

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, May 3, 1984 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 261
An Act to Amend the
Mortgage Brokers Regulation Act

MR. ZIP: Mr. Speaker, I beg leave to introduce Bill 261, An Act to Amend the Mortgage Brokers Regulation Act.

The purpose of this Bill is to set out clearly all the costs and terms included in the repayment terms of each mortgage.

[Leave granted; Bill 261 read a first time]

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. MUSGROVE: Mr. Speaker, I would like to introduce to you, and through you to the rest of the Assembly, 27 very enthusiastic grade 9 students from Griffin Park school, which is located in the Bow Valley constituency. They are accompanied by their teachers Mr. Larry Regner and Kay Thibert, by parent supervisors Bob Redpath, Trudy Zimmer, Martin Peel, and Murry Rust, and by bus driver Sharon Kuiper. They are seated in the public gallery, and I ask them now to rise and receive the warm welcome of the Assembly.

MR. KROEGER: Mr. Speaker, in the members gallery are 26 grade 9 students from Consort junior high, accompanied by their group leader Dawn Tinsh, teachers Larry Kjeersgaard and Garrick Blain, and parents Ruth Forsberg and Elaine Spencer. Would you rise and receive the welcome of the House?

MR. HARLE: Mr. Speaker, it's my privilege today to be able to introduce a group of 33 grade 6 students from Castor elementary school. They are accompanied by teachers Mr. Goring, Mrs. Dunkle and Miss Wiuff, bus driver Mr. Turnbull, and parents Mrs. Welsh, Mrs. Renschler, Mr. Holloway, Mrs. Clarke, and Mrs. Campbell.

I would also like to take the opportunity to advise members of the Assembly that included in the group of teachers is Mrs. Dunkle. It was on her and her husband's farm, and at Big Knife Provincial Park, that the infestation of spruce budworm was discovered.

They are in the members gallery. I ask them to stand and receive the welcome of the Assembly.

MRS. EMBURY: Mr. Speaker, it's my pleasure this afternoon to introduce to you, and through you to members of the Assembly, 42 grade 6 students from Varsity Acres elementary school. They are accompanied by teachers Margaret Vogel and Carol Batycky, parents Pam Slaughter, Verna Smith, and Dawn Kepatrck, and bus driver Alf Denner. They are in the public

gallery, and I ask them to rise and receive the usual welcome of the Assembly.

head: **ORAL QUESTION PERIOD**

West Edmonton Mall Expansion

MR. NOTLEY: Mr. Speaker, I would like to direct the first question to the hon. Minister of Tourism and Small Business. It's with respect to Canada fantasy land, the proposal by Triple Five Corporation for phase three of West Edmonton Mall. My question to the hon. minister is simply this: is the minister in a position to tell the House whether he has received an application or whether representation has been made to either the Alberta Opportunity Company or the government with respect to investment in this project?

MR. ADAIR: Mr. Speaker, I have received a letter from the Triple Five Corporation to me as Minister of Tourism and Small Business.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to advise the Assembly whether the letter outlines a proposal for a loan, a grant, an equity investment, or what?

MR. ADAIR: Mr. Speaker, I believe the best way of putting it is that they, as many entrepreneurs in the province of Alberta, have suggested to us the possibility, by request, of consideration of a grant or a loan or something along that basis for their particular project. My understanding is that they have also forwarded that to possibly other government departments, to the federal government, and to a number of the construction unions, seeking support through their pension funds. I think it's their privilege to do that as entrepreneurs in this province.

As minister of tourism, I should point out that it's a very interesting proposal. Indeed it has some merit from the standpoint of tourism. I suggest that it has some major merits in that particular package. But I should also point out that government policy is primarily to improve what we might call the investment climate in this province, so projects of this nature can in fact seek their own funding level through private-sector commercial institutions as a result of the firm and stable policies of this government.

MR. NOTLEY: Then we might start by repealing the 13 percent increase in personal income tax.

Mr. Speaker, I would like to ask the hon. minister if he can be a little more specific in terms of the representation he has received from Triple Five. Has it been with respect to any figure? [interjection] Just calm down across the way. He's still a bit agitated from yesterday. The minister across the way isn't agitated enough though.

I would like to find out whether any figure has been outlined by the Ghermezian brothers in their representation to the government.

MR. ADAIR: There were a number of figures presented in the letter, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question. Since I am sure this government, committed as it is to open government, would like to share this information with Albertans, could the minister outline what the range in figures was?

MR. ADAIR: Mr. Speaker, two things should be pointed out. Number one, the letter is addressed to me. If I were to talk about the letter itself, I would need some permission from those who wrote the letter. Having said that, it was also forwarded, as I said, to a number of individual MLAs in the city of Edmonton and I believe to other government departments, the federal government, and a number of construction unions.

Again, as I pointed out — and I will just repeat what I said earlier — our position as a government is primarily to ensure that we have the right investment climate, so projects of this nature or entrepreneurs of this type can in fact proceed through normal channels to obtain funding for a project like that. It would certainly be a major benefit to this province from the standpoint of tourism.

If I may, as minister of tourism I should also add that when this project is completed, whenever that may be, we would be more than pleased to consider the possibility of promoting that all around the world in our tourism brochures.

MR. NOTLEY: Mr. Speaker, a supplementary question. Given the minister's answers to date, will he give the Assembly the assurance that meetings will be scheduled with both the downtown businessmen's association and other businessmen's associations in the city — east Edmonton's, as an example — before any commitment is made on the proposal by Triple Five?

MR. ADAIR: Mr. Speaker, before I would provide any commitment of that nature, I would first have to ascertain whether there have been requests from any other organizations. We have always been open about that. We're prepared to sit down with any group — private-sector entrepreneurs or any association that may have concerns. I say we; I would be one of possibly a group of many members of this government who would be interested in ensuring that all requests or suggestions or recommendations are heard and dealt with.

MR. NOTLEY: Mr. Speaker, a supplementary question. Given Alberta Opportunity loans in other parts of the city, whether it's east Edmonton or 82nd Avenue or downtown, would the minister undertake, through the Alberta Opportunity Company or under some aegis of the government of Alberta, an assessment of the impact of the Triple Five proposal and the phase three expansion of West Edmonton Mall on other shopping districts in Edmonton in particular, and the ability of those businessmen who have Alberta Opportunity loans in those other areas to make repayment?

MR. ADAIR: Mr. Speaker, relative to the Alberta Opportunity Company — and I'm not sure how the Alberta Opportunity Company has come into this particular set of questions and answers. Having said that, I might point out that prior to acceptance of that particular loan proposal, whoever it may be, the Alberta Opportunity Company as a corporation individually assesses any application that is made and the ability of that company to repay; then in many cases works with them, sometimes providing additional counselling services to them that they now will provide to businesses that have loans with them. As I outlined, and I'll repeat it again, this particular company, as does any other company or any other private-sector entrepreneur, has the right to sit down and request of us — in this particular case, either me or other ministers of this Crown — to deal with and look at a request they may have.

As I said, my main concern is that we as a government provide the opportunity — the investment climate — for them, whoever they may be, to in fact ensure that, number one, it is there and they can work through the system, the normal private-

sector lending institutions, and in fact get the kind of financing they're looking for and get on with the project. Set that aside and, as minister of tourism, I am more than interested in the project itself and, should it be completed, the ability to ensure that people around the world know we have it here in the province of Alberta.

MR. NOTLEY: Just one final supplementary question. Given the West Edmonton Mall expansion and the concern of downtown business people, could the minister advise the Assembly whether there are any plans in place to ascertain what efforts have been taken to respark the Triple Five proposal for the five acres it owns in the downtown core of the city?

MR. ADAIR: Mr. Speaker, I can't respond to that because I'm not aware of the five acres or the implications of the five acres on the letter I have.

MR. HYNDMAN: Mr. Speaker, by way of supplemental information that can be provided in addition to that of my colleague, one of the questions asked was: what is the possibility of government investment in Fantasy Land? The answer I would give at this time is that it is unlikely.

[Several members rose]

MR. SPEAKER: We have several members wishing to ask supplementaries. Might I first recognize the hon. leader of the Independents, followed by the hon. Member for Stony Plain and then the hon. Member for Edmonton Belmont.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Tourism and Small Business, and it has been partly answered already. Was the request for the meeting with the minister in terms of familiarization of the minister with the program, or was the request specifically for funds? If so, in responding to the request for a meeting, which would be the priority of the minister?

MR. ADAIR: Mr. Speaker, in responding to the request for a meeting with the Triple Five Corporation, we have already had a meeting with them. They have shown us their project and, as a result of their showing us that project, they have forwarded a letter to us — as I said earlier, not only to us but to the federal government, to the construction unions because of possible use of their pension funds, and also to other departments.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. At that earlier meeting, was any encouragement given to the Triple Five Corporation that the government would make funds available? The Provincial Treasurer now seems to have clarified that.

MR. ADAIR: My response to that, Mr. Speaker, would be no.

MR. PURDY: Mr. Speaker, I'd like to address a supplementary question to the Minister of Tourism and Small Business and ask if, in the proposals Triple Five Corporation put before the minister and the government, they have given any projections of how many of the unemployed people, who I'm sure the opposition are worried about, would be included in such a project?

MR. ADAIR: Mr. Speaker, I am trying to go on recall right now. I believe that in the presentation they made to us, they outlined the number of people that would be involved in job

opportunities during the construction stage as well as during the actual working stage, but I don't have those figures with me.

MR. SZWENDER: A final supplementary. Could the minister indicate whether any of the trade unions making representation in support of the project to the minister are major contributors to the NDP? [interjections]

MR. MARTIN: Is he being silly again? Little boy blue.

Game Farm—Cardston

MR. NOTLEY: Mr. Speaker, setting aside that last question, if it can be called a question, I'd like to direct my second question to the hon. Associate Minister of Public Lands and Wildlife in a somewhat more serious vein. It deals with the proposed revision of the Wildlife Act and the philosophy contained therein, particularly with respect to private game farms. My question is: what is being done to assist the game operation in Cardston, where 100 reindeer have been brought in and the operators have on their hands the problem of a large number of these animals dying from starvation and other diseases? What is being done by the department with respect to this problem?

MR. SPARROW: Mr. Speaker, my colleague the Minister of Agriculture may want to supplement this. Our department has been made aware of the reindeer problem in the Cardston area. They are working with the veterinarians in the Department of Agriculture, assisting them in analyzing the health problems. We are endeavouring to do whatever we can to assist the owners of these animals. The welfare of the animals is the key issue our attention is on right now.

MR. NOTLEY: A supplementary question to either hon. minister. Is the government able to confirm today that there is a serious problem with starvation, that 29 animals reportedly died, and that provincial and federal animal health officials are currently checking the herd for warble fly infestation as well as suspected brucellosis?

MR. SPEAKER: We just about have a ministerial announcement to which the minister is being asked to say amen.

MR. NOTLEY: No, hardly at all, Mr. Speaker, with great respect. On a point of order, I want a specific question. Whether or not the minister has mentioned the diseases, are we talking about suspected brucellosis at this stage?

MR. SPARROW: Mr. Speaker, I am awaiting reports from the veterinarians. We looked very seriously at moving these animals to a quarantine station. The movement of those animals would have been devastating, and the shock to them would have been too much. They are basically under quarantine. Where they are on the ranch physically, they're well fenced.

Some of the animals have a warble problem, and the veterinarians are working with that. They also are checking the records and testing to make sure of any other type of disease. Apparently the herds these came from originally were well tested for brucellosis, and definitely the vets are checking into all types of disease. With reference to the deaths of the animals, I think the shock to their systems and the change of feed are the main problems that have been identified.

MR. NOTLEY: Mr. Speaker, a supplementary question. Given the minister's answer.—and certainly we can all understand

that the change in feed and bringing animals whose natural habitat is the arctic to Cardston is quite a shock—I'd like to ask if the minister can tell us whether there was any discussion with either the Department of Agriculture or the Public Lands and Wildlife people before the herd was brought from Inuvik and relocated in Cardston, and whether or not there was any encouragement as part of the government's new approach to private game farming.

MR. SPARROW: To my knowledge, Mr. Speaker, the answer to the last part of that question is no. I would have to check with our department to see whether any of our staff discussed it prior to coming in.

I think the owners, Mr. and Mrs. Gordon Sherman, are very sincere people. They were very definitely under the impression that these animals are domestic, as they are considered to be in the Northwest Territories and in other provinces. They felt that they did not have to check with my department prior to bringing them in, with reference to the Wildlife Act.

MR. NOTLEY: A supplementary question. Given his answer with respect to the two operators, could the minister advise what special kind of assistance will be provided to help deal with the problem? Also, is it accurate—is the minister in a position to confirm that fish and wildlife officials have said that this Cardston game farm could be considered an illegal business, because no game licence was taken out by the operators? Is that the position of the government? If not, what kind of position is going to be in place to cope with what is a serious problem, not only from the standpoint of the animals in question but the concerns of people in the area?

MR. SPARROW: As I mentioned earlier, Mr. Speaker, to my knowledge this is the first time we have specifically had reindeer brought into the province in a live state. About nine bulls and 90 cows were brought in. Fifteen young calves have been born in the last month on that site, and several others are in the calving process. It is a very emotional problem for the people involved, and they definitely need assistance. We're trying to assist them through both the Department of Agriculture and ourselves.

With reference to the problem of whether or not they are here illegally, if one takes a very quick, cursory look at the Act, you would most likely answer yes. There are very definitely things we could do with reference to seizure and other things.

The occupants of the ranch, Mr. and Mrs. Sherman, have definitely been under the impression that they are domestics. There was a recent case in Quebec, where a similar type of event happened. After two years in court, they were declared domestics, and the Crown had to pay the expenses of all the animals for the two years, et cetera. I'm taking a very cautious look at that side of it. We're looking at it very seriously, the welfare of the animals being our first priority. We will be reviewing not only our Act—hopefully we can get the first reading in this spring—but the regulations and previous law cases with specific reference to reindeer.

MR. NOTLEY: Mr. Speaker, one final supplementary question. Now that we're planning a new Wildlife Act, which the minister has indicated will be introduced during the spring session, can the minister advise what consideration is being given to the definition of captive wildlife and what review will be undertaken of how regulated new game farm industries will be, particularly in areas where there is, in the case of reindeer, a different climate and different milieu entirely?

MR. SPARROW: As you all know, Mr. Speaker, last fall I placed a discussion paper in the House. One of the prime ideas of that was to get that very basic topic talked about in the public. We received a lot of replies throughout the winter. I extended the deadline to April 13. We are just finalizing all the submissions. With reference to your question, hopefully we will be able to give first reading to the Bill in this Legislature, and I'll very definitely clarify that. We are looking forward to having the summer to finalize any more input people want to give us, and have second and third reading in the fall.

With specific reference to game ranching, the Act may give us the right to create regulations. Definitely, though, a discussion paper is being prepared right now that will be widely circulated over the summer — if we proceed with game ranching, how it would be handled. We'll definitely be looking for a wide cross section of input from the public on that issue. At the same time, we will also be looking at the game farming regulations, which we already have in place. There may be several considerations as to changing or adding to the game farm regulations as such. Those two papers will be discussed before any changes are made with reference to game ranching or game farming *per se*.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the associate minister. My understanding is that at the Lambco plant in central Alberta, reindeer are slaughtered and meat is sold. If my assumption is correct, I am wondering what the difference is between those reindeer and the ones we're discussing at the present time.

MR. SPARROW: I'm glad you brought that up. For quite a number of years, Mr. Speaker, processed reindeer has entered the province to the Lambco plant. It was primarily shipped from the Northwest Territories or Quebec or Ontario. It was processed there, approved by the federal government, and sold throughout the province. You can have reindeer steaks in a lot of the restaurants today. A lot of reindeer meat has been through that system.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of that business cycle, those reindeer are considered domestic reindeer. Do they have to meet any kinds of requirements that may be different from the ones we're talking about in southern Alberta at Cardston?

MR. SPARROW: No, the reindeer you're referring to have in the past been killed at Tuktoyaktuk or in the Northwest Territories, approved there by the federal Department of Agriculture, and shipped to the plant — I think it's at Innisfail. These are basically out of the same herds as those that have been shipped down as processed meat.

MR. FJORDBOTTEN: Mr. Speaker, I'd like to supplement the answers of my colleague. Even though reindeer do fall under the jurisdiction of the Department of Public Lands and Wildlife, the Department of Agriculture has been involved in assisting that department, particularly through the two veterinarians from the provincial government in Lethbridge and one from the federal government, basically working on providing technical assistance with respect to warbles. I would like to alleviate any concern. It's my understanding that these warbles that infect cattle are not the same warbles that infect reindeer, so there is no danger to livestock in the immediate area.

Also, the federal veterinarian at Lethbridge is looking into the whole concern with respect to brucellosis. At this point I am aware of no confirmation that they do have brucellosis, but

that particular disease falls under the jurisdiction of the federal government.

With respect to the starvation that may have caused death, I might say that I don't believe that is correct. There was a change in feed involved in coming from Alaska to here. That had some impact on the death of some animals. The veterinary branch of the Department of Agriculture is involved in the postmortems on those animals, and I have not yet received any report on what the cause of death may have been.

In addition to that, Mr. Speaker, it's my understanding that the animals there are isolated enough and the fencing is proper, so there's no immediate danger to anyone in the location.

Public Pension Changes

MR. R. SPEAKER: Mr. Speaker, my question to the Provincial Treasurer is with regard to the pension announcement yesterday. The announcement has a significant effect on the membership of the AUMA and the AUPE members of the province. I am wondering if the minister could indicate what consultation took place before this announcement was made to the Legislature yesterday. Were the two respective organizations aware of the contents of this announcement, and did they have input?

MR. HYNDMAN: Yes, Mr. Speaker, there were discussions involving all the aspects referred to in that news release, not only the matter with regard to the increase in contributions but also the seven or eight other items relating to major rewrites of the six Acts. Those consultations have gone on for the better part of 15 months with the various pension boards. There are five pension boards involved, and they have representation from a number of the groups involved in receiving benefits under the pensions.

As well, of course, there has been notice to the various groups in the last two annual reports of the Auditor General, wherein he indicated that there were three choices open in terms of prudent financing in order to proceed with an improved funding of pensions. So there was communication, and yesterday morning I was in contact with the president of the AUMA as well as the executive director of the AMDC.

MR. R. SPEAKER: Mr. Speaker, could the Provincial Treasurer indicate whether, in those contacts of yesterday morning, there was approval and consent to the announcement as such?

MR. HYNDMAN: I think it would be appropriate for the hon. gentleman to secure information from those organizations.

Generally, though, I can say that I think the members of pension funds in the public sector would view it as important that the integrity of those pension funds and the benefits they will be receiving when they retire are preserved and maintained.

MR. R. SPEAKER: Mr. Speaker, I'm sure whether they agreed or not didn't matter anyhow.

The other question I'd like to ask the Provincial Treasurer is with regard to the Auditor General's 1983 report. On page 47, the Provincial Treasurer indicated that on March 31, 1984, the valuation of the six plans, plus the Teacher's Retirement Fund, would be available. My question is, were those valuations available to the minister in order to make the decision with regard to the announcement yesterday?

MR. HYNDMAN: Mr. Speaker, the valuations with regard to the closeout of the fiscal year ended March 31, 1984, are not yet available; they have not yet been made available to us to assess. We were proceeding on the basis of the chart on page

48 of the Auditor General's report, wherein he indicated that various actuarial studies had been made in 1981 by March 31 and had been extended and estimated both by the audit office and by the Auditor General to March 31, 1983. So both the government and the Auditor General are proceeding on the basis of the same estimated actuarial valuations. Before long, as soon as they're received, we should have an update on where the situation stands as of March 31, 1984.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether any type of historic assessments have been made as to what the actuarial liability would have been if we'd had a funded plan over this period of time? Would we have been faced with the actuarial deficit or unrecorded liability of over \$4 billion, as is indicated on page 48 of the report?

MR. HYNDMAN: There would have been no liability if there had been a funded pension plan from 1905.

MR. R. SPEAKER: Mr. Speaker, to the Provincial Treasurer. That's a very accurate statement. But the concern I have had recorded with me is that on the basis of the pension funds being funded, at this point in time there should have been a surplus rather than this actuarial liability. If that is true, then the increases announced yesterday by the minister would not have been necessary.

MR. HYNDMAN: Mr. Speaker, that's simply not the case. What we're relying on here are the approved statements endorsed by the Auditor General of the province of Alberta. In his reports he has made it very clear that he finds that the information provided is entirely adequate, that there has been adequate disclosure. Members realize, of course, that there's a listing in the public accounts of the investments with regard to the pension fund. So any suggestion that there's anything improper with regard to the fund is certainly — by the Auditor General, the exact opposite is the case. He has indicated that he is satisfied with the pension funding. He has indicated there are liabilities which should be looked at, and we've done that. We haven't moved in the way of benefits or in the way of extra moneys to the pension fund, as was done in 1981. But we have moved to a pay-as-you-go plan for those who are presently employed, which is prudent and responsible.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. In terms of funding of the pension plans, is the minister considering further funding, possibly complementary to the \$1.1 billion that has already been placed in the pension fund? What considerations are being made of that proposal at the present time?

MR. HYNDMAN: We're not considering that at this time, Mr. Speaker. A look at the budget of the province and the fiscal situation we're now in and have been in for the last two years indicates very clearly why that is the situation. So we're not considering making any change of that kind at this time.

The third option would be to reduce benefits, and we're not considering that as a practical option at this time either.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Outside of the public pension plans that were mentioned in the announcement, are there any plans to increase the rates with regard to the other public pension plans that were not enumerated in the announcement yesterday?

MR. HYNDMAN: Not at this time, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Will "not at this time" mean not in the fiscal year 1984-85?

MR. HYNDMAN: That's certainly correct, Mr. Speaker.

MR. KING: Mr. Speaker, I'd like to supplement the answer of my hon. colleague, just so there is no confusion about this. The Teachers' Retirement Fund is legislation for which the Minister of Education is responsible, and I wish to advise that there is a joint committee at work considering a number of possible changes to the Teachers' Retirement Fund Act. We have absolutely no idea how long the work of that committee will take. We have not given them any deadline; we have not given them any particular issues or aspects of the legislation to consider.

MR. McPHERSON: Mr. Speaker, a supplementary. Could the Provincial Treasurer indicate if unfunded liabilities in public-sector pension plans require that the government pay interest on the unfunded portion of unfunded liability?

MR. SPEAKER: That really seems to be a question of law.

MR. McPHERSON: I'm confused on that, Mr. Speaker. I'll try it again. Could the Provincial Treasurer indicate whether, if the government took a policy position of funding the liability of pension plans, they indeed would have to pay interest on the funding of that plan?

MR. HYNDMAN: Mr. Speaker, that approach would bring it closer to a full funding. But as I indicated in the news release, with the fiscal situation as we now have it, we've gone partway toward that direction. Pursuant to the announcement yesterday, we have a pay-as-you-go situation with regard to current costs, but we can't go the full direction at this time.

Minimum Security Facility — Alsike

MRS. CRIPPS: Mr. Speaker, my question is to the Solicitor General. Has the minister had communication from the residents of Alsike area, regarding the government decision to operate the former AADAC centre as a minimum security centre?

DR. REID: Yes, Mr. Speaker, a committee of residents communicated with the Premier's office and with me. I believe there was a response sent to the chairman of that committee on Tuesday this week.

MRS. CRIPPS: Could the minister outline the government policy regarding minimum security?

MR. SPEAKER: I wonder if that can be done within the scope of the question period. The minister might wish to deal with it briefly.

DR. REID: Mr. Speaker, perhaps the letter that was sent back to the committee did not clarify the point on minimum security. The minimum security function is one of the centre. It applies to the category of the people who are in the centre. They are transfers from other correctional centres who have been screened and allocated as being very unlikely to walk away even if the opportunity arises.

The other item that perhaps I should mention to the hon. member is that the offences for which these people have been convicted are of a nonviolent nature. They do not involve residential theft. They involve minor offences related to perhaps the liquor Act, impaired driving, or items like that. These people are regarded as being a minimal risk to the residents of the area if they do indeed walk away from the facility.

MRS. CRIPPS: What guarantee is there that the local residents would not be in danger because of the proximity of the facility and the loose security?

DR. REID: Mr. Speaker, the security is not exactly loose. The Alsike facility is staffed 24 hours a day by fully trained correctional officers. There are routine and irregular numerical checks to detect if any of the offenders have indeed left the premises unofficially. When they do leave the premises officially to work off-site in the surrounding communities, they will be accompanied by correctional officers, as indeed happens at the other nine or 10 facilities of this type operated around the province.

MRS. CRIPPS: What opportunity would there be for local residents to become involved, and is there a government policy regarding citizen involvement in these centres?

DR. REID: Mr. Speaker, local residents will be involved in many ways. The on-site employees of the department are by and large local residents and will continue to be so. In addition to that, local residents may be involved with the volunteer programs which will be operated at Alsike as they are at the other similar facilities. Local residents can become involved in the rehabilitation of these people prior to their release into society as fully active members of society.

The other involvement of local people, of course, is the ability to have the inmates at Alsike take part in rehabilitation of surrounding parks, municipal parks, maintenance around senior citizens' lodges, and that type of thing. So there's lots of opportunity for involvement by the local residents. Indeed that involvement often adds to the success of these facilities, in that it aids in the acceptance of the facilities in the local community.

MRS. CRIPPS: Lastly, Mr. Speaker, what assurance does the community have that this initial step will not lead to an expansion of the facility or overcrowding?

DR. REID: Mr. Speaker, facilities such as Alsike are for limited numbers. They are usually in the vicinity of 20 offenders. Alsike is classified as having a capacity of 22. Usually there will be about 18 people there because of the fluctuations. It is not the custom of the department to increase the capacity of these facilities. Certainly the one at Alsike would not accommodate more than 22 because of the facilities in the central building being limited to that number.

MRS. CRIPPS: I said that was the last one, but I'd like one more, Mr. Speaker, if I might. Are there other minimum security facilities with people in close proximity, as they are at Alsike?

DR. REID: Yes there are. Several in the province are of a type similar to Alsike, in close proximity to small communities. I should perhaps point out that there are larger facilities with the same category of offender in them. The facility at St. Paul is completely surrounded by residential property. At the Belmont

minimum security facility in northeast Edmonton, where the facility was first, there's been a very large development of residential housing, both single-family dwellings and apartments, in the immediate vicinity.

Health Care Premiums — Students

MR. MARTIN: Mr. Speaker, I'd like to direct my question to my friend the Minister of Hospitals and Medical Care. [interjections] Can he outline to the House why postsecondary students who are receiving student loans and of course living on restricted incomes are not normally eligible for waiver of medicare premiums?

MR. RUSSELL: Mr. Speaker, I have to take that question as notice, because many of those students are covered by their family premiums. If they're on their own, there would be a different situation — if they filed their own income tax, et cetera, and were officially on their own. So I'd like to get some clarification on the question and report back to the member.

MR. MARTIN: Mr. Speaker, I'd certainly add some clarification for the report back.

My second question, though, has to do with what considerations led to the policy of requiring that students must include Alberta health care insurance premiums as a monthly expense when they apply for a student loan? That's on the form.

MR. SPEAKER: It would seem to me that the very nature of these specifics indicates the Order Paper.

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

MR. SPEAKER: Unless the ministers want to take them as notice.

MR. MARTIN: Let me ask some questions, because there's a number flowing from it.

MR. SPEAKER: It's difficult to have a long list of supplementaries to a question that is accepted as notice. The supplementaries may or may not be appropriate, depending on the answer to the question that's taken as notice.

MR. MARTIN: I'll ask one more question then, because there are a number that I'll perhaps talk to the minister about. In view of the fact that need is a prime prerequisite for achieving a student loan and in view of the dismal job situation for students, would the minister be prepared to waive medicare premiums for students receiving loans?

MR. RUSSELL: Mr. Speaker, I'm not sure if that would be a good blanket policy, but any Albertan is entitled to receive emergency financial assistance for medical expenses. That's a segment of the health care insurance plan. If a student is eligible, he'd qualify in the same way as would a working adult or a low-income adult. So I suppose it depends on the individual circumstances. For example, I know students who are covered by their families' health care insurance plans and whose families have excellent incomes but who have achieved student loans on their own.

MR. MARTIN: A supplementary question, Mr. Speaker. I'm talking about individuals, not about families. They are covered. I'm talking about individuals who receive a student loan. They have to go through a procedure to get a student loan, as the

minister is well aware, and that's based primarily on need. The only question I asked is: would the minister waive the prerequisite just for those students, because need has already been taken into consideration?

MR. RUSSELL: Mr. Speaker, I have the impression I'm not understanding the member's question, and that's why I'd like to take it as notice. The point I'm making is that many families include in their family health care insurance premium their adult children who are attending advanced education facilities. Their premiums are paid by their families, not by the students. So they're covered through their family plans.

Highway Safety

DR. CARTER: Mr. Speaker, my question to the Minister of Transportation is with respect to the increased traffic flow in the province now that the good weather is back, in particular the amount of traffic that was flowing along highways 1 and 2 on the holiday weekend. Would the minister give consideration to posting "slow traffic right lane" signs to help traffic flow and passing safety?

MR. M. MOORE: I'm sorry, Mr. Speaker. Could the hon. member repeat the question? I didn't get the full import.

DR. CARTER: He was obviously in the slow lane. [interjections]

To the Minister of Transportation: given the highway count, and especially the heavy traffic on highways 1 and 2 on the holiday weekend — incidentally, I've a vested interest; I was almost killed twice getting between here and Calgary on Good Friday — will the minister give consideration to posting "slow traffic right lane" signs to help traffic flow and passing safety?

MR. M. MOORE: Mr. Speaker, the hon. member makes a very good point with respect to how people should conduct their driving habits on four-lane highways. In fact the situation is that the department is supposed to have erected, at about 10-mile intervals on our four-lane highways, signs which instruct people to use the right lane if they're driving slower than the normal flow of traffic.

DR. CARTER: A supplementary, Mr. Speaker. Can shoulders be strengthened on some of these highways — especially Highway 1 where we have two lanes, and the traffic flows in either direction — and some of the markings repainted to allow passing lanes?

MR. M. MOORE: Mr. Speaker, as members of the Assembly know from other comments I've made, we are embarking on a program wherein when we reconstruct primary highways of a two-lane standard or overlay them to strengthen the pavement, we are implementing a program of putting passing lanes at regular intervals in either direction.

With regard to existing highways, however, it is permissible for vehicles to use the shoulder of the highway when they're travelling at a slower speed and other vehicles come up behind them. As a matter of fact, the Highway Traffic Act provides that if you're pulling a trailer and more than three vehicles come up behind you on a two-lane road, you are required to pull over to the shoulder of the road and allow those vehicles to pass. We encourage motorists who are driving on those highways to pull over at any time they feel they're impeding traffic and allow those other vehicles to bypass them.

DR. CARTER: A supplementary, Mr. Speaker, flowing from the answer. Would the minister consider contacting the camp commanders of military installations in the province, to discuss with them the possibility that they have more space between smaller convoy units on the highways, especially as encountered on Highway 1, and that when those convoys are moving along at a slow rate of speed or right at the maximum traffic speed limit, they will indeed move over onto the shoulder? There have been a number of instances where they're blocking traffic by not moving onto the shoulders.

MR. M. MOORE: Again, Mr. Speaker, the Highway Traffic Act provides that there must be a minimum distance between vehicles travelling one behind the other, such as in a convoy. It is in fact illegal for them to travel at a distance so close together that it doesn't allow other motorists some opportunity to pass. However, I will take the representations made by the hon. member into consideration. Perhaps there are motorists, including those who might be involved in either trailer or military convoys, who are not fully aware of the requirements of the Highway Traffic Act in terms of driving practices.

DR. CARTER: A final supplementary, Mr. Speaker. I understand that some of the secondary highways, such as Highway 560 going east from Calgary, have had the speed limits increased from 80 kilometres per hour to 100 kilometres per hour. Would the minister give consideration to increasing the posted speed on the new, twinned sections of Highway 1 from 100 to 110 kph?

MR. M. MOORE: Mr. Speaker, generally speaking the situation is that secondary highways in this province have a posted speed limit of 80 kilometres per hour when they have a gravelled surface. In cases where we have been able to base course and pave the surface of secondary highways, there are adequate shoulders on those highways, and the design and engineering standard is adequate with respect to curvature and so on, on a selective basis we've been increasing the speed limits from 80 to 100 kilometres per hour for daytime and nighttime travel.

On primary highways in Alberta which are twinned — the highway between Edmonton and Calgary and parts of highways 1 and 16 — we have a 110 kilometre per hour speed limit on areas that we refer to as limited access, where there are grade separations separating the highways and roadways that intersect with the four-lane highways at regular intervals. An example of that would be between the area of about Leduc to Red Deer, where we have very limited access and the speed limit is 110 kilometres per hour. The balance of Highway 2 between, say, Red Deer and Calgary is generally limited to a lower speed limit. We have not yet completed the removal of access points and the grade separations that, in our view, are required to have that kind of speed limit.

The major problem with respect to higher speed limits on highways which have a lot of access is traffic moving across four lanes and having to do that from a standing start. The problem there is most noticeable with trucks. It's just impossible to accommodate that kind of movement and avoid accidents when the speed limit is up to 110 kilometres per hour. As soon as we're able to complete the overpasses and limit access points on all the highways we're reconstructing, the speed limits will be raised to 110 kilometres.

MR. PAPROSKI: A supplementary, Mr. Speaker. My question deals with the addition of passing lanes, which the Minister of Transportation alluded to. In addition to passing lanes, would the minister please mention to the House if indeed he's con-

sidering an alteration in the signage, to advise people on the highway that these passing lanes will be forthcoming 2 or 5 kilometres ahead?

MR. M. MOORE: Yes, Mr. Speaker, we have that under consideration. One of the values of introducing a program for providing passing lanes is to advise motorists in advance that there will be an opportunity to make passing movements a very short distance ahead. From experience in other jurisdictions, my understanding is that those signs should perhaps be placed not more than 2 to 3 kilometres prior to the passing zone. Placing them any further distance back generally results in the driver becoming impatient with the distance identified and trying to pass at any rate. So we'll be looking at the experience of other jurisdictions and, where we feel it's appropriate to do so, placing signs on our highways indicating the distance to passing lanes.

MR. NELSON: A supplementary, Mr. Speaker. I'd like to focus the supplementary to the Solicitor General. Considering the questions that have just been addressed to the Minister of Transportation, would the Solicitor General consider giving instructions to police officers in the field to focus their attention on the area of those slow-moving vehicles, to ensure that they either pull over or are off the road, rather than totally focussing their efforts on the speeding traffic? They are certainly more of a danger to most of us travelling on the highway than some of the people who are going a little faster.

DR. REID: Mr. Speaker, that's a very difficult question to answer. Law enforcement in relation to vehicle traffic is a very difficult part of any law enforcement officer's work. The primary purpose of law enforcement is to make the highways safe for those who travel. If one relates the accidents to the causes, we are all very well aware that the most frequent cause of major accidents is impaired driving. Approximately half of the accidents involve the use of alcohol to some extent. There are other very hazardous practices on our highways: illegal left turns, illegally going through stop signs, and entering highways without stopping. The difficulty is that the police officer has to be there and see it in order to enforce it. There is a tendency to concentrate on speeding, in that modern equipment has enabled the police officer to have a fairly open-and-shut case to take to court.

In speaking to the People Against Impaired Drivers some two months ago, I indicated that I would quite encourage the law enforcement people to concentrate on the impaired driver, who is the most serious safety risk on our highways. When one starts concentrating on slow drivers and other people, it really gets to the stage where the law enforcement officers are going to be so busy stopping people that they won't be on the highway very much to see the other offences which I mentioned and which are more dangerous. So it's very largely discretion on the part of the police officer in relation to which drivers he will pick to pull over, speak to, or indeed issue a summons to attend court.

ORDERS OF THE DAY

MR. SPEAKER: Might we revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. BATIUK: Mr. Speaker, it's a real pleasure for me to introduce to you, and through you to the members of the Assembly, 24 students from the grade 11 social studies class at Ryley school in the Vegreville constituency. They are accompanied by their teacher Mr. Voegtlin. It's very nice to look young, and I mistook the bus operator for one of the grade 11 students. She is Mrs. Langner. I wish that the students, the teacher, and the bus operator rise and be recognized by the Assembly.

head: WRITTEN QUESTIONS

MR. HORSMAN: Mr. Speaker, I move that Question 165 and motions for returns 170 to 173 stand and retain their place on the Order Paper.

MR. NOTLEY: Questions.

MR. SPEAKER: Those are questions.

MR. HORSMAN: I'm sorry; they're all questions. I beg your pardon.

MR. SPEAKER: The motion by the hon. Deputy Government House Leader is that the questions on the Order Paper today be put over and retain their place on the Order Paper. Is it agreed?

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

211. Moved by Mr. Cook:

Be it resolved that the Legislative Assembly encourage the government to commit long-term funds to create a biotechnology centre of excellence in Alberta and thereby enhance Alberta's agricultural industry.

MR. COOK: Mr. Speaker, perhaps I should begin by defining a little bit of what the motion contemplates in the term "biotechnology", then go on to discuss why this is important to Alberta in the 1980s, and thirdly, discuss how we might organize our research activities. Finally, in the sum-up, I propose to argue that given the present economic climate and the need for diversification of our economy, this is an opportune time to move in this direction.

Mr. Speaker, biotechnology has been defined as genetic engineering, cell manipulation and growth of specific types of cells, fermentation technology, and enzyme technology. For a lot of us laypeople, that doesn't mean much. Perhaps I could dig in a little deeper and explain a bit about what each of those headings contemplates.

When many of us were going to school before 1960, scientists and biologists knew that the colour of our hair and eyes and the height and weight we all have are governed by the genetic code, and in particular by a chemical called deoxyribonucleic acid or DNA. This chemical in each of our cells acts as a blueprint, if you like, telling the cell how it's going to form, how it's going to reproduce itself in a particular form so that we have 10 fingers, two hands and two feet, not three — not 11 fingers, not two noses. There is a blueprint in each of

us, and it's in each of our cells. It's coded in the stuff of life, DNA.

[Mr. Appleby in the Chair]

In 1960, Watson and Crick, a group of scientists working in Cambridge, England, discovered how this stuff, DNA, is structured. When they started to define or discover the structure of DNA, they made it possible for us to play around with that blueprint. DNA looks like a spiral helix. It's a series of polymers, and it's stretched in two bands with joining chemicals.

MR. SCHMID: Like a snake eating its tail.

MR. COOK: That's true, Mr. Speaker. The hon. Member for Edmonton Avonmore describes it as a snake eating its tail — very similar. It's two snakes, if you like, in a spiral with connecting links, each of those links being a code for the structure determining your hair colour, your eyes, the number of fingers and toes we all have, and a variety of other things.

Once Watson and Crick discovered that — and they received the Nobel prize in 1964 for that research — they made it possible for researchers to discover what's in that coding. Once you knew how a formula or a blueprint was structured, it was possible to play around with the blueprint, and that's what we are able to do now. In fact we almost have what the ancient Greeks would have thought godlike qualities: we can create life today.

Mr. Speaker, basic research at Harvard, in Cambridge, Massachusetts, has led to the development of entirely new organisms that have never existed before. They only exist because man has decided he would like to play around with the structure of a plant or an animal and change that structure in a way more suitable for him. That process is called genetic engineering. We can take out of that spiral helix I was describing a specific item, insert something we like from another plant or animal in the exact spot where we want to place that characteristic, and then allow that new cell to develop into an egg or an entirely different animal. We can create something completely different.

Let me give you an example. Mr. Speaker, we could say we wanted to have perennial wheat. Instead of having a cereal grain that is an annual, you might want to have a cereal grain that is a perennial. We don't want to have to till our land so much. We might want to have soil conservation in this way. We could identify that genetic information in the genetic code of a perennial grain, a perennial cereal crop. We could then go to wheat, oats, barley, or whatever we are working with, and identify where the genetic code says it's going to be an annual. We could remove that coding material and insert the perennial coding material, just like an engineer might rub out on a blueprint, take out something that he likes, and put it into something else. We then have a seed, an organism, that could be a perennial wheat. We can reproduce that. We can create a new strain of plant and reproduce it.

Mr. Speaker, we might like to say that nitrogen fixation is important in Alberta. I mentioned fermentation technology as being part of this whole ball of wax. Let me give you an example of what we could do there. Alberta is just now starting to develop its forestry industry. We could produce nitrogen-fixing bacteria that would be specific to certain soil types in Alberta, and we could sprinkle that on a forestry soil, the forest floor. Those organisms would attach themselves to the roots of the trees and fix nitrogen naturally. Some biologists believe we could produce 30 percent more wood just by providing a natural fertilizer for those trees.

Mr. Speaker, right now enzyme technology, using the side products of organisms that are rapidly reproducing themselves, has produced a whole new industry in the United States. There are a number of industries that are related to this. Members will be familiar with beer. We all enjoy a glass of beer, or most of us do — perhaps the Member for Cardston a little surreptitiously — once in a while.

AN HON. MEMBER: Just one glass?

MR. COOK: Just one glass — although I understand that I owe two glasses of scotch to the Minister of Utilities and Telecommunications for a little wager we had and I lost. I won't go into the details on that any more.

Mr. Speaker, enzymes are produced in that reaction. In this case we are producing alcohol. But a number of other things are produced as well. We can produce vitamins and sugars from this. In the United States, most of the fructose syrups that go into things like beverages, Coca-Cola, are now being produced not by extracting the sugar from sugar cane, sugar beets, or something like that, but by creating an environment where yeasts and that kind of organism will act on a foodstuff, and the by-product is a sugar syrup that can be extracted.

There are all sorts of exciting things we can do in this area. We can look at cloning. Mr. Speaker, we might want a particularly fine animal to be produced. Perhaps we've discovered that a cow in a herd has a history of producing twins, and we might want to double our production of calves. Here is a good example again. We could simply take some of the genetic material out of a cell and put it in a medium where that cell will reproduce again and again. That cellular reproduction will go on and yield a calf. We can pick out an animal we want to have duplicated a number of times. We can just pump out as many copies of that animal as we would want. All these things are potentially available to us. That's why I want to go back and touch on why this motion is before us today.

Mr. Speaker, as I was trying to suggest to hon. members in the House, there are some exciting opportunities here. I am a city boy, but agriculture has been one of my interests, as some members in the House know. In fact I have a good garden growing, and I have beans about three inches high.

AN HON. MEMBER: Already?

MR. COOK: Already. Beans, peas, all sort of things — we're growing them under plastic; they have more heat that way. It's good, old-fashioned technology, an energy conservation approach to agriculture.

Mr. Speaker, new technology can yield dramatic gains in productivity. As I touched on in [my] remarks, some of the gains in technology are probably related to forestry. As I mentioned, we could have a naturally fixing source of nitrogen in the soils, and we could boost that. We could use that in agriculture. We could produce the same bacteria that would fix nitrogen naturally for cereal grains. We could be producing new, improved strains of livestock, entirely different kinds of livestock. A wild suggestion has been made by some that you might want to have cattle producing wool. So you would simply extract the genetic code material that produces wool for sheep, and you would shove it into the genetic code material for a [cow].

MR. HYLAND: It'd be a bugger to shear it, though.

MR. COOK: The hon. Member for Cypress suggests there might be some shearing problems.

Mr. Speaker, the possibilities in forestry, agriculture, and medicine are incredible. Imagine that someone has a problem with their liver. They don't have more than one.

AN HON. MEMBER: Because of one beer?

MR. COOK: And it's not from the one beer we consumed earlier. But if you could find a healthy liver cell in an individual, you could extract that cell and grow a new liver for that individual. That liver would have the same genetic code as his own body, and there would be no rejection problems.

Mr. Speaker, we could produce insulin. The Connaught labs in Toronto are doing that today. They have extracted from animals and from human beings the cells from a pancreas and grown those rapidly in a cell culture. Then those pancreas cells produce insulin naturally. It's pure and it's easier to produce than it is to extract insulin from the pancreases of cattle in stockyards. All these things are potential.

Mr. Speaker, the reason I am trying to propose this motion today is that I understand we only have 195 scientists in Canada working on biotechnology, all of these items I was talking about. According to the Science Council of Canada, in 1980 we were about three to four years behind all our major competitors in this area. I suspect we are now further behind than that. Canada invests almost nothing in biotechnology compared to our competitors. We are just starting to make some moves. The Research Council here in the province should be commended. Last year or the year before, they started making some efforts in biotechnology. They have devoted some of their resources to that area, but it's miniscule. It's nothing in comparison to the challenges and opportunities before us.

Why should Alberta be interested in this kind of activity? Why not the United States, Japan, or Germany? Why Alberta? Mr. Speaker, I think there are a couple of reasons why we should be looking at developing this. First of all, we've had a little bit of a setback in our economy. I think we've had a chance to rethink our economic strategy. The Premier announced last year that he proposes to present an economic strategy paper to the Assembly this spring. The problems of the economy right now suggest that we need new industries. The success of Japan, and in part Germany, has been in the creation of new products, new ideas, and new technologies no one else has. They can then go and market those products without fear of competition, and the buyer has to pay the price. We could be leading the way in some new technologies and new products that are important to a world vitally short of resources and vitally short of food. We could sell those technologies worldwide and have a ready market.

Mr. Speaker, we have a talented and well-educated population. If there is an area that can develop in this area at all, it should be Alberta and it should be Canada. We have the people. We have only to challenge them; we have only to provide them with the wherewithal, the resources, to make some efforts. We have been bold in this province. We have the example of AOSTRA, which has devoted over \$100 million in its life to the development of technologies related to the tar sands, heavy oils, and tertiary recovery of existing oil reserves. We have the Premier's very bold initiative in the Heritage Foundation for Medical Research. We have models to follow. We know what we're doing; we've done it before.

If we were to devote a similar amount of resources to this field of biotechnology, which is going to be able to produce much greater efficiencies in Alberta agriculture, forestry, medicine, petrochemicals, and the production of food — all of them base industries or potentially base industries in this province — we'd be creating jobs in areas we already have expertise in.

We're not going to be trying something new and foreign to the province. We're not going to try to impose on the economy or on the people of the province something they don't have skills or familiarity with. We're going to be using existing strengths, existing technology bases, and we're going to be making those more efficient.

Mr. Speaker, the University of Calgary, to its credit, produced a proposal in 1981 calling for the creation of an Alberta biotechnology fund. It was modelled on AOSTRA. It was going to emphasize involvement with the private sector in technology transfer, so we'd be creating new companies producing these products worldwide. Let me give you the example of a company in the United States, which was formed in 1970. Its name is Cetus. The company has existed a few short years and now spends \$100 million annually in sales of its products. I mentioned the sugar syrups being produced with yeast; there's another example. We could be producing those kinds of things here in Alberta and marketing them worldwide.

Mr. Speaker, the University of Calgary proposal suggested that we need to develop the province in three major areas. One was providing support so we could get the basic research and development work done in our universities, the Research Council, and the private sector. Secondly, the proposal called for technology transfer, so there would be joint ventures with private companies, exchanging information, getting the knowledge we produce into the hands of people who can use and develop it and sell products. The third thing was the development of a pool of trained people.

I mentioned earlier that in 1980 the estimate was that there were only 195 scientists in Canada who could do anything at all related to this area of activity. We need to develop that pool. It's a chicken and egg argument. How do you do that? Do you wait until you have enough people and then invest the money, or do you make some money available and then develop the personnel? The experience of the medical research foundation has been that if we provide some resources, we can develop a very skilled pool of scientists and technicians. That is what the 1981 proposal from the University of Calgary called for. It called for a foundation modelled on AOSTRA. That foundation would do basic research in cell biology and genetic engineering — we discussed that earlier — the ability to extract coding material from one cell and inject it into the genetic material of another; biochemistry, the understanding of how a cell is organized and how the chemicals it feeds on are transferred; and microbiology, the basic understanding of how a cell works.

Mr. Speaker, it suggested that we need to boost our capabilities in our research centres, in the universities, and in the private sector. The Minister of Economic Development, to his credit, has made some major initiatives in the venture capital company we have created. The prospects are there: if we create new ideas and technologies and polish them up, we now have venture capital available to take those ideas and market the products. We can create new industries, new technologies here in Alberta, and create the corporate structure to go and sell to the world. That's what the Minister of International Trade has been doing so successfully. The point I'm trying to make is that we're now doing a lot of the things that are so central to the success of this kind of program. They're not foreign to us. We already have skill and expertise in this.

Mr. Speaker, I want to sum up. We have the model of AOSTRA, we have the model of the research foundation, and we know we can be bold. We know it's forefront technology that's going to have big dividends. I want to quote from *The Atlantic Monthly*, January 1984. There's an article in that magazine by Stephen Budiansky, and it's called *Trouble Amid*

Plenty. It discusses the United States' agricultural research program and notes that they spend many hundreds of millions of dollars each year on research. It's related to a kind of research much like our Farming for the Future. It's short-term, and short-term focussed. It concentrates on increasing productivity by sprinkling fertilizer in a little more efficient way. I'm being a little bit simplistic. But we're not going to get very many major gains out of those marginal increases in efficiency. The major breakthroughs for agriculture, the major breakthrough in efficiency for our farmers in Alberta, is not going to come from learning how to sprinkle fertilizer a little more efficiently; it's going to come from genetic engineering.

If our farmers are interested in becoming more efficient and having a higher income and having new products to sell that are in high demand in the world, that research has to be done, not by things like Farming for the Future but by strengthening research and development in basic sciences, in the biological sciences, and in biotechnology. We're not doing it enough in this province. We are making some initiatives in the Research Council, and I think the Research Council should be commended for that, but it's a very modest step.

Mr. Speaker, agriculture has enormous potential to gain from this technology. Forestry has major opportunities. Medicine has major opportunities. Our petrochemical feedstocks and the industries have major opportunities with this kind of technology. It's timely for Alberta, in its new economic strategy that is being brought before the Assembly this year, to consider this kind of foundation, this kind of activity, so we are on the cutting edge, so we're not following everybody else and wondering why Canada and Alberta are waiting for our competitors to beat us. Japan, Germany, the United States, and western Europe are all making dramatic moves in this area, and Canada is notable by its lack of initiative.

Alberta is notable in Canada for its ability to be bold in some areas. If the leadership is going to come anywhere, it's going to be in this province. What's called for is some imagination and a little bit of spine, I suppose, to take \$100 million or so and put it aside and get on with the job. If we do that, I think Albertans will have a very exciting future. I want to close on that, Mr. Speaker. I'm looking forward to the debate. I think other hon. members have interesting points to make as well.

MR. THOMPSON: Mr. Speaker, I would like to compliment the Member for Edmonton Glengarry for bringing this motion forward today. We have hundreds of universities and schools in North America, and there is a lot of pure research done in those schools. He mentioned the discovery of DNA, but there are many more. Basically what we have is an explosion of knowledge, and it's accelerating. Where we lag is in applying this knowledge in practical ways.

Here in Canada, here in North America, here in the world, we have an opportunity to support myriad types of applied research. That was done years ago in the microchip industry, and pretty well taken over by Silicon Valley in California and by the Japanese. They've exploited it very well. But there are many other areas, and this happens to be one of them, where there's a real chance for somebody to jump in at the outset. This is one of the reasons that most anytime a motion comes forward on research and development, I am ready to support it. I basically like to support the concept of getting in and researching some of this pure science that has been developed and applying it in a practical and economic way. I think this is a good example. It's not the only one, but it's a good example of what we can do in Alberta.

We are doing something. We've got our medical research centre over there, and I think that's wise. Maybe it will take years to pay off, Mr. Speaker, but as sure as I'm standing in my place, some real benefits will eventually come from that medical research centre, not only to the people of Alberta but to people all over.

The member was correct in saying that we have a window here today. We all hear that now is the time to spend the money — it doesn't matter whether we're talking about building roads or dams or whatever — because we can get more of a bang for the buck. Basically it's true; we keep hearing it. This is an area in which it can be done. There are many, many young graduates coming out of graduate school today who really do not have a position. If we pick any one of these projects, now is a good time to do it, because it does take time. There's no doubt about that.

When the Legislature is in session, I spend a lot of time across the river. I've been watching that medical centre from the time it was a hole in the ground. It isn't completed now, but it's almost finished, and that's six or seven years. So the physical plant has to be produced. But besides that, and probably even more important — I suppose people can work under quite a few different conditions — you have to get personnel. The member was very correct in saying there are very few of these people that have really spent any time — there are very few experts in this field. I'm surprised we have even 195 of them in Canada. About all those people can do is explain to us in layman's terms what's going on in the rest of the world in the research in this field, because most of us cannot even understand exactly what's going on. In fact I can't even say the word that DNA stands for. So it does take time to organize, and it takes time to get this type of thing off the ground.

I don't know, for instance, how you would go about handling it. I suppose that if we're going to put government money into it, we would be looking at the Alberta Research Council. When it comes to pure research, possibly the universities are better able to handle that type of thing. Possibly, applied research has to be done through something like a research council. I think that would possibly be the way to go. It's a possibility. There may be other options, but I think they should be investigated to see if there are some other ways to do it.

I recall that the only time I had any real contact with this type of thing was two or three years ago. I was down in Oregon at a private company. They were producing apple trees, and they were doing this cloning thing. They were producing apple trees that stood about as high as I could reach. That's high enough, because that's the way they pick the fruit. They were able to get fruit off these trees at least one year quicker than they could with the old style. These trees grew uniform fruit, they grew a uniform height, and they produced in a uniform way. These people were making money by taking this tree they had developed and shipping it all over the northwestern United States. Hopefully, we can get some of them in the Okanagan valley. This is just one example I saw being done by this type of process. I think if we go this route — we're talking about agricultural research, and I understand that at the Lethbridge research station they are experimenting in a limited way with a nitrogen-fixing type of wheat.

Where we have really gone wrong, to some degree, has been in the fact that we in Canada have not allowed people to patent new strains and varieties of crops. You go across the line — I'm not trying to say they do everything right down there, but you get down in the midwestern United States, where they have hybrid corn and that type of thing, and there are many private companies making good money producing these products. Here in Canada we depend almost entirely on our

research stations. They do a good job; I'm not downgrading them a bit. But there should be some way we can encourage other people to get involved. The only way they're going to do it, of course, is if there's an opportunity to make an economic success of the thing. I really think that Canada as a whole has to take a look in this area to try to find ways to allow people to make it pay off for them if they do the work and the research.

The member's [motion] speaks about agriculture. You could spend hours talking about what we could do in the agricultural field. He also mentioned forestry. Seeing as I know very little about forestry, I can speak for quite a while on it. I think we are seeing a revolution in that area, somewhat comparable to agriculture. Instead of sitting there and chop, chop, chopping these trees, we are starting to look on it as harvesting a crop. I really think that in the next 15 or 20 years, there are going to be real strides made in developing types and strains of trees, just like we have been developing types and strains of grain. I think it is going to pay off for us. You can get into the exotic area of nitrogen-fixing bacteria and all of that, and I believe that will be a help. But I honestly think we are just on the verge — not only us but the rest of the lumber producing areas of the world — of getting into and developing better and newer and quicker growing strains of lumber. I think that is a real area, at least for Alberta, to take a good, long look at. So that's another area I think could be developed through this biotechnology process.

Then of course you get into other things like processing industrial and biological waste. There are by-products from that. I don't think we want to get into methane production — we have enough gas bubble here in Alberta as it is — but there are still many areas there. In the mining industry, for instance, they have produced bacteria that leach different metals out of ore and that type of thing. We're just beginning to see where this thing can pay off. If we set up a centre like this, there's the independent spin-off from it. We can start to attract qualified people, and industries will work away from this centre if we get in on the ground floor.

Mr. Speaker, I'd just like to close by saying this. Japan has used one of these processes, the fermentation process. Last year they were able to produce \$15 billion worth of product, which happens to be 5 percent of their gross national product. So they are quite a way ahead of anyone in the world in this area, and I think it's time we took a look at trying to catch up.

Thank you for your attention, Mr. Speaker, and I urge all members to support the motion.

MR. MUSGREAVE: Mr. Speaker, I'd just like to say a few words on this motion. I think it's rather interesting that there are two resolutions on the Order Paper from the hon. Member for Edmonton Glengarry, one from the hon. Member for Grande Prairie, one from Ponoka, and two from Calgary Egmont. So I think it's very topical at this time, and I commend the members for raising these various issues.

I would like to mention a few things. First of all, I'd like to say that the Alberta Research Council is doing exactly what this motion proposes. I'd like to speak to you today for two reasons. One, I encourage all of you to read more of the annual reports of our research authorities such as the Alberta Research Council, the Alberta Oil Sands Technology and Research Authority, and Farming for the Future, just to name three. And I urge members to read pages 13 and 14 of the 1983 report of the Alberta Research Council on biotechnology.

[Mr. Speaker in the Chair]

In 1985 the Alberta Research Council will be moving into new facilities which, when completed and equipped, will cost

close to \$70 million. These new facilities, which are located on about 157 acres in southeast Edmonton, are an important first step in our long-range plan for expanded research and development in Alberta.

An important part of our long-range plan is the development of a frontier sciences division. In this division we have established a biotechnology department headed by Dr. Don Gerson. Dr. Gerson came from the University of Western Ontario at London and joined our council last summer. He has developed a strategy for biotechnology research that will fit in with our long-range plan and that we hope will benefit Alberta's economic development. As the hon. member mentioned, biochemical engineering will be a new area which will extend into plant cell culture. It will lead to the production of sophisticated chemicals for use in agriculture and medicine. To quote Dr. Gerson, "the rest of the world is busily doing this" — as the hon. member mentioned — and "we in Canada and Alberta are very late". But in his opinion, we should not

"... borrow proprietary knowledge. It is less costly to develop our own techniques and because of the Frontier Sciences Division's computer expertise ...

which we have in place,

... we have a big advantage."

The three areas of economic activity considered most likely to profit from biotechnology in the near future are pharmaceuticals and specialty chemicals, agriculture, and biotechnology equipment manufacture.

Alberta [has] already established a petrochemical equipment industry [which] could provide processing equipment for the manufacture of genetically engineered chemicals, since the design and the materials are similar, in the opinion of Dr. Gerson. Dr. Gerson says genetic engineering, specifically higher value products in low volumes, would be the basis of a major secondary industry in Alberta:

"Throughout the world, people strongly believe genetic engineering will revamp the chemical industry. It is imperative that we start developing our biotechnology now if we are to reap the benefits of this research in the future."

The new department will integrate the activities of four essential components of a biotechnology program and form a "unit process" stretching from genetic engineering to pilot scale production. These components include existing low temperature microbiology; genetic engineering under our joint venture with BIOLOGICALS Inc. [from eastern Canada]; and two recently initiated projects, plant cell culture and biochemical engineering.

Besides the work being done in our universities, your Alberta Research Council, in my opinion, does have a centre which has the object of becoming a centre of excellence. We have 15 professionals on staff. I was trying to work that out in relation to the population of Canada; it's around 8 percent, so I think we're not doing too badly. And we will soon have our pilot plant functioning in our new Mill Woods facility.

Right now, this is what's happening. The biotechnology industries in the U.S.A. and elsewhere are now beginning to produce products with considerable market potential — for example, hoof and mouth vaccine — and there's beginning to be a sizable sales volume of a product called aspartame. Canada and Alberta are not yet in a position to benefit from these new technologies.

The primary aim of the Research Council is to foster and promote biotechnology industries in our province. As mentioned earlier, research activities have been structured to maximize possibilities for interaction with the present and future economy of Alberta in the following three areas: pharmaceuticals, agriculture, and biotechnology equipment manufacture.

Right now, our current program has four main components. Biochemical engineering: we have the pilot scale research project I mentioned, pilot scale improvement of beer production processes, improvement of cheese starter culture production, development of enzyme-based microelectronic sensors, and development of large-scale protein purification techniques with the BIOLOGICALS company I mentioned earlier.

In the area of molecular genetics, we are doing work again in a joint venture with BIO LOGICALS. We are developing cloning vectors for two organisms, and we're using these vectors for production of protein health care products by recombinant DNA technology.

In the area of crop improvement, we are working on improving the growing of alfalfa through tissue cultures by the selection for improved low-temperature growth. We are also improving the growing possibilities of alfalfa by selection for improved nitrogen fixation. We are also working on improvement for wheat growing by a double-hybrid technique.

In the area of low-temperature microbiology, we are looking at bacterial lipid enzymology and its relation to life at low temperatures. We are looking at ice-nucleating bacteria and their relation to frost damage. We are also investigating nitrogen-fixing bacteria, a strain that will develop the enhancement of alfalfa production in the Alberta environment.

I note that there are no members of the opposition in the House, so this is an opportunity to talk to the government members. As I mentioned when I first started, obviously you are all interested in science and technology and what it will do for our province. Last year I brought a motion to the Heritage Savings Trust Fund [committee] for a \$100 million technology foundation, which was to look at the basic sciences in our community, and it was very strongly defeated. So I say to the hon. members here, we have a job to do to convince our Provincial Treasurer and the members of Executive Council that we have to spend substantial sums of money to turn our economy around. This is not the time to be cutting back on research or science and technology in our province.

In conclusion, we don't have to be doing what everyone else in Canada is doing. We hear about CAD/CAM in every province in Canada. We talk about biotechnology today. The province of Ontario is spending hundreds of millions of dollars with Labatt Brewing. You go to British Columbia or Quebec; everybody's saying the same thing. Obviously, we as a nation can't afford it. So we at the Research Council have tried to make our directions along specific endeavours. But we need your support, because we need more money.

Thank you.

MR. WOO: Mr. Speaker, I note with interest the opening remarks of my colleague from Calgary McKnight. He cited a number of documents and made the suggestion that perhaps we should peruse them and speak from them. I have in my hand one of those documents. Under normal circumstances I have difficulty enough with the English language. But when I see project titles such as these — The Use of Surface Polysaccharide Antigens as a Vaccine in Preventing Diarrhea Caused by Enteropathogenic E. Coli in Calves, Pigs, and Lambs; and Development of an ELISA for the Serodiagnosis of Porcine Mycoplasma Pneumonia, a project with the biotechnological aspect being the use of recombinant DNA to produce antigen — you can appreciate the fact that I do a lot of silent reading.

MR. NELSON: Why don't you read it in Chinese?

MR. WOO: You'd never understand it.

I would like to rise in support of the hon. member's motion. I would like to make a number of comments and general observations from a number of different perspectives with respect to biotechnology within the world community, within the national context, and from a provincial environment point of view, and certainly make a number of comments respecting Alberta's activities in this particular field in relationship to our international partners.

From a European standpoint some dozen years ago, that community's hope for the biotech future and that community's role in that future gave considerable cause for optimism. At that time, between 1967 and 1971, England alone held 30 percent of the world's biotechnological patents. In the Federal Republic of Germany during that same period, the Society for Biological Research, established in 1964 by the Volkswagen foundation, was on a worldwide basis the clearly recognized leader in biotechnological advancement.

Given the predictions made in the '60s, I think it is all the more interesting to note a recent report compiled by the Office of Technological Assessment in the United States Congress, the European community commission, and several industry analysts. These reports, based upon present patterns of research development and commercialization, predict that by the year 2000 the United States and Japan will dominate the \$50 billion to \$100 billion market for biotech goods and services. I think it is important for us to remember those numbers when we talk about our Canadian activities and our potential to capture our share of that market. I think it is equally important for Canada and Alberta to understand the "whys" of that dramatic shift of dominance from the European community to the United States and Japan.

There are a number of reasons. Firstly, research and development expenditures in the European community were inadequately expanded. Secondly, lack of regional or state planning, which led to a shotgun approach of grant distributions, meant that at times research duplication was supported to the detriment or loss of some of the strongest biotech capabilities achieved at some considerable initial cost. Thirdly, the lack of co-operation to facilitate the systematic incorporation by the biotech community of disparate accomplishments by widely dispersed or isolated centres of research. Fourthly, and perhaps most importantly, Mr. Speaker, the failure to move, or the failure to move aggressively enough, to commercialize or market their products and expertise.

As I went over these reasons in my mind and compared them to the Canadian experience, I found some similarities but perhaps with different dimensions. For example, in the first instance, our Canadian research and development expenditures are wholly inadequate for the job we say we intend to do. Secondly, I believe that in a general sense we experience a high degree of co-operation between levels of government and amongst our various research centres. But I also believe that, to a large degree, research duplication still exists. Thirdly, I am of the view that in a number of biotech areas we continue to pay lip service only. By the time we get it wound up, either the thing we intend to do is already done by someone else, or we have lost our dedicated scientific community who could have done it in the first place.

As always in such cases, Mr. Speaker, we have a tendency to perpetuate the Canadian image of always being half an hour late and two bits shy. Certainly from a general point of view, we have in some cases failed to move to commercialize or market our biotech products and expertise. In some cases we have not moved aggressively enough. But in other select cases, such as genetic engineering and biomedical products, we have moved quite successfully, particularly here in the province of Alberta.

Mr. Speaker, over the years I have seen all sorts of band-wagons — all sizes and shapes, both domestic and foreign, from soups to nuts, from high tech to better chopsticks — pulled across this country from the Atlantic to the Pacific and back again. We have clambered aboard every one of them, but we have fallen off most of them. Certainly in some cases, with some of the ones we are still on, we should probably get off; and with some of the ones we have fallen off, we probably should have tried to stick on. The reasons for falling off most of them are many, but it does tell me three things. First of all, as a country or as a province, we can never achieve the status of being experts in everything. I think this is totally unrealistic. Secondly, I believe we must be selective in terms of establishing priorities and choosing to do those things we know we can do well and do competitively. Thirdly, the criteria for that selection should be based upon national, regional, and provincial strengths.

Mr. Speaker, the primary focus of this motion is directed toward biotechnological activities and their relationship to agriculture, and in this respect I would like to make a couple of comments from the national perspective. The recently completed Canada Land Inventory, which took almost 20 years to compile through the joint efforts of the federal and provincial governments, produced some interesting figures. For the purposes of this inventory, agricultural land in Canada was divided into seven categories and numbered Class 1, 2, 3, and so on, up to Class 7, with Class 1 lands rated the best and Class 7 being rated nonagricultural or nonproductive.

Under this system, Dr. Edward Manning, chief of the land use analysis division of Environment Canada, has calculated that only 11 percent of this land has productive potential for any form of agriculture, less than 5 percent is capable of producing crops, and less than .5 percent can be considered Class 1 land with no limitations for agriculture. Mr. Speaker, these figures are all the more significant when you consider that Canada occupies the second largest land area mass in the world today. Dr. Manning's excellent article on agricultural lands in Canada further confirms many of the arguments put forward during the debate opposing Edmonton's annexation proposal. Almost 84 percent of all Class 1 to Class 3 lands in Canada are located within 50 miles of the 27 major metropolitan areas in the country.

Dr. Manning made two other statements which I believe to be relevant to this debate. The first one alluded to the fact that because Canada is one of a handful of food exporting countries, if it ever comes to economic warfare, the strategic value of having food as a weapon is certainly obvious. I view the statement in light of another one we hear often, that one-third of the world's population goes to sleep hungry every night. I couple this with a definition of biotechnology which refers to the application of scientific and engineering principles, the processing of materials by biological agents to provide goods and services, to which I have added the words "to serve mankind".

Mr. Speaker, the other statement suggests that if Canada's agricultural land is to be preserved, maintained, and used in the most productive manner possible, many more steps in agricultural and scientific research must be taken, along with improvements in farm financing, production, and marketing. In terms of this motion, two things come to my mind. Number one, because of urban encroachment we see a diminishment of our classes 1 to 3 agricultural land base. As I see it, the issue in this instance is, how do we maintain our present levels of agricultural production? Indeed, how can we increase production on a shrinking base in order to maintain economic viability on the part of the farmer or rancher?

Secondly, the option to utilize northward lands presents the problems of quality, topography and, to a larger degree, cli-

mate. It seems to me, Mr. Speaker, that many of these agriculture-related problems could be resolved through advancement of biotechnology in this province. Certainly it would be a case of building on one of the great strengths of this province, the agricultural and ranching industries.

I have a number of other remarks I wish to make but, in view of the hour, I beg leave to adjourn the debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

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

Bill 202
Teaching Practice Institute Act

MR. JONSON: Mr. Speaker, I am pleased to be able to move second reading of the Teaching Practice Institute Act. I think this Act holds the potential for providing better service to students, making teachers more comfortable with their career choice and the development of their careers, and would certainly provide a means for tapping the energy and expertise of teachers already in the teaching force. In addition, I think it addresses many of the needs of school boards today in delivering education.

Mr. Speaker, I'd like to outline the reasons for introducing this Act. First of all, we have the changing nature of careers and planning for careers that exist in our society today. In the general sense, teaching is no different from many other careers: professional, blue-collar, or some other category. There is a need for the teacher to adjust to the implementation of new programs. Particularly at this point in time, there is a need for teachers to be able to adjust to new teaching assignments, quite often completely out of their previous area of experience. Thirdly, there is always a great deal of change in the field of education. New topics are being assigned to the program, and new technology is being applied. Certainly there are new methods of instruction, and there is always room for improvement there. In many of the recent studies being published, in particular I suppose a report entitled *A Nation at Risk*, by a committee in the United States — despite the fact that the study set out to examine program, I note that it came around to the recommendation, the concern, that the major area of improvement should be in teacher education and in the teaching act itself.

Mr. Speaker, I feel we need to have a somewhat different look at teacher education. The new teacher should be looking at a career plan involving continuing education, continuing upgrading and assessment of their own performance and abilities. I like to think the proposal put forward in this Act would provide a vehicle for doing that more effectively.

The second reason for introducing the Act is that while there are many good in-service programs for teachers, there are some significant gaps in what is available. At the university level, of course, we have the immediate four-year training program with the integrated practical experience section or practicum. This needs further support and improvement, but certainly that change in university preparation has been one of the most worth while and significant over the past several years. However,

there is no provision for internship and, in some cases, I think this could be well applied. Although I realize that universities are making some moves to offer courses on matters of current concern as well as in the theoretical area, I am afraid that to some degree they have abandoned their traditional area of being very closely connected to the practical application of teachers and providing in-service education in that area.

Professional development days, arranged locally by teachers and school boards, certainly exist, and central office and school-based personnel put a great deal of effort into those. They're certainly worth while, but they're usually limited to one or one-half day at a time and deal with topics in a very introductory way. I've often heard teachers come away from such activities saying: that was fine and good, but we wish we could have had more time on it to really accomplish something.

Teacher conventions are well established in the province. These are usually two-day sessions held during midwinter. They're well established both in organization and program and, from an inspirational point of view, they certainly provide an important service. They deal effectively with challenging the teacher to focus on new trends and developments. However, I note that convention committees continually struggle with additional demands and expectations, particularly for programs that deal more thoroughly with the implementation of new curriculum and the illustration of new and improved teaching methods. The committees would admit that the two-day teacher conventions do not come close to addressing those needs.

Recently we've seen considerable development of in-service activities that relate to teaching, being offered by the private sector by various private companies in human relations, management, discipline, and so forth. Although they are quite expensive compared to what school boards and teachers are used to paying or sacrificing for such service, they are certainly being used. However, the thrust of this effort from the private sector is still quite clearly toward business and various other areas of work, not particularly toward education, although we should never overlook the fact that many good management and human relations techniques that have been proven in business can also be applied in education.

The Alberta Teachers' Association operates a major network of specialist councils. They have certainly been one of the most effective forces in the province over the past several years in providing short-term, in-service education of the one- or two-day conference type, as well as having a major influence on policy development with respect to curriculum in this province.

Alberta Education has improved its involvement. Although curriculum changes have slowed down somewhat, a need still exists for attention to introducing new courses and introducing teachers to these courses. I'd like to acknowledge that the introduction of the new social studies program received an extraordinary effort from the department in terms of educating teachers in its implementation. A special effort was also made with the new language arts curriculum at the junior and senior high school level, although given the thematic approach that was used in presenting that curriculum, they could have had a month and perhaps still not come to grips with it in all cases. However, Alberta Education personnel are in short supply. They have a large number of other expanding responsibilities, particularly in the area of teacher, program, and school system evaluation. Within the near future, it is not likely that they are going to be able to carry the kinds of in-service activities for implementing a new curriculum which is really needed. When speaking about the services of Alberta Education, I would also like to acknowledge that they do provide help to individual teachers when time permits. The one-day orientation sessions that are held in some zones for new teachers are helpful.

There are certainly other continuing education and in-service activities directed particularly toward teachers. But if we were to go through the complete list, I think we would still see that there are certain gaps in the program that is available. As I see it, the gaps or inadequacies are, for the most part, that all of these in-service activities are very short term — one or two days, half a day. Quite often the topics are very, very important and, although we can always say the teacher should go home and work on it — I think they do — quite often the topic is beyond what can be introduced in that short period of time. What I'm proposing is that under this institute, it would be possible to arrange one- or two-week courses, which would be much more effective — perhaps two or three months in length, depending on the need.

I also think there is a gap in the programs that exist, in that they tend to deal in generalities. Most of all, they tend to lack an emphasis on improving methodology and the techniques of dealing with young people. I think they tend to be directed more at the broad scheme of things, new trends and developments, and on subject material.

There is also a need for the co-ordination of in-service education for teachers. They are held all over the province on different dates. A great deal of travelling and expense is involved getting to and from them, when you consider the time that's actually spent at them.

The third reason I think such an Act is appropriate is that considerable attention is being paid right now to teacher evaluation, along with school program and system evaluation. Mr. Speaker, provided these policies and programs are well organized and fairly conducted, this is a most important and significant recent development and initiative from the Department of Education. I note that in a recent news release, the Alberta Teachers' Association has come out in support of the policy announcement. I certainly hope other major groups such as the Alberta School Trustees' Association will do the same.

However, Mr. Speaker, in my view the initiatives being taken in this area, as needed as they are, still leave a very big problem. Once an evaluation is done and problems are identified and recommendations made, there is a serious lack of help both in terms of time and expertise available to help with the needed corrections for the teacher. I'd just like to mention a couple of examples that I've run across.

I know of a situation where you have a young, enthusiastic teacher who knows her subject area and of course has gone through the Bachelor of Education program and the very short practicum process. Not too far into her teaching career, she is faced with a problem of classroom discipline — one of those challenging classes of grade 8s. She is evaluated by her principal and superintendent. They make certain suggestions, but they are busy people as well. The teacher is left to cope with the situation herself. It would seem to me that this type of person has a great deal of potential in teaching, a great deal of enthusiasm for the job, and an appreciation of young people. If there were a means whereby this individual could be provided with a two- or three-week course in classroom management — and there are such outlines available — the problem might be quickly solved. You would have a very, very good teacher back in the classroom, and the tension, worry, and frustration that teacher would otherwise experience would be eliminated.

Another type of situation we run across is that I've seen a report written to a mathematics teacher — who incidentally was recently given the assignment of Mathematics 30 after having taught math at the junior high school level for a long time — that he should improve his knowledge of conic theory. That is a rather sophisticated section of the Mathematics 30 program, and it would only be by chance that a person training

to be a mathematics teacher at junior high school would necessarily run across that particular topic. Once again, Mr. Speaker, if there were a site where the teacher could be referred for a short course in that particular area, of what might otherwise be a generally good knowledge of mathematics, the problem would be solved. As it exists right now, certainly a principal or a superintendent can identify the problem, but very few of them, even if they had the time, could concentrate on solving that particular problem.

A fourth reason for the Act, Mr. Speaker, is that, as I referred to earlier, there is tremendous change in the materials and technology available in the area of teaching. There are many examples. Perhaps we overemphasize the importance of the use of microcomputers, networking, and various information services. Certainly that is one of the most profound developments occurring at present. Through certain initiatives of the Department of Education and other groups involved, I think the aspect of teaching whereby teachers are learning to operate the machinery is going quite well. However, the more important long-term part of this whole process of using computers is that of adapting software, or the programs, to the Alberta scene and learning how to use these in the instruction of students. This is a much more detailed and concentrated activity, and once again I think it needs the source that such a teaching institute would provide.

Mr. Speaker, there's a need to improve the link between universities and schools and teachers. I think the universities have the research potential and resources to be a great aid to the teaching force. The universities would also benefit from the practical, field-tested response of teachers to the merits of their own Bachelor of Education and graduate programs. Many school boards could utilize the services of such an institute in a variety of ways. Superintendents are very busy working with school boards, going to meetings, working on policies, and providing for the leadership and management of school systems. The best superintendent is probably one who is a generalist, not a person who is an expert in even two or three of the major teaching fields. I think the flexibility that is offered in the staffing and the providing of services under this institute could be contracted to school boards and would be very effective for them.

Mr. Speaker, I'd like to note that I think that list provides good justification for the introduction and, I would hope, the support of such an Act. I'd like to go on to comment a bit upon the structure proposed in the Act for the teaching practice institute. I would like to emphasize that it would not be mandatory or compulsory that it be used, as would be the case with some other proposals existing at the present time. I think the quality of the service should sell itself.

I'd like to comment on the governing board proposed for the institute. Mr. Speaker, there is probably nothing magical in the numbers, but I think it's very, very important that active teaching practitioners have a major voice on the board. They are most likely to appreciate the needs and problems of the teaching force. I think this would ensure that teachers would feel comfortable using the system and feel that the governing body was clearly oriented to their needs.

The Act proposes that it be affiliated with the university. As I stated earlier, this is so there would be the possibility of utilizing the library, research, and other resources and expertise of the university, and it would provide a valued link, a closer link, between the perhaps theoretical base of the university and the practical base of the classroom.

There is mention in the Act that financing would be expected and required from Alberta Education. But I also note that there is provision for charging fees and generating income. I hope

that school boards and the Alberta Teachers' Association would see this as a valued service and support contracting for its use.

Mr. Speaker, the Act is also structured in such a way that there would be a small permanent staff. We would not be building another large institutional hierarchy here. The main staff component would be obtained on secondment and by contract. We would have the ability under this Act to bring in teachers from many areas but particularly from the schools. I think it would be a way of recognizing the very best teachers that are out there, those who have the most to offer and transfer to their colleagues. Again, rather than seconding teachers on a short-term basis, as is sometimes now done by Alberta Education and by universities, this would allow for a semester, an entire year, or perhaps as much as two years of service to the institute, and then they would be able to return to their previous positions. I think many teachers would welcome this opportunity. They would gain from it, and certainly their students — if I can use the term — would gain as well. The staffing would be very flexible, and I think that would work well. There would of course have to be a small administrative staff, to provide the ongoing management of the institute.

Along with the flexibility that is possible in staffing such an institute would go a great deal of flexibility in the types and number of programs. The types and number of programs could respond to direct demand and need, and would not have to be geared to maintaining a major, constant budget from year to year.

I would just like to conclude my remarks on the Act, Mr. Speaker, by saying that I think a trial with this particular Act in place and an institute being put in place would have a really important impact on the delivery of teaching services in this province. As I see it, what's proposed here would mesh very well with developments that might take place in the Teaching Profession Act. It would mesh very well with the recently introduced evaluation policy of the Department of Education. It would complement the work the universities are currently doing, and it would certainly provide a very, very worthwhile service to school boards.

There is a great deal of change ahead in the field of education, Mr. Speaker. There are going to be greater demands on the system. I think that what has the potential to be a very constructive and positive aid to the delivery of education in the province should be supported.

Finally, Mr. Speaker, I would like to conclude by noting that in section 4 of the Act there are a number of services listed that this institute could provide. I see 4(a) as being the key need at the current time, but I think there are needs and demands for service under all those items. The existence of the institute would not impinge upon anybody's existing authority, but they would hopefully use their authority to use this type of service. I look forward to the comments of additional speakers.

MR. SZWENDER: Mr. Speaker, I always look forward to participating in a debate that involves the field and topic of education and the teaching profession. I certainly commend my colleague from Ponoka for bringing Bill 202 forward for debate. There is a lot of information that I would like to bring forward in participating in this debate, simply because I am not sure as to the absolute merits of Bill 202, the Teaching Practice Institute Act.

Before I go into some of my points, Mr. Speaker, I would just like to mention to my colleague from Ponoka that I sometimes wonder whether administrators, present or former, can be classified in the category of teachers, simply because I consider myself the only full-time or practising teacher in the Legislature at this time. I often wonder whether administrators,

such as the Member for Ponoka or the Member for Edmonton Gold Bar, really understand what it's like to be in the trenches, where all the important work of educating is accomplished.

AN HON. MEMBER: I still teach.

MR. SZWENDER: Then I take some of those comments back.

Also, I am rather disappointed at the deserted ranks across, Mr. Speaker, particularly the Member for Edmonton Norwood, who claims to be an educator and is always uttering pious remarks about youth and employment and education for young people and underfinancing, and yet would not be here to participate in today's debate. However, I am sure we will do just fine without him.

Mr. Speaker, I'd like to begin with some deep philosophy by just saying that we are all getting a little bit older. I include myself in that group. Why am I making that comment? It's been 10 years since I first entered teaching. If I can just relate an anecdote, I can still remember first walking into the high school where I was employed. At that time I was roughly 24 years of age and didn't have some of the gray hairs my colleagues have been pointing out to me. I walked into one of the staff lunchrooms, and I was told that students were not allowed in the staff lunchroom. I smiled and quickly explained who I was, rather to the embarrassment of some of the older members of staff who mistook me for one of the students. I guess that was quite a compliment.

However, what I am trying to point out is that 10 years later I am still employed at the same school. I might add that at that point I was the youngest member on staff. Now, 10 years later, I am still one of the youngest members on staff. The point is that 10 years later, there hasn't been much of a turnover at the particular high school I'm at. Of course there are a number of factors, but certainly the difficulty in obtaining teaching jobs and the current economic conditions make teachers stay relatively long periods of time in the school they are at, without taking too many transfers.

This will definitely have some effect on the quality of education, from the perspective that teachers are models for their students, particularly at the high school level where there are many activities — some we won't get into; we are talking about those that are approved — where the teacher cannot often just tell students what to do; he has to actively engage in things like phys ed or numerous types of related field trips. As teachers get older, they may tend to stick more with the curriculum, with the classroom, with the textbooks, and not participate as actively with the students in various activities. So what I'm saying is that it's unfortunate that those students don't have the benefit of possibly younger members of staff, from whose experience and teaching methods they can benefit.

That's not a total criticism. What I'm relating here is that there are certainly a number of merits in the idea brought forward by Bill 202 that can possibly alleviate that. Anyone caught in a job for an extended period of time is bound to stagnate, only to the extent that they become more and more experienced and maybe more and more knowledgeable, and they don't innovate; they don't create new ideas. They tend to fall back on the things that have worked before. But the world is quickly changing, as was mentioned previously and in fact in the previous motion that was introduced to us.

I believe that if a teacher is going to experience difficulties, most of those will emerge in the first or second year of a teacher's career. In most cases it's very difficult for an individual who is interested in entering the teaching profession to really determine how suitable they are in those four years during which they take their Bachelor of Education. The practicum in

which teachers engage is for a relatively short period of time. Certainly there is a lot of merit to introducing an internship program, possibly a fifth year in which the whole year would be devoted strictly to a sort of student teaching format. Teachers could then determine whether they are really cut out for teaching or not.

Many teachers turn out to be excellent teachers as long as they get over that initial period of adjustment in facing their students and all the related problems that go with it. Certainly an institute could provide immediate assistance before the teacher runs into further problems and maybe loses a lot of that confidence which then becomes very difficult to regain.

I remember my own student teaching experiences quite well, even though it has been a number of years, and I always found they were quite inadequate. At the time I was attending university, student teaching was done in the third year of the Bachelor of Education program. I think we received three weeks in the first half of the year and three weeks in the second half, really a total of six weeks out of four years. Somehow that didn't really prepare me adequately, and I think I had to do a number of things on my own, such as going to the various schools and volunteering my time with teachers as a teacher aide and coaching sports, just to get a better feel for what I would experience once I assumed the full role of a teacher.

At that time we also had a more or less pseudo internship program, whereby a teacher who had been hired by a board was then placed in a particular school. University would end in April, so that allowed that teacher to intern at a school for May and June, before the regular grade schools were out. It did give them some form of internship for those two months, prior to assuming a full-time responsibility for September. That program has also been eliminated for a number of years now, and I think even that little bit would certainly have been useful in the long run.

Mr. Speaker, in my 10 years of teaching, I have to say that the number of times I was personally evaluated has been very minimal. I was evaluated once by my principal, the administrator, in my first year of teaching. I was then observed and evaluated in my second year by the area superintendent, in order to receive my permanent certificate. Since that time, no one has entered my classroom in order to give me any form of evaluation. Some may observe that as being favourable. Once you're qualified and certified, maybe you don't need other people looking at what you're doing. I think some teachers inevitably form a type of bunker mentality, where once they close the door to their classroom, they feel they are really not accountable to too many people, except maybe their students. That becomes a difficulty. A person would not want to be evaluated strictly to be criticized in terms of possible incompetence. The way the evaluations are set up now, it's very difficult to pinpoint whether teachers are doing their jobs adequately or not. If they know someone is going to be entering their classroom and the time and date is indicated, that teacher is able to prepare. Suddenly, maybe for the first time in months or years, they've got an excellent lesson plan and an excellent lesson, and they appear to be doing their job adequately.

I think it's important that teachers as professionals evaluate each other simply to create new ideas — constructive criticism. What works for someone else may work in another person's classroom. But with those walls and those doors closed, it becomes increasingly difficult. With an institute, maybe the teacher would have far more opportunity to get out of the classroom, to get out of the school, to enter an institute of teaching practice where those ideas could be exchanged more readily, instruction could be given, problems and concerns could be more openly discussed. As such, those teachers would benefit from such an environment.

Certainly there are some provisions. In fact some of my colleagues have mentioned that teachers have very lenient provisions for professional development or in-service days. Compared to some other professionals, I guess that may be so, but you've got to understand that teaching is really quite unique in its nature. There is a lot of stress involved, as much as many people think that teaching is not as difficult a profession as they like to see from the outside.

Mr. Speaker, the problem with teaching is that everybody is an expert. Everybody has gone to school at one time or another, to one extent or another. You see that when you have interviews with parents. They all come down to the school and tell you how you should be doing things. They went to school and finished grade 8, and there's absolutely no reason why you can't do some of the things that worked for them way back when. You wouldn't go to a doctor and argue his diagnosis, simply because most people don't feel qualified to do so. But in education we run into that problem; everybody feels that to some degree they're an expert. They have an opinion and quite often stick their noses in and really don't know what they're talking about. It's a completely different ball game from being students once upon a time and maybe 15 or 20 years later returning as parents and trying to indicate to the teacher what they perceive is the proper way to instruct or to educate.

However, I think the resource days, the in-service days we as professionals have in the teaching profession are largely inadequate. To make things even worse, I wonder if the days that are allotted to us are used in a very profitable manner. We know the reputation the teachers' convention has as to the use of those days. I know that other days are provided at times during the year for in-service upgrading, but quite often these are of the teacher's choice and sometimes may just be more of a mental relief day than an actual benefit to a teacher's operation in the classroom.

When I have gone to a number of these seminars or in-services, I've often been disappointed by the types of presentations given. You get some highly paid intellectuals coming from the United States, espousing ideas that in many cases are already long forgotten in the United States but are still being preached here. I guess some of these guys get paid to speak on these circuits. They probably haven't been in the classroom for many years, and I know that some of the people in our ivory tower who teach in the Faculty of Education have never taught in a classroom at the grade level. So I begin to wonder how qualified they are to give us a presentation, other than strictly theoretically.

Some of these ideas — I think the classic one is the open classroom, which was the gung ho idea that everybody was following in the early '70s: tear down the walls and let everybody be a sort of happy, communal group. That idea was imported from the United States. If any members would like to tour some schools, I think they'd see that many of those open-classroom schools have quickly put solid Edcon bricks in between each section of the school in order to provide a more traditional setting, which I think is far more suitable for education, unless we come up with a better idea. I'm sure it'll come from the United States, probably five years after it has been disproven or rejected there.

I've spent most of my time as a teacher in the area of social studies, Mr. Speaker. To me, that is probably the most difficult area to teach. I know that at times I prepare lesson plans. You sort of try to plan for the week ahead. You know what kinds of things you're going to cover. I always emphasize current events very heavily to make sure our students are aware of what events are going on in the world. If I planned on the weekend for that week, sometimes by the latter part of the week

— Thursday, Friday, or whatever — those lesson plans were obsolete, simply because world events had changed so quickly. Some banana republic had changed governments, somebody died here, somebody was assassinated there, or something else happened the night before that was far more important and that the students were far more interested in discussing. So in social studies, a person has to personally upgrade himself, constantly keep up with current reading. I'm sure that I had to read at least 10 or 12 various periodicals a week in order to feel adequate in my job. It certainly lent itself to my position in this Legislature, with the heavy reading load.

The point I'm making, Mr. Speaker, is that as a social studies teacher, there is just so much material. If any group of teachers would benefit from a teaching profession institute, as long as they specialized, I think it would be those social studies teachers, because there are just so many different types of materials coming out all the time. More importantly, the curriculum was changed, if not once a year then maybe twice a year in some cases, and it was virtually impossible to determine what direction the Department of Education was going to take in furthering the students' knowledge in particular fields. I know it's been rather chaotic and hectic. As a social studies teacher, I know I've had a lot of difficulty trying to preplan what would be going on next year and trying to order materials and textbooks. I know that there are sets of books in our school library that have never been opened, simply because by the time they arrived — and usually there's a gap of three, four, six months after ordering them before the books arrive — they were no longer on the approved list or somebody had decided it wasn't the best text possible, and they were just shelved for no real reason.

In concluding I would like to point out one very important aspect; that is that in teaching there really is a continuous strain or stress on the individual, simply because of the factor of the students. There is the noise level, the activity level, the environment a person works in. I believe that teachers, although criticized for having two months off in the summer, really need that time, often to regain their sanity or at least reorganize it to the point where it can be functional in September when all the little sweethearts return.

I know there is an excellent model in Thunder Bay that maybe we could look at and maybe the Minister of Education would consider. I can't remember the exact name of the program, but teachers work for four years and get paid for five years — that's a great one — and in the fifth year they get a sabbatical simply to do something that is related to their jobs. I think it's really a good idea in the sense that teaching is not just regurgitating textbook material; it should be the sum total of life's experiences that a teacher brings to the classroom. I think teachers who have had a variety of backgrounds prior to entering the teaching profession are those who are most useful or effective in the classroom in terms of helping out their students.

AN HON. MEMBER: Too bad the Member for Edmonton Norwood isn't here.

MR. SZWENDER: I don't think the Member for Edmonton Norwood is very interested in education now that he's a full-time politician. While I'm on the topic of full-time politicians, I know that since I was elected in November 1982, a number of people have asked if I am still teaching and how I'm able to juggle my time that I'm able to be a full-time MLA and yet be a full-time teacher. I am a full-time MLA, and I am also a full-time teacher. Those times when I am teaching, which means while we're not in session, I'm able to put in 12

or 16 hours. I don't think there's anything wrong with the initiative and the incentive that an individual wants to put in. Too often members who belong to the opposition parties consider themselves full-time MLAs. They quit all other occupations and figure this is their job. But in order to be effective — I believe I'm far more effective as a teacher because of what goes on in here. I can certainly tell other people, and certainly my position here is enhanced by the experiences I can bring back and the information I get back from my colleagues or even from students, because they are a tremendous source of information. They basically tell you what their parents say at home, so it's a good way of holding informal polls. As long as I am involved as the member for Edmonton Bellwood ... [laughter]

AN HON. MEMBER: You're overworked all right.

MR. SZWENDER: I do work hard. As long as I'm involved as the Member for Edmonton Belmont, I intend to maintain my position as a teacher and also my position as a full-time MLA, and I will not be detracted by the criticism of some.

MR. KOWALSKI: Hang in there, Walter.

MR. SZWENDER: Mr. Speaker, I have a whole list of other things I'd like to say, but I know the member on my immediate right is getting fidgety because she has prepared an incredibly good presentation. So rather than take more than my allotted time, I will listen to the comments of other members.

MRS. FYFE: Mr. Speaker, I appreciate participating in the debate this afternoon on Bill 202, which has been introduced by the Member for Ponoka.

An old adage many of us have heard is that if you can't do anything else, you can always teach. [interjections] Maybe there are some who believe that, and maybe there are a few who even went into education with that belief. They didn't know what else they wanted to do so they'd go into education. I think any that went in with that motivation would certainly be discouraged within a very short period of time.

I don't know how many people in this room who have not been teachers or have not been in a classroom for any longer than just an hour to talk about government can really imagine what it's like to have 30 grade 1 six-year-olds in a classroom, all there waiting to be organized, waiting to have knowledge instilled in their minds. Or what about 25 grade 8s that are just getting to the point where life is far more interesting when you try to pull the wool over the eyes of the teacher or maybe change all the desks around so the teacher doesn't know where everyone's sitting? Or perhaps someone pipes up and says, "Mr. Brown, you're wanted in the office". Mr. Brown, thinking it really is an announcement, goes out of the room, and the kids are all in a state of absolute ecstasy with the joy of pulling a practical joke.

The challenge of going into a classroom day after day and trying to be productive requires much more than the person that thought teaching would be easy, much more than the person that went into education because they weren't motivated. A good and effective teacher requires many skills and many personal qualities. Teachers must have knowledge of their subject matter: they must have techniques. They must have the ability to inspire the people in their charge for the number of hours they have those children during the year. If they're going to teach, they must have the respect of the students, and they must be sensitive to each of the individual needs, to each individual child. They must be creative, and they must have a

host of other qualities, including the ability to be patient, to be kind, to be caring. Teachers must be able to plan the material; they must be able to visualize over a period of time the objectives of what they're trained to do. They must have the time and ability to prepare the material and to organize that material in a fashion that will be effective when it is presented in the classroom.

They must then take all this organization they've spent a lot of time on into the classroom and be able to motivate the students. They must consider the special needs of each child. Within a classroom of 20, 25, or 30 students, each student is going to learn at a different rate. There are going to be some students who require enrichment material; there are going to be some who require repeating. As most teachers know, in order to teach, the key word is "repetition, repetition, repetition". Sometimes we realize that that happens in this same Assembly. Some of us are very good teachers.

One of the difficulties with today's classroom is that society has become far more complex than in years past. The subject matter we deal with today is far more than we sometimes hear going back to the three Rs or the three basics. The subject matter today is not just learning to read; it's not just learning to write; it is not just learning to do arithmetic. We're living in a society where the only thing constant is that we know tomorrow will be different from today.

Last spring I attended a graduation exercise at Alberta College. The guest speaker who was there gave a message I thought was particularly relevant to education, that one of the greatest difficulties in our lives today is that many members of our society have no meaning to life. If we don't have a meaning as to why we're here and what our purpose is in this world, how can the teacher come into a classroom and motivate children who come into the room without really knowing what their purpose is? That's a difficulty we have within our society and within many families.

When I taught school, which was quite a few years ago now, one of the problems the children I taught had was that many were hungry. It was in a northern community, and many of them did not have a proper diet or even an adequate amount of food. There were times when I could have done headstands in front of that class; yet if a child is hungry, you're not going to be very effective as a teacher.

Perhaps today some children still go to school hungry because there isn't anyone at home to ensure that they have breakfast or that they've taken time to eat some nourishment before they go off to school. Many of the families today hunger, though, in a different way. They hunger from a lack of meaning, and they hunger from the troubles of financial difficulties or from the breakdown of families within our society. This provides a whole different set of problems for the teacher in 1984, as opposed to teachers a few decades ago.

Several decades ago most families had some sort of support services around them, support systems in the form of aunts and uncles or grandmothers that could provide a balance, could provide support to the family. In recent years, with the mobility across this society, there are many families that don't have that support system. As we know, a great number of families have broken down, which makes teaching in the classroom just that much more complex and that much more difficult and means the teacher has to be sensitive to those problems the children bring with them.

I've discussed this area of teacher education and teacher improvement with the dean and some heads of departments at the University of Alberta in the Faculty of Education. I feel relatively comfortable that the new teachers coming out of university today have a pretty good basis for teaching and that

their skills are monitored in a pretty meaningful way. One area I am particularly concerned about is the teacher that has been out of the field for a number of years. Because of the change in our world and the need for new training, such as changing technology, computer training, a better understanding of economics and what makes the world economic community tick, the changes in science, changes in our understanding of world values — all of these are things the professional teacher must and should keep up with to ensure that they are current and relevant. If this isn't happening, then I think Bill 202, the Teaching Practice Institute Act, could fill that gap.

In addition to that gap, I think there's also the concern expressed by some parents and some teachers for the teachers that are not meeting the mark that families or parents expect teachers will. There's a responsibility on the part of the homes, of the parents, to communicate with the schools if they feel there is a problem, if their children are not getting the kind of education that they have. But when it is established — and the Minister of Education has to be commended for the tremendous advances he's taken in the field of evaluation. When a teacher has been identified, when there is a gap, a need to improve their teaching skills, then the teaching profession institute could provide tremendous assistance in upgrading that teacher who, for whatever reasons, is not meeting the mark.

I think this Bill that has been brought forward is current and relevant and would go a long way in upgrading the few — and I stress "few", because the majority of teachers within our system are doing a fine job. They work under a tremendous amount of pressure. As I said previously, unless you've been in that kind of classroom atmosphere, I don't think it's very easy to understand what it's like to teach day after day and to still motivate, to be fresh, and have all the attributes I listed earlier.

I think this teaching practice institute could assist greatly, though, in helping those who are just not meeting the mark, who probably still have a basic love for the profession, still want to stay in it, aren't prepared to go elsewhere, but are really not doing quite the job they're capable of doing.

I would like to see this Bill explored in some detail, and I encourage the Minister of Advanced Education to take a look at the concept in detail. I know he's been listening with great interest to the debate this afternoon, and I think it's something well worthy of further consideration and exploration. I would be most prepared to support it, at least with the cursory review and study I've done of the Bill. I would like to conclude by commending the Member for Ponoka for bringing this concept forward to the Assembly.

MR. APPLEBY: Mr. Speaker, my consultants have told me that, outside your love life, you should never do anything on the installment plan. In view of that, I don't want to give my speech in two installments, so I beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. HORSMAN: Mr. Speaker, this evening in Committee of Supply it is proposed to deal with the estimates of the Department of Manpower followed by the Department of Municipal Affairs. I therefore move that when the members reassemble this evening, they do so in Committee of Supply and that this Assembly now adjourn until such time as the Committee of Supply rises and reports.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

[The House recessed at 5:25 p.m.]

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

head: COMMITTEE OF SUPPLY

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Will the Committee of Supply please come to order. Before we commence any study of estimates this evening, would the committee agree that the hon. Member for St. Albert might make an Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (*reversion*)

MRS. FYFE: Thank you, Mr. Chairman. I have the pleasure this evening to introduce a group of Girl Guides sitting in the gallery. They are accompanied by Lee Dioszeghy. I don't have the name of the other leader. I'm sorry. I haven't had a chance to meet them, which I will, hopefully, when they leave the Chamber. They're working on their badge. They are the 10th St. Albert Guide Company, and I ask them to stand and be recognized by the committee this evening.

head: COMMITTEE OF SUPPLY (*continued*)

Department of Manpower

MR. CHAIRMAN: Would the minister like to make some comments?

MR. ISLEY: Thank you, Mr. Chairman. I am pleased to present the 1984-85 budget estimates for the Department of Alberta Manpower. By way of explanation, Vote 1 covers departmental support services, Vote 2 deals with manpower development and training assistance, and Vote 3 covers special employment programs.

Approximately half of the total budget for Alberta Manpower for 1984-85 has been designated to provide employment opportunities for Albertans during the current lull in our economy. These employment initiatives have a strong and, in some instances, exclusive private-sector focus. The three recently announced one-year employment and training programs totalling \$26 million are an example of the latter and serve to illustrate this government's responsiveness to the needs of employers and individual Albertans.

The 1984 summer temporary employment program is yet another example. While there are definite signs that the economy is on the upswing, the government recognizes that young people have little or no work experience and will continue to have difficulty competing for employment, particularly during the summer months when the market is flooded with job-seek-

ers. To help improve employment opportunities for our young citizens, the government of Alberta recommended the allocation of \$20 million for the 1984 summer temporary employment program, an increase of \$8 million over last year.

Mr. Chairman, to touch briefly on some of the other areas of activity within Alberta Manpower, the apprenticeship and trade certification division, which regulates and administers the training and certification of those in the trades, will be allocated \$7.5 million. To assist Alberta industry, particularly small business, to assess and address their current and future manpower needs, \$2.4 million will be allocated to the employment development branches. In addition, \$10.5 million will be allocated for vocational and rehabilitation training assistance for disadvantaged Albertans with special needs. As well, \$6.5 million will go toward providing short-term vocationally orientated training programs, including English as a Second Language. More than \$8 million will be used to provide career related assistance to Albertans by helping them to improve their transitions between school, training, work, and retirement.

Mr. Chairman, that concludes my opening remarks. I would be pleased to take any questions arising from them. Thank you.

MR. MARTIN: I'd like to enter into the estimates, Mr. Chairman. I appreciate the chance. You will forgive me if I'm not quite as glowing as the minister.

I think we have to put it into perspective. To be fair — and I always try to be fair, Mr. Chairman — I'm not going to blame this particular minister for all the woes of the province. Certainly there are some programs in his Department of Manpower that are worth while. Nobody is denying that. As ministers are aware, the person I went after was the Premier, who has to take the brunt of it, because it has to deal with the overall economic strategy of the problem. That's what is causing unemployment.

Before we become self-congratulatory, Mr. Chairman, and before we say the economy is on the rebound because we're dealing with Manpower figures, we have to look at the reality of what is happening today. May I remind hon. members that in March the actual unemployment in this province was 12.2 percent, somewhere around the national average, which is nothing to be proud of. In my city, Edmonton, it was 15.1 percent, and in the city of Calgary it was 12.8 percent. Frankly, as an Albertan, I never thought I would see these types of figures. I doubt that many members did. To put it in perspective, the city of Edmonton has the fourth highest unemployment rate in the country, among the cities of Chicoutimi, St. John's, Newfoundland, and Saint John, New Brunswick. These cities have traditionally been cities of high unemployment because of the lack of resources.

The figures only tell part of it, Mr. Chairman. Let's put it in perspective, because many of the programs — and I give the minister some credit — are trying to deal with younger people. But much as the minister says we're doing, we know what's happened. If we watched the news just recently, we saw the number of students lining up at the centre to try to get a job. Some of them were there from 2 o'clock in the morning, with very few jobs offered. Of course youth is the hardest hit when we deal with unemployment. In February, youth unemployment in the province was said to be about 18.6 percent. That means it was probably about 20 percent. One out of five young people is unemployed. That rate will go higher when we have the students trying to get money to go back to university, and that's a whole different problem.

The point I've been trying to make — and I'll keep trying to make it — is that we are going to pay the price for that down the way. You cannot put one out of five young people

between the ages of 18 and 25 on the unemployment rolls for very long. You're going to have social problems — there is no doubt about that — and we'll end up paying money to try to correct those social problems. So, Mr. Chairman, it is very shortsighted to say we will save money and wait for the private sector, because it will not work.

The other point I would make about unemployment — and I'm sure the minister is well aware of this, Mr. Chairman — is that there is the official rate of unemployment, but there are what have been termed; if you like, the discouraged workers. Those people aren't even registering anymore. We can say they're lazy and all the rest of it, but that's not the case. Many have just given up. I'm sure all hon. members are aware that that's happening. The only way you register in terms of the official figures is if you are registered, but I know people, and I'm sure all hon. members know people, that have dropped out. Now that's an estimate, what we call the hidden unemployed. Nobody knows for sure how many there are out there, because there's no way to tell. But estimates range that there may be at least another 5 percent. So when we talk officially about 15.1 percent in Edmonton, we're probably talking about 20 percent.

The point I am trying to make is that everybody recognizes we have problems right across this country. But if there was one province in this Confederation that should have had the ability, because of the wealth we had in the '70s because we happened to be sitting on oil and gas, to have planned for this, it should have been this province. Rather than just berate the government, we've tried to present alternative things we could do. I've heard hon. members justify it for a hospital or something. We have suggested we could get on with our public works projects. We would save money. We've talked about private development. We've talked about pushing coal development. We've talked about small-business development. I know there aren't easy answers, but I also know that this government could do much more to bring down unemployment. Nobody says it would be at the level it was four or five years ago, but I think with a good start we could certainly lower it.

I know hon. members do not like to hear this, but the fact is that the Manitoba government did make job creation a key point. I think it's too high at 9.3 percent, but I also know they do not have the money and the wealth that this province has. But they made that a key point of their platform. It is now the lowest in Canada. What I'm saying is: if there's a will, there's a way.

That's not to say that some of the programs the minister is talking about — STEP, for instance — are not useful for the people that get it. But, Mr. Chairman, we have to be realistic. If I look at these figures from the Manpower estimates — I'll just take STEP as an example — this year there'll be \$20 million allocated. In fairness to the government, that's \$8 million more than last year, and the program is expected to provide some 9,000 new jobs. But remember those 9,000 new jobs are at a time of 15.1 percent in Edmonton and growing. It's merely going to dent the overall level, and the government admits this. That's what's wrong with it.

But we have to put it in perspective in terms of the students, Mr. Chairman. The STEP positions pay only \$5.50 an hour. We can say times are tough; that's reasonable. But let's look at what it means. The student receives \$880 per month, leaving roughly \$712 in take-home pay. A number of the people that are going to benefit from STEP are going to be students. I'm sure the minister would confirm that. But university tuition is now going to be raised by 8 percent at the University of Alberta and by 6 percent at the University of Calgary. Then we are going to force students, because they have low wages, into

borrowing more from the government in terms of loans, if they can get to university with the quotas. What I am trying to say is while STEP is helpful, when we take it step by step it is really not going to have much impact on the unemployment rate in this province.

Mr. Chairman, as I said at the start of my remarks, I know that this is the minister's department and that he has been given responsibility for these particular smaller programs, that the overall problem is not with the minister; the overall problem is with the industrial strategy of this government. So it's hard to blame. But when we as opposition believe strongly in something, we have to raise this at every possible time. Frankly, if we were to blame just the Minister of Manpower for the unemployment rate, we would have to say your ministry has been totally unsuccessful. Again, the blame cannot be left with just the minister. [interjection] I'm sorry. I didn't hear the hon. Member for Vegreville.

MR. BATIUK: Who is successful?

MR. MARTIN: I still can't hear him.

Mr. Chairman, the other thing we hear from time to time — and the minister may get up again — is the participation rate, I believe they call it. The participation rate really doesn't mean anything. Admittedly, it is highest in the province of Alberta. But the minister is as aware as I am. He sounded like Marc Lalonde when he brought this up, because they were talking about how their participation rate was higher when the Conservatives were going after them in opposition. All this means is that it's the size of the work force as a percentage of the entire population. But what it simply means is that Alberta's population is the youngest of all the provinces in Confederation. So the major reason Alberta has the highest participation rate is that there are fewer senior citizens in this province. We are a young province. That's clear; it's in Statistics Canada. We had a lot of young people move here. The minister is well aware of that. So that actually leaves the misery index, if you like, slightly higher, because we have a younger population.

What I am saying overall is that rather than using code words about participation rates that Marc Lalonde would be proud of, the fact is that the official unemployment rate of this province is 12.2 percent. The official rate in this city, which I represent, is 15.1 percent. Instead of things — I'm not going to put them down. I like STEP. We have a few things. I will support anything this government does that puts even a dent in unemployment.

But let's be honest. This government has to be judged very, very harshly in terms of allowing an unemployment rate to be this high. Again, many people can take the blame. It's not this minister. It's the whole government and the lack of an economic development strategy and, frankly, an Alice-in-Wonderland attitude, that if we wait long enough, somehow it will go away. We keep hearing that we're turning the corner, but nobody else believes it, certainly not the average person out there.

I would say to this minister that if you have some clout in the cabinet, you can take the Premier, the Treasurer, or the Government House Leader aside — or whoever makes the decisions; I expect it's in those three — and say: listen, I want to do my job: I'm called the minister of manpower, not the minister of unemployment; I don't want to take the can for this any longer; let's look at something we can do in a significant way to put people back to work. If the minister was able to accomplish that, I think he would be a very successful minister. All we see now is that the minister is going to be in charge, if you like, of — no, I won't use that word, because that's unfair, with something that was done; but in terms of token

things that aren't really solving the problem. Good for the minister that we can maybe put 9,000 people back to work at \$5.50 an hour.

Mr. Chairman, I guess the point I am trying to make, as sincerely as I can, is that it's just not good enough. There is, and I've mentioned this before, a lot of despair when you go out and talk to people, especially — if I can go back again — young people. You get young people that are giving up. They can't go to university because tuition is too high. They can't go because they're going to be in quotas. They won't be able to get into NAIT, where there were 9,000 applications last year for 3,000 positions. They can't find a job, so they're just wandering around. If they're fortunate enough, they can live with their parents, if they have the money. We are going to have trouble in the future, and we are creating attitudes at that age, as the minister well knows from his experience in the schools. What sort of attitude are we going to have if that kid has been bumming around for four years after school, first of all looking hard for a job and then being told time and time again: it's not good enough; you don't have experience; we have nothing for you. Rejection, rejection. I can predict that after two years, that student finally gives up. I think the minister is well aware of this.

Mr. Chairman, I think it's just not good enough to pat ourselves on the back and say STEP is \$20 million. This other program for the private people, while useful in itself, is not the be-all and end-all. If the minister wants to do something useful, he will get into that caucus or in that cabinet and shake the powers that be in this government and say that we have to do something about unemployment in this province. It's not good enough to say that we'll wait for the private sector. The minister is well aware the private sector is not going to invest in this province when the price of oil is down. We can't afford to have huge unemployment for that long. It just will not work, and we're creating problems. [interjection] Don't get too excited over there; we'll get to Mount Allan later.

Mr. Chairman, the point I'm trying to make is simply that. I guess if the government doesn't want to listen, if they think it's a laughing matter — 15.1 percent unemployment and the type of misery I'm talking about — then that's a government that's not going to be around a long time. If the minister is sincere about his job, as I said, start talking to that group over there and tell them to live in the real world, and tell them to get around and see what they're doing. The Premier now has a booklet about the mental health aspects that he said he would read from the other night, so maybe you should check him up on it.

With those few remarks, Mr. Chairman, I will leave it with the minister. I know he's not going to change here tonight and announce anything, but I hope that the government at some point recognizes what they're doing. It's not a laughing matter. I say it one more time: whether this government likes it or not, if Manitoba is able to get it down to 9.3 percent — not good, but the lowest in Canada — we should be able to do much, much better with unemployment.

Thank you, Mr. Chairman.

MR. GOGO: I opened the estimates book and was going to ask the minister a question or two about one area of responsibility he has, but after listening to the Member for Edmonton Norwood, I began to wonder. He talked at some length, somewhat eloquently, about the topic of unemployment. I think he's right on. I think it's a great tragedy that many people, and many young people, are unemployed. The hon. member is a very learned member, well informed, politically astute, and associated with a political party in this nation. I hear him

quoting it from time to time. I just thought it may be of interest to the committee to make a comment or two before the retaliation by the Leader of the Official Opposition, which I'm sure will follow.

Should we not ask ourselves why this has happened, Mr. Chairman, why we are in the way we are in today? How short our memories are when it's convenient to us to have short memories. Every time arguments go the wrong way, the argument comes back to the term "power". I have difficulty understanding that, particularly from the Member for Edmonton Norwood, who is associated with a group that's never experienced it.

How short our memories are. In 1979 — granted, before the hon. member arrived; long after his leader arrived — we saw something happen in Canada. Canadians had finally had enough of a federal administration that had done things in a certain way. Canadians at that time elected a new government that made a commitment during a campaign to try to straighten out the nation; they made that commitment. Canadians for the most part agreed and elected a new government. That government came in very quickly with what they thought was a response to the problems of the nation. They spelled out a budget.

My recollection tells me that most people thought that might work, but because of the nature of the game for the minority government, there were those who just plotted for the day when they could change it and throw the government out. One could expect that from the Liberal administration, because the role of the opposition, we hear so often, is to turf out the government. But when you get that third element, which seems to be peculiar to our country — in this case, it was the NDP, with its current leader at 11 percent of the popular vote. Mr. Broadbent moved a subamendment to a motion, and it was the subamendment that defeated the government.

Here was a political party that the hon. member is associated with, that said: we are the way and we are the light; watch us, watch us. Well, we've watched them. Subsequently, the 18 cents a gallon — which I think is 6 or 7 cents a litre — has become 63 cents a gallon.

MR. NELSON: Thanks to the NDP.

MR. MARTIN: You just woke Nelson up.

MR. THOMPSON: Three cents a litre, John.

MR. GOGO: Three cents a litre?

They brought in the national energy program, and we know from that day forward — I think it was in October when things started to go bad in this province. And here today is an exponent of the political party that took part in that process, saying that this government made all the mistakes. How short their memories are. The chickens have come home to roost. I think the foxes that got into the henhouse are doing all the complaining about why haven't you — and 90 percent of Canada's people have been brought to their knees by an overwhelming government.

If you look at the record — and I want to talk about the record. In spite of the record, they're saying today that it's the fault of the government of this province for the fix we're in today. That's what he's saying. How true is it, and what's been done?

I happen to believe the United States had the fortitude — I'm no great admirer of the United States and some of the programs. I don't like to see food stamps cancelled. But it seems they've turned the corner. It seems that in America they

have somehow set the investment climate whereby people have invested money again and got things going. The hon. member says that — and it's his view; it's his philosophy; if he had his way, there would be 2 million civil servants — the role of government is to create jobs. The role of government is to, in effect, be the sole employer. That's the philosophy. How successful is it? Look around. Manitoba may have a 9 or 10 percent unemployment rate, but how many jobs have they got? I think they've got two-thirds working for the government.

Mr. Chairman, I think the role of government should be to try to create a climate where our people will invest their money, because without investment — let's not kid ourselves — there are no jobs. You look at 10,000 vacant apartments or 6 million square feet of office space vacant in Calgary. Calgarians aren't that stupid. They built on the expectation that things were going to happen. Little did they dream someone with a sledgehammer was going to come along, with this party aiding and abetting them. Now that it's happened, what are they saying? Are they proud of what they did? I have some concerns. I look at the \$10 billion budget introduced on the 27th of the previous month, and I'm nervous. When I look at less than two and a half million people and a \$10 billion budget, we should be worried. We're by far the highest spending government in Canada. One should worry about that, because where is it coming from? Traditionally it comes from taxes. It doesn't come from taxes in this province; we don't tax people in this province, relative to other provinces. We get a lot off booze, agreed. But it comes out of the ground. If that Persian Gulf goes crazy, we'd better look out.

In my constituency, they're currently spending about \$200 million in capital projects. That's government money. That should worry all of us in the province. In the budget on the 27th — \$3 billion in capital projects. That should worry us too. But surely that's a commitment by a government towards creating work, creating jobs, not creating civil servants.

So I take some exception to what the Member for Edmonton Norwood is saying, in his way of criticism. I don't say that government shouldn't be criticized; I think it should be criticized. Show me anybody that doesn't make mistakes, and I'll show you people that don't do anything. The member may well be familiar with that.

Mr. Chairman, I want to commend the minister first of all on what's being done with regard to young people. Yesterday I had the opportunity of presenting a cheque to a hire-a-student program. This covers eight offices, including the members for Cardston, Taber-Warner, Lethbridge East — quite a group around there. There's a bunch of kids down there who give their time and energy to help other kids. We've thrown in a little seed money. The cheque wasn't very big, as the minister knows. But there were dozens and dozens and dozens of kids working on the project. That's co-operation. The kids would get a lot of experience from it. I think that's a wise move by the government. When we look at the \$20 million and \$27 million in other programs like STEP and PEP and this and that — I can't remember them all, but they go on and on — I think that's a firm commitment by the government, because it's other people's money we're spending. It's not our money. It's even the Member for Edmonton Norwood's money. I think we're doing a good job, and that's the reason I wanted to speak.

That wasn't the reason I wanted to speak; I wanted to speak with regard to the transfer from Advanced Education and Manpower to the minister's department of the VRDP program, the rehabilitation program for disabled people. In my riding, Mr. Chairman, I have several people who are blind, quite a few who can't see — a few who won't see even though they can — some deaf people, and other handicapped people. I want to

ask the minister, because I don't really see it in the budget. I see some figures; I'd like him to expand on them. Instead of the blind people attending the Canadian National Institute for the Blind, where they traditionally used to make brooms, we now have a major commitment to retraining those people, particularly in the areas of technology and computers. I want to ask the minister if there is provision in his budget for specialized equipment that these people may hang onto following their training. For example, if they want to go to work for a particular business, the business is not faced with the problem of having to purchase that expensive equipment, but indeed maybe the minister could provide that through the program. That would be the first question. Secondly, can the minister indicate to the committee how many people are currently registered with the department for rehabilitation training in terms of those who are blind and those who are hard of hearing or have other physical disabilities?

Thirdly, Mr. Chairman, I want to close by saying that I've met some of his staff, Wendy Fox in Lethbridge for one. I think those people are extremely inspirational to these disabled people. If the minister would, I'd like him to pass on, through Mr. Stott and other people associated with Miss Fox in Lethbridge, my appreciation for the way she is helping disabled people.

Thank you very much, Mr. Chairman.

MR. NOTLEY: Well, Mr. Chairman, I certainly welcome this opportunity ... [interjections] Oh, I see we have a little bit of fire there in the back works. It's nice that there's some interest tonight. A person always appreciates some interest.

MR. MARTIN: Always appreciate an audience.

MR. NOTLEY: Always appreciate an audience, even if it's a slow audience. [interjections]

I'd like to begin, Mr. Chairman, notwithstanding the catcalls across the way, I can imagine that the Tories would like to drown out discussion on this side, considering the present unemployment situation and the fact that this government is doing precious little to deal with unemployment in Alberta. Obviously the best defence is an offence, even if it's a very offensive offence.

MR. MARTIN: They're pretty offensive.

MR. NOTLEY: Yes, at times I think that's true, hon. member.

Perhaps I could begin by just picking up one comment the Member for Lethbridge West made. Unlike most of the backbenchers across the way, the hon. Member for Lethbridge West frequently enters a debate and represents his constituents very well. As a matter of fact, if the hon. Member for Edmonton Glengarry, with his various internal moves getting rid of Tories, would spend a little more time on some of the less effective backbenchers and get more people like the Member for Lethbridge West, we'd probably have a much better government. Notwithstanding the fact that I respect the Member for Lethbridge West, and he makes quite a contribution to this House, what we had tonight was not up to his usual standard. We had a little bit of commentary on what happened in 1979. First of all we were told by the hon. Member for Lethbridge West that the people of Canada supported the budget of the Joe Clark regime. Then along came the nasty New Democrats and Liberals that brought down the Clark government. If the people of Canada supported that budget, of course, they would have chosen to re-elect the Tories in February of 1980. Notwith-

standing the fact that they didn't want the Liberals, after eight or nine months of Conservative rule they dumped the Tories.

The other thing a lot of Conservatives omit, Mr. Chairman, is the fact that the Clark government had a number of opportunities to salvage the situation. Of course they stumbled and bumbled, and they weren't able to count. One thing I can say about this Premier, though, when it comes to counting votes he's pretty good at it. I wish he were a little better when it comes to dealing with the impact of the larger and larger number of unemployed in this province and what could be done to deal with their concerns.

I think it's high time this government stopped using the NEP as a crutch — and it is a crutch, Mr. Chairman. Everything is the fault of the NEP.

MR. MARTIN: They even blamed a guy's warts on it.

MR. NOTLEY: If there's a little bit of cloud in the sky, it's the NEP's fault. If it's going to be too dry this summer and the crops are bad, I'm sure it's the NEP's fault. If there's early frost in Athabasca, Mr. Chairman, it'll be the fault of the national energy program. If there's no snow on Mount Allan and we spend all that money on a nice ski hill that the Minister of Municipal Affairs will try to ski down and there's no snow, it'll be the fault of the national energy program. When is this government going to come to grips with the fact that they have some responsibility in Alberta and they can't blame everything on the national energy program.

Mr. Chairman, the Member for Lethbridge West talked about looking back.

MR. MARTIN: That's what Tories do best — looking back.

MR. NOTLEY: Will they never look back and really check history?

MR. MARTIN: They look back fondly to the 19th century.

MR. NOTLEY: Mr. Chairman, since the Member for Lethbridge West talked about looking back, maybe we can do that just for a moment, because in 1974 we had a document called Management of Growth. It was prepared for the minister's predecessor, Mr. Bert Hohol. There were a number of points contained in that document that are extremely interesting. The document warned the government in 1974 that if we went ahead with major megaprojects as the only engine, if you like, of the Alberta economy, there would be a lot of negative fallout. The fallout would be when international oil prices dropped or there was some uncertainty in the energy picture. Then the entire economy of Alberta would be in serious trouble.

This was a document that has been discussed on a number of occasions. Of course, it hasn't been discussed too often lately, because the Tories were warned a decade ago that the megaproject strategy of the 1970s would ultimately cause problems for the people of Alberta. Some of us warned members of the government, but of course we were not listened to. But the fact of the matter is that many of the problems we face today were enunciated and predicted point by point in 1974 in that document presented to the government. Instead of acting upon the recommendations so we would have a more balanced economy, in fact the government chose to go the boom route, the megaproject route, but they didn't have in place any of the policies which would cushion the fall.

The reason my colleague raised the questions he did about this government's performance in the area of the economy, Mr. Chairman, is that all one has to do is look at the most recent

report of the Conference Board of Canada. I'm not talking about the Executive Summary. If you look at the report itself, it is much more critical of the government than the Executive Summary. We have a government that has seen unemployment rise, and the purchasing power of Canadians in Alberta in terms of increase is lagging behind the rest of the country. We see serious problems in a number of important areas in the economy.

I just want to say to the minister that apparently the good members of the government side are no longer prepared to talk about the Conference Board of Canada, in sharp contrast to 1982 when Premier Lougheed went from one end of this province to the other, talking about the Conference Board of Canada quarterly report in the fall of 1982. When that report predicted we were turning the corner, the Conservatives were quite prepared to quote it liberally, if I can use that expression. And boy, did they quote it liberally. But now that the Conference Board is saying other things about Alberta, other things that are not nearly so flattering, all of a sudden we have a government that no longer even admits there is a Conference Board of Canada. Shucks, who are they? Must be some sort of eastern conspiracy. Perhaps it's even the national energy program thinly disguised in the Conference Board of Canada. Those evil people; they're all knockers. They're not true Albertans. Maybe they're saying the truth, but they're saying things this government doesn't want to hear.

Mr. Chairman, there are some interesting points in the most recent Conference Board of Canada report. It says on page 59:

Construction output is expected to fall by 4.5 per cent this year in spite of the mini-megaprojects such as Esso's Cold Lake and BP's Wolf Lake oil sands projects

which the Minister of Energy has already announced with great fanfare. Then it goes on, Mr. Minister:

The continued slow growth of provincial population and a further decline in real disposable income will affect retail trade activity and consumer expenditures on services.

Mr. Chairman, what did we tell this government in the fall? Both the Independent opposition and the Official Opposition made it clear that if we came in with income tax increases plus all the other things we're going to add — increased medicare premiums, user fees, extra billing — what will that do? It will take away purchasing power. Today we had the Minister of Tourism and Small Business talk about the right kind of climate to sort of fuel that private engine of recovery. If you want to fuel the private sector, the most important thing you can do is have enough purchasing power in the hands of the average person so that they can spend their money on goods and services in this province. Instead of moving in that direction, we chose to take purchasing power out of the hands of ordinary men and women.

Mr. Chairman, also on page 59 the Conference Board says:

In 1984, Alberta will have the slowest economic growth in Canada while provincial employment will drop by 0.6 per cent.

I might add, Mr. Chairman, we're the only province in the entire country, according to the Conference Board, to have an increase in unemployment.

We can have the Provincial Treasurer stand up and talk about the incidence of people in the work force. We've had a lot of people who've had to enter the work force, working women in particular. For those who enter by choice, great. But we have many who've had to enter because it required two incomes to pay for that home. Why? Because we allowed real estate booms to occur. We allowed fortunes to be made in speculation of land, and we've discussed that before in the Legislature. So we had house prices which were ridiculously

high compared to other parts of the country. Sure we had to have people enter the labour force. But now, when one or the other of those people is out of work, we get the sad situation, that this Legislature has already discussed, of people so desperate they sell their home for a dollar.

Mr. Chairman, I don't say to the minister that I hold him personally responsible for the fact that we have about 150,000 people out of work, but the fact of the matter is that the Conference Board does say that between 1982 and 1984 we have lost over 40,000 jobs. The minister can talk about his temporary jobs all he likes. This is what the Conference Board says. We've lost over 40,000 jobs. We have unemployment in this province which is even higher, not in percentage terms but certainly in total numbers, than during the worst of the 1930s.

Mr. Chairman, I am not saying to you or the members of this committee that we can change that overnight, but surely there are some things we can do. When we talk about manpower and unemployment, there are some things we can do. For example, we've talked about the coal policy. We've talked about the proposal of the United Mine Workers that would create as many as 30,000 jobs, mostly in Alberta. We've talked about the heavy oil upgrader, where Saskatchewan appears interested in moving but Alberta is still stalling. We've talked about the need to defend our lumber markets in the United States. I've had representation from people in the forest industry — I don't know where the government has been — who are concerned about recent moves by that country. We could move ahead with the opening up of agricultural land.

Mr. Chairman, there are a number of things that would create additional employment, so we don't get caught. Not with the problem solved; no one is suggesting we can solve that problem overnight. Neither myself nor my colleague would venture that argument. But just because we can't solve the problem overnight doesn't mean that we shouldn't undertake some initiatives.

This minister has said over and over again that you want the private sector to be the engine of recovery. All right. What are you doing to stimulate that private sector? Mr. Chairman, we have a government that is going to invest \$1.6 million in the Bank of Alberta. I understand that when they open their doors, the smallest loan you can get from that concern will be \$200,000. What about the small-business man in Cold Lake or Bonnyville who only wants to borrow \$10,000, \$12,000, or \$15,000? What about those kinds of people, Mr. Chairman?

MR. COOK: What about the wage subsidy program?

MR. MARTIN: You woke Rollie up.

MR. NOTLEY: Did I wake Rollie? Oh, I'm glad to hear that, Rollie. I thought you were down in Calgary, or wherever it is, trying to defeat another Conservative for nomination.

The fact of the matter is that there are things we could be doing and we aren't doing.

MR. COOK: Talk about the wage subsidy program.

MR. MARTIN: He was in Strathcona.

MR. NOTLEY: Oh, was he in Strathcona? We would certainly welcome our friend becoming much more active in the dominant role of this government, Mr. Chairman. I might just venture a comment that between the Member for Edmonton Glengarry and the hon. Minister of Education, I think they are going to be quite a team. I think I can say on behalf of my colleague that we would like to see them take over the front

bench. Maybe we could have the Minister of Education as the new Premier, and the Member for Edmonton Glengarry could be the Provincial Treasurer. I think it would be very interesting to see the enjoyment that would create, especially within this House. [interjections] It would be a fairly temporary situation, though, because I'm sure it would redress the balance more quickly than anything else would. [interjections] Some of the people in the back are saying they would be a new party in the House. That's probably true.

Nevertheless, hon. Member for Edmonton Glengarry, you stick right in there. Maybe you could go down to the United States and learn a little more about politics from your friend Jimmy Carter. I hear he's retired these days, and he might be able to give you the kind of advice that will allow you and Dave King to just go like gangbusters and reshape this government and get them on the right road or the left track, whatever the case may be. [interjections]

Mr. Chairman, I want to come back, if I can, to the issues.

MR. COOK: The Gallup poll, Grant.

MR. NOTLEY: We'll talk about the Gallup poll, my young friend. You and Brian Mulroney. Yes, there's no question that the latest Gallup poll is extremely interesting. I wouldn't be looking for that Senate seat yet, Rollie, unless you switch parties.

Mr. Chairman, however much it might be tempting to carry on this sort of side discussion with the Member for Edmonton Glengarry, I would like to get right back to the issue of what we're going to do to alleviate the serious unemployment problem in this province. I say to members of this committee that as yet we have no solid evidence that this government is doing anything in terms of encouraging the small-business sector, of undertaking some of those initiatives which would deal with proposals that would reduce unemployment. No, what we get instead is just a lot of rhetoric but no solid evidence of progress whatsoever.

Mr. Chairman, there's one other thing I want to say, and perhaps I could even educate my young friend across the way. I don't agree — and I don't mind saying this in this House and having members argue it wherever they wish — that when you're in the kind of economic mess we're in today, you can solve that mess by saying it's all going to be the responsibility of the private sector, or suggest that the engine of economic recovery is going to be exclusively the private sector, or for that matter some of the people I know who argue that it's all the responsibility of the public sector. We live in a mixed economy, and we live in a mixed economy where ... [interjections]

MR. CHAIRMAN: The Chair would remind all hon. members that they have an opportunity to enter the debate. Perhaps they could withhold any remarks until they take that opportunity.

MR. NOTLEY: Thank you, Mr. Chairman.

The fact of the matter is that we live in a mixed economy. Because we live in a mixed economy, there has to be a recognition that there is a major role for the public sector. Instead of recognizing that role, what do we see in Alberta? We see a government that is retrenching in terms of providing services. We see a government that is blaming public employees. We see a government that is depressing purchasing power. If you're going to solve — and by solve I mean at least tackle effectively, Mr. Minister, the 150,000 people out of work — we as a Legislature must recognize the proper role for the public sector as well as the private sector. It has to be a co-operative effort.

I just don't see that being displayed by the estimates, not just of this minister. Yes, we have some proposals here that are useful. I don't think there's any question that STEP is a program that has a good deal of merit — not a perfect program, as my colleague has pointed out, but a program with a good deal of merit.

Mr. Chairman, if that is the limit of our approach in terms of additional public-sector initiatives, then I say that isn't enough at all. It might be enough, Mr. Minister, if we had 10,000, 12,000, or 20,000 people out of work, if we had the kind of employment situation that existed in 1980 or 1981. But with the current situation, surely we can do better than that.

I mentioned some of the private-sector initiatives that we might consider taking. What about some of the public-sector initiatives? What about some of the proposals that have been made to undertake more highway construction, rail links, LRT expansion, some of the investments in infrastructure where we can get a good competitive bid today? Yesterday, I believe, we heard the Member for Calgary Millican argue that we should go ahead with a hospital in northeast Calgary on the basis of job creation. That's an argument that has to be weighed very carefully. I'm not sure you want to disband a perfectly functional hospital like the Holy Cross to do that, any more than it makes sense to build a new Legislature Building just because there would be all kinds of jobs created.

But there are a whole host of projects in this province — whether it is in the city of Calgary, the city of Edmonton, or right across Alberta — where we could agree that we should get on with the job, and we should get on with the job now while we can get good competitive bids. I think it's important, as my colleague pointed out, that we have in the caucus a minister in charge of Manpower who is not going to take a narrow approach to the issue of employment and say: no, no, my role is only to deal with manpower programs and not beyond that. We need someone who is going to be an advocate of as close as possible to full employment.

This Tory party, when they were in opposition — I remember sitting in the gallery before the 1971 election. There were 32,000 people out of work in March 1971, and the little Conservative opposition — Mr. Chairman, it's interesting to note they were a small Conservative opposition at that time. Things can change dramatically if governments are asleep at the switch. I'll tell you, they rose and they properly castigated the Social Credit government because there were 32,000 people out of work in 1971. Now we have 150,000 out of work.

MR. MARTIN: Officially.

MR. NOTLEY: Officially, and God knows how many unofficially. We have this sleepy approach of a government that has grown complacent and apparently unwilling to deal with some of the practical steps that could be taken.

So, Mr. Chairman, I just have to conclude in my gentle and positive way, as always ...

AN HON. MEMBER: Oh, come on.

MR. NOTLEY: ... that we could do a little better. As a matter of fact, we could do a lot better. I think that Albertans, irrespective of their political viewpoints, sense that too. We've had people contact our office in the last few months. It surprised me, Mr. Chairman, to be quite frank — people who indicate that they have followed the governing party since 1971, believed what the Premier told them in 1982, that prosperity was just around the corner, it was just a little short distance around that corner. Now they realize that conditions have got

worse, not better, and they're reassessing their political allegiance. There'll be a lot of people doing that, because this government has not performed very effectively.

I just conclude my remarks by saying to members of the committee that Albertans are no longer prepared — they might have been in 1981. You might have been able to sell this in 1982: blame everything on Ottawa, blame everything on the national energy policy, all the fault is somebody else's. But now Albertans are beginning to look at these Tory members and saying that maybe they're not 100 percent to blame for the problem but, by George, they're at least significantly to blame for the current situation. Unless we have a little more activist approach from this minister and the Minister of Economic Development and the Provincial Treasurer and those ministers who are responsible for the economic management of the province of Alberta, then I suspect that some of the backbenchers and perhaps even some of the cabinet ministers may not be back here after the next election.

I want to say one additional thing. I mentioned when I began, before we got sidetracked, but I want to underline it before the committee tonight. In 1974 we had an option. One of the most important things we had to decide when we had the strength was the pace of growth, the rate of growth. If we opted for rapid growth, we lost any ability to control the direction of growth or determine the ownership of growth. That was a choice that was made in 1974 by this government. It was a choice which closed a lot of options for Albertans. When things began to worsen on the international scene, the economic havoc that high interest rates caused to the rest of the country hit even harder in this province.

I guess what I'm saying, Mr. Chairman — and I move from the kind of debate we have between the two sides of the House to perhaps a little different stance. I want to leave this with the minister and the members of the government caucus, because I hope the time will come in the not too distant future when we will have some measure of economic recovery in Alberta. What I hope we've learned from the 1973 to 1982 period is that a boom is not the best way to go, that what we need is moderate, balanced growth, without the drama that the boom in Alberta caused, without the pretension, without the flourish, without the fanfare it gave us, but the kind of measured growth that I think Albertans want.

Three or four years ago, we had nothing but bravado about all the extra people who were coming into Alberta, slapping ourselves on the back, talking about moving power westward. But in fact, Mr. Chairman, because we weren't measuring that growth, because we weren't controlling that growth, because we weren't doing the very things the minister's predecessor was warned about in 1974, we are now in the situation where in many respects we are the sick man of the Canadian economy. The Tory backbenchers may not want to hear that, or even the Minister of Federal and Intergovernmental Affairs. It's nice to see you back, Mr. Minister, from New York or wherever he's been in the last little while.

Mr. Chairman, I just say to the caucus members and the members of the committee in total that in the future I hope we have a recognition that a little slower but more diversified type of growth is necessary. I look east, and the unemployment rate is not as high in Saskatchewan. One of the reasons the unemployment rate is not as high is that during that period of 10 years there wasn't a spectacular growth in Saskatchewan, but there was a diversification of the Saskatchewan economy.

MR. HIEBERT: They all moved out.

MR. NOTLEY: Not in the last 10 years, hon. member. There was a diversification of the Saskatchewan economy, and that's what we have to look at. That's what we have to move toward.

Frankly, Mr. Chairman, I would be a little more happy with these estimates if I saw somewhere — maybe not in the Department of Manpower, but somewhere: the Department of Economic Development or Tourism and Small Business or somewhere at least — some kind of clear-cut plan as to how we propose to diversify our economy and broaden our economic base.

The difference between the Saskatchewan heritage plan under the NDP and the Alberta heritage plan under the Tories is that in Alberta we saved money but did almost nothing to diversify the economy. Sure, in Saskatchewan they got a lot of flak for it. But the investments that were made, particularly in some of the controversial areas such as potash, are investments that will pay dividends to the people of Saskatchewan whether they have a Conservative government or an NDP government or whatever kind of government. I leave that as a bit of food for thought for members of this committee.

I conclude my remarks by saying that as far as my colleague and I are concerned at this stage, we do not think that 150,000 people out of work is a laughing matter, and we don't think that what we've found to date, a lackluster approach on the part of this government, is at all adequate, considering the plight of these people.

MR. McPHERSON: Mr. Chairman, I'm pleased to rise to participate briefly in the estimates of Alberta Manpower. With respect to the unemployment situation, it certainly doesn't have to be said that there wouldn't be any member in this Assembly who isn't very concerned with the plight of the unemployed. I don't mind standing in my place and expressing that it's very difficult dealing with personal situations of those who are unemployed in my constituency. I've been struggling with the concept for some time in determining what avenues can best be approached, what the government is doing, what directions the government is taking. I want to direct some comments toward some of the directions the government is moving in that I think are progressive moves.

Surely all Albertans are now abundantly aware of the massive influx of Canadians to Alberta during the boom years of the late 1970s and early 1980s. Much of this in-migration represented people attracted to Alberta during the very active construction boom. Clearly, Mr. Chairman, it is the construction worker who has been hardest hit in terms of employment in this province. Factors such as high interest rates, a national energy program which artificially lured oil activity away from Alberta to the Canada Lands, lower levels of productivity, labour insecurity, and ultimately a reduction in capital investment, have all contributed to higher levels of unemployment.

I couldn't help but note the remarks of the hon. Leader of the Official Opposition when he commented that we have a penchant in this province to put the blame elsewhere. He made a number of comments in relation to the national energy program. I got the impression that the national energy program in fact had very little to do with the unemployment difficulties that we find ourselves in in Alberta.

AN HON. MEMBER: Who told you that?

MR. McPHERSON: The Leader of the Official Opposition.

AN HON. MEMBER: Obviously.

MR. McPHERSON: I have some rather revealing statistics that I think would certainly refute that. Clearly, the national energy program, which was really nothing more than a revenue grab, has caused a devastating effect, particularly in the area of

employment in the province of Alberta. Mr. Chairman, the recent statistics I have, through a variety of good sources, indicate some rather interesting trends. In 1980 there were 25 wells drilled on the east coast and the northern frontiers. The drilling expenditures for all of Canada in 1980 for east coast and northern oil well development were \$737.6 million. That same year, in the western sedimentary basin, specifically in the province of Alberta, there were 6,995 wells drilled. That represented a total expenditure in Alberta, in relation to the overall amount of money spent in Canada, of \$2.648 billion.

The percentages are interesting. In 1980, 18.4 percent of total drilling expenditures in Canada were on the east coast and in northern Canada, and 66.9 percent in Alberta. Then we had a little program that came our way, called the national energy program. In 1983 there were 50 wells drilled on the east coast and in northern Canada. The drilling expenditures for all of Canada were \$3.16 billion, representing 58.6 percent of total expenditures. What happened in Alberta in 1983? We had a good year in relation to the year before, but in relation to what's happening as a trend, as a result of the national energy program, we find that we had total Canadian expenditures of \$1.883 billion. The difference, Mr. Chairman, is this. Quite clearly, in 1983 we've got drilling expenditures on the east coast and in northern Canada of 58.6 percent and 34.9 percent in Alberta. So we've had a shift. We've had a shift by virtue of a program that allows the federal government to back into the Lands, a program that finances this activity with 80 percent of the dollars funded by the taxpayer.

More important is this, Mr. Chairman. In another article I have, I've got an interesting schematic of the development costs of a typical central Alberta oil well. When you look through this thing, it's rather startling. It indicates that the total contract price for a typical oil well in central Alberta is \$536,150. That oil well will produce 692 man-days of employment. It will pay total compensation of \$197,700 to employees. That's the kind of employment activity that is generated in the oil patch in Alberta. But what's been happening? What's been happening, of course, is that we've had a national energy program which has artificially lured oil activity from the western sedimentary basin into other areas. The cost of the wells in these other areas is incredible. I did the calculations a moment ago, while I was listening earnestly to the hon. Leader of the Official Opposition. I have found that the cost of one east coast well or one well in northern Canada would fund 220 central Alberta oil wells. I didn't have an opportunity to do the calculations, but by rough figuring in my head that would create 150,000 man-days and over \$43 million in direct wages in this province. Are we going to believe that the national energy program has not had a pretty serious effect on the employment situation in this province?

There have been other factors, Mr. Chairman. I've alluded to them. Quite clearly, it's going to take some time before the expected recovery, in terms of capital projects and the massive inflow of construction workers to this province, can pick up. In my judgment, certainly the key role of governments — and I know that the leader is not going to appreciate this — is to provide a climate that will encourage private investment and thus meaningful, permanent, and long-lasting jobs. I think the government is doing a credible job in this regard, under rather difficult circumstances and also in the face of incredible pressures for increased and expanded government services.

In the last couple of years, Mr. Chairman, investment in Alberta is at a lower rate than it was in the not too distant past, but it still represents a very high share of gross domestic output. In fact as much as 20 percent of Canadian investment is made right here in Alberta — a clear indication of strength. Nevertheless, nowhere is the need for adjustment greater than in the

areas of investment. I submit that in order to attract investment and jobs, there must be a reasonable tax regime and confidence by the private sector that governments will not repeatedly incur deficits.

When I stood in my place earlier in this spring session and trotted out the figure that we are now faced with a federal fiscal policy that is increasing the deficit at the rate of \$2.5 billion per month, surely to goodness we've all got to start to recognize that if that continues, we have placed a burden on our children that is intolerable. Massive deficit financing by governments not only increases inflation, Mr. Chairman, but also operates to squeeze out private-sector sources of financing, for a limited amount of capital.

So in my view there has to be a balance. I think the government has endeavoured to provide bridging mechanisms to assist the unemployed and the economically disadvantaged, while at the same time trying to keep a favourable tax regime, limit our need for borrowing, and retain the province's creditworthiness. I think the government has been able to achieve this important and rather difficult balance under any objective measurement, particularly if we were to compare Alberta's position with other jurisdictions.

I would like to take a brief moment of the committee's time to list in terms of specifics some of the programs that have recently been announced to ease the burden of the unemployed. One, thousands of jobs will flow from this year's capital budget; total capital activity will approach \$3 billion this fiscal year. Alberta's capital budget is likely the highest on a per capita basis in all of Canada. Two, the hire-a-student program has been mentioned and applauded. I had the good fortune of opening the hire-a-student program in Red Deer on Monday, and I certainly concur with the Member for Lethbridge West that there's a terrific amount of co-operation between the various sponsors. They all have a role to play. This particular program has the goal of assisting 60,000 students and other people in their job searches this summer. Three, the STEP program, which has been mentioned, is aimed at young people coming out of our learning institutions and received funding of \$12.5 million in 1983 and will receive program funding of \$20 million for 1984. That is a 66 percent increase. Three, a new program, Alberta JOBS, job opportunities through business support, provides a year-round, private-sector wage subsidy and employment opportunity to the tune of \$25 million, and is aimed at providing 10,000 job opportunities. Four, other programs such as the priority employment program, NEED, special placement programs, et cetera, bring the total funding for job creation and retention in Alberta to nearly \$100 million or a per capita contribution in this province of over \$416. Finally, the capital works component of the '84-85 budget will create 60,000 man-years of employment, which by the nature of the mobile construction industry is expected to impact positively on about 180,000 workers.

Mr. Chairman, I believe most people want meaningful jobs in which they can take pride in their accomplishments, not contrived employment generated by publicly funded make-work projects. In my view the private sector is best positioned to generate meaningful, permanent, long-lasting jobs. I think it's imperative to strike a reasonable balance between fiscal realities, private-sector encouragement, and important government initiatives to bridge the employment program.

Thank you.

MR. MARTIN: Mr. Chairman . . . [interjections]

MR. NOTLEY: They're glad to hear it again.

MR. MARTIN: I know. I can appreciate that they want to hear truth and beauty and justice again. [interjections]

I think I will get on with the debate. There have been a few things said that I think have to be clarified. I know it's a very important debate, and hon. members would want to hear this.

First of all I heard a number of hon. members talk about economics. What they fail to recognize — I've talked about the social costs; I'm going to come back to that, because I didn't seem to make my point last time. What we're talking about in terms of the economics of high unemployment — there is a social cost accounting done by a person by the name of Mr. Deaton. He said, does it make economic sense to have huge unemployment? The point we've tried to make is that you shoot the best you can for full employment. When we take into consideration that this was the 1982 year end in Canada — I'll bring it to Alberta — it was estimated at that time, with very high unemployment, that lost production cost us some \$41 billion directly in the economy; lost earnings, \$8.9 billion; UI benefit payments we were paying out, \$8.1 billion; social cost of unemployment-related stress indicators, \$7.4 billion; lost tax revenue to government, \$7.4 billion; lost education and training, depreciation of human capital, \$2.7 billion. What we were doing in Canada with that unemployment rate at that time was taking \$75.5 billion out of the economy. They would not have had a deficit if they had those people at full employment. That's the point.

In Alberta, with a much lower unemployment rate at that time, roughly 7 percent, we estimated there were some \$5 billion directly out of Alberta's economy. Of course now it would be much higher; I don't have the figures. But the point is that if we think it's good economics to say we're going to sit there with huge unemployment, we are kidding ourselves because we're taking money out of the economy. I would repeat to hon. members — it was said that people want decent jobs but they're willing to wait on the pogeys, I gather, until they get a decent job. People want decent jobs whether it's the private or the public sector. That's the point. They want to work, period. They don't want to sit on welfare, and they don't want to be unemployed for years and years and years.

The point that I think has to be made time and time again in this House, Mr. Chairman, is what it does to people, the social breakdown, if you like. I use examples from *Unemployment, its impact on body and soul*. The figures from the Canadian Mental Health Association are startling. In a survey of 100 wife beaters reported to Metro Toronto police, 80 percent were unemployed. In the U.S.A. in 1980, unemployed people had a divorce rate seven times that of their employed counterparts. In Windsor in 1980, when unemployment reached 20 percent, the caseloads of local service agencies increased between 25 and 377 percent. According to David Randall, the national chairperson of the CMHA,

the single best indicator of child abuse is having an unemployed father ...

They go on:

in the case of crimes of violence, we can demonstrate a fairly strong relationship between these offences and deteriorating economic conditions mainly reflected by high unemployment.

Two studies in the U.S. have found that rape is significantly affected by unemployment duration and by male unemployment rates. We could go on. Suicide rates, alcoholism: all the social factors go up with high unemployment. That's the reality of what we're doing to people with unemployment. It's not good enough to just sit back and be smug about it and say that we'll wait for the private sector. This is the reality for too many

people, a lot of people in the city of Edmonton right now and throughout the province of Alberta.

The other point I would like to make is back to what my colleague said. Nobody said the national energy program was good for Alberta. We know it wasn't good for Alberta, but there are other causes. One of them happened to be OPEC breaking up, which caused the price of oil to drop, which was probably a bigger factor. The point is that we can sit and whine and cry forever that this happened, or we can get on with doing something to put people back to work. That's the point, Mr. Chairman. The national energy program is history. That's the reality of it. Let's forget about it and get on with building this province and putting people back to work.

It's not been just the national energy program. This government has to take some responsibility because they were also in power for the last number of years and; when I say power, in government then. They were the ones making the major decisions in this province. When I look at what's happened throughout the sectors in Alberta, I notice first of all that since 1981, there has been a 45 percent decline in the number of people employed in construction, a 12.5 percent decline in agriculture, a 12.2 percent decline in manufacturing, an 8.1 percent in other primary sectors, a 6.8 percent decline in the trade sector, and a 5 percent decline for public administration.

Nobody is denying that the private sector is an important vehicle for putting people back to work. But as my colleague has said, the engine has died. We're not doing anything to stimulate the private sector. The only thing we tried to do to create that climate of investment that the Member for Red Deer talked about was the so-called economic resurgence plan. When we look at the economic resurgence plan, the main part of that was a four-year, \$5.4 billion, no-strings-attached royalty roll-back, announced in 1981. With that improved climate of investment, what is the reality? A 28 percent reduction in investment in exploration in Alberta in 1982 than in 1981 and, according to *oilweek*, there were 346 fewer oil wells drilled in Alberta in 1983 than there were in 1982. Needless to say, Mr. Chairman, I do not need to talk to you about what's happening in the meat-packing industry. We've had much talk about that.

For the Member for Lethbridge West, who wants to talk about comparisons, I believe he said that Ronald Reagan was doing a good job in the United States, or something to that effect. I do not want to misquote him. Let's take a look at the so-called employment in the so-called capitalist countries, and we'll compare it to the social democratic countries in this world. Let's take a look at ... [interjections] No, they don't like to hear this. It's getting them nervous.

MR. NOTLEY: They don't like the truth.

MR. MARTIN: They don't like the truth. Let's look at the social democratic countries.

MR. NOTLEY: They just want the blinkers on.

MR. MARTIN: Unemployment rates in 1984 — I've already talked about Manitoba having the lowest in Canada — 5.5 percent in Austria, 5.7 percent in Finland, 8 percent in Greece, 9.25 percent in France, 3.75 percent in Norway, and 3.25 percent in Sweden. Now let's look at their models. The United States is over 9 percent, 11.5 percent in the United Kingdom under Maggie Thatcher, the darling of the Conservative world, 10.5 percent in Italy, and 9.25 percent in Germany now that they have a Conservative government. They used to have low unemployment. Mind you, Alberta is higher than all of them. Unfortunately 12.2 percent leads the way over all those coun-

tries. So that's the reality if we want to get into comparing those figures. If we want to debate those types of issues, we can debate all night, because the Conservatives know they're going to lose that battle.

The point we're making is simply that governments can make choices that affect people, and they can get that unemployment rate down. It's being done better almost everywhere in the western world but this province, Mr. Chairman. Whether government members like that or not, that is the reality. The point we make to them is that it's not a game. That 15.1 percent in this city and 12.8 percent in this province is an absolute tragedy. Instead of sitting here smugly like we are, we should be doing something about it and getting on with the job.

MR. BATIUK: Mr. Chairman, I wonder whether the hon. member would permit a question.

MR. MARTIN: Sure, John.

MR. BATIUK: The hon. member was criticizing the government because of the suicide rate. In one area he mentioned the high divorce rate. I haven't been divorced, so I don't know. But maybe the hon. member could tell us why. He's experienced.

MR. MARTIN: I don't understand the question. I'd try to answer you, John, if I understood.

MR. COOK: Mr. Chairman, what we've heard tonight is really a lot of whining. First off, maybe I should start by saying . . .

MR. NOTLEY: Well, look at this. Welcome back, Rollie.

MR. COOK: . . . that there isn't anybody in the Assembly who is at all happy with the unemployment rate in the province. I don't think there's anybody here who is suggesting that the unemployment level is where it ought to be. I think the government has brought in a program that does stress a balanced approach to bringing back the moderate economic growth the Leader of the Opposition talked about

We have a Provincial Treasurer, Mr. Chairman, who brought down a budget that has used significant resources from the Heritage Savings Trust Fund, a savings plan from the days when we had a lot of extra income coming in, and is now available. In fact, it's providing about 16 percent of the provincial government's budget income this year. I thought the hon. Member for Red Deer did a very good job of explaining that in the years of high growth, there were some sectors of the economy that were overbuilt. We have evidence of that in downtown Edmonton or Calgary, with high vacancy rates in buildings, and the construction industry has been savaged. I don't think there's anybody in this Assembly who would argue to the contrary.

What we do have, Mr. Chairman, is a government that is trying to provide some new economic directions for the province. We have, for example, a commitment by the Premier that he is going to be making a speech this spring, in the Assembly or in the community, outlining new economic directions for the province. We have the hon. member for Calgary responsible for the Research Council who spoke this afternoon in the Assembly and noted that next year we're going to be opening a \$70 million research lab. We have a cold weather research lab that is about to be opened in the city of Edmonton, in the Mill Woods research park. We have the Canadian Standards Association lab being opened up that should stimulate a lot of development in the electronics industry. We're seeing the com-

pletion of the petrochemicals industry complex in the Edmonton area and in Red Deer.

Mr. Chairman, I think what we have is a government that is trying to provide diversification of the economy in a balanced way right across the province. But what we have not heard from the opposition are any positive alternates to what is being done today. We haven't heard one thing that suggests a different approach, a new idea, a new alternative to what the province is doing today. We've heard a little bit of nit-picking about expense accounts and a little bit of whining about the member responsible for Federal and Intergovernmental Affairs, who's done some travelling abroad promoting the province. I think it's outstanding to have the track record of the Minister of Federal and Intergovernmental Affairs or the Minister of International Trade, people taking products from Alberta abroad.

I happen to have here at my desk the *Alberta Statistical Review*, fourth quarter, 1983. It talks about a number of indices that are worth noting. The participation rate in January of this year — the hon. Member for Edmonton Norwood cited Manitoba — in Manitoba is 64.4 percent, and in Alberta it's 70 percent, almost a 6 percent difference. Now the hon. member is going to trot out his standard line that our population doesn't have as many senior citizens. That's true. But our participation rate is higher than any other province in Canada. The hon. member went far afield, as far away as Finland, to talk about unemployment rates. Let me talk about a "social democratic" province, Quebec. Its participation rate is 59 percent.

MR. MARTIN: Quebec is?

MR. COOK: Quebec.

MR. MARTIN: You're kidding.

MR. COOK: The PQ government holds itself out as being the conscience of the country. It is a social democratic province. [interjections]

MR. NOTLEY: Oh, Rollie.

MR. COOK: Mr. Chairman, it has a participation rate much lower, a 10 percent difference.

MR. NOTLEY: So is Jimmy Carter a social democrat.

MR. COOK: Oh, come on.

Mr. Chairman, there are some other indices that are worth noting. At the beginning of the year, in January 1983, the value of wages and salaries in the manufacturing component in our province was \$157.9 million. It closed out the end of the year at \$164 million, an increase of about \$6 million or about 5 percent. That's a good example of manufacturing diversification in the province in a new area that we're not strong in, that's growing. The same could be said of other figures: for example, the finance industry providing services. We're starting to see the development of a very sophisticated banking sector in the province — finance and administration. In January 1983 they spent \$112 million on wages and salaries in the financial sector, banking and finance, and at the end of the year they had \$123 million, much better than a 10 percent increase.

Mr. Chairman, Alberta is becoming the financial centre for western Canada. We're seeing the head offices of banks moving to Alberta. We're seeing the creation of new banks, like the Bank of Alberta, in Alberta. I think it's laudable that the government of Alberta is showing faith in that sector of the economy, which is going to be important to us in the long run,

by investing in the Bank of Alberta. I hope it provides similar support for other banks, like the Northland here in the city of Edmonton.

Mr. Chairman, I think that is positive evidence that this government is supporting growth sectors of the province. But I haven't heard anything from the NDP that outlines a new economic strategy, a game plan, for this province. We've heard some whining, some nit-picking, and some complaining, but nothing positive, no alternatives.

MR. NOTLEY: You weren't listening, Rollie.

MR. COOK: Yet the NDP holds itself as sort of a government-in-waiting, the Official Opposition.

MR. HYLAND: Spend, spend, spend.

MR. COOK: They haven't done anything. You haven't offered one positive alternative. Nothing.

MR. NOTLEY: What about the coal policy? Where are you on that?

MR. COOK: Mr. Chairman, just glancing through the index here — for example, the forestry industry last year had a record year. The value of shipments for forest products — let me see if I can find that for you, hon. Leader of the Opposition.

MR. SZWENDER: He's not interested in facts.

MR. COOK: He probably isn't interested, no.

MR. NOTLEY: What about B.C. Forest Products, Rollie?

MR. COOK: Sure. There, Mr. Chairman, is an example of the government trying to create new opportunities by developing a resource on the Eastern Slopes of the Rockies. And that will come.

Mr. Chairman, let me talk about the value of products. Let me compare January 1982 for round timber. The value of the products produced in that one month was \$6,600,000; the same month a year later, \$8,157,000. Let me compare another area, wood chips, which are important for the production of things like plywood. We had more than a doubling of the value of products there: \$2,252,000 worth of products were produced in the province in January 1982; \$4,896,000 in January 1983. We're seeing a sector of the economy rebounding, and the timber industry is growing in strength in 1984.

Mr. Chairman, the same is true of railway ties. Obviously some exciting things are happening with the twinning of the CN and CP rail lines. We're building infrastructure. We're using the heritage fund to build the port at Prince Rupert, a bold and imaginative idea supported by this province. We're building for the future.

MR. NOTLEY: Where are the rail lines?

MR. MARTIN: Where's the beef?

MR. COOK: Mr. Chairman, we've heard a lot of bull tonight and not much beef from the opposition. We've heard the bull, and that's all. There's no substance to what they've got at all.

MR. MARTIN: Where's the beef, though?

MR. COOK: Mr. Chairman, I think it's sad that those guys over there hold themselves out as the alternative to this

government. Frankly it suggests that there is no alternative, because they've offered us nothing.

MR. SZWENDER: Ask them about Fantasyland.

MR. COOK: They're empty, they're hollow. They're just like that hamburger with no beef, all bull.

MR. ZIP: Mr. Chairman, I was going to ask some questions on the initiatives taken by the hon. Minister of Manpower. But after listening to the apologists for the federal Liberal government who consistently tie their can to the tail of the federal Liberal Party and who supported it in every real political crunch that has occurred for the federal Liberals in their fight over the last 15 years with the only free-enterprise party in Canada, the Progressive Conservative Party, and the misinformation they have been dispensing in this House this evening, I must rise to straighten out a few facts.

AN HON. MEMBER: Closet Liberals.

MR. ZIP: There's no doubt, Mr. Chairman, that the great raid on the western Canadian, primarily Albertan, resources represented by the imposition of oppressive production taxes on our resources, represented by the national energy policy, had a very major part to play in the flight of investors from Alberta, the flight of rigs, and the downturn of activity in my city of Calgary and my province of Alberta.

The people and the government of this province were the victims rather than the perpetrators of the economic calamity that has been visited and imposed on this province by the national energy policy. The wild spending by the socialist Liberal government and the huge deficits it generated since 1975 had a great part to play in the huge demand for money and the high interest rates that this wild spending generated. Also, the spending of other socialistic governments across the world created such a huge demand for money that the only logical result was high interest rates. It helped to stifle private investment and to generate economic hardship for our small-business men, homeowners, and borrowers generally — another source of lessened economic activity and unemployment. The government of Alberta is a victim, not a perpetrator of an economic crime that it is being wrongly blamed for by the fellow-travellers and cohorts of the federal Liberal Party in Alberta, the New Democratic Party of Alberta.

AN HON. MEMBER: Shame.

MR. COOK: Closet Liberals.

MR. ZIP: Within the limited resources and powers of the Alberta government . . .

MR. COOK: Even worse than Liberals.

MR. ZIP: . . . it also had to cope with the third factor behind the economic disaster that has occurred in this province, and that is the high rate of taxes that has been imposed on this country by this socialistic Liberal government in Ottawa — which, incidentally, was brought back to power by this essential support that the national NDP gave to it on December 13, 1979 — and which has contributed to discouraging investment and reducing economic activity in this province.

The fiscal restraint that our government in Alberta has taken to stimulate employment, the steps taken by this government and by our Minister of Manpower, which were so aptly outlined

by the hon. members for Edmonton Glengarry and Red Deer, are ameliorative and very positive steps. It certainly doesn't deserve the criticism that has been levied tonight by our hon. members of the opposition.

Thank you, Mr. Chairman.

MR. SHRAKE: Mr. Chairman, I'll be very brief. I would like to thank the hon. minister on behalf of J.D. Furniture, a little company in Calgary Millican. They have 55 employees, and with your wage subsidy program, they are taking on 23 additional employees. These are later going to be permanent jobs. They predict that they will be up to 120 employees within a year. This company is not sitting back and whining, crying, moaning, groaning, and mashing their teeth. This outfit is now exporting furniture to Quebec and Ontario, who for the last 50 years have exported to this province. They are also cracking the American market and sending stuff to California, which is a tough market to get into. But some Albertans are tough; they don't sit back and whine and groan.

Also, on behalf of some of the communities on the east side of the city of Calgary, I would like to thank you for the STEP program. They are hiring students to do work in the communities. Thank goodness somebody can bring in some programs that do something. We heard our opposition say that precious little was done. I looked through here, and I read and read through the Orders of the Day. There is nothing at all, not one job created. Where are they spending that half a million dollars they got to do their research and their work? There is not one Bill in there and they have the [inaudible] to stand up here again and again and say, we are concerned about jobs. Where is your program, sir? Where are these motions and Bills? There ain't none; pardon the old colloquial.

I heard the one member say, why don't we forget the NEP? Of course you would like to forget the NEP, the thing that helped bring this province to its knees. But no, sir. We're not going to let you forget that. Your good old NDP was right in there along with Mr. Trudeau, trying to bring Alberta to its knees, and they were successful. The people aren't going to forget. I hear the sneers and comments — the backbenchers — laughs and kind of belittling. Well, sir, I took 70 percent of the vote in Calgary Millican in the last election. I'll compare that percentage against your vote in the last election, and I'll compare it next election too.

We hear this talk about public works, public works, public works. Then we bring in public works, and the opposition — I don't know if they don't understand it. I'm trying to be patient. I realize that you have never served on a hospital board; you don't know that much about hospitals. So I better try to explain it to you. One of the reasons you build additional hospitals is to create extra beds. You see, the Calgary General hospital has a waiting list of many hundreds to get beds. So you build a new hospital and you create additional beds, and it cuts the waiting list. It's not really difficult to understand.

As far as public works, we are building many hundreds of millions of dollars worth of bridges and roads. The Edmonton hospital will put to work a lot of those bricklayers, stucco applicators, drywallers, electricians and some of the excavators, concrete men, and cribbers. The same thing in Calgary. There is also the little program — you probably didn't catch it, but I'm sure you'll eventually catch up with it — the Baker sanatorium for \$20 million. Why do you have programs like that? I'd better run it by you slowly. There is no point in building houses; we have a surplus of houses. There's no point in building offices; we have a surplus. There is no use building any more shopping centres, because we have empty stalls. So we are building the things we will need. But every time you

crab about this, you are crabbing about creating jobs for these people whom you say you have a very fond affection for, a concern for, and so on.

Mr. Minister, thank goodness you brought in a program like this. Frankly, I think it's so successful. My only criticism is that you didn't give old J.D. Furniture money for another 25 or 30 employees, because in Calgary Millican they are going places.

MR. CHAIRMAN: Does the minister wish to make any closing remarks?

MR. ISLEY: Thank you, Mr. Chairman. After starting all of that with about three minutes of opening remarks, there are a few points I have to comment on. The hon. Member for Edmonton Norwood is great at playing statistics and likes to take the part that looks good in his argument and drop the part that looks bad. I agree. I recognize, and so do other members on the government side, that according to Stats Canada, the unemployment rate in Alberta today is 12.2 percent and the metropolitan Edmonton region hit slightly over 15. But I think you have to be careful when you start playing with percentages. That's one of the reasons I have stated that the objective of this government with respect to employment is to achieve the point in time when anyone who has prepared themselves properly and is desirous of work can find an opportunity in the work force.

Having said that, let me go back and look at some of the comparisons the hon. member made. You can't discount the participation rate. The participation rate is the percentage of people over the age of 15 declaring themselves in the work force. It's not a percentage of population. According to all the statisticians, it's an indicator of how positive one feels about their chances of getting a job. Albertans still feel very positive about the chances of getting a job, and that's why you have a participation rate of 71.4 percent. If there is that type of optimism in the work force, you can't really argue on the other hand that there's a lot of hidden unemployment in Alberta. I would say there is hidden unemployment in Alberta, but it is generally in those pockets of the population that Stats Canada doesn't pick up. We have programs in Alberta Manpower and in other government departments assisting those people.

Let me come back to the participation rate for a moment, though. If we take the Alberta participation rate and apply it to the province that the hon. member likes to compare us to, Alberta's unemployment rate would still be 12.2 percent; Manitoba's would suddenly be 17.87 percent. On the other hand, if you take the Manitoba participation rate and apply it on our Alberta work force, the Manitoba unemployment rate stays at 9.36 percent; the Alberta unemployment rate would be 3.17 percent.

MR. NOTLEY: Ernie, no way.

MR. ISLEY: On the other hand, if you take the Canada participation rate — so you are using the same statistics right through — Canada's official unemployment rate would remain at 12.69 percent. Manitoba's would decline to 7.79 percent because the Manitoba participation rate is higher than the nation as a whole, and Alberta would drop to 1.49 percent.

MR. NOTLEY: Did you have Rollie do the figures?

MR. ISLEY: That is the set of figures that is calculated from Stats Canada. It's the set of figures that *The Edmonton Journal* did a fairly accurate write-up on. [interjections]

Mr. Chairman, my point is that unless you're going to look behind what generates a figure, you'd better be careful when you start comparing one province to another or one country to another. If you're going to compare something, you have to bring what creates it into equality. That is why I don't think we should concern ourselves as much with statistics as with people and helping people overcome the obstacles that prevent them from getting in the work force.

Hire-a-student has been mentioned a number of times in a very positive sense. I would just like to share a few figures with you. In the Edmonton hire-a-student office, which opened Monday, as of yesterday morning we had 679 students registered looking for work, and we had 471 job orders from the private sector. I think that shows the importance of working with the private sector in assisting young people to get jobs. As of yesterday morning, Calgary had 1,340 students registered and 624 job requests from the private sector.

I want to mention very briefly some of the initiatives this government has taken toward alleviating the unemployment situation, keeping in mind that we firmly believe that the long-lasting, meaningful jobs that will be around are those created by the private sector or that we create in co-operation with them. In addition to that, as the hon. Member for Red Deer pointed out very well, the total capital construction program carried out by this government in the 1984-85 budget year will create in the neighbourhood of 67,000 man-years of work, directly and indirectly. If you add to that the Alberta Manpower job creation programs, which we're doing totally in the public sector, and also those in the private sector, add the direct and indirect man-years of work created by various other government initiatives taken through the Alberta resurgence program, then directly and indirectly the Alberta government programs will be creating in the current budget year in excess of 85,000 man-years of employment. That translates into a significantly higher number of jobs, because a man-year is one person working for a total 12-month period.

We had some comments about the lack of economic diversification, the problems that certain sectors of our work force were encountering. What I would like to share briefly with the committee is what has happened to the Alberta economy from 1975 to 1983, which is the time period that Stats Canada has been keeping statistics on the various sectors of our economy. During that period of time, the total number of employment opportunities in this province grew from 789,000 to 1,115,000, for a growth of 326,000 new jobs or a 41 percent growth. The only industrial sector that declined in employment opportunities was agriculture, which over that eight-year time period, dropped from 111,000 to 80,000. I think anyone who has a feel for rural Alberta knows why that occurred. It was because of the advancing technology and the increased productivity of one individual in primary agriculture. Other primary industries, including oil and gas, grew from employing 28,000 people in 1975 to 69,000 in 1983, a whopping 146 percent increase. Manufacturing enjoyed a 21 percent growth, from 71,000 to 86,000. Construction, which currently is the hardest hit sector of our work force, grew in job opportunities by 37 percent: it employed 64,000 workers in 1975 and 88,000 in 1983. Transport and utilities grew by the same percentage of 37 percent, from 69,000 to 95,000. Trade employed 147,000 in 1975; eight years later, 201,000, a growth of 36 percent. Finance and real estate, which the hon. Member for Edmonton Glengarry made some comments on, employed 36,000 people in this province in 1975 and 61,000 in 1983, a growth of 69 percent. Service grew by 70 percent, from 206,000 to 351,000 — 145,000 new jobs. My point is that if you're going to look at diversification from the viewpoint of employment opportunities, we've had it over the past eight years and we've had it very strongly.

The hon. Member for Lethbridge West asked some rather specific questions in connection with the VRDP program. The budget in 1984-85 is estimated to be \$3.8 million; that's the program for helping the handicapped in training. The student number that benefitted from that program in 1983-84 was 1,160. The average amount of assistance per student was \$3,300. Equipment purchased for disabled students to assist them in their training in some cases moves with the student into the job market and in other cases remains with the institution, depending upon the type of equipment and the need for it in the work force.

I close with one final comment. A number of people mentioned the summer temporary employment program, the \$20 million to create approximately 9,000 job opportunities for our young people this summer. Some of the government members mentioned the Alberta wage subsidy program and the on-the-job training program, which is a \$26 million year-round program. For some reason, the members in the Official Opposition seem to ignore that program totally. My point, Mr. Chairman, is that it can and will have a significant impact in the creation of job opportunities and, in this case, job opportunities that may last, in co-operation with the private sector.

Mr. Chairman, I think that is it. Thank you.

Agreed to:

1.0.1 — Minister's Office	\$ 176,010
1.0.2 — Minister's Committees	\$ 24,000
1.0.3 — General Administration	\$ 4,237,128
1.0.4 — Planning and Research	\$ 319,348
Total Vote 1 — Departmental Support Services	\$ 4,756,486
2.1 — Manpower Development	\$20,656,294
2.2 — Training Assistance	\$10,681,179
2.3 — Manpower Training	\$ 6,796,972
Total Vote 2 — Manpower Development and Training Assistance	\$38,134,445
3.0.1 — Special Employment Programs	\$39,500,000
3.0.2 — Program Support Services	\$ 1,025,000
Total Vote 3 — Special Employment Programs	\$40,525,000
Department Total	\$83,415,931

MR. ISLEY: Mr. Chairman, I move that the votes be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

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

Resolved that sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1985, for the Department of Manpower: \$4,756,486 for departmental support services, \$38,134,445 for manpower development and training assistance, and \$40,525,000 for special employment programs.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, following the question period tomorrow, it is proposed to deal in Committee of Supply with

the estimates of the Department of Housing, and the Department of Municipal Affairs would be ready to be dealt with later on in the morning if sufficient progress is made; but in that order.

[At 10:04 p.m., on motion, the House adjourned to Friday at 10 a.m.]