

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Tuesday, March 27, 1984 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 213**An Act to Amend the Liquor Control Act**

MR. LEE: Mr. Speaker, I beg leave to introduce Bill 213, An Act to Amend the Liquor Control Act.

This Bill will permit the licensing of food stores in Alberta under certain specified conditions, including no sales on Sunday and the right of local municipalities to opt out. If approved, this will create 1,000 additional jobs in the private sector. [interjections]

MR. SPEAKER: The acceptance of the hon. member's motion doesn't necessarily imply the acceptance of his statistics.

[Leave granted; Bill 213 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. CHAMBERS: Mr. Speaker, I request leave to table the annual report of the Department of Public Works, Supply and Services for the year ended March 31, 1983.

While I am on my feet, I would also like to file with the Assembly the response to Motion for a Return No. 137.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. COOK: Mr. Speaker, I wonder if I could introduce to you and to other members of the Assembly 51 students from O'Leary high school and from an exchange group from the city of Montreal. They are accompanied by their teacher Genevieve Moreau and by Monique Labelle, Denis Bedard, Gaston Joyal, and Maurine Sullivan. I ask them now to rise in the members gallery and receive the warm welcome of the House.

MRS. LeMESSURIER: Mr. Speaker, I am pleased to introduce to you, and through you to members of the Assembly, 35 students from the academic upgrading program at the Alberta Vocational Centre. They are seated in the members gallery. I ask that they rise and receive the warm welcome of this Assembly.

MR. KOWALSKI: Mr. Speaker, on behalf of the Member for Red Deer, it is my pleasure today to introduce to you and to all members of the Assembly some 40 smiling grade 6 students from St. Patricks school in Red Deer. They are accompanied by their teachers Jamie McNamara and John Adam and by parents Mrs. Mary Fullerton, Mrs. Loretta Bouchard, and Mr. Ken Maczuga. They are all seated in the public gallery. Before

asking them to rise, I would like them to know that we are as proud of their Member of the Legislative Assembly as I know they are. I now ask them to rise and receive the warm welcome of the Assembly.

MR. SZWENDER: Mr. Speaker, it is a great honour today for me to present to you, and to all members of the Assembly, General Ronuld Wolikowski, seated in your gallery. Mr. Wolikowski is a pillar of strength, being one of the senior members of the Polish-Canadian community here in Edmonton. He is a veteran of both world wars, and Mr. Wolikowski holds the position of major general.

His career began at the Moscow academy under the czar, and after 1917 involved fighting the communist Bolsheviks from 1917 to 1920. He is decorated with the highest Polish military order, the *Vituti Militari*. Between wars he was the military attaché for the Polish government to the Soviet Union and is an expert on that country. A prolific writer, he is still very active and in fine health at the age of 92. I had to convince Mr. Wolikowski to accept a ride to our Legislature today, since he wanted to drive over in his own car, or said it would be a nice day to walk over.

If Mr. Wolikowski would rise, I ask members to extend our traditional warm welcome to the guest. [applause]

head: **ORAL QUESTION PERIOD**

Mount Allan Olympic Ski Site

MR. NOTLEY: Mr. Speaker, I would like to direct the first question to the hon. Minister of Recreation and Parks. It's with respect to the June 22 announcement of the Special Committee for the Review of Environmental and Wildlife Matters concerning the Mount Allan site. Is the minister in a position to confirm that the Olympic Secretariat has now received the report and the recommendations of that committee?

MR. TRYNCHY: Mr. Speaker, I am not aware that the secretariat has received that report. It might be something that the Minister of Tourism and Small Business is handling, because Mount Allan is under his jurisdiction.

MR. NOTLEY: The secretariat is under yours, but I will pass the question to the hon. Minister of Tourism and Small Business.

MR. ADAIR: Mr. Speaker, in relation to the committee headed by Tom Mill, of the Department of Energy and Natural Resources, they meet quite regularly. He, particularly, meets with the Olympic committee, the Olympic Secretariat, and the Department of Tourism and Small Business, as it relates to the master plan for Mount Allan, and has met with the consultants who are doing the master plan for us.

MR. NOTLEY: Mr. Speaker, I would like to further ask the hon. minister whether or not the government has received the report of the Committee for the Review of Environmental and Wildlife Matters, including their recommendations?

MR. ADAIR: Mr. Speaker, I am not sure what report the hon. member is referring to.

MR. NOTLEY: Mr. Speaker, to help the hon. minister — we all want to be very helpful on this day, before the budget —

the report that will come from the solicitation dated July 22, with a deadline of September 30, 1983.

MR. JOHNSTON: Why don't you just file it?

MR. ADAIR: Mr. Speaker, I can't respond as to whether the Olympic committee has received that report. I will again reiterate that that person, as chairman of the committee, meets on an ongoing basis and passes the information on almost weekly, or at every meeting they attend, relative to any concerns raised by anyone in the public at large relative to environmental matters for the Mount Allan project.

MR. NOTLEY: Mr. Speaker, a supplementary question to the government, which is full of all kinds of information today. Perhaps I could direct this to the hon. Associate Minister of Public Lands and Wildlife, and ask whether he is in a position to shed any light on the work of this committee and whether the report has been completed by the committee.

MR. SPARROW: Mr. Speaker, that committee has definitely been working continuously and has reported on numerous occasions. They are definitely having an input to the master plan for Mount Allan. Several changes have been made in that master plan because of the committee's input with reference to protecting the bighorn sheep and the range on that mountain.

MR. NOTLEY: Now we're cooking. [interjection] Good answer, says the hon. minister across the way.

A supplementary question, Mr. Speaker. Is the associate minister in a position to advise the Assembly when these recommendations are going to be tabled in the House?

MR. SPARROW: Mr. Speaker, the committee is an ongoing, working committee working with the planning team of the Mount Allan ski hill, and the reports are continuously being turned in to that committee. I'm not aware of any one specific report that will be tabled in the House. I presume it's going to be part and parcel of the overall master plan.

MR. NOTLEY: Mr. Speaker, a supplementary question. Given the deadline for submissions of September 30, 1983, is the minister telling the House that it is not the intention of the government to table in the Legislature the summary of the recommendations? Also, are the people who have made submissions going to receive a copy of the recommendations which will arise from a process of receiving written and verbal submissions?

MR. SPARROW: Mr. Speaker, as with many other deadlines, they are still receiving comments from various groups. The deadline you're mentioning in that report was not a fixed deadline. Other groups came after that date, and those concerns were also taken into consideration.

MR. ADAIR: Mr. Speaker, I'd like to supplement the answer of my hon. colleague. The deadline that is referred to, Mr. Speaker, if I may just read from it:

As Mount Allan has been selected as the site for alpine events, the chairman is requesting that submissions regarding the proposed development be forwarded by September 30, 1983 . . .

They have accepted any concerns that were raised to that date and after that date and, as late as just last week, were still entertaining concerns expressed by any group, and then also referring those to the consultant who is doing the master plan,

to the Department Tourism and Small Business, and to the Olympic Secretariat.

MR. NOTLEY: Mr. Speaker, a supplementary question to either hon. gentleman. At this stage is there any process by which the government will be providing a summary of the recommendations of this committee of four people? The preliminary deadline of September 30 was set. Admittedly, submissions may still be coming in. But is there any process by which the groups that have gone to the trouble of making their concerns known will in fact have a summary of the recommendations made by the committee?

MR. SPARROW: Mr. Speaker, the committee has met continuously with various groups, on a verbal basis. A lot of that information you're talking about has been conferred back to the individuals. It has made a very strong impact on the planning of the hill.

If any organizations wish to contact Mr. Mill, I'm sure he and his committee will definitely sit down with them and go over the recommendations they have. They're still looking for input at any time, and they will accept new input. I suggest that any organization that wants to, should call Mr. Mill and deal directly with the committee.

MR. NOTLEY: Mr. Speaker, a supplementary question. Given this particular process, could the minister advise the Assembly how this process fits into the environmental impact assessment for Mount Allan, as required by the Eastern Slopes policy?

MR. SPARROW: Mr. Speaker, this project has been ongoing, and the public input process has been going on for some six months. It is important that the planning follow through on a very speedy and well-defined base. Our group has been continuously asking for studies or other types of input from public groups and is doing an ongoing reporting base to the committee and the planning team, with reference to the impact on Mount Allan.

MR. NOTLEY: Mr. Speaker, a supplementary question. Could the minister be a little more specific and tell the House how this process fits into the environmental impact assessment required by the Eastern Slopes policy, or is it the government's view that this process is a substitute for an EIA?

MR. SPARROW: Mr. Speaker, I would say that the process that's going on right now is even more thorough than the impact study you're referring to. It's been ongoing. Every organization that wants to get involved has been involved, and our department is working very vigorously with the planning consultants, to make sure there's no impact on the sheep and other environmental concerns that those groups are raising.

MR. NOTLEY: Mr. Speaker, a supplementary question. It's nice to hear that. But given his announcement that this is a substitute for an EIA, could the minister tell the House what the public process will be for this report? When will it in fact be prepared, tabled in the House, and made available for public review?

MR. SPARROW: Mr. Speaker, I believe I've answered that question.

MR. NOTLEY: Mr. Speaker, perhaps I could be a little more specific and ask the hon. minister if he could tell the House

when this summary of recommendations will be made available to the public.

MR. SPARROW: Mr. Speaker, I do not control the committee, the master plan, or the master planning team. I would like to know that myself. I hope they will bring forward a very progressive plan, and that impact study will be part of it.

MR. ADAIR: Mr. Speaker . . .

MR. MARTIN: Help him out, Al.

MR. ADAIR: Maybe I should go over the terms of reference, just so we're not confusing anyone as to what their role was. Their role was:

1. To receive and review written submissions from the public [relative to] wildlife and environmental matters relating to the development of facilities by the Alberta Government for the XV Olympic Winter Games.
2. To provide information and respond to the written submissions.
3. To coordinate wildlife and environmental planning related to Olympic developments undertaken by the Alberta Government and advise the Olympic Secretariat, Alberta Government of its recommendations.
4. To liaise with the XV Olympic Winter Games Organizing Committee on all wildlife and environmental matters related to Olympic Games operations of facilities developed by the . . . Government.

The Olympic Secretariat, Alberta Recreation and Parks, is responsible for ensuring that proper wildlife and environmental planning and design is incorporated into Olympic facilities constructed by the provincial government on Crown lands.

Following the announcement on sites by the XV Olympic Winter Games Organizing Committee, the chairman will issue a public call for submissions, with timelines.

Submissions should be developed in accordance with . . .

And this is what those who would like to submit submissions can do:

1. All briefs must be submitted in writing.
2. Where possible, correspondents should propose solutions to concerns which they identify.

MR. SPEAKER: Order please. From here it appears that the hon. minister is on the last page, but I don't know how fine the print is. If we have a situation like this, perhaps it could be covered by an exchange of documents and not take up all the time of all the House.

MR. ADAIR: Mr. Speaker, I think it's important that we make sure that there isn't any confusion in the minds of the members, the press, or whoever. What I'm really trying to do is identify that there is no requirement for a written report to anyone. Their job was in fact to listen to anybody that had any concerns relative to that particular project. And I might say that Mr. Tom Mill and that committee have been doing it extremely well and have worked on an ongoing basis with the consultants who are doing the master plan.

In response to the last question, I should point out that as soon as the master plan is finalized, there will be a short period of time while I read it. Of course, with the House going on, I may be considered a somewhat slow reader. But I will read that, and then we will make it public.

MR. NOTLEY: Mr. Speaker, one final supplementary question to either hon. gentleman. After having this read out, do we in fact have two policies on an EIA — one announced by the hon. associate minister and another alluded to by the hon. Minister of Tourism and Small Business — or is this process in fact to be the government's EIA?

MR. ADAIR: Mr. Speaker, I'll let my hon. colleague possibly supplement the answer I will give you. Inasmuch as the Mount Allan project, which is tied into the XV Winter Olympics, is in Kananaskis Country, the policies of Kananaskis Country are laid on top — if that's the right word — of the Eastern Slopes policy for that 2,000 square mile controlled recreation area.

MR. SPARROW: Mr. Speaker, I would love to supplement that and clarify what an [EIA] is. It is not necessary for an [EIA] or an impact study in the Eastern Slopes policy, with reference to recreational ski hills within that area.

MR. NOTLEY: Well, the minister could take that to the environmentalists. I wish him well.

Metis Jurisdiction

MR. NOTLEY: Mr. Speaker, I'd like to direct the second question to the hon. Premier if I could. It's with respect to the first ministers' conference on aboriginal rights. Could I ask the Premier to clarify a report attributed to him that the Alberta government would be prepared to hand over jurisdiction for Alberta's Metis people to the federal government?

MR. LOUGHEED: Mr. Speaker, I would like to clarify that. What occurred is that I think the position we took in the House last year when we discussed the constitutional amendment, and I made some remarks in the House, I believe last spring — it's always been the view of this government that the primary responsibility for the Indian people of Canada rests with the federal government and that we in the provincial government have the primary responsibility with regard to the Metis. We have responded to that in a multitude of ways, to which either myself or the minister responsible would be prepared to respond further.

Before the first ministers' conference on aboriginal rights, we had a preliminary meeting with the leaders of the Metis Association of Alberta and then a separate meeting with the Metis Settlement people, attended by the minister responsible and the Minister of Federal and Intergovernmental Affairs. During all these discussions, at no time was any communication given to us that it was the view of the Metis Association of Alberta that they, together with the Metis National Council, looked to the federal government as the primary government responsible for programs and service to them. This was quite a surprise to us when it was raised at the conference in Ottawa by Mr. Jim Sinclair and others of the Metis National Council.

What ensued, and I'm sure gave rise to the hon. leader's question, is that during the discussion — there are recorded proceedings with regard to the conference — I raised a question with the Prime Minister. I said that this is something that requires a complete reassessment by our government. We're communicating to the Metis Association of Alberta a request that they clarify whether they truly do want to look to the federal government for primary responsibility or to the provincial government. We're awaiting that response; we haven't had it yet.

In the process, in the conference I asked the Prime Minister whether or not the federal government were prepared to accept

that responsibility. I asked it an inquiry way, to facilitate our own reassessment of the issue.

MR. NOTLEY: Mr. Speaker, one supplementary question, just to clarify the position. At this stage would it be a correct assessment to say that the position of the government of Alberta is that the responsibility for Metis people remains the responsibility of the province but that the door is open in terms the future, depending upon the assertion of views from Metis people and organizations in this province?

MR. LOUGHEED: Mr. Speaker, that would be a fair observation to make. We are continuing with our present policy, that we have primary responsibility. We recognize that within that, because of the nature of the isolated communities and other programs, we cannot fulfill all the expectations of the Metis Association. We have a meeting scheduled with their leadership toward the end of next month.

So I could confirm the question of the hon. leader: as of today we're taking the position that we still presume we have the primary responsibility. If we receive a communication from the Metis Association, with proper confirmation, that their membership and the various communities in the province hold to a similar view — that is, that the jurisdiction should be that of the federal government — we would reassess our position. Until we receive that communication, we are proceeding with our present plans and our present sense of obligation.

DR. CARTER: Mr. Speaker, a supplementary question. I understand that when this issue was raised and the Premier gave the question to the Prime Minister, the Prime Minister in turn made some reference to exchange of land. I wonder if the Premier could enlighten the House as to what the position of the government would be on that response.

MR. LOUGHEED: Mr. Speaker, the Prime Minister's response, speaking for himself and recognizing that under the circumstances he could not bind the federal government on an issue of this nature, was that he could see possibly — and he qualified it — an acceptance of that responsibility for the Metis people across Canada by the federal government. He made the point that if that occurred, the federal government would anticipate a significant shift of provincial lands to the federal government in order to meet their obligations. Of course, I raised later in the conference — and have raised publicly — that that will then bring into the forefront the very crucial question of who is or is not a Metis. There will obviously be an entirely different assessment of what's involved there.

I'm sure the hon. member and other members would be aware of the complexity involved if you take an isolated community in which you have people who would fit that definition of Metis, people who think they fit that definition of Metis and do not, and people who have no association with the Indian people of the country. That obviously creates some very difficult problems.

Although I don't want to influence the decision of the Metis Association of Alberta, one does envision that if that policy change is made, there could be even further delay in the progress in terms of the land tenure program, which has been slow and needs to be accelerated. It might slow it down.

Election Contributions

MR. R. SPEAKER: Mr. Speaker, a follow-up question to the Premier. Under the election finances and contributions Act, Crown corporations are entitled to donate funds to political parties in Alberta. I was wondering if the Premier could indicate whether the government supports that in principle and if donations given in that manner would be refused by the government party.

MR. LOUGHEED: Mr. Speaker, if that was a supplementary, it lost me. But even if it isn't a supplementary, I don't quite follow the question. Perhaps the hon. member could elaborate.

MR. R. SPEAKER: Mr. Speaker, to the hon. Premier. Under the election finances and contributions Act, Crown corporations of the province can contribute funds to provincial political parties. I'm asking the Premier whether he is prepared to review the respective legislation, to prevent such a thing happening in the province of Alberta.

MR. LOUGHEED: Mr. Speaker, I'd be happy to take the question under consideration and report back to the hon. member.

Fatality Inquiries

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Attorney General. Is the Attorney General able to outline why his officials cancelled the appearance of an expert witness at the fatality inquiry in Red Deer into the tragic death of Valerie Jeffers?

MR. CRAWFORD: Yes, Mr. Speaker. What happens when a presentation is being prepared by a legal counsel is that in order to be sure that all material facts come out before a fatality inquiry, the legal counsel in those circumstances examines files, interviews witnesses, and then determines what would be necessary for him to get before the inquiry all evidence that could possibly be relevant to the death that's being examined.

In the case to which the hon. member refers, the assessment was done by the legal counsel handling the file. My information is that he had at least one or more discussions with the expert witness the hon. member is asking about, along with a number of other medical practitioners who were present in the hospital at the time the death occurred. It was his judgment that having the benefit of the expert witness and his consultation with respect to the matter, plus the discussions that were held with medical practitioners who then were called as witnesses, he could put forward all the relevant information from witnesses who were being called, and that to call additional witnesses, be they expert or not, would not add anything.

MR. MARTIN: A supplementary question. Was the Attorney General consulted about this matter before the decision not to call an expert witness was made?

MR. CRAWFORD: No, Mr. Speaker. As the hon. member may in due course perceive, the custom is that legal counsel who are acting in a specific case make decisions of that type themselves.

MR. MARTIN: A supplementary question. What considerations led the Attorney General's department to make application under section 43, I believe, of the Alberta Hospitals Act, so that the fatality inquiry into the death of Valerie Jeffers would be closed to the public?

MR. CRAWFORD: Mr. Speaker, I think what the hon. member is raising is a legitimate question but one which should not be oversimplified. In numbers of fatality inquiries, where evidence is taken in private, with the judge, the legal counsel, the witness who was involved, and the court officials being the only ones present, what is at issue is a question of whether hospital records should or should not be confidential. Legislation provides that they are. In some cases a legal counsel appearing on behalf of

a hospital board would not make a particular application for exclusion and, in some of those cases, it's possible that the evidence is then presented. That would often be the decision taken if the legal counsel were aware that other witnesses who were going to testify could testify to the same matters in any event, without reference to the records. That at least might be one consideration of a person making the decision whether or not to apply for that portion of the hearing to be *in camera*.

Mr. Speaker, I have agreed to set up a task force to review that particular type of legislation, which causes certain types of evidence to be given in private. I think all hon. members should be determined that the legitimate and credible viewpoints in support of that type of legislation should be heard at the same time as the viewpoints which would go the other way.

MR. MARTIN: A supplementary question. Is one of the mandates of the task force the Attorney General alluded to, to look at the Hospitals Act and the Mental Health Act with regard to fatality inquiries, with the possibility of making them open to the public?

MR. CRAWFORD: Yes, Mr. Speaker. What I've specifically proposed is that all of the interests that could likely be involved in such a matter, probably being representative of the Department of Hospitals and Medical Care, the Alberta Hospital Association, the College of Physicians and Surgeons, perhaps potentially of one other group, and surely of the Attorney General's department — that task force would examine all the arguments that have recently been made with respect to the section of the Hospitals Act that brings about the confidentiality, and go into the matter really quite thoroughly.

MR. MARTIN: A supplementary question. Has the Attorney General finalized a response to Judge Rolf's written request for clarification of provisions of the Hospitals Act that evidence based upon hospital records must be held in private and, if so, would the Attorney General table that in this House?

MR. CRAWFORD: Mr. Speaker, I'm aware of Judge Rolf's representations, but no formal response has gone from me to this point.

MR. MARTIN: A final supplementary, Mr. Speaker. Besides the possibility of altering the Hospitals Act, it's my understanding that Judge Rolf proposed that if we couldn't do that, any privilege of privacy granted to the hospitals could be waived by the patient or his or her legal representative. What assessment has the Attorney General made of this proposal?

MR. CRAWFORD: Mr. Speaker, that would be one of the considerations that the task force would want to look at by way of alternatives. I think there is perhaps only one other point; that is, although on the whole the openness of these hearings is surely a desirable thing, there will be credible arguments made in favour of the existing practice, which has existed for many years.

MR. SPEAKER: The hon. Member for Calgary Buffalo, and then the hon. Minister of Transportation wishes to deal further with a matter raised in a previous question period.

College of Art

MR. LEE: Mr. Speaker, my question to the Minister of Advanced Education is with respect to a request by the board of directors of the Southern Alberta Institute of Technology to establish the Alberta College of Art as an autonomous institution. Can the minister advise the House if a decision has yet been made in response to this request?

MR. JOHNSTON: Mr. Speaker, we have under consideration in the department the request for autonomy, or the report given

to me by the SAIT board of directors. In that consideration we are weighing a variety of options which have been recommended to us. I can now tell the Assembly and the Member for Calgary Buffalo that the decision has not been made. I'm looking for as wide an input as possible, talking to constituency groups, including the students, the teachers, and the administration. I certainly hope that I can receive the views of the Member for Calgary Buffalo before we make that final decision.

MR. LEE: Mr. Speaker, a supplementary and a follow-up to the questions I asked in the House in the fall session. Could the minister indicate if the stumbling block is the principle of autonomy or the potential economic cost of autonomy?

MR. JOHNSTON: Mr. Speaker, there are a variety of issues which have to be factored in, in this decision, certainly including the financial implications of forming an autonomous group. Among the considerations which must be weighed very carefully is whether or not the Alberta College of Art should exist in a new location in future, whether or not it should have autonomy someplace off the campus, and certainly the implications of establishing another board of governors for the institution must be fully considered.

Mr. Speaker, I should indicate that I have put in place an opportunity to discuss with the students a variety of opportunities and options, and I would not want to pre-empt any particular decision until I have had a full opportunity for full discussion on a variety of questions.

I can give the member my assurance that I am on my decision course and, in the next couple of months, hope to be able to make a recommendation as to the final determination of that problem to the Calgary caucus and to my colleagues.

MR. LEE: A supplementary, Mr. Speaker. Is the minister considering action on the creation of an Alberta College of Art diploma or degree, separate from the normal two-year SAIT diploma now being offered within the current setup?

MR. JOHNSTON: Mr. Speaker, the member has quite clearly focussed on one of the issues which is before us; that is, in the case of the Alberta College of Art, whose history dates back almost 60 years in this province, we were given some recommendations that they should have a diploma separate from the technical diploma offered by the Southern Alberta Institute of Technology. That issue has not been fully reconciled. As I said, I have received the views of the students and the teachers, and that would be one of the elements which would have to be considered in any final decision.

Gravel Trucking Contracts

MR. M. MOORE: Yesterday, Mr. Speaker, the Leader of the Opposition referred to two specific letters written by legal counsel for the Alberta Gravel Truckers Association, the first being to the office of the Deputy Minister of Transportation and the second to my office. I've had an opportunity to research those files.

The first letter referred to by the hon. Leader of the Opposition, dated May 12, was received by the Deputy Minister of Transportation on May 16. It alleged certain irregularities with regard to a paving contractor who was engaged in paving on Highway 16X west of Edmonton. It was replied to some three weeks later, on June 3. In that reply a full explanation of the circumstances of that contract was outlined, and a request was made to provide further information in the event that the Alberta Gravel Truckers Association or the law firm in question

believed there were some discrepancies. To date, nothing has been received.

The second letter, dated February 20, was hand delivered to me in my office. It was from an Edmonton law firm, again on behalf of the Alberta Gravel Truckers Association. It was answered four days later, on February 24, by solicitors acting on my behalf.

Election Contributions

(continued)

MR. R. SPEAKER: Mr. Speaker, to the Premier. To clarify the earlier confusion, my question was in relation to the question I raised yesterday in terms of the election finances and contributions Act, and not a supplementary to the question by the hon. Member for Spirit River-Fairview.

I was wondering if, when reviewing government policy with regard to contributions, the Premier could as well review the matter of public companies in which the government has voting shares — for example, the Alberta Energy Company — making contributions to provincial political parties. At present that is possible under the Act. I can see potential conflicts of interest, and I was wondering if the Premier would review a situation such as that in his review as well.

MR. LOUGHEED: No, Mr. Speaker, I would not. I don't see the conflict. The first question, I think, was of a nature that requires assessment. I don't agree with the hon. leader of the Independents with regard to the allegation he made in his second question.

ORDERS OF THE DAY

MR. HORSMAN: Mr. Speaker, there are 11 items on the Order Paper under questions and motions. We would like to deal in one way or another with eight of those today. I move that motions for returns 135, 151, and 155 stand and retain their places on the Order Paper.

[Motion carried]

head: WRITTEN QUESTIONS

132. Mr. Martin asked the government the following question:
- Pursuant to the licensing of big game farms under the fish and wildlife division of the Department of Energy and Natural Resources:
- (1) what species of animals and how many of each species were listed in the census provided by the Alberta Wildlife Park for February 28, 1984, February 28, 1983, and February 28, 1982; and
 - (2) which of the animals listed in the census for each of those three years were delivered to the park under a contract between the Alberta Wildlife Park and the department of Public Lands and Wildlife for picking up orphaned animals, disposing of road kills, and transferring elk from heavily to sparsely populated areas?

MR. SPARROW: Mr. Speaker, to place this into perspective, the current procedure relative to issuing renewal licences for big game farms is that no licence renewal is issued unless the required inventory has been submitted. This has been followed on all game farms.

With respect to the specific inventory reports for the Alberta Wildlife Park, as with others this is business-related information required by law. Such information is being furnished to the government on a confidential basis and may affect the rights and interests of individuals or private operations. The animals shown on the inventory do not include those animals received under the terms of service contracts with those game farms.

For the above reasons, Mr. Speaker, the government wishes to reject this question.

133. Mr. Martin asked the government the following question:
- Regarding the killing of 17 bears at the Alberta Wildlife Park on November 7, 1983:
- (1) who performed the actual killing of the bears;
 - (2) what means were used to kill the bears;
 - (3) who was present at the killings;
 - (4) were the carcasses and hides destroyed;
 - (5) if not, where were the carcasses and hides stored, for how long were they stored there, and what ultimately happened to them; and
 - (6) was the fish and wildlife division of the Department of Energy and Natural Resources notified of the operator's intention to kill the bears before the killings occurred?

MR. SPARROW: With reference to clauses (1) and (3) of this question, Mr. Speaker, as is customary in investigation matters, especially where no charges are laid, to respect the rights of individuals the government does not intend to make public the particulars of investigations. Therefore clauses (1) and (3) of Question 133 cannot be accepted. We accept clauses (2), (4), (5), and (6), and I table the answers to those today.

150. Mr. Notley asked the government the following question:
- On page 6 of the document titled Nisku Industrial Park PCB Storage Facility Sampling Program, dated January 1983 and issued by the waste management branch of the pollution control division of Alberta Environment, the following statement appears:
- "... an independent study, Chemical Residues in Fish Tissue, Part III, on the North Saskatchewan and Red Deer Rivers, by Dr. J.W. Moore, Alberta Environmental Centre, Vegreville, confirms the absence of PCB contamination in the North Saskatchewan River."
- The document so cited notes, on page iv, that the study results found PCB residues in the muscle tissue of fish from the North Saskatchewan River ranged to as high as 1.6 parts per million, and that PCB residues in the intestinal fat of fish from the North Saskatchewan River ranged to as high as 104 parts per million. In the statement quoted above, what is meant by the phrase "the absence of PCB contamination"?

MR. BRADLEY: Mr. Speaker, we accept that question, and I'd like to file it with the Assembly.

head: MOTIONS FOR RETURNS

142. Mr. Notley moved that an order of the Assembly do issue for a return showing, in the case of each public opinion poll commissioned by or for the government or any of its departments or agencies and received from the polling agent between November 4, 1982, and March 1, 1984:
- (1) copies of the questions asked of respondents;
 - (2) copies of the results of the polls received by the government, its department, or agency, as the case may be;

- (3) the name of the person retained to do the polling;
- (4) the total cost to the government, its department, or agency, as the case may be, of the poll;
- (5) the period of time during which the poll was conducted;
- (6) the date on which the poll was commissioned; and
- (7) the date on which the poll was received by the government, its department, or agency, as the case may be.

MR. PAYNE: Mr. Speaker, I would like to recommend that the Assembly accept this motion for a return but with points (1) and (2), as presently worded, deleted. These points request copies of the questions asked of respondents, as well as the results of the polls. We believe that deletion of points (1) and (2) is appropriate, given the following considerations. First of all, the government has a good record of making public its major opinion polls. I can think of three examples in the past year: the heritage fund, the Human Rights Commission poll, and polls conducted by the Alcoholism and Drug Abuse Commission.

I'm sure that if hon. members request the tabling of specific polls, my cabinet colleagues would comply with those requests in almost all cases. But there may be instances where certain types of polling may be inappropriate to be made public, at least for a period of time. The occasional poll may relate to a sensitive area, not in a partisan sense but where there could be valid reasons not to make the information public. For example, we might conduct some kind of poll for a project involving the marketing of Alberta products or of Alberta as a travel destination, where the information is for Alberta's use only and, for a period of time, not for the use of other jurisdictions. These are only hypothetical cases, Mr. Speaker, but they illustrate why we consider that tabling polls should be decided on individual merits rather than on a blanket tabling basis.

MR. R. SPEAKER: Mr. Speaker, I'd like to make a few remarks with regard to the minister's comments. First of all, we all recognize that those polls are paid for by public funds. When any public funds are used, then the public — and at the least, members of this Legislature — should have access to the findings of a poll, the acts of a government, or whatever it is.

In this situation we have copies of the questions asked of the respondents and copies of the poll results received by the government, its department, or agency, as the case may be. If the government is unable to release these types of statistics publicly, why isn't there a compromise position at least, where members of all parties in this House could have access to those polls to see what the government is doing? Upon being shown the polls, if there's evidence there that should stay private, then maybe it can happen that way. But to think that the government has the arrogance to say, we will decide — I think that's unacceptable in this Assembly. That attitude certainly can carry on and continue, and hopefully the public will make a judgment that takes care of that kind of action.

I'm sure one of the things it shows in that poll is that the popularity of this government is down and that there are a lot of issues out there that people are concerned about. Maybe that's what the government doesn't want to reveal to the general public. I'm not sure whether those were all the questions that were asked in the poll. But if we don't know what the questions are, we can make all kinds of assumptions with regard to it.

Mr. Speaker, I think that here again is exhibited a rather arrogant attitude of the government, a government that says: we know what's best for the public; we'll tell them what they should know, and we won't tell them what isn't good for them. But that's government's judgment. That's a bit of Big Brother. It's very current for us to use that phrase in terms of 1984. As

I've said in this Legislature on earlier occasions, the minister who just made the comment exemplifies this government's actions in this manner. There are other ministers of this government who are a little more open, but the present minister exemplifies those actions very, very well. It really concerns me when I see someone from the private sector exemplify that kind of attitude.

So I ask the minister to reconsider those earlier remarks; maybe take it back to the cabinet and caucus and consider tabling those documents in this Legislature.

MR. HORSMAN: Mr. Speaker, the hon. member has just made an allusion to the possibility that under this particular return, public opinion polls relating to the popularity of political parties might be obtained. I can assure hon. members of the Assembly that it has not been the practice of this government to test public opinion relating to the popularity of political parties, at public expense. If the Progressive Conservative Party tests public opinion relative to its state of affairs in the minds of Albertans, it has done so at party expense and not at public expense. That is the official position of the government and, through his comments, the hon. leader of the Independents is doing a disservice to the people of Alberta to imply otherwise.

That is the case, that is the fact, and I therefore support the position taken by the hon. minister who moved the amendment. I think it is important that those facts be put on the record: if public opinion is tested, it relates to items such as have been described by the hon. minister in reference to the amendment which is moved today; and it has not been, nor do I hope it ever will be, the practice of this or any other government in this province to use public funds to test how political parties may stand in the minds of the people of Alberta.

MR. MARTIN: As usual the government is trying to get away from the main point of the resolution.

Mr. Speaker, it's rather interesting that the hon. minister of propaganda says to us that we can ask for opinion polls, and he's sure the hon. ministers will reply to it. First of all, they probably won't. But secondly, if we don't know when they're being polled, how do we know when to ask? If we don't know when you're going to ask a poll, or if we don't know its results, how do we know when we're going to ask something from an individual minister? That makes absolutely no sense at all.

Mr. Speaker, I think the key thing is that there are still four opposition members here in the Legislature. That may grate on government members, who wanted all 79. But we were elected to perform a job and look after public money, the same as government members were. And when we're using public money, surely the overriding principle should be that all hon. members should have access to that information. If the PCs want to put on a poll, so be it. Let them do that. That's their information. But when it's public money, we are all elected to look after the public purse. Opposition members should have just as much access as government members to that information.

I take it that the hon. Minister of Federal and Intergovernmental Affairs is an honourable gentleman. He told us that they never find out the relative popularity of different parties, and I accept his word. But the point is that we shouldn't have to accept just the hon. minister's word in this House. If we knew what public opinion polls were being asked for, the reasons, and all the rest of it, then we wouldn't even have to bring it up. So the question is that we never know for sure, other than the minister's word — which I will take, Mr. Speaker, but we shouldn't even have to go into that.

The fourth point. As everyone who knows anything about public opinion polls knows, at a certain time the relative pop-

ularity of parties is relatively unimportant. It's not important because, as we all know, that can shift. But what is important, and what's devious about this, is that by asking about certain issues — paid for out of public money — the government knows what it can shift in and what it can do, and that's information that isn't given to other elected members. That's the key point. So the red herring, if you like, about the relative popularity of parties is not the point. The point is that we don't know for sure, but issues are the key thing. What is the public's perception? If it's public money, we should all have access to that information.

For the hon. member to insult us by saying, we'll give you all the other information but not (1) and (2) ... Forget it, because the rest of it is irrelevant. Obviously, if we can't get copies of the questions asked of the respondents and we can't get copies of the results, we don't care who did it, the time period, and all the rest of it. That information is only of use if we know (1) or (2). To try to say, we're just going to delete (1) and (2) but, in the grand manner we have in this government, we'll give you a bunch of irrelevant information, is just not good enough.

In conclusion, Mr. Speaker, if the government feels that these things are nobody's business but theirs, then I say to them: have the intellectual honesty, then, to have the Progressive Conservative Party of Alberta pay for it, not the taxpayers of Alberta.

MR. NOTLEY: Mr. Speaker, perhaps I could offer just a comment or two on the amendment proposed by the hon. minister, whose political virginity is delightful, notwithstanding the amendment proposed. I certainly wouldn't want to suggest that he had any political motives and, as the hon. Minister of Federal and Intergovernmental Affairs has argued, the government wouldn't consider asking in this kind of poll any questions about how they are standing in the view of Albertans. Of course, Mr. Speaker, there would be no doubt about that if they were prepared to answer questions (1) and (2). The fact that they disclosed this information would be self-evident to all, and there would be no question there about the type of questions put forward, because the government would be prepared to lay their cards on the table.

But, Mr. Speaker, we had the argument that if we provided copies of the questions asked and the results of the polls, somehow we'd be destroying the whole process. The minister had to strain somewhat to find hypothetical examples; he had to admit they were hypothetical examples; he didn't have any practical examples he could cite. He did cite a couple of polls which were tabled. I'm going from memory — and I stand to be corrected — but I believe the minister made reference to a heritage trust fund poll. Again, I don't pretend that my memory is one hundred percent accurate, but as I cast my mind back over these last several years, I have a vague recollection that that poll was tabled in the House after it was leaked to the press in any event. I could be wrong, Mr. Speaker, but that's my memory. The tabling in the House was the response after the public found out about it in any event. Is this the way in which we're going to be dealing with finding out the questions and the results of polls — the brown paper envelope approach?

Mr. Speaker, when the taxpayers are paying for this kind of test, surely they, not just the members of the Legislature, have a right to this kind of information through the hon. members of the Legislature on both sides. As my colleague as well as the hon. leader of the Independents pointed out, you don't need to ask what percentage of the people are going to vote Conservative or Independent or NDP or Liberal or WCC or

whatever the case may be. You can find out a good deal of information.

As a matter of fact, Mr. Speaker, the hon. minister cited this heritage trust fund poll. As I look back on that poll, the kind of information gleaned from the poll was amazing. I certainly wouldn't want to suggest that any of my honourable friends across the way would have connected this to their election campaign. But there was an incredible similarity between the feedback in that poll and the events, the announcements, of September and the first two weeks of October 1982 — perhaps totally coincidental. I'm sure that's true, but an incredible coincidence. There was nothing there about how people were going to vote, but all kinds of useful information that skilled people like Mr. de Rappard and others could use to put together a package of proposals for a group of politicians seeking office again.

Mr. Speaker, if this government doesn't want people out in the body politic of Alberta to ask if the hon. Member for Calgary Fish Creek is in fact trying to hide information which may be of benefit to the government in a partisan sense, there's a very simple way to respond to that. Table the answers, (1) and (2). Table the questions and table the response. Then nobody could raise any nasty, suspicious observations either in the House or outside.

MR. MARTIN: Table it, Jim; just table it.

MR. NOTLEY: What we have again is this government acting in its own typical, arrogant fashion. Money that is being ...

MR. COOK: At least we're consistent.

MR. NOTLEY: The hon. Member for Edmonton Glengarry, who I see is in the House today rather than going out and trying to defeat Conservative MPs for their renomination bids, is actually spending some time doing the public business in the Legislature for a change, and I welcome him here.

Nevertheless, Mr. Speaker, the fact of the matter is that if this government wants to restore its credibility, perhaps it might start with a commitment to open government. An important step would be for the minister to recognize that perhaps he could try this out for size. Now that the arguments as to why it's not a good amendment have been presented logically, the word could go out and the amendment could be defeated. We could deal with the motion for a return as originally put forward, and this government could get on with the job of a new approach, open government instead of a closed-door approach to public affairs.

MR. GOGO: Mr. Speaker, I would like to respond. Without muddying the waters, the minister for public affairs mentioned that one of the so-called questionnaires or public opinion polls or, I suppose, listener response would be — he mentioned by name the Alcoholism and Drug Abuse Commission. AADAC is charged with the responsibility from this Assembly through appropriation of dollars to carry out certain programs. One integral part of that that the commission insists on is an evaluation system to see if we get value for money. So AADAC conducts a fair number of questionnaires or polls or surveys, and I think it's implicit with the authority by this Assembly to carry out the program that that be done.

Frankly I take some exception to the fact that people are not satisfied with public accounts in the normal course of events but insist on that type of disclosure in the House. I have no hang-up whether it be done or not. But I think that the member responsible for public affairs has made it very clear that within

the realm of the question on the Order Paper, there are a lot of things that occur and some of them are quite general knowledge.

[Mr. Speaker declared the amendment carried. Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Hiebert	Pengelly
Alexander	Horsman	Planche
Alger	Hyland	Reid
Appleby	Isley	Russell
Batiuk	Johnston	Schmid
Bradley	Jonson	Shaben
Campbell	King	Shrake
Chambers	Koper	Sparrow
Clark	Kowalski	Stevens
Cook	Koziak	Stiles
Crawford	Lee	Stromberg
Cripps	LeMessurier	Szwender
Diachuk	Lysons	Thompson
Drobot	Miller	Topolnisky
Elliott	Moore, R.	Trynchy
Embury	Musgrove	Webber
Fischer	Oman	Weiss
Fjordbotten	Osterman	Woo
Fyfe	Pahl	Young
Gogo	Paproski	Zip
Harle	Payne	

Against the motion:

Martin	Notley	Speaker, R.
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Totals:	Ayes - 62	Noes - 3
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MR. SPEAKER: Are you ready for the question on the motion as amended?

SOME HON. MEMBERS: Question.

[Motion as amended carried]

146. Mr. Notley moved that an order of the Assembly do issue for a return showing, subject to permission being obtained from the parties involved who were not at the time employees, agents, representatives, or members of the government, copies of all correspondence between, on the one hand, the executive officers of Dial Mortgage Company Limited and, on the other hand:
- (1) the Minister of Consumer and Corporate Affairs or any employee, agent, or representative retained in any capacity in his department;
 - (2) the Attorney General or any employee, agent, or representative retained in any capacity in his department; and
 - (3) the president of the Executive Council or any employee, agent, or representative retained in any capacity by the Executive Council or the office of the Premier
- where such correspondence was sent or received between July 1, 1979, and October 1, 1980.

MR. CRAWFORD: Mr. Speaker, I would like to move an amendment to Motion for a Return No. 146. I have provided copies to the hon. Leader of the Opposition. I think it requires only two comments. One is that the reference to "agents" and "representatives" is removed because it doesn't really add

anything to the motion. Government employees are the only agents and representatives that would be involved in correspondence involving government offices. If the words were left in, it would potentially extend it to something like legal counsel, and in those cases the communications would be privileged and could not be produced. So that is the minor adjustment. The rest of it is for the purpose of making clearer the fact that if the correspondence is deemed to be that of the company rather than that of the individuals who are officers, it would also be produced.

[Motion as amended carried]

148. Mr. Martin moved that an order of the Assembly do issue for a return showing details of all financial assistance provided to the Alberta Wildlife Park by the government, its departments and agencies, including but not limited to:
- (1) the cost of paving the country road which runs past the Alberta Wildlife Park;
 - (2) the dates and total amounts of any and all Alberta Opportunity Company loans, loan guarantees, or other benefits granted to the Alberta Wildlife Park; and
 - (3) any other concessions, privileges, or financial benefits in favour of the Alberta Wildlife Park or its principals.

MR. HORSMAN: Mr. Speaker, the question requires just a word or two relative to the information sought. While it is rather broad ranging in some of the terms that are used, the government is not proposing to amend the motion and will accept it.

[Motion carried]

149. Mr. Martin moved that an order of the Assembly do issue for a return showing:
- (1) copies of any and all reports submitted to the fish and wildlife division of the Department of Energy and Natural Resources regarding the killing of 17 bears at the Alberta Wildlife Park on November 7, 1983, as required under section 19 of the big game farm regulations; and
 - (2) copies of any and all reports submitted during 1983 to the fish and wildlife division of the Department of Energy and Natural Resources, pursuant to section 19 of the big game farm regulations.

MR. SPARROW: With reference to Motion 149, Mr. Speaker. In order to respect the rights of individuals, the government does not intend to make public the particulars of the investigations involved in this case. All such required reports submitted under section 19 of big game farm regulations are furnished to government at the expense of the operator on a confidential basis and may affect the rights and interests of the operators. Therefore this motion for a return is rejected:

Additional information on this case will be given out in questions 133 and 131. I will herein file with the Assembly more information with respect to this case, a press release of December 9.

MR. R. SPEAKER: Mr. Speaker, I find it a little difficult to follow the reasoning in terms of not presenting that report. It was a contract with a private firm to do certain things for government. Certain things were carried out with regard to these animals, and much of the information has been public through the newspapers and various other media. This would be a matter of formalizing what really happened, and it would be reported back to the Legislature. That information in turn

could be used for policy development, support of the government, or a critique of the government in their actions. I find it rather difficult to follow this, and I hope it isn't a precedent-setting decision by government.

MR. HORSMAN: Before the hon. member closes debate, I think it should be clear that this is a two-part question. One relates to a specific incident. The hon. minister has indicated that he will be providing information as a result of the fact that two questions have been adopted and, in part at least, the information will be supplied thereunder.

However, with respect to paragraph (2), that is a much broader question not specifically related to the incident referred to in item (1). As the minister has indicated, that information, not being specific, would cover all incidents of 1983. Under that particular section, the information is provided to the department on a confidential basis. So there might have to be more specificity with regard to any other incidents. But as the minister has indicated, having accepted question 131 and at least part of 133 today, the government is prepared to provide the information for the benefit of hon. members under those questions which are now motions for returns.

MR. SPEAKER: May the hon. member conclude the debate?

HON. MEMBERS: Agreed.

MR. MARTIN: Mr. Speaker, I would just refer back to Question 133 and say to the hon. Minister of Federal and Intergovernmental Affairs that (1) and (3) were rejected, so we are not getting that information. Obviously, we're not going to get the issue for a return on that specific incident.

I'll just refer to (1) to begin with. Clearly, Mr. Speaker, we're not getting some of the information we have requested. I would just say to the hon. minister — and I think the Member for Little Bow has alluded to this — that this is public business being involved. Certainly there are private individuals. But if you follow the logic that every time a private person or private company does business with the government, somehow we should not have access to that information — if you follow that to the extreme, nothing that we do here would be relevant. Surely if they were following government policy, this has to do with a government. I again remind hon. members that under British parliamentary democracy, the opposition is part of government the same as everybody else. To do our job, we need access to information. It's not good enough to say that it's private individuals. That specific incident we're asking for clearly had to do with a government department.

With regard to number (2). When we don't have all the facts, obviously we ask for copies of any and all reports submitted. I will partially buy the argument of the minister of Federal and Intergovernmental Affairs on that specific aspect. Maybe it was too wide ranging. We will sit down and try to make it a little more specific. But I'd say to the minister that we made the first one very specific, and we're still not getting information. So it can't be one or the other.

As a general rule, Mr. Speaker, unless there's some compelling reason — I don't see a compelling reason here — I think it's a general principle that for us to do our job the same as the minister has to do his, we should be open and provide the information to us as elected members. Without consultation, I expect that we'll get this voted down again. But we'll keep trying, and I hope that in the future they will reconsider and examine the implications of what we're doing here.

[Motion lost]

154. Mr. R. Speaker moved that an order of the Assembly do issue for a return showing the following information respecting the brochure entitled Alberta Education Secondary Programs Review, produced by Alberta Education:

- (1) number of brochures produced,
- (2) cost of printing and distribution of brochures, and
- (3) total cost of advertising in daily and/or weekly newspapers of An Open Letter to All Albertans from David King, Minister of Education.

SOME HON. MEMBERS: Agreed.

[Motion carried]

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

202. Moved by Mr. Jonson:

Be it resolved that the Assembly express its recognition of the importance of agriculture in our economy and the resultant need to stress the importance of agricultural education at the agricultural and community colleges, the need to develop agricultural awareness and programs for the secondary school system, and the need to continue to support agricultural education at the university level and within the Department of Agriculture.

MR. JONSON: In moving and speaking to Motion 202, I wish to begin by making some remarks about the importance of agriculture to Alberta's economy, to place matters referred to in the resolution in the proper context, then go on to make some comments as they relate to agriculture on our primary and secondary programs, college programs, and university and extension programs, and further, Mr. Speaker, to make some suggestions as to how action should be considered in improving agricultural education.

Mr. Speaker, the agriculture sector generates about 40 per cent of all economic activity in Canada. One out of every three jobs in Alberta is related to agriculture. A recent study has shown that for every \$1 million worth of goods produced by agriculture, 100 service jobs are created. Alberta agricultural producers purchased approximately \$2.86 billion worth of consumables in 1981. Included in this total were \$250 million for commercial fertilizer, \$250 million for fuel, and \$250 million for repair and maintenance of equipment. Farms carry an inventory which is worth an estimated \$4 billion in farm machinery and other tools and items of equipment that are associated with the business. This overall activity represents 286,000 jobs. Moreover, the handling and processing of each farmer's production creates nine more jobs.

Particularly important in the competitive world in which we live is this piece of statistical information: in the past 50 years, the productivity of each farm has increased an astounding 12 times, something which I think would be the envy of many other industries and activities in our province and our nation. Mr. Speaker, given the obvious importance the agriculture sector plays in both Alberta and Canada, we must be prepared to support the industry in keeping up with the technological and social changes that are occurring if we are to maintain our position in national and international markets. Agriculture competes in a tough international market where the energy and hard work of the farming population must be combined with knowledge and expertise to use the latest information and technology if we are to keep that competitive position. Agriculture has the potential for significant and futuristic development. Agricultural education is a vital component of education, and this

education must occur at all levels: primary, secondary, and postsecondary, as well as in the form of continuing education.

Mr. Speaker, in addressing the need for a look at agricultural education, we have another challenge outside the industry. Albertans generally need to better understand the importance, accomplishments, and problems faced by the agricultural industry. I'm not suggesting here that Albertans think a steer is all steak or cannot recognize certain species of farm animals. But I do think that when it comes to really understanding the input costs the farmer faces at this particular time in the economic history of farming, there is a great deal that needs to be done on that and many other aspects of the farming operation. We should recognize that within the province our two main industries — oil and natural gas, and agriculture — are not well understood. They're not well understood even in a general sense; hence, there is a great deal of misunderstanding and certainly not the overall interest and support there should be, particularly when we consider agriculture's importance to the province. There's a need for a greater emphasis on both general awareness education programs on the topic of agriculture and the more specific vocational, technical, professional base for agriculture itself.

The need for an emphasis on education as far as the agricultural sector is concerned is certainly recognized within the agricultural industry. Representation from Unifarm, the Women of Unifarm, and other farm groups repeatedly deals with the matter. Farmers may be self-taught or have a great deal of formal education, but few would disagree that to be successful they must keep up with the developments taking place in the industry. It's even been suggested that a young farmer should be able to get some credit in the form of equity credit toward a farm loan when he is applying for one of those.

The second part of the resolution refers to the secondary school system. I should start out by acknowledging that there are certain areas of the present program which deal with this topic. First, a great deal of very good supplementary information is currently being produced which could be applied in schools, given that there was a place in the program. I'm sure that it is being worked in, in various ways, at the present time. Second, courses on agricultural topics can be developed under the B-option program in the junior high school or as locally approved courses. A course labelled Land and Life has been under development for some time within the Department of Education curriculum branch. Third, I would acknowledge that there are many activities in the way of special days — programs, projects, field trips, and so on undertaken by both rural and urban schools which heighten the awareness of agriculture of our secondary and primary school students.

However, Mr. Speaker, when we consider the importance of agriculture, surely more can be done, or at least it needs another look. There is certainly no lack of general but useful topics that have been suggested for an agricultural curriculum. I'd like to mention just a few that were listed in a recent study on that particular topic: animal and plant awareness, land resources — when we think of the land use forums that have been held across the province, I wonder to what degree our primary and secondary students were aware of the importance of that particular activity as far as the future of Alberta is concerned — consumer needs for food and fibre, the contribution of agriculture to the provincial and national economy, agriculture's dependence on science, animal and plant husbandry, the economics of agriculture. On the economics of agriculture, Mr. Speaker, I do not believe anyone is suggesting we can make a final and definitive statement on where that is going, but certainly in a general way through the school system we can gain for our students an added appreciation for the industry.

Mr. Speaker, there are several possible approaches that would improve the situation, and I would like to suggest five of them. In addition, in the reviews that are going to be taking place, at least in the secondary school system, I'm sure many other alternatives could be put forward.

First, there is the possibility of merging agricultural topics with the existing curriculum, as has been the approach to environmental education. As I understand it, this is being done quite successfully in elementary schools, and I know it is being done at the secondary level. Second, Mr. Speaker, we could give more attention to the use of community and industry resources from agriculture in the operation of the school system. We could give more attention to the agricultural industry when we're doing career planning, when we're preparing our young people for making choices about their future endeavours. Fourth, we could consider courses in agriculture, or courses in provincial and national industry which would include our major industry, agriculture, would be more acceptable. Fifth, another suggestion would be that we increase the opportunities for urban and rural students to understand the industry of all parts of the province. Of course that would once again include agriculture.

Mr. Speaker, as I've said before, I believe there is a great need for a heightening of awareness and appreciation on the part of our young people as they come out into the world of work of the place the agricultural industry holds in Alberta, the job opportunities that exist in the industry, and also the difficulties the industry is facing. I think that would lead to a much more realistic view of the industry and certainly more co-operation with it.

Mr. Speaker, I would now like to turn my attention for a moment to the postsecondary education area and, in particular, to the province's one agricultural college and the community colleges which offer programs related to agriculture. I should acknowledge that there has been considerable building activity with respect to certain aspects of the college system. There have been some building improvements proposed for Olds College. Fairview College has done very well in obtaining a residence, a new animal sciences building, and improvements to their farm site. Certainly there has been like activity at Lakeland College and at Lethbridge Community College where they've recently received a new technology wing. As I've said, I would acknowledge that improvements are going on here. But we have to keep in mind that in some cases many of these improvements are not specifically directed toward serving the agriculture side of their programs.

Mr. Speaker, I'd like to emphasize that these institutions and their programs are strongly supported by the agricultural community. We are aware of the strong campaign launched by the president of Olds College for a capital building program. Across the farming community the programs at these colleges are regarded as practical and very relevant to what is happening on the farm at the present time. However, if they're going to continue to be maintained in this high regard, such programs have to have the facilities, staffing, and equipment which are necessary to keep them up to date and leading in the industry.

As I said, Mr. Speaker, we have to acknowledge that there has been the infusion of a considerable amount of money into the colleges across the province. However, I think we have to look at the area of agricultural education this way. In the 1970s we had a period of accelerated technological advancement within the agricultural industry, and I think funding to keep up with those changes fell well behind in these programs. During that same time, millions of dollars were expended to upgrade the trade and technology training of the province, something that was very much needed and has been very effective. Compared to other parts of Canada, we most certainly have some

of the best facilities and programs in the trades and technology area. But capital expenditures to modernize agricultural education fell behind, and that is an area that I think needs attention.

Also during this same 1970s period, Mr. Speaker, Olds agricultural college and the community colleges took on a much expanded program. In many cases, these programs moved into the areas of further and adult education and, particularly in the community colleges, into other subject areas, stretched the resources of these institutions. In some cases, agriculture possibly took a backseat for some time, something that unfortunately has possibly occurred.

Mr. Speaker, there is a need for every effort to be made to ensure that the agricultural programs of these colleges remain a high priority and receive the financial support needed for facilities and programs. Young people going into farming or related occupations need the best up-to-date information possible. These colleges should be able to lead in the realm of agricultural education. I can assure you that public support is there for this particular type of move.

Mr. Speaker, turning now to the area of university education, I think it should be acknowledged that enrollment in the faculty of agriculture at the University of Alberta is up somewhat, with 770 undergrads, 119 students pursuing a master's degree, and 62 at the doctorate level. As well, within the University of Alberta we have a thriving school of home economics, which complements the university's efforts in the area of agricultural education. Certainly this particular program needs to continue to have the proper funding to keep its quality programs. And very, very important at the university level, we have the whole area of agricultural research. To feed the industry and to keep practice within the industry current, research is very important.

Mr. Speaker, one of the most thriving aspects of educational offerings in the agricultural area within the province is the whole area of extension programs, or adult and further education programs, if they could be called that. For those already farming, the agricultural industry is a very changing industry, one where keeping up with developments is very key to being successful. I would like to acknowledge that within the programs of the Department of Agriculture and associated groups, we have some excellent programs going on at the present time, which are very much appreciated by the farming community. We have the Farming for the Future program, funded by this government. It's certainly the first of its kind and probably still ahead of those of other provinces. We have the green certificate training program, as it is called, for practising farmers. The work of district agriculturists and district home economists in providing courses and seminars for the farming community is very, very well received and of a high quality. We have the programs on farm safety. This just mentions a few of the many, many very extensive and worthwhile activities currently going on.

In my list, I'd like to add one last program, which is as important as any to the agricultural community. That is the 4-H program, largely operated and led by volunteers in the province, and helped out with funding and support from the government. Certainly the programs for young people through 4-H are of very high quality and, in the future, if these young people choose to stay with the industry, will serve them in good stead. If they do not, it will still be a valuable background to them in fully understanding the industry they have grown up with.

Mr. Speaker, in talking about the extension program in agriculture, I would like to emphasize once again that I think it is of high quality and a great deal is being done. Certainly we cannot let it go any other direction because of its importance to farming in Alberta at the present time.

In concluding my remarks, Mr. Speaker, I would like to sum up with four points which I feel we have to focus on and give priority. First of all, I think there has to be a unified effort of our educational systems in increasing the awareness and understanding of the industry throughout Alberta. Secondly, we need to do more to recognize the accomplishments of the agricultural industry and its importance to Alberta. Thirdly, we need to emphasize that agriculture in Alberta is faced with a very, very competitive world situation. They market into those world markets, and we need the backup and support of all Albertans. Fourthly, in the specific area of agricultural education as it relates to the primary and secondary schools and the colleges, I think there have to be some specific moves to improve the situation there.

Finally, Mr. Speaker, I would like to sum up this way. Agriculture is often referred to as an endless renewable resource. This is only true if the industry and its natural resource, the soil, is preserved, well cared for, and used productively in the best possible way. To keep the industry vital, Alberta farmers need to have their own experience backed up with a good current foundation of knowledge and research. They need the understanding and support of all Albertans and all Canadians.

MR. KOWALSKI: Mr. Speaker, it's my pleasure this afternoon to follow the excellent presentation put forward by the Member for Ponoka with respect to the importance of agriculture and agricultural education in the province of Alberta. I think it goes without saying that in our part of Alberta, agriculture is in fact very, very big business. Its impact on the 275 towns and villages, the 48 or 49 municipal districts and counties, and the 21 improvement districts in this province is really profound, as of course it is on the large metropolitan service areas located in all parts of Alberta. The growing and raising of food is a mainstay of the Alberta economy. If we eat, then I guess we're all part of agriculture, and we're all part of the whole concern that everyone in this province really deals with on a regular basis.

The motion being put forward by the Member for Ponoka basically asks all members to look at several aspects. One is for the Assembly to "express its recognition of the importance of agriculture on our economy". It calls on all of us to emphasize "the need to develop agricultural awareness and programs for the secondary school system" and other educational institutions in our province. It's really from those two aspects that I want to address my brief comments this afternoon: one, dealing with an expression of the recognition of the importance of agriculture in our economy and, secondly, the need to develop agricultural awareness in programs for the school system throughout our whole provincial area, both the geographic and the economic areas.

At the outset, Mr. Speaker, I think that some of the comments dealing with the importance of agriculture put forward by the Member for Ponoka need to be re-emphasized one more time. The member indicates that a recent study he has looked at says that for every \$1 million worth of goods purchased by agriculture, 100 service jobs are created. When you amplify that on the basis of the economic return to agriculture in 1981, a return of some \$2.86 billion dollars, in essence we're talking about 286,000 types of jobs related to it in one way or the other.

As well, I indicated a little earlier that if you eat, then you're part of the whole agricultural debate. I think one thing is very, very clear. When you look back at the number of dollars that consumers in our society spend on foodstuffs, I think the recognition over the last number of years is that all of us as consumers

in fact have to work fewer and fewer hours to be in a position to buy the food basket that is so important to feed not only ourselves but our families. By way of example and amplification, in the year 1971 the average food basket cost some \$29.10, and it took approximately 8 hours and 24 minutes to really recover the number of dollars necessary to pay for that food basket. By 1977 the average food basket cost some \$50.81. However, the amount of time required by an individual to really pay for that food basket had reduced itself to some six hours and 50 minutes. While food may have escalated a bit in recent years, wages have also escalated rather dramatically. In fact the earning time, in hours and minutes, to pay for that food basket has reduced itself.

There is a feeling in some sectors of agriculture that in fact a cheap food policy exists in North America. I as an individual have never been able to understand or ascertain exactly how one would arrive at a cheap food policy. But without any reservation or hesitation on my part, what we as people in Canada spend on food as a proportion of our total income is clearly very, very small. When we compare the number of dollars we spend as a percentage of our total return with what it costs individuals living in other countries of the world, Canadians, and Albertans in particular, are very, very fortunate from that perspective.

While that may be an added positive to consumers, those who are involved in agriculture tend to be very frustrated by that. I think our farmers, without any doubt, are among the most efficient farmers in the world. They traditionally have the perception that the return they are receiving for their product is not what should be viewed as a fair return for their product. I imagine that if you were an Alberta farmer looking at your input costs as compared to what it might cost — just take beef as an example. Whether you raise beef in northern or southern Alberta, when you compare the costs of raising beef in our part of the country and the world to what it might cost a Texan to raise a pound of beef, both individuals would basically receive the same number of dollars on the capital market, but I think everybody would agree that really it's a little more difficult for our producers to put one pound of beef on the meat counter.

That is really part of the recognition and awareness. When the Member for Ponoka talks about the need for an increased awareness with respect to agriculture in education, I'm sure he is not suggesting that the people who have to be trained and further amplified in their awareness with respect to education are those who live in rural Alberta. Undoubtedly he's essentially referring to the large consumers who live in all of our cities, towns, and villages, who in fact do need to learn a greater empathy with respect to agriculture.

But back to the first part of the motion put forward by the Member for Ponoka. Basically, he said the awareness of agriculture. But I want to talk about agriculture in the part of Alberta that I happen to represent. In fact many of the comments I want to make this afternoon essentially refer to a part of Alberta known within the administrative structure of Alberta Agriculture as the northwest region. Its administrative headquarters are located in the bustling little agricultural town of Barrhead, but the area within the northwest region of Alberta Agriculture contains a number of constituencies in addition to the constituency represented by the MLA for Barrhead. Specifically, the MLA for Athabasca would find most of his constituency within that area, as would the MLAs for St. Albert, Stony Plain, Whitecourt, Drayton Valley, Edson, Sherwood Park, and Wetaskiwin-Leduc.

I indicated a little earlier that we're known as the northwest region; we're one of six different regions located in the province

of Alberta. All members appreciate that the other regions are the southern region with its headquarters in Lethbridge, the south-central region with its headquarters in Airdrie, the north-central region with its headquarters in Red Deer, the northeast region with its headquarters in Vermillion, and the Peace River region with its administrative headquarters in Fairview.

What does a regional office really mean to you if you're representing an agricultural area in an agricultural region? First of all, from a people's point of view, it's a very, very significant awareness. When you take a look at a regional office, as we have in the town of Barrhead, you are essentially looking at a facility that provides a large-ranging availability of services to people.

Heck, in that particular regional office we've got a forage specialist, a crop production specialist, a beef and sheep specialist, a swine specialist, a couple of engineers and engineering technicians; we have an economist, a farm training specialist, a dairy specialist. A dozen home economists operate out of the Barrhead regional office and are located in a variety of district offices throughout this massive region that I've talked about, and we have a dairy division with farm inspectors. We have a pest control officer. The Member for Drayton Valley is of course into pests these days and is very, very much aware of that. We have the Agricultural Development Corporation with the regional administrator operating out of the town of Barrhead. Reporting to the regional director in the northwest region are a number of district agriculturists. In fact, Mr. Speaker, in the northwest region there are 20 of them located in such important rural communities as Athabasca, Thorhild, Morinville, Barrhead, Westlock, Stony Plain, Sangudo, Evansburg, Edson, Leduc, Sherwood Park, and Drayton Valley. That's just a brief overview of the administrative function.

More important than the administrative aspect of it, Mr. Speaker, and to give you and all members in this Assembly an idea of the importance of agriculture in the northwest region, the region has 11,898 farms with an average size of 438 acres and a farm population of 40,249 people. Of the six agricultural regions in the province of Alberta, the northwest region contains the largest number of farms, the smallest average farm size, and the largest farm population. To put it another way, our region contains 20.5 percent of Alberta's farms and 20.6 percent of Alberta's farm population, and our average farm size is 53.9 percent of the provincial average. I said that our average farm was 438 acres in size; the provincial average is 813 acres.

For comparative reasons, Mr. Speaker, the southern region, with its headquarters in Lethbridge, contains 8,513 farms, has a farm population of 30,642, and an average farm size of 1,321 acres. The Peace region, on the other extreme in the province of Alberta, has 8,239 farms, a farm population of 28,119, and 741 acres on an average farm.

When you talk about the awareness and the importance of agriculture, I think that has to be built into this. I indicated that the northwest region contains the largest number of farms. In the most recent statistics provided to me, based on the 1981 federal census, Alberta had 58,056 farms, a farm population of 195,000, and an average farm size, as I indicated a little earlier, of 813 acres. Our region, the northwest region, has some 5.2 million acres of farmland, or 11 percent of Alberta's total. Some 3.8 million acres of this total, or 12.3 percent of Alberta's total, is what's known as improved farmland.

In terms of land, the capital aspects, and the animal capitalization aspect, the farm capital value of these assets, which includes everything — buildings, land, machinery, and livestock — is estimated to be some \$6.72 billion for the northwest region, as compared to the total farm capital value of all agri-

cultural holdings in Alberta, which is estimated at just a bit under \$38 billion worth of assets.

Mr. Speaker, those are interesting statistics, but what do we do on these 11,898 farms? Crops are important to us. Of the 3.8 million acres of improved land, 47 percent of these acres, or about 1.7 million acres, was used for the growing of annual crops. By way of importance, wheat was sown on some 251,000 acres, oats on some 274,000 acres, barley on some 983,000 acres, canola on some 80,000 acres, mixed crops on some 34,000 acres, and about 132,000 acres were dedicated to rye, specialty crops, forage, seed flax, or green feed. Some 20.1 percent of our improved land, or some 763,000 acres, was used for pasture, about 290,000 acres were in summer fallow, and about 971,000 acres were in tame hay. On the basis of 1983 projected cash receipts, the value of these crops gave our region a cash value of about \$130 million worth of crops, or about 7 percent of Alberta's total of about \$1.85 billion. As a region, we rank sixth in importance in the province of Alberta in terms of crop production and crop returns.

From an awareness point of view for those people who live in the constituencies I've indicated, in this massive area that is essentially bordered by a box — if you drew a box in a line just a bit north of the town of Athabasca, over to the Rocky Mountains, down a bit south of Leduc, and back over to the Rocky Mountains, I guess that would be the area we talked about. In terms of the total crop production, we produced some \$34 million worth of wheat, or only about 3.4 percent of Alberta's total wheat production. Canola brought in some \$21 million, or 6.25 percent of the provincial total, and we produced about \$1 million worth of flaxseed, or about 6.7 percent of Alberta's total.

After you get by the perspective of what the whole crop scenario is in importance to us, when it comes to oats production the area around the city of Edmonton — north, south, east, and west — is really the province's second most important region. In 1983 we produced some 20 percent of Alberta's total, or about \$4 million worth. In terms of barley production, we were at nearly \$61 million, or about 15.3 percent of the provincial total, while in terms of rye we produced about \$1 million, or about 8.2 percent of the provincial total.

Interestingly enough — and I'm sure this is a statistic that will not be very well known to too many members in this Assembly, or in fact to many people who live in the city of Edmonton — our region is the province's third most important producer of potatoes. In 1983 we grew some \$3 million, or about 13 percent of the provincial total.

So, Mr. Speaker, in terms of awareness, just from a crop perspective, our region ranked second in Alberta in terms of oat production, third in potato production, fourth in barley production, fifth in rye production, and sixth in the production of wheat, flaxseed, canola, and a variety of other crops. That is some very important information that I'm sure all members of the Assembly will appreciate receiving with respect to the northwest region, with its administrative office centred in Barrhead.

Mr. Speaker, I think it's important to recognize that we do more than just grow a few crops in the northwest region of Alberta. We of course also raise livestock. By the best estimates I've been able to arrive at in terms of the projections everybody has been able to give for the last calendar year, it's my understanding that in terms of cash receipts we'll probably get about \$283 million, or about 16.4 percent of the provincial total return in terms of livestock production. Cattle and calves should bring our producers about \$134 million, or about 11.8 percent of the provincial total. Hog production, very important to agricultural production in the northwest region — and we've heard a lot

of discussion in the Assembly about hogs in recent days — should bring in about \$37 million, or about 18.5 percent of the total for Alberta. On a provincial basis, the northwest region ranks third in Alberta in terms of importance for these two commodities.

Of course what most people don't realize — and I'm sure none of them realized how important potatoes were to the northwest region of agriculture in the province — is that in our region we are first in production in the province for dairy products, and first for poultry products. In the last year dairy products brought in some \$69 million, or about 30.1 percent of the provincial total. In terms of the numbers of animals, we have about 45,000 cows and about 16,500 dairy heifers, or about 27 per cent of the provincial total.

In terms of birds for poultry and poultry production, again last year: about \$36 million, or about 29.3 percent of the province's total. Our region produced about 2.6 million birds, or about 29 percent of the provincial total: 970,000 of these were layers and about 1.66 million were raised for meat. When one recognizes the importance of the poultry industry to the fast food chains in this country, particularly McDonald's, who've done a super job in inventing a new kind of edible meal for people, in talking to my poultry producers I know they're really quite encouraged by the excellent work put forward by McDonald's with respect to that.

In essence, Mr. Speaker, dairy and poultry production are excellent and big business in terms of the northwest region in Alberta.

I'm sure all members would like to know that we have approximately 220,000 hogs, or about 18.5 percent of the total in the province in Alberta. That is important. We also have about 31,000 sheep, or about 15.4 percent of Alberta's total flock. In terms of total agricultural cash receipts from livestock and livestock products, our region ranks fourth in the list of six, with a value of about \$283 million income in 1983.

Mr. Speaker, the Member for Ponoka invited us to put forward the importance of agriculture by way of the provision of information for awareness. That of course is something I'm very, very enthusiastic about doing. I am very high in agriculture, and I think it's incumbent upon us all to stand up and act the role of an excellent chamber of commerce representative for the major industries in the particular areas we represent.

I think it's also kind of interesting, when we're talking about agriculture in the northwest region of Alberta — and I've already pointed out that we have the greatest number of farms anyplace in the province of Alberta. We also have the smallest farm in terms of acreage size, and we have the largest farm population.

I'm really pleased in terms of the response that a number of people have made in respect of the northwest region and the awareness of agriculture for the most part. A Gallup poll type study was recently done on a number of farmers. Agricultural people throughout the province were asked the question: what is the best source of information on government policy? It dealt essentially with agricultural type information. In the northwest region, the area I represent, along with the MLAs I remembered and made mention of, the most important source of information with respect to government policy was listed as newspapers: 18.2 percent of the people who responded to this Gallup poll type survey in our region said they thought newspapers were the most important. But interestingly enough, Mr. Speaker, that was the lowest response in the affirmative of any region in the province of Alberta. In other words, this region around the Edmonton metropolitan area, that has the largest number of farmers in all of the province, basically said that while their best single source of information was newspapers, that was the

smallest specific response anywhere in Alberta. Of those individuals who lived in the Lethbridge region of the province, nearly 24 percent said their best single source of information was newspapers.

But it's interesting when you talk about agricultural awareness: in the northwest region, 11.4 percent of the people responded that their MLA was an excellent source of information on government policy. In fact when you look at the responses in other regions of the province of Alberta, the MLA was not ranked quite as high as they were in this particular region. So I think the awareness put forward by my colleagues, whose names I mentioned a little earlier, is generally well received by the people who live in our particular part of the province.

I think another source of information that would be of interest to members of the Assembly is the percentage of people who live and farm in the northwest region who report off-farm income. In the southern region, with its headquarters in Lethbridge, 31 percent of the people who farm reported off-farm income. As you move north in the province of Alberta, Mr. Speaker, the percentage of people involved in agriculture who need, or have chosen, to seek off-farm income rises rather dramatically. If you move up to the south-central region, 33 percent of the people involved in agriculture reported off-farm income. When you move farther north again, to the north-central region, with its headquarters in Red Deer, 37 percent of the individuals involved in agriculture said they had off-farm income. When you move to the northeastern part of the province of Alberta, essentially that area south of the Wainwright area, going all the way north to the Northwest Territories border, 40.5 percent of the individuals reported off-farm income. In this area 49.8 percent of the people involved in agriculture are involved in another vocation as well. When you go farther north, into the Peace region of Alberta, nearly 55 percent of the people involved in agriculture are in a position to report off-farm income.

People who live in our part of the province really are actively involved in obtaining information from the variety of government offices we have in Alberta Agriculture. I indicated a large number of these district offices a little earlier. I was actually quite astounded, Mr. Speaker, to ask some of our administrators what kinds of contacts they get from the agricultural community in our part of the province. I indicated a little earlier that there were nearly 12,000 farmers involved in the northwest region. Incredibly, in the government year 1980-81 there were some 60,406 contacts made with the various agricultural offices located in the northwest region, or an average of almost five contacts per farm family per year, with somebody involved in Alberta Agriculture on the basis of agricultural information. In the next calendar year, 1981-82, nearly 69,100 calls or contacts were made with officials in Alberta Agriculture. That of course was the year in which we moved on the very important beef and sheep assistance program. Undoubtedly that upped the number. Even in the last calendar year for which I have been able to get information, 1982-83: some 61,000 contacts; in other words, almost five contacts per farm family with Alberta Agriculture in search of information. Awareness is a major factor, and it's not one that we basically have to be that concerned about in the agricultural area.

The motion put forward by the Member for Ponoka essentially talks about the need for education as well. Mr. Speaker, of course one of the primary industries in this province, one of the basic reasons why individuals moved to this part of North America, moved into Alberta, was because of the availability of land and for the opportunities they would have in agrarian or agricultural vocations and ways of life. In rural Alberta,

there is no doubt at all in my mind that there is a very significant awareness about what agriculture is all about.

There is also no doubt whatsoever in my mind that despite the fact most of the individuals who live in such urban centres as Edmonton and Calgary may be only one generation removed from the farm, in that generation I think much of the empathy, the understanding, and the realization of the importance of agriculture may have been forgotten. I do not believe for a moment that the individuals I'm talking about have done it deliberately; I think it's just a reality of the type of life and the type of environment they're in. So when it comes to the question of the need to amplify and put forward the importance of agriculture, I'd have to agree with the Member for Ponoka without reservation and without any hesitation.

I think there are a number of things we can do. The Member for Ponoka has already pointed out that currently we have under review a massive study of the secondary system of education and the secondary programs with respect to education. There's no doubt at all in my mind that it's incumbent upon all of us to use whatever method we have of communication made available to us to point out to all of our constituents the need for them to take a look at what we have in the current secondary system of studies. While Alberta Education currently has a program available for agriculture in the schools, any young person that's ever taken the course has basically said that it's a bunch of garbage. I don't think that's too strong a term to refer to it. It's a Mickey Mouse course that provides absolutely little or no information to anybody in the agricultural community with respect to a positive curriculum.

Without any doubt, number one, we have to make a determined effort; we have to suggest to our constituents that if they feel strongly about the need for agricultural education in our school system, they in fact should be responding in a very, very positive nature to the 109 questions contained in that secondary system of education study.

A second item we have to spend some time debating and thinking on: we have an Agriculture Week. It occurs sometime during the calendar year. Over the last number of years, we seem to have shifted that week around. Despite the fact that I take a rather active interest in agriculture, I really don't recall too much happening with respect to Agriculture Week in the constituency I represent. As a matter of fact it was a nonissue, a nonevent. I think we as policymakers have to sit down and think when the best week of the year is for an Agriculture Week. Secondly, we have to make sure it's at a uniform time of the year. Thirdly, we have to recognize that there's more than those who exist in academic cuckoo land at the various universities who might be involved, concerned, and empathetic with respect to agriculture.

By the same token, Mr. Speaker, I don't understand what happened to the day we had once a year in rural Alberta that was called Farmers' Day. It seems to have disappeared, I guess, because all the farmers were out working, and the only people who took the day off were the nonagricultural community. It seems to me that we have a responsibility to ensure that that there is one day available during the year which our members of the agricultural community might want to recognize as a day for them. I don't really think that the second week in June is the most appropriate time. When you look at the tremendous topographic and climatic differences we have in this province, the second week of June is not really the most appropriate day in the calendar which we might suggest should be set aside for Farmers' Day. It's like suggesting that Thanksgiving should be the second Monday in October; that must have been an eastern plot, because there aren't too many farmers that I represent who have their harvest off by the second day in October. I have

no doubt at all that they would like to celebrate Thanksgiving Day, but they're all out working.

I think the Alberta Teachers' Association has a responsibility in this area as well. They have created in their own professional organization a series of specialist councils. It would be my suggestion, Mr. Speaker, that — in fact the Member for Ponoka, should the Legislative Assembly approve his motion, might want to convey to the Alberta Teachers' Association that one specialist council they might like to look at creating would be one dealing with agriculture and agricultural awareness and agricultural education. They certainly have specialist councils for a whole series of other specifics with respect to education. Agriculture, as one of the primary industries in our province, cannot be forgotten.

Mr. Speaker, there was a reason I spent a fair degree of time from a statistical point of view pointing out the importance of agriculture in the northwest region. When we are on the subject of education, it did not go unnoticed by me that when we take a look at the geographic placement of agricultural colleges in our province, we see an agricultural college located in Fairview; we see an agricultural college located in Olds; we see an agricultural college, called Lakeland College, located in northeastern Alberta; we see an agricultural college located in Lethbridge. I recall — as I do listen to myself — not too many minutes ago pointing out that this region in Alberta had the largest number of farms. We also have the largest number of people involved in agriculture. I find it really quite remarkable that when you look at this great big area I talked about — all the way from the constituency of Drayton Valley up to the constituency of Athabasca, and all the way over to the Rocky Mountains and down to Wetaskiwin and Leduc — we don't have an agricultural educational facility located in the northwest region.

I think it's important that when all members participate in this very important motion with respect to agricultural awareness, they might want to consider the advisability of this Assembly really looking at a new educational facility for agriculture, dependent and peculiar to the kinds of high-intensive agriculture we have. Remember that we've talked about dairy and sheep production being of primary importance. I would not want to go beyond suggesting a location where this new agricultural educational facility might be located, Mr. Speaker. But by raising an alertness of it to all members today, I think they'll appreciate that the representative from Barrhead would want to make a suggestion with respect to the importance of it, the location of it, in succeeding months to come.

MR. PAPROSKI: Good suggestion.

MR. KOWALSKI: I appreciate that wide-scaling endorsement from the Member for Edmonton Kingsway. Edmonton of course is part of agriculture in our province.

Mr. Speaker, I certainly do not want to take too much time on this issue. But when it comes to agriculture and the importance of agriculture, I think no member in this Assembly should shirk his responsibilities. I think most of us would want to speak for hours and hours and hours on, number one, the importance of agriculture and, number two, the many really exciting things we can do in agriculture. As I recall saying at the beginning: if you eat, you're part of the whole situation. All of us eat. Agriculture to me is extremely important, and I'm very proud to represent an agricultural constituency.

Thank you.

MR. HYLAND: Mr. Speaker, as I rise to take part in the debate on Motion 202, it reminds me that we have a saying on the

farm: we're almost in this above the fork level; it's time to bring in the front-end loader. So I think I'll try to add to the confusion.

AN HON. MEMBER: Are you going to feed us, too?

MR. HYLAND: Mr. Speaker, so far we've heard two members talk about the importance of agriculture and the part it plays in the economy of the province, especially in some areas of the province where agriculture is the main industry. We often wonder why in agriculture we don't get much press, much talk in public or in the public media. It's something that is continually there, and often it is not something that — what are the right words? — creates a good story in the aspect of selling a paper. But it creates a very good story in the aspect of operating the communities and the operation of the farmers and their families in those communities.

With the budget coming down this evening, I realize that many members of the media are tied up with the budget. I note that there must be others who aren't in that budget briefing, and they are not in the gallery. I also note that the opposition benches are empty. Is that some indication of the importance they place on agriculture? When it comes time for us to debate something as important as agriculture in this Assembly, these people are missing from the Assembly. Indeed, we are not privileged to have their input and feelings about the importance of agriculture.

This year and probably a year or two to come will be the most important years relating to agriculture and farming in the province. We are probably entering some of the toughest years relating to the movement of product and to the ability to finance the operations of farms, as farms are rapidly becoming a very capital-intensive operation. We must have movement of product in order to keep that needed capital available and moving. The coming years could be some of the toughest years for agriculture.

I was at a meeting in Lethbridge one time, and I heard the mayor of Lethbridge make some comments about how important agriculture is to that city. He was saying that if it wasn't for agriculture and the service area that the city serves, there wouldn't be very many people there. All you have to do is look around the business section of the city and you indeed realize how many businesses receive their income either directly or indirectly from agriculture. For example, yesterday I talked about the upgrading of irrigation systems. We look at the construction companies in that city that do a great deal of their business upgrading canals and laying pipelines, et cetera, in the systems. That has become a very major part of the operation and the economy of that area and that city particularly.

I have heard comments from car dealers. They say that even in cities the size of Lethbridge and Medicine Hat, the majority of their business comes from the farming community and the farming area that surrounds them. I have heard figures about how often a person in the city buys a new vehicle. I guess the other side is how often a farmer buys a vehicle, with each farmer having an average of at least three or four different vehicles. They buy approximately one vehicle a year. Thus the volume and the impact are there. All one has to do is drive down machinery row in some small town or any larger service area and one realizes the immense amount of money involved in the purchase of that equipment. Most machine dealers of any size probably have a volume in excess of \$10 million per year. Thus it is very important to the economy.

Mr. Speaker, one of the previous speakers, the Member for Barrhead, spoke about Agriculture Week and some of the things that should be done during Agriculture Week. At this time I

think we should say something about the weekly newspapers. The weekly newspapers should have very good and well-deserved thanks from this Assembly in the work they have done in promoting Agriculture Week in rural Alberta. The ones that I have seen spent a good portion of their paper during Agriculture Week on agriculture and how it affects their area. They did a very good job of this, and I think they should be thanked for it.

The Member for Barrhead also read us some figures about where farmers get their information from, and he used the figures of the southern zone and the illustration that among the highest percentage of information there came from the newspapers. I think a lot of that has to do with Ric Swihart, who is a writer for the *The Lethbridge Herald* and is probably one of the best agriculture writers in this province. He has a feel for agriculture. He understands agriculture. He lives in agriculture. He writes very well for agriculture in the paper, with a feeling that everybody can understand.

Mr. Speaker, I represent a constituency that has a great percentage of irrigation in it and has very diverse crops. I don't know what the breakdown of the income from that particular area and from those speciality crops would be, but I am sure it would be a fair percentage of the total agricultural income in the province. We in that area are now growing crops such as beans, corn, soft wheat, sunflowers, and many other crops in smaller quantities, thus adding greatly to the economy of the area.

Mr. Speaker, we often talk about what young people should be learning in schools. The motion notes a need for agricultural information to be available in school subjects. I haven't looked at a school textbook for a number of years, but I remember looking at the books before I got elected to this Assembly, when I was driving a school bus. Many years ago, in the days when I was in school, the pictures in the textbooks, if there were pictures related to farming, were probably 20 and 30 years old. The ideas that described farming were probably that age. It was 1975 when I quit driving a school bus. I can remember looking at some of the textbooks then, and the pictures of combines that they had in the textbooks were the old 21 Masseys. So those of us involved in agriculture all know how old that picture was even then. The activity describing farming was probably at least 20 years behind then.

Farming is now beginning to be a very technical operation. It requires a great deal of knowledge to operate much of the modern, sophisticated farm machinery. It also requires a great deal of knowledge to properly apply the fertilizers, chemicals, and pesticides. To make matters worse we still have our land measured in acres, and our chemicals come in litres. The instructions on them are in litres per hectare. By the time a guy gets it all sorted out, when you're dealing with chemicals worth \$400 or \$500 for a five-gallon pail, or thereabouts — whatever they call a five-gallon pail now — one has a problem. It often becomes a very expensive learning situation.

If we can do anything for agriculture, Mr. Speaker, I think the one thing we could do quickly is to have companies that are selling chemicals in this province — whether the instructions relating to acres and ounces per acre can be printed on the can, that might create some sort of problem and might cause a great deal of cost if it's just for the province of Alberta, but I'm sure we can find support from other provinces requesting that; or if it can't be printed on the can, that the companies require a small folder to be sold and attached to the cans so it lays it out in the language that most agricultural people understand. Maybe we can cut down on some of our mistakes. Once that chemical is on, that's when you know you made a mistake and that's when it's too late to correct it.

Mr. Speaker, I urge other members to support this motion and that we vote on it and pass it. Thank you.

DR. ELLIOTT: Mr. Speaker, it's my pleasure today to speak to this motion for a few minutes. Motion 202, agricultural education, would seem to me to be a fitting debate for me to become involved in, and I would like to make a few personal observations.

As many of you know, I was raised in a very small town, not on a farm. I was raised in rural Alberta, and our school system was such that the course program required that you had to fill up the extra time with correspondence courses. One of the courses available to me in the school where I was raised was a correspondence course in agriculture. We took the course, did the assignments, prepared the scrapbooks, wrote the essays, and shipped them in to the correspondence school book branch. They were marked and sent back. This was in grade 9, and I have to confess that at that particular time, my interest in the topic of agriculture was set on fire. I think the word "awareness" was truly a fact at that time. Through that correspondence course I became aware of our province, of a way of life, of an industry which we had in this province. It's from that point of view that I want to make comments this afternoon on this motion.

We have a beautiful province, Mr. Speaker. It's a province that is unique. It has a lot of interesting features, especially when viewed from the eyes of an agronomist. Looking at our agriculture, one has an opportunity to assess our province in an entirely different manner than those who do not take a look at it from the standpoint of agriculture. That is why I would encourage courses programmed for our secondary education system that would provide students with an opportunity to get their enthusiasm warmed up and develop an awareness of the agriculture in the province.

To start with, I think of such things as our geology, how this province was glaciated, how the soils were formed, how things are the way they are today by looking back to those times. For example, I'm from the northern part of the province, the Peace River region, and few people realize that the soils in that area are a product of glaciation which came from both the west, the mountains, and the east, the great Canadian Shield — not once, not twice, but several times. These glaciers moving back and forth are reflected today in the type of soil we have through much of northern Alberta and how difficult it is for soil mappers to map that soil, and how difficult it is to use the necessary fertilizer treatments, and the type of preparation it takes to get your seedbed established because the soil changes not only from farm to farm but field to field. Also, the one inherent thing in all our soils in the north is their propensity to erode very, very quickly. I think observations such as that are part of the awareness that make living in Alberta and working with agriculture interesting.

Our climate — a unique province from the standpoint of climate and how it affects our crop production. Temperatures are high in the south; that is, the average temperature can be high in the south and low in the north because of our shorter growing season. However, in the north of this province — and we're still an agricultural area — we're talking about day lengths of almost continuous light. At Beaverlodge we have a day length effective for crop production which exceeds 19 and a half hours of photoperiod; the balance of the time you can drive a car without lights during June, if you're so inclined.

What makes our climate so interesting? Again it's our location on this continent and the impact in the south of our chinooks and in the north the flow of the warm Pacific air coming over the mountains. We talk about north, we talk about south. How

many of us living in Alberta realize that the very southern portion of this province, the 49th parallel, is north of everything east of Winnipeg in terms of agriculture? Everything in Manitoba, agriculturally speaking, is south of Calgary. Everything in Saskatchewan, agriculturally speaking, is south of Edmonton, yet Edmonton isn't even half-way up the province of Alberta in terms of its agricultural potential.

Ecology has been a buzzword throughout much of our society. Ecology is not a strange word or a buzzword to agriculturalists. It's one of the things which people are very aware of. Our resources: we think of our water, air, forestry, land resource — and reference was made to that. We are accustomed to large areas in this part of the world. We have a height of land near Beaverlodge which we call Saskatoon mountain. From the top of that height of land, you can look around and see more agricultural land than exists in the entire province of Prince Edward Island. Yet we just think of it as a small part of Alberta — again one of our resources, an awareness that I'm sure not many people have, even those who live in that particular part.

We can talk about energy reserves and how that fits into our agricultural program, how our natural gas goes into fertilizers, our energy resources required for gas, oil, and electricity for the operation of the farm. Then we have conservation. Conservation is constantly a watchword for those involved in agriculture, the kind of word that should be enhanced through awareness programs throughout our schools. People who are in agriculture are fully aware of things like urban sprawl, our highway development, acid rain, and all the other things that cause a problem agriculturally speaking.

[Mr. Oman in the Chair]

We can talk about waste. We have a concern for how things are wasted when we talk about food in a world where many people are hungry. We talk about the gains through agricultural research. Many plant breeders feel that a 10 percent increase in yield through a plant breeding program would be excellent. Yet in many of our western and developed worlds, 10 percent of our food is wasted at every meal, and in some of our major eating establishments, much more than 10 percent is thrown out with garbage. While we might be appalled at the thought of 10 percent being wasted in our western worlds, in the third world countries food is wasted at a much higher level than that because of disease, flood, drought, insects, and other forces which come into play, and because of the lack of the capability to control those hazards.

Travel is something that is always of interest to me. I find that again, agriculturally speaking, when visiting a new area, whether it's in Canada or on this continent or somewhere else in the world, I always feel sorry for people who don't have an agricultural background. If you can get your bearing in a new community from the standpoint of their agriculture, for some reason their history and their politics seem to fall into place and you have a much better appreciation of the place you're visiting.

Reference has been made to nutrition and health: again, a program that's alive in our schools today through our home economics program. Agriculturally speaking, we have a real awareness for nutrition and health.

Reference has been made by the other speakers to comments about our educational programs in the secondary and postsecondary schools. I would like to speak about our postsecondary schools from the standpoint of continuing education and of employment opportunities. We heard about the most northerly agricultural college, at Fairview. Some of the courses offered

there are extremely interesting from the standpoint of what they are providing to people with an interest in agriculture or in areas of employment or interests closely related to agriculture. For example, Fairview College is one of the few places in North America offering a program for the production of turf in a climate like we have in Alberta. They will have students coming from Ontario, Washington, Oregon, and British Columbia to enroll in a full-year program on the production and management of turf.

Then there are all the other things we heard about, like computers, welding, agricultural chemicals, the hazards of improper use of chemicals, apiculture — honey production — seed technology. The Member for Barrhead was quite enthusiastic about what his particular region had to offer. When we talk about apiculture and seed — I'm talking small seeds like the grasses and legumes. I come from an area in the Peace River region where we have a high percentage, 80 and 90 percent, of total Canadian production coming from one small area, whether you're talking honey, legume seed, or grass seed.

Then we have the university programs where we're producing professional agronomists, which prepare people for many types of employment and career programs. I wonder how many people in our school programs in Alberta are aware — again I repeat the word "awareness" — of the career opportunities available to people with a degree in agriculture. There's always the opportunity of course for extension work, research, teaching, postgraduate programs in very specific research, and genetic engineering. But the interesting thing is how frequently you come across people who have taken up a specific career, and we know them for that career, who have a degree in agriculture. I might cite the Member for Stettler — a degree in agriculture and then into law. In the city of Edmonton we have many lawyers, doctors, dentists, and businessmen who got their initial degrees in agriculture and from there went on into other programs. The groundwork in agriculture provides an awareness and an opportunity for many.

The departments in this government that are involved in the topics we're looking at today are Education, Advanced Education, and Agriculture. I particularly want to bring your attention to the Department of Agriculture and its involvement with agricultural extension, the contact it makes with rural Albertans in solving the everyday problems of producing food. I also must make reference to the Farming for the Future program, a program this department introduced in recent years which increased the technical and professional base of agriculture in this province and put our technology in a position where we had another item for export, agricultural technology. Alberta is recognized in many countries around the world for its capability in agricultural technology.

Mr. Speaker, I'll close my comments by urging all members of this Assembly to join with us in aggressively and actively promoting agricultural education in this province.

MR. FJORDBOTTEN: Mr. Speaker, I'm pleased to rise in my place at this time and fully support Motion No. 202, a motion which proposes that this Assembly express its recognition of the importance of agriculture in our economy and proposes that because of this importance, there is a need to support agricultural awareness and education all over this province.

I don't believe the importance of agriculture to Canada and Alberta can be overemphasized. Statistics show that agriculture generates about 40 percent of all Canada's economic activity. For Alberta, agriculture accounts for almost 40 percent of exports. I think it's very significant that it's that high. Nationally, the performance of Alberta's primary agricultural sector is impressive. Just 8 percent of Canada's population in this

province generates 19 percent of Canada's gross domestic agricultural product, which is about two and a half times the national average.

I think agriculture's secondary or processing sector also gives a very strong performance. The food and beverage industry is Canada's largest, with more than 4,000 firms employing about 245,000 people and generating about \$32 billion in factory sales each year. I think Alberta also has a proportional share of this sector, a sector which, combined with primary agriculture, generates employment for almost one-third of all Albertans. In fact there are some who say it's much higher. If you also want to include the pilots of some of these 747s that haul our cattle to other parts of the country, it's even higher than one-third.

People, particularly in the urban centres, forget most times that producers are also great consumers. Every year Alberta farmers use in excess of 200 million gallons of gasoline and diesel fuel for their trucks, tractors, and self-propelled combines. Each year our farmers buy almost three-quarters of a million tonnes of fertilizer worth \$286 million. They spend \$100 million on herbicides and pesticides. They buy more than \$250 million worth of machinery and building repairs. They pay nearly \$400 million in interest charges. They pay nearly \$40 million annually in land tax, \$155 million for land rental, and another \$165 million for labour. The total amount of electrical bills for Alberta farmers today exceeds \$37 million.

So agriculture today in Alberta is big, big business. I can say without hesitation that Alberta's farming industry is crucial to our economic health in the future.

[Mr. Speaker in the Chair]

I went into a number of areas I thought I would have more opportunity to speak on this afternoon. One of the areas that concerned me greatly was the area of technology transfer. How do we get the technology from the scientist to the primary producer or to the processor? That ongoing research in transferring that new technology raises further concerns. As Alberta farmers increase their efficiency, labour requirements are reduced, dropping still further the percentage of our population employed in primary agriculture. I think a result of that is that it further serves to reduce agricultural awareness in the whole process. If we're going to maintain a vital, efficient, and competitive agricultural sector, we must ensure that agricultural education and promotion are far reaching and comprehensive.

I thought I would raise a couple of facts with you today, Mr. Speaker. In the Department of Agriculture, we have long recognized the importance of agricultural education, and our department runs or supports a number of training and educational activities which benefit farmers throughout the province. I appreciated the remarks by the hon. Member for Barrhead in which he talked about the number of individuals in each of our regional offices. Alberta Agriculture is here for one reason only, and that's to serve producers and processors. We give out information and we try to assist them. Those individuals throughout this province that the hon. Member for Barrhead raised are dedicated individuals who have a very sincere dedication to their jobs and to serving producers, and I compliment each of them.

There were home study courses this year that came from Alberta Agriculture. They will reach more than 3,000 students across Alberta who are enrolled in 14 separate courses. I might say that our microcomputer course is extremely popular all across the province this year, attracting almost 35 percent of all students in the home study program. We now have our business records going into computer; I still haven't learned

how to get a message from my computer to my printer. But that's a very special course. All across this province, there are small groups of farmers who have got together and formed computer clubs so they can be more efficient in learning how to do it. We have courses in that. Our regular extension courses rely on the day-to-day efforts of our district agriculturists and home economists, and they have a host of programs. I think the district home economists out there do a terrific job. In fact they have some difficulty because they're asked to serve more in some urban centres than they can really fulfill. They put in a lot of extra hours, and there are limitations.

Since a modest start a decade ago, 2,400 students in eight schools, the nutrition at school program has been very, very efficient and has expanded annually to reach more than 43,000 students in 195 schools last year. Another high profile program is 4-H, which this year is providing 36 courses to almost 8,600 young Albertans enrolled in 545 clubs. Also in the department, the green certificate program is continuing to upgrade the skills of young Albertans in specific areas of agriculture and to provide a high quality service to farm operators, or even become farm operators themselves. At the end of February there had been 911 certificates issued to 465 young people. I would also note that currently 119 trainees are actively involved in the program.

I must say that agricultural awareness is also increasing at the universities, the University of Alberta in particular. Many agriculture students don't get started in the agricultural program until the second year; they transfer in the second year. In 1984 more than 520 students are enrolled in undergraduate agricultural sciences, an 18 percent increase over last year. In addition, during the same period there has been an 8 percent increase in the number of graduate students working toward their master's and doctorate degrees. I think there is a greater awareness in the universities. Also, some of the students have been able to attend schools and colleges and get funding at university through the Farming for the Future program, which is an exciting program. The research projects have given them an opportunity to be involved where likely they couldn't have been, had that not been in place.

The Member for Barrhead raised another concern about Agriculture Week and Farmers' Day. We're very, very fortunate in this province. It's been a concern of many over the last year or so that what is actually happening with agricultural awareness in our schools and universities . . . There's a new group that has now started called Agaware, and it has representatives from all across the province. I think that is a very special and unique opportunity for people to get involved and to create a greater awareness. It's an independent public affairs institute of Alberta, and it has a number of goals. I'd like to mention just a couple of them. One is to build a better communication bridge for agriculture and agribusiness to the general public, to provide our industry with an effective source of relevant information. There's one that I think is particularly relevant to the motion and how we can get further involved. It's to provide relevant information on agriculture and agribusiness to school classrooms. I encourage every one of you to get involved with Agaware. You can join. Their head office is in High River, and they're represented all across this province. Next year there will be a greater awareness of agriculture because of Agaware.

A number of letters have come into my office with respect to further education. I had a letter last week from a lady in Calgary who said that she's disappointed with the image of agriculture and how it doesn't seem to get the message out well enough. She came up with some ideas that we should be looking at. She understood the nutrition at school program; she under-

stood the rodeo program. She understood all of that, but she said that much more should be done.

The position of this motion, Mr. Speaker, is to do just those kinds of things. I urge all members to support it.

[Motion carried]

[The House recessed at 5:24 p.m. and resumed at 8 p.m.]

MR. HYNDMAN: Mr. Speaker, I have received certain messages from His Honour the Honourable the Lieutenant Governor, which I now transmit to you.

SERGEANT-AT-ARMS: Order!

MR. SPEAKER: His Honour the Lieutenant Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1984, and recommends the same to the Legislative Assembly.

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Please be seated.

head: **GOVERNMENT MOTIONS**

2. Moved by Mr. Hyndman:
Be it resolved that the messages of His Honour the Honourable the Lieutenant Governor, the estimates, and all matters connected therewith, be referred to the Committee of Supply.

[Motion carried]

3. Moved by Mr. Hyndman:
Be it resolved that the Assembly do resolve itself into committee, when called, to consider the supply to be granted to Her Majesty.

[Motion carried]

4. Moved by Mr. Hyndman:
Be it resolved that the Assembly approve in general the fiscal policies of the government.

head: **BUDGET ADDRESS**

MR. HYNDMAN: Mr. Speaker, Alberta is on the way back. Nineteen eighty-four will be a year of economic recovery.

Although in some sectors economic adjustments will continue to correct for past overbuilding and a changed international economic environment, the worst is behind us. Albertans, characteristically, are shaking off the problems of the recent downturn. Future expectations have been tempered with realism. Together we can look ahead with confidence and a renewed pioneering spirit. Alberta's best years lie ahead of us.

Albertans recognize the dangers and costs of another boom. We all seek growth as an economic recovery goal — but growth at sustainable levels over a period of years.

Your government knows that Albertans have been through the most difficult economic year in more than a decade. We helped reduce the pain of the global recession by introducing the Alberta economic resurgence plan. Made possible by the Heritage Savings Trust Fund, it stabilized family and business incomes and sustained employment.

Many Alberta families and businesses have had to trim back, and some still face worrisome budget problems. We realize that government cannot be out of step with the realities facing our citizens. In 1983 we began to tackle government expenditure growth with a hold-the-line budget. This budget stays the course. It marks the second step in a necessary and orderly paring down of the provincial government sector.

The signals of renewed growth are beginning to emerge. To keep us firmly on the recovery path, the objectives of this budget are:

- to support a basically strong economy that is on the mend and to reinforce the recovery that will take us to sustainable growth;
- to make government operations trimmer, leaner, and more efficient;
- to reduce the gap between expenditure and revenue by dealing responsibly with the fiscal realities facing Alberta;
- to adopt a businesslike yet sensitive approach in reducing government expenditure and manpower;
- to maintain existing high levels of support for essential people services; and
- to support employment by reinforcing an economic climate conducive to private-sector investment and by continuing job creation programs, manpower training initiatives, and a large capital budget.

This budget sets the stage for a steady return to a more normal growth path. The precise timing and speed of Alberta's economic resurgence is hinged to world economic events, particularly in commodity markets that determine the demand for and the price of our agriculture, energy, forest, and other resources.

The International Economy

In 1983 most industrialized nations started to recover from one of the worst periods since the 1930s, but it was an uneven recovery. The United States economy rebounded sharply, registering real growth of 3.3 percent. In western Europe, growth averaged only 1 percent, and growth in Japan was also low by historical standards.

Some aspects of the sluggish global recovery have been particularly significant to Alberta. World demand for oil remained weak, resulting in an oversupply and downward pressure on prices. Contributing to the weak demand was the sharp rise in the United States dollar, which increased the cost of oil to many importing countries. And although the United States recovery was robust, it was consumer led, which meant that energy demand did not rise strongly. Real interest rates remained historically high in 1983 and had a negative impact on Alberta's investment-intensive economy. These factors partly explain why Alberta's economic recovery has been slow.

One of the more positive economic developments is the reduction in inflation throughout the industrialized world. Waged at a high cost in terms of lost investment and jobs, the fight against inflation could be in jeopardy if governments fail to address the problem of large budgetary deficits. There is a

danger that as the economic situation improves, private-sector borrowing will clash with the financial requirements of governments, pushing interest rates even higher. Economic expansion cannot be sustained unless governments reduce their deficits.

For 1984, international economic expansion is forecast to continue and will accelerate for most of our major trading partners. This cyclical upturn should support the present fragile world oil price. Although OPEC has been weakened, it is expected to hold together and maintain the existing oil price through 1984.

As in 1983, the United States is forecast to have the best performance in 1984, with real growth of around 5 percent. The expansion is expected to become more widely based as strengthening demand extends to the investment sector. Concern persists that their budgetary deficit will put upward pressure on interest rates, thereby constraining the recovery. Growth in western Europe should be somewhat improved, though still weak, while the Japanese economy is expected to grow by about 4 percent in 1984.

The international market will be very competitive in 1984, creating a major challenge for Alberta. Only if we intensify our efforts at marketing our products abroad will we succeed in deriving maximum benefits from the worldwide recovery.

The Canadian economy, after declining by 4.4 percent in 1982, recovered strongly last year recording a real increase in gross national product of 3 percent. This turnaround was due largely to strong economic links with the United States. As well, lower and more stable interest rates helped release pent-up consumer demand. Stabilized employment prospects and government policy initiatives also bolstered expenditure on consumer durables and housing.

The Canadian economy is expected to continue to grow this year. Investment growth has turned positive again, businesses have started to rebuild their inventories, consumers are cautious but still in a spending mood, and our exports of goods should continue to exceed our imports, although the difference will narrow.

The average unemployment rate in Canada this year will remain high, due to difficulties in absorbing the large number of Canadians who will rejoin the labour force. Unemployment is forecast to remain high through to the end of the decade — a major challenge for policymakers.

A major concern regarding the economic outlook is the high level of real interest rates. If expansion is to be sustained over the longer term, there must be a higher level of investment to develop our natural resource industries, to modernize our plants and equipment, and to accelerate the penetration of high technology in all areas of production. High interest rates are a major deterrent to such investment.

Large budgetary deficits are putting strong upward pressure on interest rates. The federal government's budgetary deficit, estimated at \$29.6 billion for 1984-85, remains a major problem area. Debt servicing costs account for more than 20 percent of total federal expenditure. Current forecasts that the deficit will not be eliminated in the medium term, even with the assumption of good economic performance, are very disturbing. If investor confidence is to be restored fully, federal policymakers will have to correct these budgetary imbalances, which are absorbing an inordinately high proportion of savings.

Last fall Alberta made a major contribution to the current debate on long-term economic policy objectives for Canada in releasing the discussion paper *Alberta in Canada: Strength in Diversity*. Several themes are developed throughout the paper:

- because Canada is dependent on foreign markets, Canadians must take measures to meet the challenges

of a world in which these markets are increasingly difficult to penetrate and maintain;

- the private sector is the driving force of economic growth;
- through increased productivity and economic growth, the economic and social well-being of Canadians can be improved;
- governments have an important role to play in creating a positive climate for private-sector initiative;
- Canada's economic potential lies in recognizing and building upon the strengths of all its provinces and regions; and
- governments in Canada must renew their commitment to intergovernmental co-operation and consultation.

The Alberta Economy

Alberta's economic recovery is somewhat slower than that of many other provinces and of Canada as a whole. Many Albertans find it difficult to understand this situation, given our province's fundamental strengths which, in many areas, far surpass those of other countries, let alone other Canadian provinces. What caused our economy to turn down in 1982, and what are the prospects for recovery?

We must look beyond the statistics used by economists to understand what is happening in Alberta. Our economy was not transformed overnight from the strongest to the weakest, as some of these statistics often imply. The fact is that Alberta is in transition from a period of superheated, artificially high growth to one of more normal and sustainable growth.

This transition is most apparent from the declines in construction activity, business investment, and jobs. But a province's fundamental economic strength is determined by the level of economic activity it can sustain relative to the size of its population and work force. By this standard, Alberta has clearly one of the strongest economies in the country. This strength is illustrated by the fact that retail spending per person in Alberta continues, month after month, to lead the nation.

Nowhere was the need for adjustment greater than in the area of investment. Spurred by the rise in energy prices, investment grew by leaps and bounds in the late '70s and early '80s. There was very rapid growth in investment by our oil and gas industry. Commercial building quickly increased due to the surge in business activity. Investment in new homes and apartment buildings accelerated to provide shelter for a rapidly increasing population. As a government, we were obliged to increase our capital expenditure for health, education, transportation, and other infrastructure to meet the requirements of the fast-growing population.

The result was that the share of the gross domestic product made up by investment reached unsustainably high levels. By 1981 nearly 40 cents out of each dollar spent on goods and services in Alberta went to investment, compared to 24 cents for Canada as a whole. It is not realistic to believe that we could have sustained such abnormally high levels of investment.

Investment is now at a lower level, but the fact that it still represents a high share of economic activity shows that investors have not lost confidence in our province's potential. Today, as much as 20 percent of total Canadian investment is made in Alberta, a clear indicator of strength.

The adjustment process will take time, but it has been largely completed in many areas. Economic growth should therefore return to Alberta this year, subject always to the vagaries of world commodity prices, particularly for energy and agricul-

ture. As the recovery firms up, economic performance will be more balanced, more broadly based, and more durable.

Throughout the downturn brought on by external factors, this government's goal was to work with our citizens in adapting to the new realities. In 1982 we introduced the economic resurgence plan to help smooth the transition by maintaining investor and consumer confidence. The plan included ongoing royalty reductions for the job-producing oil and gas industry, interest shielding for farmers and small-business men to help sustain employment, and mortgage interest reduction to provide relief from the federal government's high interest rate policy and to support retail sales. Truckers, students, and small contractors also benefitted. Over \$2.2 billion in special assistance will have been provided to Albertans under the plan.

The number of people in Alberta with jobs remained relatively constant through the year, averaging slightly over 1 million, while the unemployment rate fluctuated between 10 percent and 11 percent. For 1983 as a whole, the unemployment rate averaged 10.7 percent. Unemployment is expected to remain at about that level in 1984, since those sectors which have not yet adjusted completely are labour intensive.

We are deeply concerned about the plight of those who would like to find a job at a time when firms are downsizing and not adding to their staffs. Albertans now realize, though, that the present unemployment situation is the inevitable result of the rapid growth in recent years. In the 1979 to 1981 period, close to 200,000 new people came to live in Alberta. It became obvious that when the cooling off occurred in the high-growth and labour-intensive sectors such as construction, the other sectors of the economy would not be able to absorb that large labour force.

It will take some time for all those seeking jobs to find employment. Some have chosen to leave Alberta, as indicated by the net out-migration observed in 1983. As the economy gains momentum, the private sector will start creating more new jobs, and the employment situation will brighten. With our basic energy and agriculture industries strengthening, job security for most employed Albertans is improving.

Alberta's economy is still a strong generator of jobs. We have the highest number of persons employed in proportion to our total working-age population. This is an indicator of Alberta's basic strength. Only a fundamentally strong economy can maintain jobs for such a high proportion of skilled workers.

Inflation has finally been brought down to more reasonable levels. The increase in the combined Calgary and Edmonton consumer price index was 5.2 percent in 1983, less than half that of 1982. In both Calgary and Edmonton, the index actually had two monthly declines in 1983. Last month inflation was 3.7 percent in Alberta.

Lower inflation is a signal for durable economic growth in the future. If inflation can be contained, we will avoid a repetition of the frantic speculative activity that occurred in the boom years, and our key private sector will be able to plan in a stable, more predictable environment.

Government action to reduce inflationary pressures will continue. For example, in 1983 legislation was passed to improve the arbitration process in public-sector labour disputes. Arbitrators are now required to take into account the fiscal policies of the government when deciding on public-sector wage settlements. This approach will help to ensure that compensation in the public sector does not lead that in the private sector.

The oil and gas sector is our most important producer of jobs. Although it is vulnerable to international economic and political conditions, and therefore is subject to temporary setbacks, this sector will remain a key source of Alberta's economic strength into the next century.

Many positive developments have improved the industry's 1984 outlook. On June 30, 1983, an amending agreement was signed which maintained the price of old oil at its current level of \$29.75 per barrel and extended the new oil reference price to all oil discovered after March 1974 and to oil produced by infill drilling. Now, approximately one-third of Alberta's production receives that higher price — a major encouragement to new oil exploration and development. Natural gas pricing was also adjusted to keep Alberta gas competitive in the domestic market.

These measures, in combination with the 1982 oil and gas activity program and lower interest rates, have had a major, positive impact on the industry's cash flow and balance sheets. Net income is up significantly, especially for upstream operations. The value of land sales rose by 29 percent in 1983. Seismic kilometres shot increased by 21 percent in late 1983 over late 1982.

Spurred by the attractive fiscal regime developed by this government, major new investment is being undertaken in the nonconventional oil sector. In 1983 about \$500 million was invested in oil sands, mostly at the Syncrude and Suncor plants. Expansion is continuing at both those plants this year. An experimental oil project at Wolf Lake is being developed. Facilities to produce heavy oil from bitumen at Cold Lake, a new pipeline from there to Edmonton, and the recent project announced for Elk Point are further initiatives. Overall, about two-thirds of a billion dollars is targeted for investment in nonconventional oil projects in Alberta in 1984.

The number of enhanced oil recovery projects approved jumped to 24 last year, and 11 more are pending. Total investment in this area in 1984 is estimated at a quarter of a billion dollars.

Natural gas marketing remains a real concern. Export sales declined in 1983, due to the mild winter and the excess deliverability of United States gas. This poses a challenge for our natural gas industry. The Alberta government is responding. Last April we obtained agreement from the federal government to lower the price of export gas. In July we were also able to get agreement on volume discounts for United States clients who purchase in excess of 50 percent of licensed volumes. Marketing efforts in California and in other states have been intensified. In 1984 it is expected that export sales will be maintained at 1983 volumes.

In Canada, competition from central Canadian electricity producers and residual fuels reduced domestic sales last year. With prospects for continued recovery in the national economy, domestic gas sales are forecast to increase moderately in 1984.

Overall, our Alberta oil and gas industry is much stronger today than a year ago; it is poised for expansion.

The forestry industry experienced exceptional performance in 1983. Lumber production reached record high levels, and prices increased substantially. Prospects for this year are good. Pulp mills are also operating near capacity, and increases in pulp prices are forecast. In general, the Alberta forestry industry will again be one of our strong economic areas in 1984.

Total coal production in Alberta increased in 1983 to approximately 25 million tonnes, worth about \$468 million. Production is expected to be stable this year.

Our fundamentally strong agriculture industry performed well last year. The record number of acres seeded combined with good weather conditions to produce a bountiful crop. Total farm cash receipts declined slightly, but total receipts from crops were higher than in 1982, which was a good year.

The government-supported Alberta pork producers' market insurance plan is having a beneficial impact. While North American hog production was decreasing in 1983, it rose in

Alberta. As for cattle, increases in breeding cow prices are an indicator of the confidence of our cattlemen.

The Alberta government will intensify efforts at marketing our agricultural products abroad. The future growth and prosperity of our agricultural sector depend on successful expansion of Alberta's share of international markets. Our farmers produce high-quality products which can be sold at competitive prices.

The acceptance recently by the United States of canola oil imports for human use is a positive development, especially in the medium term. Not only is the United States a very large potential market, but the acceptability of canola there opens doors to other world markets.

Aimed at reducing farmers' operating costs, the small business and farm interest shielding program will have provided relief from high financing costs to 20,000 farmers. Interest rebates for beginning farmers will continue to be offered through the Agricultural Development Corporation. Other programs aimed at reducing both energy and transportation costs have helped farmers cope with operating expenses and tight profit margins. They include the rural gas program, the farm fuel distribution allowance, the remote area heating allowance, and rural electrification.

In 1983 Alberta led the country in the per capita value of total building construction. Last year Alberta had higher engineering construction expenditures, both in total dollar and per capita terms, than any other province.

However, Alberta's construction industry has not yet completed its transition to a lower growth environment, as evidenced by the industry's high rate of unemployment. Many construction projects that started before the downturn were based on expectations of continued high growth. As a result, there was overbuilding especially in the commercial and apartment sectors. Construction activity will remain weak in those areas until demand catches up to existing supply. Nonetheless, residential, industrial, and roadbuilding construction activity has remained at or above the national average.

In the early '80s, housing starts in Alberta accounted for a remarkable 20 percent of total Canadian starts. This pace could not be maintained. Still, housing starts numbered over 17,100 last year, in line with our 9 percent share of the national population. New housing starts have reached a sustainable level. There is still, however, an oversupply of apartment units, which will not be absorbed for some time.

Very few commercial construction projects will be started in 1984, as there is surplus commercial space available in both Calgary and Edmonton.

Manufacturing improved substantially in 1983. There was a noticeable firming in both the value of shipments and employment. Shipments of refined petroleum products increased due to stronger demand and expanded capacity. Although the market for refined products remains fiercely competitive, production is expected to expand again this year, and Alberta will increase its Canadian market share.

The petrochemical industry also improved last year and has recovered the ground lost during the downturn. Despite excess capacity internationally, Alberta production will increase substantially this year. Five world-scale plants are coming on stream. They will add to the range of petrochemical products available from Alberta for marketing throughout the world.

The Alberta meat-packing industry has structural problems which must be tackled soon by packers, suppliers, and workers.

Primary metals and metal fabricating industries are in an adjustment phase, as are those manufacturing industries which depend on the construction and natural gas industries.

On balance, Alberta's manufacturing sector now produces a wide range of products in modern, cost-efficient plants. It can compete efficiently in foreign markets. Our challenge is to market these products around the world.

Engineering services sold by Alberta companies to other countries increased by 21 percent in 1983 to more than \$100 million, and included major contracts in such countries as New Zealand, Indonesia, Norway, Australia, Pakistan, Kenya, Ecuador, Kuwait, China, and Korea.

Our high-technology service exports increased in 1983 to over \$80 million to such countries as the United Kingdom, Denmark, Bolivia, and Madagascar. High-technology manufactured equipment sales from Alberta more than doubled in 1983 to over \$90 million, with goods going to Japan, Austria, Finland, France, Germany, the United States, Peru, Iceland, and Belize.

More than 50 world class scientists are being funded by the heritage fund medical research foundation. Over 2,000 scientists are at work on research and development at our universities.

Medium-term Outlook for Alberta

The medium-term economic outlook for the province is very positive. Alberta's economy will remain one of the strongest in Canada.

The job-producing oil and gas industry is well positioned for growth. With regard to oil supply, non-OPEC production, which has dampened international prices, is not expected to grow. United Kingdom production is peaking; Mexico is not likely to spend scarce funds on energy infrastructure, given its financial difficulties; and China will need all the oil it finds for its domestic use. Canada's northern frontier is not living up to previous billings, and there is increasing evidence of waning interest in that area. Investors will be attracted to Alberta — the province with still undiscovered conventional supplies, huge known reserves of oil sands and heavy oil, and an attractive fiscal regime for exploration and development.

The weak recovery in world oil demand raises the question of the extent of structural shifts and interfuel switching in the energy field. However, the economic recovery, particularly in the United States, is expected to produce a cyclical boost in energy demand. The gas bubble there will begin to shrink at an increasing rate over the medium term. Alberta, with its large reserves and stable environment, will become a premium natural gas supplier.

Our energy and agriculture sectors will continue to provide a strong base for promising economic development. New linkages are developing between these base sectors and the manufacturing and service sectors. The high technology needed to produce oil from nonconventional sources is having positive spillover effects. New technology now being developed in Alberta enhances our competitive advantage in manufacturing. Our petrochemical plants are among the most modern in the world. Our food-processing sector is poised for major growth.

Through joint marketing efforts with Alberta companies, our export markets will become more diversified in the medium term. The Pacific Rim countries demand our close attention. With initiative and effort, many of our industries can secure a firm foothold in the world marketplace and make our private sector less vulnerable to North American economic conditions.

Albertans are continuing to build on strengths to diversify the economy. Alberta's best days are ahead of us. Justifiably, we can look to the future with confidence.

Alberta's fiscal situation was dramatically affected by external shocks in the late '70s and early '80s. The second wave of

world oil price increases in 1979 was the cause of the present revenue and expenditure imbalance. Already high expectations about Alberta's economic and resource revenue prospects were raised to unrealistic levels. People and investment flowed to the province at an unprecedented rate. To service this growth, government operating and capital expenditures had to be greatly increased.

In the early '80s, our revenue picture changed very quickly. Ottawa introduced the confiscatory national energy program, which dealt a hammer blow to the Alberta energy sector. Shortly thereafter, the global economy turned down and energy demand slowed. Prices softened, eventually leading to a drop in the world oil price a year ago and a subsequent reduction in the natural gas export price. This left Alberta with the unenviable combination of high expenditure commitments and uncertain revenue prospects. Fortunately, Albertans had the Heritage Savings Trust Fund, built up over the high revenue years.

A key objective of last year's budget was to begin a step-by-step adjustment of revenue and expenditure. Expenditure growth was slashed to less than 10 percent. In recent months other budgetary initiatives were taken:

- in health, our largest expenditure area, a new hospital User fee policy was introduced to create a greater sense of cost awareness by hospital boards and citizens able to pay;
- the graduated personal income tax rate was raised by five points to shore up revenue while still retaining the lowest provincial personal income tax rate; and
- amendments were passed requiring arbitrators to consider the fiscal policies of the government in making public-sector wage and salary awards.

Our hold-the-line program is working. For 1983-84, I am forecasting budgetary expenditure to be \$250 million below the comparable budget estimate. Revenue is expected to be up by \$157 million. As a result, the budget deficit for 1983-84 is forecast at \$566 million, down considerably from the estimate. This compares to an actual deficit of over \$2 billion in 1982-83. We should keep in mind, though, that income from the heritage fund provided over \$1.5 billion in assistance in 1983-84. Without the heritage fund investment income, tax rates would have had to rise even more. It is still necessary to pursue policies that will reduce the deficit so that the recovery can gain momentum and so that the private-sector engine can move into higher gear.

In weighing the fiscal strategy options for 1984-85, the following considerations were fundamental.

- The strategy should be fiscally responsible. Deficits and interest costs must be contained so that revenues can be used to provide people services, not payment of interest on debt.
- The challenge of transition should be shared fairly. The public service and grant recipients must share with other Albertans the responsibilities of restraint.
- The size of government should be reduced now that the abnormal growth period has passed.
- The fiscal strategy should sustain employment and set the foundation for a period of steady, durable private-sector growth and job security.
- High levels of support for essential people services should be maintained.

It is essential that our fiscal house be in order as we move from a period of unusual expenditure growth through a period of uncertain revenue performance. As Provincial Treasurer, I am committed to protecting Alberta's creditworthiness.

This budget will continue our strategy of deficit containment and reduction in order to maintain our international reputation for sound management of the public finances. Then, if resource revenue declines in the future, the province will be in a much stronger position to work through a period of revenue transition.

Our deficit reduction strategy has two main elements. First, the 1984-85 fiscal plan calls for a reduction in total government expenditure. This marks the first year-over-year decrease in Alberta since 1941-42. Contrast this reduction with an increase of more than 7 percent in the federal government's spending plans for 1984-85.

Second, to reduce the need for borrowing, heritage fund investment income will continue to be used for budgetary purposes until the financial situation improves. Appropriate legislative amendments will be introduced shortly. The transfer to the heritage fund of nonrenewable resource revenue will continue at the 15 percent level to finance approved capital projects and a modest level of lending to Alberta Crown corporations. The transfer will maintain the fund at its present level after taking inflation into account. In real terms the heritage fund has not grown over the past year.

When the rainy days hit Alberta, the heritage fund umbrella was brought out and opened. By the end of 1984-85, \$3.9 billion in heritage fund investment income will have been diverted to provide special support for Albertans. This year the investment income from the heritage fund savings account will provide approximately 16 percent of all budgetary revenue to the province. In concrete terms, for two months out of every 12, the heritage fund provides the money to operate our schools, hospitals, seniors' programs, colleges, the justice system, and other services. Without the Heritage Savings Trust Fund, it is clear that Albertans would face both tax increases and cuts in level of services. The heritage fund is truly our financial bridge to the future.

If we are to meet our 1984-85 expenditure plan, recipients of government grants must be partners in restraint. Many Albertans may not realize that approximately one-half of their government's operating expenditure is paid out in the form of grants to their school boards, postsecondary institutions, hospital boards, and municipalities. It is estimated that approximately 80 percent of these grants go to pay for wages and salaries.

In January the Minister of Education announced that basic per pupil operating grants to school boards in 1984-85 would be held at the same level as in 1983-84. Grants to postsecondary institutions, hospital boards, and municipalities will also be held at the 1983-84 level.

Some additional funds will be provided in departmental budgets for correcting inequities and funding special initiatives. In response to economic realities and the hold-the-line expenditure policy, no provision is made for salary increases. This reflects the November 1983 fiscal policy statement for public-sector arbitrations.

The public sector must also shoulder the burden of restraint, now that the boom has subsided. Last year, as demand for certain government services began to drop, 237 permanent, full-time public service positions were eliminated.

Tonight, Mr. Speaker, I am announcing a further reduction of 869 permanent, full-time positions at all levels in government departments. I am also able to report that approximately 240 permanent positions have been cut from Crown corporations, boards, agencies, and commissions. In total, over 1,100 full-time positions have been eliminated for an annual dollar saving of over \$22 million.

These positions have become unnecessary because Alberta's population is growing at a much slower rate than before. Every

effort will continue to be made to retrain or redeploy as many as possible of those affected.

Over the coming fiscal year, we will look for further reductions. Reductions will depend on government priorities, demand for services, fairness, efficiency, and the extent to which services can be moved to the private sector.

All government departments and Crown agencies are being asked to reduce their operating costs by prioritizing goals, reducing duplication, rethinking present practices, and exploring lower cost alternatives. Our challenge is straightforward: to manage better with less.

One alternative is privatization. Government should not be doing work that could be handled more efficiently by the private sector. Strides are being made. Maintenance of government-owned buildings is increasingly being contracted out to the private sector. In-house design and planning staff in the Department of Public Works, Supply and Services is being kept to a minimum, and private firms are used to the largest extent possible. The Transportation department will accelerate the amount of work contracted out to the private sector.

Over the coming fiscal year, we intend to privatize both the corporate name registry, now operated by Consumer and Corporate Affairs, and the temporary staff services function provided currently by the Personnel Administration office. Other areas will be examined, but we will proceed with care to ensure that the quality of public services is not jeopardized.

I welcome constructive government-downsizing suggestions from citizens all over the province. With your assistance, we can continue the process of evolving a trimmer and leaner government.

Albertans want a durable, broadly based recovery. The 1984-85 budget plan adds momentum to that goal by maintaining a known, stable fiscal policy environment. This is what investors are looking for.

To maintain jobs while the economy gains momentum, substantial capital funding is provided by this budget and through the capital programs of the heritage fund and various Crown corporations. Bids are down substantially from the boom years, so our capital dollars are going further. In addition, employment and manpower training programs will benefit many Albertans. However, lasting jobs come only from private-sector investment, not artificial, government make-work projects. We will maintain a climate conducive to private sector risk-taking.

This year the government will continue to support vigorously marketing and trade development for Alberta's products. The international market is fiercely competitive. No existing Alberta market, whether domestic or foreign, is safe. New sales will require aggressive, imaginative initiatives. Now is the time to support our international sales force. The government will work in partnership with Alberta industry to help expand our markets.

Essential services for health, education, child welfare, our seniors, and the disadvantaged will not be sacrificed. There are no funding cuts in these areas. Albertans of all circumstances will continue to receive the highest level of public services of any Canadian citizens.

Budgetary Expenditure

Last year's budget cut the expenditure growth rate from over 30 percent in '82-83 to less than 10 percent. The 1984-85 expenditure plan tightens the budgetary belt even further. Total government expenditure is targeted at \$9.6 billion, down \$169 million from '83-84. This is a drop of 1.7 percent from last year's comparable estimates.

Voted appropriations will be reduced on an estimate-over-estimate basis by 1.9 percent to \$9.4 billion. Statutory expend-

iture will increase by 6.2 percent to \$232 million, due to increased debt servicing costs relating to the deficits of the past two years. Debt servicing accounts for only 1.8 percent of total expenditure in Alberta.

Even with this level of belt-tightening, Albertans will still enjoy the finest level of services and facilities of any province. On a per citizen basis, Alberta's expenditure on government services is approximately 35 percent above the average for all provinces.

Operating costs are the largest expenditure in budgeting for a household, a business, or a government. In these times when Albertans are restraining their day-to-day expenses, government must also constrain its operating costs. We must be in step with the rest of the economy.

Accordingly, in '84-85 we are targeting for a freeze in the operating budget. This signals a major breakthrough in blunting the annual upward spiral of operating costs of past years. But to be successful, the support of all Albertans is needed because demand for services and facilities fuels increases in our operating costs. Restraint by individual Albertans in their requests for government services will help keep government growth in check. As well, public-sector compensation must follow, not lead, the private sector.

Albertans are fortunate to have access to topflight health care services. This comes at tremendous cost, however. Health care is the largest and fastest growing component of expenditure. Alberta and all other provinces are experiencing mounting difficulties in financing health care. This is due to escalating costs and slow revenue growth made worse by a steady decline in federal health care funding.

In '84-85, funding for both the operation of health care facilities and medical services will total \$1.9 billion, up 10 percent from '83-84 and double the amount of only five years ago.

Funding for the operation of health care facilities alone will total \$1.5 billion, up \$98 million from '83-84. This includes \$28 million for the additional operating costs of new and renovated hospitals and \$22 million for additional employee benefits provided in last year's arbitration awards. Wages and salaries comprise a major part of the cost of health care.

There are two other elements to the control of health care costs: first, hospital use and, second, the utilization of doctor and other professional services.

To reduce, firstly, hospital usage, greater cost consciousness on the part of citizens, doctors, administrators, and hospital boards is needed. Until recently, the province automatically covered hospital board deficits. This policy was discontinued last year because it provided no incentive for hospitals to stay within their budgets. The new user charge system is a cost awareness tool which has encouraged hospital boards to avoid cost overruns.

Roughly 40 percent of the population, including all seniors and all Albertans of limited income, is exempt from these user charges. In addition, there is a low annual user fee maximum of \$150 per individual.

The cost of services provided by physicians and other health care professionals has been rising steadily. The premium system covers only about 30 percent of the expenditure of the health care insurance plan for basic health services. Again, all senior citizens and those of limited income are exempt from paying premiums. In January a ceiling was placed on the doctors' benefits schedule. Nevertheless, expenditure of the Health Care Insurance Fund will increase by over \$64 million, due to increases in utilization of services by citizens.

In the months ahead, the Minister of Hospitals and Medical Care will be working with the medical profession to find addi-

tional ways to curb over-utilization of services. Our success depends largely on the co-operation received from those who use and those who manage the system. If we cannot reduce the rate of increase of health costs, and if the federal government refuses to provide sufficient funding, then new revenue sources will have to be found. So that all Albertans can have the facts on health care financing, a special appendix has been included in this Budget Address.

Alberta senior citizens will continue to benefit from an extensive array of programs that are second to none in Canada. Senior citizen property tax rebates and renter assistance grants are budgeted at over \$100 million, approximately \$800 per senior citizen. About 45,000 seniors will benefit over the term of the unique senior citizens' home improvement program, which is budgeted at \$44 million, up 69 percent from last year. It provides grants of up to \$3,000 to our pioneers, enabling them to remain in their own homes.

Tonight I am announcing that the senior citizen home heating grant program will be extended into 1985 at an estimated cost of \$8 million. This special program helps keep the cost of home heating for our seniors at manageable levels.

Alberta widows and widowers of limited means, aged 55 to 64, are eligible for senior citizen programs. No other province provides this benefit. Moreover, Alberta is unique in making available a pension to widows and widowers in need. Approximately 3,000 persons will be receiving these special benefits in 1984.

Bridging the affordability gap faced by homeowners and renters continues to be a priority. For '84-85 this budget contains nearly \$200 million in various forms of shelter assistance for low- and moderate-income citizens.

The renter assistance tax credit will nearly double the \$77 million in '84-85, reflecting the enrichment announced in the fall of 1982. This money will flow to Albertans over the next few months.

Through the heritage fund mortgage interest reduction program, we estimate that by the end of August almost \$274 million will have been provided to over 150,000 Alberta homeowners. In addition, nearly 6,000 homeowners have been assisted in renegotiating mortgages to more favourable rates.

With a 1984-85 budget of \$1.2 billion, Alberta's support for a comprehensive range of social services and community health programs is among the best in Canada.

In 1978 this government introduced the Alberta home care program to provide nursing, physiotherapy, homemaking, Meals on Wheels, and other services in the home. Tens of thousands of Albertans who might otherwise have needed costly institutional care have been treated in the comfort and convenience of their own homes. The program provides effective care at a reasonable cost, is popular with its patients — most of whom are senior citizens — and enables families and friends to assist on a volunteer basis.

I am pleased to announce tonight a major expansion of the Alberta home care program. Eligibility for the program will be expanded to include senior citizens with a medical condition who require only homemaking support. In the past, medical treatments had to be prescribed before such support was available. The new guidelines will be of substantial benefit to our senior citizens and the physically disabled who prefer to remain in their own homes. To implement all these new initiatives, the budget for home care in '84-85 will rise by 55 percent to over \$28 million.

The aids to daily living and extended health benefits programs will be increased by 51 percent to benefit over 80,000 of our seniors and physically handicapped citizens.

Young Albertans represent the future of our province, and education is the key to that future. Better citizenship, a more productive economy, and a greater sense of community all depend upon a well-educated population with the necessary attitudes, skills, and knowledge.

For basic education this year, the government will budget \$1.2 billion, an expenditure among the highest per capita in Canada. Alberta provides many special programs with greater scope and benefits than other provinces. Examples include early childhood services and multisensory handicapped programs.

Basic operating grants to school boards will amount to \$674 million, providing the same per pupil support as last year. Additional funding of nearly \$20 million will be available for the unique learning needs of handicapped and gifted children and for other special programs.

For self-governing postsecondary institutions, basic operating grants will total \$607 million, the same as last year. Significant additional funding of \$26 million will be made available to reflect surging enrollments, the opening of recently expanded facilities, and enhanced course programs. Last year \$5.5 million in extra funding was provided to reflect the enrollment bulge in September 1983. These moneys were additional to the special extra enrollment funding provided in 1982. Both these extra 1982 and 1983 special funding initiatives are incorporated in this budget to enable institutions to cope with expanded enrollments.

Alberta leads Canada in terms of advanced education funding support per student. Many young Albertans who plan to attend advanced learning institutions are faced with personal financial pressures. This government provides unparalleled financial assistance for students. No other province makes available to students the total dollars or the wide range of assistance available here. In Alberta a single undergraduate can receive up to \$8,800 per year, and a disadvantaged student can receive up to \$12,800. Moreover, Alberta's loan remission program helps reduce a student's debt load after graduation.

Extra student assistance funding of \$29 million was provided in January 1984. In 1984-85 the budget for student financial aid is more than doubled to \$64 million. Approximately 42,000 students will receive support, compared to the 29,000 students who were assisted in 1982-83 through loans, grants, scholarships, and remissions.

The 1980s endowment fund will continue to provide matching grants to postsecondary institutions.

In 1984-85, unconditional grants to municipalities will continue at last year's level of \$92 million. An additional amount of over \$1.8 million will be made available to correct special inequities that have arisen over the years.

Albertans continue to enjoy among the lowest property taxes in all of Canada, thanks in large part to the continuing legacy of the \$1 billion municipal debt reduction program of 1979-80 and the municipal debenture interest rebate program.

One hundred and fifteen million dollars is budgeted for interest relief on eligible debt of municipalities; in effect, a significant property tax reduction to Albertans this year.

The resiliency of Alberta's economy during the downturn is clear evidence of the depth and expanding breadth of our economic base. Steady progress is being made to diversify around our basic human and natural resource strengths by providing a climate conducive to private-sector investment. The highly successful offering by Vencap Equities Alberta Ltd. of shares and debentures is a show of confidence in Alberta's future, Artificial diversification, where government provides massive public handouts to lure industry, does not stand the test of real world competition.

Diversification, led by the private sector, is an economic objective, but it will not yield the budgetary revenue that Albertans secure from oil and gas. The economic reality is that royalties from the resources owned by Albertans will continue to be a primary source of revenue for years to come.

Small business is the backbone of the Alberta economy. To help build and strengthen those businesses, a new small business venture capital program is planned. Over four years it will provide approximately \$15 million in assistance to stimulate the formation by private-sector investors of pools of capital of up to \$50 million. Small business equity companies will then reinvest the moneys in new or expanding Alberta businesses.

To help reduce small business interest costs, the special heritage fund interest shielding program will have provided over its two-year term nearly \$53 million to 21,000 small Alberta businesses.

An example of our outward-reaching trade initiatives is the decision to be a part of Expo '86 in Vancouver, the largest world exhibition in North America since 1967. Forty-five nations are expected to participate. This event is a significant opportunity for Alberta to attract tourists and promote our products and services. Planning and commencement costs of over \$1 million have been budgeted.

Following up on the Premier's mission to the Pacific Rim, Alberta will host the Great Trade Show and Cultural Exhibition of China in April, the largest ever held by that country outside its own borders.

To assist research and development, over \$21 million is targeted for the Alberta Research Council.

Agriculture is basic to Alberta's renewable resource strength and provides the balance wheel when energy prices and markets soften. The family farm is the social and economic bedrock that stabilizes our province.

To help reduce farm interest costs, the special heritage fund interest shielding program will have provided over its two-year life \$33 million in assistance to 20,000 farmers.

The farm fuel distribution allowance continues to reduce farm input costs. This budget contains \$75 million to continue the subsidy for purple fuels. No other province has such a program.

The primary agricultural producers' natural gas rebate program, established on December 31, 1982, for two years, will continue into 1985 at a cost of \$2 million. It assists large agricultural users of natural gas.

Since its inception in 1973, the rural gas program has provided natural gas to over 70,000 Alberta farms and other rural consumers through grants approaching \$300 million. The program helps to assure that the quality of life in rural Alberta remains comparable to that in urban areas.

The Agricultural Development Corporation will receive a 23 percent increase in funding to over \$80 million. Much of the increase will go to assist beginning farmers.

I wish to announce that the successful Farming for the Future program, supported by the heritage fund, will be recommended for continuation for three years.

Local agricultural service boards and agricultural societies will receive \$6.7 million in 1984-85.

As part of our agricultural upgrading and diversification effort, the \$8.6 million heritage fund Food Processing Development Centre in Leduc will become operational.

Albertans benefit from the lowest energy prices in Canada. The natural gas price protection plan will continue, as previously indicated, to March 31, 1985. Approximately \$130 million in rebates to Albertans will be paid out under the plan this year.

The Alberta Electric Energy Marketing Agency will provide over \$50 million in 1984-85 to move toward equalized electricity costs across the province.

Even though our economy is on the mend, employment growth will be slow since new job creation typically gains momentum later in the economic recovery cycle. Employment in construction and related areas is not expected to increase significantly until the current excess capacity in office space, apartments, and other areas is absorbed. To ease the burden until private-sector hiring picks up, an initial allocation of \$40.5 million is provided for special employment programs:

- the priorities employment program,
- the employment skills program,
- the special placement program, and
- the summer temporary employment program.

These programs assist especially in alleviating the serious problem of youth unemployment. Further funding will be considered in the months ahead.

Funding for manpower development and training assistance will reach \$38 million. These involve support for on-the-job training and skill upgrading. To reflect the surging enrollments in vocational training, \$2.5 million in extra funding was recently made available.

Capital Expenditure — Jobs for Albertans

Thousands of jobs will flow from this year's large capital budget. The total capital activity supported by the government will approach \$3 billion in 1984-85. This is comprised of General Revenue Fund capital expenditure of \$1.7 billion. Crown corporations' capital for new construction of nearly \$1 billion, and heritage fund capital projects of almost \$300 million. Alberta's capital budget on a per person basis will continue to be one of the highest, if not the highest, in all of Canada.

Capital spending has increased dramatically over the last several years, and we now have in place or in process most of the capital building projects required for the decade. Because construction costs are down significantly from the boom years, slightly fewer capital dollars can generate approximately the same degree of job activity in 1984 as in 1983.

Capital support for health care in Alberta will total nearly \$300 million in 1984-85. This is part of the multi-year hospital construction and renovation program, which will see 103 hospitals built or renovated in 73 centres across Alberta at a total cost exceeding \$2 billion. In 1984-85, 10 new hospitals will be opened.

To serve the existing population and the expected future growth of Edmonton and Calgary, we announce tonight that construction will commence within weeks on two major, new active treatment hospitals. Designed with 500 beds each, these state-of-the-art hospitals will each have a total cost of approximately \$140 million, with \$23 million budgeted for start-up construction this year. Over the 33-month construction period, a total of approximately 2,300 man-years of employment will be created by the two projects. These facilities will ensure that Albertans continue to have access to the highest quality health care in the nation.

Over the past few years, our rural citizens have benefitted from an extensive program of upgrading and replacing old and deteriorated rural hospitals. These improved facilities help sustain the viability of many small communities at a small cost. The operating budgets for rural hospitals total only 7 percent of the total hospital operating budget. The same is true of capital construction costs. The seven similar-design new rural hospitals will cost less than 1 percent of the total hospital capital construction program.

Universities, colleges, and technical institutions will receive capital support of over \$138 million this year. Projects include completion of the new campus at Athabasca University, Scurfield Hall at the University of Calgary, the new business administration and commerce building at the University of Alberta, and a recreation facility at the University of Lethbridge. The budget also provides support for projects at Lethbridge and Mount Royal colleges and at the Southern Alberta Institute of Technology. Planning will commence on the future development of Lakeland College.

Capital support for basic education will total nearly \$148 million, up 13 percent from 1983-84. Emphasis will be on modernization of existing schools rather than new construction.

Alberta will be the centre of world attention in 1988 as Calgary hosts the XV Olympic Winter Games. It is estimated that over one and a half billion viewers will be watching this world class event. The resulting global recognition will boost our international trade efforts and inject millions of tourist dollars into Alberta's economy. This budget provides capital funding of over \$24 million for the first phase of Olympic development at Mount Allan, Canmore, and the University of Calgary. Provincial capital support will generate a substantial number of jobs during the construction period and will leave an unparalleled legacy of winter sport facilities.

Cultural projects across Alberta will continue to receive substantial capital funding. Nearly \$9 million is budgeted to continue work on various historical projects: The Tyrrel museum, Drumheller; the Ukrainian village near Elk Island Park; the oil sands interpretive centre, Fort McMurray; the Buffalo Jump visitors centre, Fort Macleod; and the Frank Slide interpretive centre, Crowsnest Pass. The Calgary Centre for the Performing Arts will receive \$12 million to continue construction.

Alberta's transportation network is one of the most extensive and efficient in the country. Capital improvements in 1984-85 will reach \$650 million. Highway and road construction is budgeted at over \$500 million. There will be support for the continued twinning of highways 1 and 16 and for construction of the highway between Grande Prairie and Grande Cache. Funding of \$7.5 million is provided for a new streets assistance program for towns and villages. Urban transportation grants of \$137 million will sustain our existing commitments.

The provision of priority public works has been budgeted at nearly \$220 million. Of this amount, over 60 percent will be spent outside the Calgary and Edmonton areas. As a reflection of our significant capital development in recent years, almost 85 percent of the public works budget will be needed to complete and maintain facilities already started. Approximately \$100 million is provided for needed water and sewer projects and for gas utility developments, which assist in improving the quality of life in many communities.

Financing for economic development projects will reach almost \$60 million in '84-85. This includes \$53.5 million as part of Alberta's share of the cost of financing the Prince Rupert grain terminal. Over \$5 million is provided for financing computer technology, laser initiatives, thermoelectric generator development, and biotechnology.

Given the reduced growth pressures and the need for fiscal restraint, we have followed up on our commitment to reduce the financial requirements of the Crown corporations. Nevertheless, the activities of Alberta's major Crown corporations will directly result in capital construction activity of nearly \$1 billion in 1984-85.

In the housing sector, funding will be provided for the construction of 1,460 shelter units for Albertans with senior citizens and low-income families being the primary benefi-

aries. Eighteen million dollars will be committed for the construction of 300 new housing units for low- and moderate-income families under the family home purchase program, the most attractive in Canada. Approximately \$38 million is committed to finance over 600 housing units for our senior citizens.

The Alberta Municipal Financing Corporation will continue to provide significant cost savings for local authorities and their taxpayers by providing financing to them for their capital projects at the government's comparatively attractive borrowing rate. In 1984 the Alberta Municipal Financing Corporation will make an estimated \$650 million available in loans to Alberta's cities, towns, school boards, and other local entities at rates which provide a significant reduction in the costs borne by property tax payers.

During 1984, Alberta Government Telephones will continue to upgrade its telecommunications services to Albertans by making capital expenditures of \$224 million, mostly in new plant and equipment. The program of improved telephone service to remote areas will be continued.

For 1984-85 more than \$287 million was approved last fall for ongoing heritage fund capital projects that sustain jobs and provide economic and social benefits for our citizens. Major commitments to our agriculture sector will continue, with over \$100 million earmarked for irrigation projects, the Farming for the Future program, flood control, and grazing reserves. Support for oil sands and enhanced oil recovery projects and research remains a priority with \$50 million approved.

In the health field, \$80 million has been provided for the ongoing construction of the Walter C. Mackenzie Health Sciences Centre, for cancer research, and for research and education related to occupational health and safety.

Recreation and parks projects in five urban centres and in Kananaskis Country will receive \$47 million.

Taxation

There are no new taxes and there are no increases in existing tax rates in this budget. [applause]

Albertans enjoy the most favourable overall tax environment in Canada. We continue to have the lowest personal income tax rate of any province, we are one of only two provinces with no gasoline tax, and we are the only province with no sales tax.

DR. BUCK: We better not bring one in.

MR. HYNDMAN: This means, for example, that an Alberta family of four with a \$30,000 income pays approximately \$1,350 less in provincial taxes than a similar family in Ontario. To ensure that Albertans are fully aware of their favoured tax position in Canada, a special appendix on Alberta's tax structure has been included in this Budget Address.

Albertans should realize that nonrenewable resource revenue, not taxes, currently foots the largest part of the bill for the services we enjoy. In the other provinces the situation is reversed. It's clear that our low tax rates are possible only because of our natural resource wealth. If energy prices or markets deteriorate, or if expenditure on services cannot be contained, there will be no alternative but to look at a combination of service level cuts and tax increases.

Revenue Outlook

For 1984-85, total budgetary revenue is expected to increase by 4.3 percent to \$9.4 billion. Unlike the situation for most provincial governments who receive the bulk of their revenue from internal sources and federal transfers, our revenue forecast depends to a large extent on developments in external commodity markets for oil and natural gas. This makes revenue forecasting more difficult. The lessons of the '70s and

early '80s have proven how volatile these commodity markets can be and underline the importance of restraining expenditure.

The forecast is for total nonrenewable resource revenue of \$3.55 billion in '84-85. Conventional oil royalty revenue is forecast to be down by \$58 million, compared to '83-84, due to lower production of old oil. While progress has been made towards reducing shut-in oil, there is still uncertainty, so the forecast assumes the same level of shut-in oil as in 1983-84. We will continue to work to bring an end to this unnecessary problem. Synthetic oil royalty is expected to decline by \$36 million, due to increased cost allowances relating to the job-creating Syncrude expansion now in progress.

Natural gas royalties are expected to rise by \$13 million in 1984-85. We believe that the erosion of our gas exports is behind us and that we should be able to maintain export volumes at 1983-84 levels.

The estimate for the royalty tax credit is \$339 million less than the 1983-84 forecast, due to the expiration of the enrichment on December 31, 1983, as announced back in April 1982.

Total net tax revenue is expected to increase by \$246 million in '84-85, to \$2.7 billion. This is due largely to the five point increase in the personal income tax rate announced last October, which adds over \$200 million. The adjustment to the selective tax reduction, which was announced along with the rate increase, will direct an additional \$10 million to reducing taxes for low-income citizens.

Payments from the federal government are expected to decline by \$59 million to \$968 million in '84-85. These payments represent 10 percent of Alberta's total budgetary revenue. By comparison, the other provinces receive, on average, over 20 percent of their revenue from the federal government.

The transfer of heritage fund investment income is estimated at \$1.53 billion, up \$25 million from 1983-84.

The 1984-85 Financial Plan

To recap, the budgetary plan for '84-85 calls for a reduction of 1.7 percent in total expenditure to \$9.644 billion and expected revenue growth of 4.3 percent to \$9.386 billion. This results in a budgetary deficit of \$258 million. The 1984-85 budgetary deficit is less than one-half the size of the '83-84 deficit and one-eighth the size of the '82-83 budgetary deficit.

Financing requirements resulting from the '83-84 budget deficit were met in significant measure by sales of liquid assets previously accumulated in the General Revenue Fund, with the balance met by short-term borrowing.

Depending on market conditions, scope remains to meet some portion of '84-85 budgetary requirements by disposing of assets. To date the province has had in place successful treasury bill and promissory note borrowing programs in the Canadian market. These programs will be continued, and supplemented by other financing means where necessary, to meet the overall financing requirements in '84-85.

In 1983 both the Alberta Municipal Financing Corporation and the Alberta Government Telephones Commission had successful debenture issues in the Canadian market, in the amounts of \$450 million and \$150 million respectively. It is anticipated that further capital market borrowings will be undertaken in 1984 to meet the financial requirements of these two corporations.

The heritage fund will continue to meet all the long-term borrowing needs of the Alberta Agricultural Development Corporation, the Alberta Housing Corporation, the Alberta Home Mortgage Corporation, and the Alberta Opportunity Company in 1984-85. The total requirements for these four corporations in '84-85 are reduced significantly from their budgeted requirements in '83-84.

Summary and Highlights

The highlights of the 1984 Alberta budget are:

- a reduction in government expenditure from last year's level, the first in over 40 years;
- a reduction of over 1,100 permanent, full-time public sector positions that have become unnecessary in government departments and Crown agencies;
- a further drop in the budgetary deficit to an estimated \$258 million in 1984-85;
- no new taxes and no increases in existing tax rates;
- continued use of heritage fund investment income to hold down taxes and reduce the deficit;
- a job-intensive \$1.7 billion capital works budget which will create as much employment activity as the record capital budgets of the past two years; as well, capital projects of the heritage fund and Crown corporations will total over \$1.2 billion;
- special job creation and manpower training programs valued at over \$78 million;
- maintenance of quality people programs through continuation of one of the highest per capita health, education, and social service grant levels in Canada;
- major expansion of the home care program with funding rising by 55 percent to over \$28 million;
- additional funding to assist students in advanced education;
- a new venture capital program for small business; and
- a start on two major, new active treatment hospitals, one in Edmonton and one in Calgary, with an estimated total cost for both of \$280 million.

In conclusion, Mr. Speaker, this budget represents a sound financial strategy for Alberta — a strategy of balance. It balances the need to maintain essential people services with the need to constrain operating expenditure. It balances the desire to encourage steady economic recovery and employment growth with the recognition that lasting jobs are created by the private sector. It meets these objectives while at the same time holding down taxes and reducing significantly the deficit and our borrowing requirements. The result is a budget in tune with the times, in tune with the aspirations, needs, and expectations of Albertans. [applause]

MR. NOTLEY: I'm not used to that kind of ovation.

Mr. Speaker, I beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree with the motion by the hon. Leader of the Opposition?

HON. MEMBERS: Agreed.

MR. SPEAKER: The motion is adopted.

[At 9:20 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]

