout the province and adjusting our programs, particularly community housing. A lot of the decisions on the core housing incentive program were made last year, and those projects are now coming on stream, which has aggravated the vacancy factor.

The other question the member raised was with respect to multilevel care, and the excellent work the Piper Creek lodge association has been doing. The Housing Corporation has been working with them. They've done some really excellent work. We are reviewing the Woods, Gordon study. The nursing home review committee undertook a review, and I'm reviewing that with my colleague the Minister of Hospitals and Medical Care in order to evaluate the potential for multilevel care, recognizing the point a number of other members have made that, in our lodges particularly, a lot of the residents have been there for 10 or 15 years, have aged, and have gradually required more care than the program is designed to provide. However, in many cases those residents don't want to move, because it's their home. It is a matter we're reviewing in terms of the concept of multilevel care. That review is taking place between Housing and the Department of Hospitals and Medical Care.

The Member for Little Bow made a number of comments, particularly in relation to supply. I think I addressed that in my opening remarks. The member should be aware that the percentage of senior citizens housed in senior citizen self-contained units is limited by the program of rent related to income. In self-contained units, seniors pay 25 per cent of their income. That has

the effect of making it less attractive for those seniors who have high incomes, and it is more attractive for them to stay in their own homes. The other program we have that members are aware of is the seniors' home improvement program, so they can improve their own homes and stay in them. Presently, about 19 to 20 per cent of the seniors live in self-contained housing provided by the government or lodges. Eighty per cent live in other accommodation.

The Member for Little Bow also raised the question of rental versus ownership. That's an important one. In Alberta we believe that wherever possible individual ownership should be encouraged. That was the reason for the family home ownership program. Of course there are individuals who rent, and they do it by choice or necessity. For those who have low incomes, we provide community housing programs generally in the \$12,000 per year income range that isn't met by private-sector developers.

In terms of reducing our involvement, I should point out to the Member for Little Bow — he quoted a number of employees; he was high on the total number. It's very difficult to lay off employees. Recently the Alberta Home Mortgage Corporation did lay off a number of employees because of the reduced workload, so as difficult as it is, we are responding to the market situation.

The Member for Vegreville made a number of comments with respect to the importance of self-contained units in smaller communities so people don't have to move. That is important. On the deficits of the lodges, after discussions with the seniors homes association, an agreement was reached that over a five-year period we would gradually increase rents to 60 per cent of the minimum income of seniors. We're moving in that direction. The seniors supported that proposal, so that's providing some additional income to the lodges and not causing difficulties for the seniors. We also have a policy of assisting the foundations with portions of their deficits. That also helps the foundations.

The Member for Edmonton Whitemud made a number of important comments, including the need for innovative financing, or some new type of mortgage instrument, because of the uncertainty home buyers face in terms of long-term prospects for changing interest rates. A suitable and useful suggestion we are examining is the price-level adjusted mortgage, and we will continue to do so. We have also looked at packaging parts of the portfolio and selling them, but the market isn't very good right now for moving those sorts of packages.

On mortgage insurance, as was indicated, CMHC and MICC presently provide that service. But there may be some scope and value in switching, as the member suggested, or gradually moving away from direct lending to insuring particularly high-ratio mortgages to assist those persons who don't have that high income range.

The Member for Calgary Millican made some comments, as well as the Member for Camrose. Yes, to the Member for Camrose. I've visited an awful lot of the self-contained units. You and I may be in them, and it may not be 50 years from now. With respect to accepting the low tender on projects, that's our process. If the builder has good credentials and posts a bond, it's the system, and we accept the low tender. Recently there has been very keen competition in the bids. Some contractors have gone broke, but by way of the bond, those projects are completed. The one referred to by the member will be completed on July 1 and ready for occupancy. The Member for Vermilion-Viking made comments with respect to mobile homes and their suitability. I think that

was consistent with the comments by the Member for Cypress and the Member for Red Deer.

I'm pleased the Member for Lac La Biche-McMurray raised the matter of native housing. We have a variety of native housing programs, without a doubt the best housing programs for native people in Canada, particularly our self-help housing program which provides an opportunity for people in isolated communities to build their own homes. It's been a terrific program, very well received, and the quality of housing being delivered through the Department of Housing in co-operation with the Minister of Manpower, who administers the opportunity core program, is excellent. The program is well received — in addition to that, our housing on the Metis settlements and our rural and native housing program.

With respect to staff housing, the other issue the member raised, at the request of the line departments, the Alberta Housing Corporation is reviewing our policy. That applies to only a certain number of communities where government staff are housed in accommodation owned by the government at very low subsidized rent. That review is not complete, and we will certainly take into consideration the member's suggestion that there be an opportunity for staff members to purchase those houses.

I believe I've responded to the questions that have been raised, and I look forward to dealing with the votes.

Agreed to:

1.01 — Minister's Office	\$206,829
1.02 — Deputy Minister of Housing	\$134,200
1.03 — Administrative Support	\$839,511
1.04 — Personnel Administration	\$107,360
Total Vote 1 — Departmental Support Services	\$1,287,900

2.1 — Policy and Program Development	\$1,708,804
2.2 — Housing Assistance	\$4,009,406
2.3 — Financial Assistance for Housing	\$67,229,000
Total Vote 2 — Policy Development and Financial Assistance for Housing	\$72,947,210

3.1 — Program Support	\$6,061,300
3.2 — Financial Assistance	\$192,000,000
Total Vote 3 — Alberta Heritage Fund Mortgage Interest Reduction Program	\$198,061,300

4.1 — Program Support	\$16,904,000
4.2 — Staff Housing	\$56,000
4.3 — Subsidized Housing for Low Income Albertans	\$67,062,000
4.4 — Land Assembly and Development	\$5,043,000
Total Vote 4 — Housing For Albertans	\$89,065,000

5.1 — Program Support	\$12,122,000
5.2 — Mortgage Lending	(\$34,800,000)
5.3 — Subsidies	\$156,325,000
Total Vote 5 — Mortgage Assistance	\$133,647,000

Department Total	\$495,008,410
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MR. SHABEN: Mr. Chairman, I move that the votes be reported.

[Motion carried]

Department of Manpower

MR. DEPUTY CHAIRMAN: Has the minister any opening comments?

MR. ISLEY: Thank you, Mr. Chairman. I appreciate this opportunity to introduce the 1983-84 estimates of Alberta Manpower.

AN HON. MEMBER: Question.

MR. ISLEY: Don't get excited.

The responsibilities of Alberta Manpower are outlined in three votes. Vote 1 covers general support services, Vote 2 deals with employment development, apprenticeship, career development, and training assistance, and Vote 3 covers special employment programs. The major portion of our budget estimates have been designated to support our manpower development and training assistance programs. These estimates reflect this government's continued support for ensuring that Albertans have the opportunity to prepare for and take part in productive employment.

However, as I have stated on previous occasions, a long-term solution to Alberta's employment problems lies with the private sector. Therefore, while the current circumstances required that some short-term job creation is necessary, the Department of Manpower is interested in emphasizing as a priority the development and implementation of initiatives aimed at assisting the private-sector engine to again run on all cylinders.

In the meantime, we will continue to work closely with the private sector by assisting Alberta industry to assess their manpower needs through employment development branches, which will receive in excess of \$2 million. More than \$7 million will be allocated to the apprenticeship and trade certification branch, which regulates and administers training and certification of tradespeople. In excess of \$8 million will go toward providing career-related assistance to Albertans by helping them improve their transitions between school, training, work, and retirement. As well, assistance in excess of \$10 million will be allocated for vocational and rehabilitation training for disadvantaged Albertans with special needs. More than \$6 million will go for short-term vocationally oriented training programs such as English as a second language.

In mentioning these various initiatives, Mr. Chairman, it should be recognized that the responsibility for job creation programs does not rest solely with Alberta Manpower. Other government departments are actively and substantively involved in this area. Alberta Transportation's 1982-83 winter works program is a prime example.

I would like to briefly highlight the 1983-84 special employment programs approved to date, which are indicative of our dedication to assisting Albertans in retaining or finding employment. Alberta is contributing \$11.25 million to the Canada/Alberta new employment expansion and development program, which is anticipated to create 2,700 jobs. As of May 6, 1983, 134 projects have been approved under this program, creating a total of 846 jobs at a cost of \$5.3 million. That's just slightly in excess of 25 per cent of the program committed. Some \$12 million has already been allocated for the summer temporary employment program, which is aimed at assisting Alberta youth to gain valuable work experience over the summer months. To date, approximately 2,700 jobs have been created under this project.

A significant new program, the Alberta youth employment program, has just been approved. It involves some \$4 million, and will provide jobs for some 2,200 Alberta youth during the May to November period. While this program includes substantial assistance for the employment of youth at the forthcoming World University Games, it is aimed mainly at jobs being provided by the private-sector business community, including our farmers. To date, there are 282 jobs approved and operating under this program. That leaves, Mr. Chairman, under the programs in place at the moment that I've outlined, approximately 7,500 jobs still available to Albertans.

Mr. Chairman, that concludes my opening comments. I would be pleased to respond to any questions as we proceed through the estimates. Thank you.

MR. R. SPEAKER: Mr. Chairman, the minister has certainly outlined some of the responsibilities that have been taken in his new endeavors. We certainly wish him well in his responsibilities. I'm sure his objective in the coming year will be full employment, jobs in every home, and adequate incomes. I'm sure those are the kinds of objectives that have been established.

The question I raise is a basic one relative to the new Department of Manpower. I always felt that the combination of the Department of Advanced Education and Manpower, the two working together, was a good working relationship. In a sense, one has the same function as the other. Where Manpower relates to training and preparing people for various job opportunities, that in turn seems to be the responsibility of Advanced Education: to determine needs, and to direct persons to areas where they should be trained to meet new working conditions in the province.

By moving this to a new department, I understand that 20 new people in terms of support staff have been hired to work directly with the minister in the central area of the department. I wonder whether those people are overlapping some of the responsibilities of the federal Department of Employment and Immigration. Are we just creating another bureaucracy that's going to duplicate functions? The Department of Social Services and Community Health has people that place people in employment. I believe it's the employment opportunity program. How does the department relate to that function? Are we just duplicating more services of government and building another bureaucracy?

I can understand the reward for winning the constituency the member represents. Maybe getting a portfolio is one of the benefits. Maybe that's why the ministry is in place. The loss of jobs and of economic development in the Cold Lake area has been significant over the last couple of years. The promises made by the Premier and cabinet ministers that were broken and never fulfilled certainly should have led to a defeat in that constituency. The hon. minister must have done something very significant and promised them a reward like getting a portfolio called Manpower. Maybe that's the reason for the department. If it is, and if the minister would like to confess that at this time in the Legislature, fine. But there was a minister looking after that responsibility.

AN HON. MEMBER: Is that how you got yours?

MR. R. SPEAKER: I doubt it.

I can see that in the case of the hon. member, where things were very difficult.

AN HON. MEMBER: Would you like the minister of youth?

MR. R. SPEAKER: Youth? I'd go for that. I'd accept that anytime.

MR. MARTIN: They're offering you a job, Ray.

MR. R. SPEAKER: Does that mean I get to stay in the Assembly? That's the question I should really ask, Mr. Chairman.

Mr. Chairman, I think we should start at square one and explain to the Legislature why the department had to be created, and that we're not going to end up with another bureaucratic system to complicate job opportunities but will really assist the people in Alberta. I think we need an explanation with regard to that question.

MR. MARTIN: Mr. Chairman, I have to admit that I was caught by surprise. I thought it was going to be the hon. Minister of Municipal Affairs, and I was gearing up for him, having been an old colleague from university. But I guess I'll have to save that for another day. I'll switch to the Minister of Manpower.

I have a few questions and some general remarks. We've said some of the things before, but I think they need to be said again. I know the minister is new, and this is a new portfolio. I do wish him well, too. But so far I don't have much hope that much is going to be done in that portfolio, not because of the minister so much but because they're not going to allow him to do much.

We have to look at what's happened. I think the minister will take the can for a total lack of economic diversification in this province. We've said this before. It goes back to 1966 when the Premier was talking about the fact that too much of our revenues were based on the oil industry and we would have to diversify the economy. Starting in 1966, we heard the Premier saying, when he was first elected, that we have a decade to diversify the economy. When they brought in the heritage trust fund, one rule was that we would have to diversify the economy. At the end of 12 years of Conservative rule, Mr. Chairman, we now have 53 per cent of our revenue dependent on the oil industry; at the same time the price is going down. We hope perhaps it has levelled off, but there's no indication of that.

The reason we have high unemployment in this province — and we shouldn't have — is that the government has failed to diversify the economy. As a result, the minister is thrown in. I called him the minister of unemployment. I wasn't trying to be unkind personally, but I think the Minister of Manpower is here to take the can for government mismanagement.

The sad fact when we look at the figures — and that's what we have to do. We can talk about NEED and STEP, and there are some good programs the minister has brought in. Whenever this government does anything good, I like to give them credit, because I know I'm here to give the government credit. But the sad fact is there were 36,000 unemployed when the economic resurgence plan was announced. When the election was called, there were somewhere around 70,000 unemployed. We were told at that time that it was just around the corner. If you voted Conservative — and unfortunately more people did than should have — things would be well again.

In a time of high unemployment in the spring, Mr. Chairman, we have 136,000 people unemployed. The sad fact is that 136,000 are officially unemployed. When you

look at the figures from almost any source, there are the hidden unemployed. I am sure the minister would agree they're there. We don't know how many there are, because it's impossible to record them. These are people who have given up totally, so they're not even registered any more.

Mr. Chairman, through you to hon. members, I suggest that this is the main problem we face. I recognize it is a worldwide problem to a degree. It is certainly a Canadian problem because of conservative (monetary) policies throughout the world. But the fact is that in Alberta we could have done better and we still can do better. We talk about waiting for the private sector. The private sector is going to operate only when times are right. If the price of oil goes up, they might move into investments, but they are not going to do anything at this particular time. A lot of the people in the private sector I talk to — and I talk to many people the hon. minister knows from the East Edmonton Businessmen's Association — are on the verge of bankruptcy. There are farms on the verge of bankruptcy. How are they going to pull up employment when they're going bankrupt? They are cutting back.

The point is that in Alberta we may even be following the national average in the recovery. Unless something happens, unless OPEC pulls us out of the soup, so to speak, we'll probably be worse off than the rest of the country for at least the next year or two. I'm sure the minister didn't decide this. It was the Treasurer and the powers that be. We are prepared to throw \$200 million into an increase in welfare, but we're not to do anything for job creation or any of the municipal projects the cities have asked for.

We're not to look at any public works that would create employment. We've said — and we'll say it again, Mr. Chairman — that that would be a good investment for the future, because we're going to need many of these projects. Now's the time to do it; it's the cheapest time. The materials are cheaper and the manpower is there. We should get on with the job. But no, somehow we're going to wait for the private sector to pull us out, even though they can't do it now because it's not economically viable.

The tragedy of that — and I've spoken about this in the House many times — is that we're dealing with people's lives. You can increase the welfare budget, but I think all of us would agree that that's probably pointless. We see people losing their homes because they don't have jobs. As the Treasurer mentions, sure, the CPI is going to come down, because there's less purchasing power if people are unemployed. That shouldn't surprise anybody. That's where the monetarists are right. Inflation is going to fall if people don't have money. There's no doubt about that.

As I mentioned before — and I think we have to keep saying this — we're dealing not only with an economic tragedy but with a social tragedy. I pull this out again from *Perception* magazine. When they looked into U.S. research, which I suggest would be applicable here, they found that for every 1 per cent rise in unemployment, this is what happens to people and society: 4.3 per cent more men and 2.3 per cent more women are admitted to state mental hospitals for the first time — so we have to build more mental hospitals, and we waste money there; 4.1 per cent more people commit suicide; 4 per cent more are put in prison; 5.7 per cent more are murdered; and 1.9 per cent more die from stress-related chronic ailments over a six-year period. We also know [about] alcoholism and all the other social disorders.

I was at a Neighborhood Watch program in my riding, and the policeman said very clearly that one of the reasons they're having a big increase in crime is high unemployment. There's absolutely no doubt in his mind. But we sit back here and say, we'll wait for the private sector. What nonsense! We have an obligation to everybody. We have an obligation to the unemployed. It's not just the unemployed. There's an uneasiness I've never seen in Alberta before. People aren't going to stimulate the economy and spend money, because they're not sure if they're going to be next. I've never seen that in Alberta before. We have this insecurity.

Just in terms of economics, what is the cost of high unemployment? I would suggest that if we had at least closer to full employment, we would begin to bring some of that money back instead of throwing it out to welfare, which is an absolute waste, Mr. Chairman. It's much better to have it in job creation where people can work and have some dignity. The point we make is that there's an economic factor in the high unemployment of 136,000 people.

First of all, we're paying out money in welfare and unemployment insurance, which cuts into the provincial treasury. But more than that, there's diminished purchasing power. That's why a lot of the small businesses in the province — we lead in small business bankruptcies. That's why they aren't buying things. It's our estimate that with 136,000 unemployed, over \$6 billion is not coming into our economy here in Alberta. So besides the social tragedy of what we're talking about, Mr. Chairman, there is an economic tragedy.

I would say quite frankly to the Minister of Manpower, with his new portfolio, experience, and clout, that you tell the Premier and the people who call the shots that you need some money to get into job creation, that you have a moral responsibility as the Minister of Manpower to do it. I don't know why we are so quick to throw \$200 million into welfare and say we can't do anything for job creation because somehow we're going to have to wait for the private sector.

I make that point again, Mr. Chairman. Clearly the private sector is not going to move in and create employment if the economic times are not right, if people do not have any money to spend. They're looking at the price of oil the same as all of us. Because we don't have a diversified economy, we're at the whim of OPEC now. Nobody's going to invest. So we'll be waiting a long time, if that's what we're waiting for.

Let's show some boldness in this province. We're one of the few provinces that still has some money, in terms of the heritage trust fund, that could act as an investment vehicle. Remember what happened in the thirties? They said, we'll wait for the private sector. We heard the same argument in the early '30s. What it took to get out of that depression was an American president and an interventionist government that said, that's not good enough. We had the New Deal, and that's when it slowly began to move out.

Surely now in this province, on a miniature scale, we could show some bold government and begin to move out. I know what's come up in the budget. But I would ask the minister if there are any more job creation projects, especially dealing with things we're going to need in the future, i.e. public works. Is the minister looking at that?

Along with my little speech, the second question I would ask is one I asked in question period. If he's been meeting with Mr. Axworthy, I wonder what the discus-

sions have been on the Liberals' new-found full employment. I appreciate that the minister's answer was more realistic the other day than the Liberals', but I see them beginning to have a new definition of full employment. I hear Lalonde and people now talking about 8 or 9 per cent. This is remarkable. When the federal government can't do anything, it's going to create new standards. Eight or 9 per cent is now full employment. I would ask the minister — I know he said 4 or 5 per cent — if there have been some discussions with the federal people. Is that a new trend that's developing? If there's high unemployment, we'll just set the standards higher.

The other point I would ask from the minister: are there any figures at all on what real unemployment is in Alberta, rather than the 146,000? Has the minister used his department to take a look at how much — people are saying that hidden unemployment across Canada could be as high as 20 per cent. Does the minister have any figures to indicate how many people have actually given up and are not even actively seeking work now — the sort of permanently unemployed — besides the official figure of 136,000 in the last census?

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Would the minister like to respond?

MR. ISLEY: Before I do, Mr. Chairman, I would ask the hon. Member for Little Bow to be a little more specific with two of his statements. He talked of this government causing job losses in the Cold Lake area. I'd like to know the industries that lost the jobs in the Cold Lake Area. He talked of this government breaking promises to the people in the Bonnyville constituency. I'd like to know what promises were broken. Then I'd be prepared to respond to both hon. members.

MR. R. SPEAKER: Mr. Chairman, the hon. member is a little sensitive, and really knows there was a . . .

AN HON. MEMBER: Answer the question.

MR. R. SPEAKER: Number one, let's look at the Esso project that was supposed to proceed in the area. Did it proceed? It didn't. What happened to some senior employees and various people? They went back to Calgary. I understand that was one.

There were some office buildings in Cold Lake, as I recall, that had office space for rent. I'm not sure whether that's rented at the present time. When I was in Cold Lake some time ago, it wasn't. People there were in financial difficulty and worried about their jobs. It was certainly there in that area. I think the hon. member knows much better than I do, at least he should, specifically what economic conditions are up there. They aren't that good anyway.

MR. ISLEY: If I may respond briefly, Mr. Chairman. As an employer in the constituency from the time they started talking of the large project, Esso probably increased in permanent positions from about 25 to 100 without counting the indirect positions created. The point I'm making, Mr. Chairman, is that during the last four years, the constituency I represent enjoyed a net growth in job opportunities in the energy industry, in the agricultural industry, at Canadian Forces Base Medley and, I suspect, in tourism. A pretty nice diversified economy.

The Member for Little Bow expressed some concern as

to whether or not we're overlapping with the federal department of manpower and our own Department of Social Services and Community Health, with its employment placement program. I might point out to the hon. member that Alberta Manpower is not involved in a placement service. We have never attempted to overlap the federal government in its placement service. We've simply filled in where we felt there were the gaps in the career counselling service, the training service, relocation services, et cetera.

MR. DEPUTY CHAIRMAN: Order please. The time for the committee has now concluded.

MR. CRAWFORD: Mr. Chairman, I move that the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration the following resolution and reports as follows:

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1984, sums not exceeding

the following for the Department of Housing and the purposes indicated: \$1,287,900 for departmental support services, \$72,947,210 for policy development and financial assistance for housing, \$198,061,300 for the Alberta heritage fund mortgage interest reduction program, \$89,065,000 for housing for Albertans, and \$133,647,000 for mortgage assistance.

The Committee of Supply has had under consideration certain resolutions, reports progress thereon, and asks leave to sit again.

MR. DEPUTY SPEAKER: Having heard the report and the request for leave to sit again, are you all agreed?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: It is so ordered.

MR. CRAWFORD: Mr. Speaker, it is intended that the Assembly sit tomorrow night in Committee of Supply to consider the estimates of the Executive Council office, and to continue on Friday with Committee of Supply, starting with the Department of Manpower.

[At 5:32 p.m., pursuant to Standing Order 5, the House adjourned to Thursday at 2:30 p.m.]

