

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Tuesday, May 22, 1984 2:30 p.m.**

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

PRAYERS

[Mr. Deputy Speaker in the Chair]

MR. SPARROW: Mr. Speaker, I would like to ask for unanimous leave of the House to make an announcement about the passing of a former member.

HON. MEMBERS: Agreed.

MR. SPARROW: Mr. Speaker, I would like to take a few minutes of the House today to pay tribute to a former Member of the Alberta Legislative Assembly for the Wetaskiwin-Leduc constituency. Rev. John A. Wingblade, who passed away last week in Wetaskiwin at the age of 101 years.

Rev. Wingblade was a longtime and well-respected individual in this Legislature, serving from 1935 to 1963, some 28 years in total. His contributions to his community and to the province were numerous and positive. Rev. Wingblade's friendly personality and community spirit will be sorrowfully missed by his family and friends.

Mr. Speaker, I'm certain that all my colleagues will agree that democracy is the result of the hard work of such pioneers as Rev. Wingblade. Our respects go out to his family and friends at this time of mourning.

Thank you.

MR. R. SPEAKER: Mr. Speaker, I would also like to add my words of condolence to the family of Rev. Wingblade. I entered this Legislature in 1963 but had the opportunity to work with Rev. Wingblade on a number of projects and concerns he had with regard to his constituents. One of his greatest attributes was his concern for individuals and for everybody in his constituency, whether they were rich or poor or whoever they were. He had great concern and compassion for those constituents and friends of his, and most of them were friends rather than just constituents that he was serving.

I'd certainly like to add to the words said today and provide a tribute not only on behalf of me as an Independent in this Legislature but I'm sure on behalf of many other associates of Rev. Wingblade over the years he served in this Legislature.

head: **INTRODUCTION OF BILLS****Bill 46****Engineering, Geological and Geophysical Professions Amendment Act, 1984**

MR. CHAMBERS: Mr. Speaker, I request leave to introduce Bill No. 46, the Engineering, Geological and Geophysical Professions Amendment Act, 1984.

The purposes of this Bill are to improve the discipline and appeal procedures, to redefine the scope of practice and the use of professional designations, to allow for public membership on the board of the examiners, and to change the regulation-

making authority to allow for greater recognition of technologists.

[Leave granted; Bill 46 read a first time]

Bill 52**Real Estate Agents Licensing Amendment Act, 1984**

MRS. OSTERMAN: Mr. Speaker, I request leave to introduce a Bill, being the Real Estate Agents Licensing Amendment Act, 1984.

The main thrust of this Bill involves the provision to delicense some 6,000 salesmen and to provide for an industry-run assurance fund, which will replace the bonding provisions. This fund will increase the upper limit of protection for consumers.

[Leave granted; Bill 52 read a first time]

Bill Pr. 8**George Harold Sibbeston Adoption Act**

MR. R. MOORE: Mr. Speaker, I request leave to introduce Bill Pr. 8, the George Harold Sibbeston Adoption Act.

The purpose of this Bill is to allow for the adoption of Mr. Sibbeston, who is an adult and who therefore cannot be adopted under the general law of adoption contained in the Child Welfare Act.

[Leave granted; Bill Pr. 8 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. ADAIR: Mr. Speaker, I beg leave to file four copies of the Chinook Country Tourism Destination Area Study.

MR. BRADLEY: Mr. Speaker, I'd like to file replies to questions 158 and 165.

MR. HORSMAN: Mr. Speaker, I table the reply to Motion 148.

MR. KING: Mr. Speaker, I would like to table the information ordered by the Assembly in Motion for a Return No. 154.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. BATIUK: Mr. Speaker, it's a pleasure for me to introduce 60 grade 5 students from three classes, including one bilingual class, in the Peter Svarich school in Vegreville. They are accompanied by their teachers Mrs. Nawrot, Miss Popowych, and Mr. Kryklywicz, by parent supervisors Mrs. Benson and Mr. Kuchera, and by school bus operator Mr. Zubritsky. I ask that they all rise and receive the welcome of the Assembly.

MR. CHAMBERS: Mr. Speaker, I would like to introduce to you, and through you to members of the Assembly, 19 grade 6 students from Athlone school in the constituency of Edmonton Calder. Accompanied by teachers Mrs. Farrow and Mr. Hudson, they are seated in the members gallery. I would like them to stand and receive the warm welcome of the Assembly.

MR. JONSON: Mr. Speaker, I wish to introduce to you, and through you to members of the Assembly, 50 grade 6 students

from Ponoka elementary school. They are accompanied by teachers Mr. Jimmy Rawjy and Mr. Gordon Hickey, and by their bus driver Mrs. Henault. They regret not being scheduled to view the Oiler parade today, but they are enjoying their tour of the Legislature and other points of interest in Edmonton. They are seated in the public gallery, and I now ask them to stand and receive the traditional welcome of the House.

MR. STROMBERG: Mr. Speaker, may I have the opportunity to introduce to you and to members of the Legislature some 20 students from Daysland junior high. Daysland is located in the Camrose constituency, about 20 miles east of the city of Camrose. With them this afternoon is their teacher Bob Raynard. They are seated in the public gallery, and I ask that they stand and be recognized by the House.

head: MINISTERIAL STATEMENTS

Department of Energy and Natural Resources

MR. ZAOZIRNY: Mr. Speaker, in 1977 the government of Alberta initiated an enhanced oil recovery program, in recognition of the fact that conventional extraction methods produce only a fraction of the oil in the ground. The program also recognized that while enhanced oil recovery costs less on a per barrel basis than the cost of finding new barrels, enhanced oil recovery projects are technically risky and expensive. They require high capital expenditures and operating expenses, most of which are incurred during the early stages of the projects, before the technical success of the projects is assured. By the fall of 1982, eight enhanced oil recovery projects had received approval under the original 1977 initiative. To further accelerate enhanced oil recovery and to encourage activity in our petroleum industry to help offset the damaging effects of the national energy program, additional amendments to the royalty regulations applicable to enhanced oil recovery were announced in October 1982. These amendments were designed to simplify the application and approval process and provide greater assurance that technically sound projects would proceed.

Mr. Speaker, these amendments have had a significant, indeed a dramatic, impact on stimulating enhanced oil recovery schemes in Alberta. The number of approved projects has increased from eight in October 1982 to 27 in May 1984. In addition to these 27 approved projects, 11 more applications are currently being assessed. It is expected that an additional 563 million barrels of oil will be recovered as a result of the 27 approved projects. And if one includes the 11 projects currently being assessed, that figure rises to some 682 million barrels of additional oil.

These projects involve hundreds of millions of dollars in new investment, creating significant economic activity and jobs in Alberta. The capital investment required by the 27 approved projects and the 11 pending projects is approximately \$800 million, most of which will be spent in 1984 and 1985.

Mr. Speaker, I am particularly pleased to be able to announce today that approval has been given by our government to the largest enhanced oil recovery project yet to proceed in Alberta, the \$125 million Esso Resources enhanced oil recovery project in the Judy Creek area near Swan Hills. Esso Resources Canada will be proceeding immediately with the project. Of the \$125 million capital expenditure, \$100 million will be spent on an ethane extraction plant and new field facilities required for project start-up in the fall of 1985, with the remaining capital expenditures to be made in subsequent years. Seventy-four

million barrels of additional production of light and medium crude oil will result from the project.

Mr. Speaker, the project will also create an additional market for Alberta's natural gas and ethane. To supplement its own sources, during the next 15 years Esso will purchase about 25 million barrels of ethane and 106 billion cubic feet of natural gas, to be injected in the pools and used as a solvent in recovering additional oil. The purchase cost of ethane and natural gas will be approximately \$800 million, with the majority of the ethane and natural gas to be recovered later in the project's life.

The Judy Creek project will generate 250 engineering and construction jobs in 1984 and an additional 100 similar jobs in 1985. Two hundred and twenty people are currently working at Esso's Judy Creek gas conservation plant. This enhanced oil recovery project will significantly extend the productive life of the Judy Creek field and the employment opportunities it has brought to the Swan Hills area.

Mr. Speaker, in addition to the projects which have now been approved, including today's announcement of Esso's Judy Creek project and those applications currently under review, we expect 20 or so more enhanced oil recovery projects to proceed in the next three years. This level of activity in enhanced oil recovery is making and will continue to make an important contribution to economic activity and job creation in Alberta. It is yet another positive sign of the continued recovery of Alberta's energy industry.

MR. R. SPEAKER: Mr. Speaker, on a point of order. I'd like to raise a question arising from *Hansard* of May 11, 1984. It's with regard to ministerial statements. At that time I requested the Premier to make a ministerial statement with regard to his upcoming trip to New York, with the possibility of tabling documents. In his response, the Premier indicated that that could best be raised through question period.

The point of order I'd like to raise with you, Mr. Speaker, is that during question period, answers are to be short and as brief as possible. A major trip that may have spent anywhere from \$90,000 to \$100,000 of public funds should take a longer period of description. In raising this point of order, Mr. Speaker, I'm not only raising it as a matter of concern with regard to the Premier's indication that a matter such as that should be dealt with through question period but, secondly, urging the Premier to make a ministerial statement with regard to that trip and expenditure at this time.

I think the answers are quite necessary at this time, with the economy as it is, the pressing matters that are before us, and the items that have been raised in this Legislature, such as the 150,000 people unemployed, the soup lines in Edmonton, many university graduates — I raised that in question period in this House — that are unemployed at the present time, the farmers out in front of this building, and the construction industry. The Premier made a major trip to New York to talk to the moneylenders, the businessmen of New York, to invest in Alberta. Hopefully that investment would in turn do something for the people in need.

Mr. Speaker, I urge on you consideration of that decision and certainly consideration by the Premier to make a ministerial statement in this House with regard to that trip, as well as tabling any necessary documents that could inform the Legislature of the necessity and the contribution to Alberta that that respective trip made for the people here.

MR. LOUGHEED: Mr. Speaker, a brief comment. I repeat what I said before I left. If, in the process of the question period, there are any questions the hon. member wishes to

direct my way with regard to that trip, I'm quite prepared to respond.

MR. DEPUTY SPEAKER: The Chair might just comment inasmuch as question period, certainly in recent days, has been quite extensive. I note that in one question period last week, we had ample time for as many as 11 or 12 supplementary questions.

The matter of a ministerial statement, of course, is optional as far as the minister is concerned. But as far as dealing with question period itself — and that is coming up immediately — there doesn't seem to be any great need to limit the discussion in that question period to supplementary questions and the number of supplementary questions. Of course if we have a great many members wishing to ask questions, then there might be some restriction. But we haven't had that problem recently. The Chair will of course always do everything possible to see that all the necessary questions are answered.

MR. R. SPEAKER: Mr. Speaker, in terms of my point of order, the importance of the issue, the economy of Alberta — and that's the one question the Premier is dealing with in terms of these trips away from Alberta. At the present time, the Premier has been away from this House for 13 out of some . . .

MR. DEPUTY SPEAKER: The hon. member is now debating the point. The Premier has responded in the manner he sees fit, that he is prepared to answer questions in the question period. The representation has been made by the hon. member that he would like to have a ministerial statement. I don't think we can achieve much more by discussing it further, and certainly we can't debate it now. We'll continue with the next order.

head: ORAL QUESTION PERIOD

Agricultural Assistance

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Agriculture. It's with regard to a meeting I understand the minister held today. My question is: has the minister undertaken any review of the Agricultural Development Corporation policy regarding foreclosures? If so, will the minister be announcing a moratorium on ADC foreclosures?

MR. FJORDBOTTEN: Mr. Speaker, the programs of the Agricultural Development Corporation are always under review in order to make sure they're meeting the challenges of the times we're in. With respect to a review on foreclosures, that would only be looked at on the basis of the whole area of ADC policy. As far as I'm aware, there is no intention whatsoever of bringing in a moratorium on farm foreclosures.

MR. MARTIN: A supplementary question, Mr. Speaker. I understand there's some desperation. My question is: does the minister have any information readily available in this Assembly on the approximate percentage — a ballpark figure; I don't expect the latest — of ADC loans which have been foreclosed upon in the last year, and is he able to compare this to previous years?

MR. FJORDBOTTEN: Mr. Speaker, I do not have those figures readily available. However, I do know that the loans that are in arrears over one year are down somewhat from a year ago.

I'm always very careful when responding to numbers, and I want the hon. member of the opposition to know that this government certainly isn't ignoring the difficult times producers are finding themselves in and, whenever able, is prepared to take whatever action necessary to try to provide to producers any assistance we can.

MR. MARTIN: A follow-up, Mr. Speaker. Has the minister had his officials provide him with any information he can share with this House on the number of ADC loans which are in arrears at this point, a rough percentage?

MR. FJORDBOTTEN: Yes, Mr. Speaker, they do provide me with information. I'll be happy to review it and report back.

MR. MARTIN: Mr. Speaker, a supplementary question. For existing farmers, is the minister reviewing the lender of last resort policy of ADC, in order to facilitate the continued survival of many Alberta farms which are now at risk?

MR. FJORDBOTTEN: Mr. Speaker, in all cases where there is some difficulty in an operation, we encourage producers to go to the Agricultural Development Corporation. They would be happy to assist them in reviewing their financial needs. If repayment ability, equity, and management skills are there, we're prepared to provide a guarantee that would assist the producers over that difficult time. In addition to that, the regional economists throughout the entire region are working above and beyond the call of duty to make sure they're accessible to individuals who have some economic difficulties, so counselling and a review of their financial situation can take place to see if there are some ways that can be used to assist them.

MR. MARTIN: A supplementary question, Mr. Speaker, following along the line advocated by the minister. Would the minister give this House his commitment that he is willing to meet personally with farmers who hold ADC loans, for the purpose of discussing the terms of those loans?

MR. FJORDBOTTEN: Mr. Speaker, I can't give that assurance. Time precludes my meeting with everybody who has a loan with ADC. It's just not possible. It's been a very successful program. I'd like the hon. member to be aware that I do not get involved in who gets loans and who doesn't; I leave that to the board of the Agricultural Development Corporation. I feel that each individual should get a loan on their own merit, within the policy guidelines, and the minister shouldn't interfere. I'm more than happy, though, to encourage my staff in any direction the hon. member of the opposition feels might be warranted. As I said, we're always open to new approaches that might be of assistance.

MR. MARTIN: A supplementary question to the minister. I did not specifically mean that he meet with each person. Let me put it this way. If there were organized meetings, dealing with a number of farmers who were requesting information — because a lot of it is a political decision — would the minister be prepared to meet at an organized meeting level?

MR. FJORDBOTTEN: Mr. Speaker, that's something I'm prepared to look at and review. I have to say that within the time constraints that are available, I would certainly be prepared to look at it.

MR. MARTIN: A supplementary question to the Provincial Treasurer. Has the Treasurer had any meetings with treasury

branch officials recently, to review the possibility of a moratorium on foreclosures on treasury branch farm loans?

MR. HYNDMAN: No, Mr. Speaker, that has not occurred. All of us are certainly sensitive to the difficulties farmers face where they are in a position of being a mortgagor who is unable to make arrangements to pay off a farm loan. However, by the same token I think farmers also realize the crucial importance of maintaining a confident investment climate in the province. They also need to be very careful not to take any steps which might indirectly increase the cost of borrowing money in the province. The farm industry, the agricultural industry, indeed the economy of the province, is built on the investment which can be made available to farms and businesses at a reasonable rate. Therefore in viewing the total situation, I think that is borne in mind by farmers as well.

MR. MARTIN: A supplementary question, Mr. Speaker. I explain that there is desperation out there, because we've had examples of this. My specific question is to the hon. Treasurer. Can he indicate if the government has any plan to introduce debt-moratorium legislation similar to the Act which was in place in 1972, I believe, in the province of Saskatchewan, which delayed enforcement of debt collection for a specific, limited time — not forever, just for a specific length of time; I believe it was a year at that time.

MR. HYNDMAN: No, Mr. Speaker. There is no plan of that kind in the province of Alberta. Certainly there could be evidence brought forward which would indicate that the investment climate in Saskatchewan was not assisted by that move.

In any event the treasury branches, and I think most financial institutions, are trying to take the position of saying that where there is a very difficult position facing a farmer or businessman, they should make contact with the lending institution. I believe the treasury branches are taking every possible step to try to find ways to assist when foreclosure is the only option left.

MR. MARTIN: One final supplementary to the Minister of Agriculture, Mr. Speaker. Does the minister contemplate any future announcements that will deal with the plight of many, many farmers in this province who are facing foreclosures? Is anything on the drawing board?

MR. FJORDBOTTEN: Mr. Speaker, I've met with farmers in this province, producers, both individually and collectively, to try to look at how the challenges of the '80s with respect to financing may be met. I, as well as the agricultural caucus, have been working with the Alberta Cattle Commission on a production credit type of arrangement which would create a new pool of capital for financing agriculture within the province. I think those pools of capital are most necessary for agriculture today, when agriculture is so capital intensive. So that's one opportunity there that we are looking at.

Another one is that at the minister's conference in Prince Edward Island last year, all the ministers, including the federal Minister of Agriculture, agreed that we would look at the area of an agribond concept, to see if it had potential to create new pools of capital, of patient money, for agriculture. That's certainly one area we are looking at closely.

Also, with the Agricultural Development Corporation, we are looking at all our programs on an ongoing basis, to see if new means can be found to assist producers. It is evident that that is ongoing. When we relaxed the off-farm restrictions for beginning farmers, it was in direct reaction to the difficult times of farmers.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Outside the items raised by the Minister of Agriculture, does the minister have any other formal monitoring systems in place? Are the district agriculturists, the regional offices, the ADC offices, and the loans officers monitoring the actual situation with the farmers and reporting, say, weekly or bimonthly to the minister so that there's updated information on this problem?

MR. FJORDBOTTEN: Yes, absolutely, Mr. Speaker. The district agriculturists' offices and the regional economists have input to the regional directors in each of the six regions of Alberta Agriculture. They in turn bring those items to me, and I have the opportunity to review them. That's something we take very seriously, in that communications between the district offices to the regional offices to my office are always open to make sure that if there's something new that can be done, some new avenue that should be opened, we can be ready and move.

Human Rights

MR. MARTIN: Mr. Speaker, I'd like to direct my second question to the hon. Attorney General. Can the Attorney General update the Assembly on any developments in the current session regarding hate literature concerns? In particular, are there any formulations yet to provide tougher measures in the Criminal Code on the distribution of hate literature?

MR. CRAWFORD: Mr. Speaker, that matter was discussed last year among the attorneys general, along with the Minister of Justice. At the time, Mr. MacGuigan indicated that he would probably recommend some changes to Parliament. What resulted was a discussion process, in which officials from the Alberta Attorney General's department were involved, with respect to what those legislative amendments might consist of. To my knowledge, at the present time there is nothing before Parliament dealing with the matter. One may conclude that having brought in other extensive amendments to the Criminal Code, Mr. MacGuigan is much occupied with those.

MR. MARTIN: A supplementary question, Mr. Speaker. Are there ongoing, formal communications between the Attorney General's department and the federal Solicitor General's department, to look at providing tougher legislation under the Criminal Code? I'm asking if there is feed-in about how section 281 could be changed.

MR. CRAWFORD: Mr. Speaker, that has occurred. Without checking, I can't indicate to the hon. member when the most recent communication may have taken place. It certainly took place over the winter. Perhaps I could get that information and provide it.

MR. MARTIN: A supplementary question to the Attorney General. I understand that hate literature distribution through the mail seems to be on the rise in Alberta. I'm told that Marlene Antonio, the chairperson of the Human Rights Commission, for example, reportedly has sought assistance from the minister's department on the classification of literature she received from the Canadian citizens' rights commission, I believe, in Calgary. I too now seem to be on a hate literature mailing list, and it's quite a bundle of hate literature. For the hon. members' sakes, I guess I'd like to show the types of literature coming out. I'd like to file these three copies with the Legislature Library.

My question to the Attorney General is: can the minister advise how complaints of this nature are currently being handled by his department?

MR. CRAWFORD: Mr. Speaker, where there's an allegation that something is hate literature and is being distributed, we always look to the recipient to help the law enforcement authorities as much as possible to find out the source of it, in order that a potential accused can be identified if there is to be a charge laid. As the hon. member would appreciate, one of the greatest difficulties is very often the anonymity of hate propaganda.

There is the further difficulty which relates to the earlier question; that is, the actual definition of literature of this type is sometimes very much in doubt. You may have material which is merely offensive and reprehensible but not illegal in the criminal sense. In those situations, responding to people has to be on the basis that charges would probably not be laid because of the difficulty in establishing that there's an incitement to hatred and, as I mentioned earlier, in identifying a source.

MR. MARTIN: A supplementary question, Mr. Speaker. I'm told that in Ms Antonio's case, the recommendation from the A.G.'s office was to work with postal authorities to see if postal regulations were being violated. My question to the Attorney General is, why this particular tactic? With some of the things they send over, is it not clear that it is hate literature? Why do we not at least try to proceed with section 281 of the Criminal Code?

MR. CRAWFORD: Mr. Speaker, as to the nature of some of the material, in my view there isn't any doubt that some of what has come to me from anonymous sources and provided through the RCMP and the Edmonton city police — this was last year — is hate propaganda. There isn't any doubt of it. Identifying the source of it proved to be absolutely impossible. The hon. member may recall that at the time there were some public references to bundles of it being found in people's backyards, having been thrown over the fence. In those cases, it's very difficult to identify a potential accused.

As to checking the postal regulations, I think this may indeed be one of the more productive areas. If the situation is that a lot of the material is imported from the United States, regulations and statutory provisions relative to distribution and importation would really be quite important.

MR. MARTIN: A supplementary question to the Attorney General. This falls back on working with postal codes. In the specific example that was mailed to my address, it gives a box and station and that sort of thing. Through the post office system, is there any way the A.G. can follow up and find out who has that box? Is that in the realm of possibility? Is that what they're looking at?

MR. CRAWFORD: I'm not sure I can respond right away to the hon. member's question. I think it's clear that if a person is operating from a particular address, there are ways of finding out who is probably utilizing it. That may be more difficult if it's in the name of a society and you have difficulty discovering an individual.

I think all I would say to the hon. member is that material of this type is examined when it comes to the attention of the police and, although I assume the material the hon. member is referring to today has in fact come to the attention of the police, I invite him to provide me with a copy.

MR. MARTIN: I'd be quite prepared to do that.

A supplementary question to the Attorney General. Recognizing that section 281 of the Criminal Code seems to be hazy at best — and I understand the difficulties the Attorney General is talking about; if he has to wait for the federal government, we may wait forever — has any consideration been given to legal clarification of what can be classified as distribution of hate literature under the existing section 281, by proceeding with the best test case available, seeing how that goes, and moving from there?

MR. CRAWFORD: Mr. Speaker, I think the difficulty in looking at material as such and looking from the point of view of what powers the province may have, in an administrative or even statutory way — trying to define it isn't something that could be undertaken. It's a matter that Parliament has declared a certain act to be a criminal act, and that's incitement to hatred through the distribution of certain types of propaganda. When cases go to court, they are indeed based on an assessment of what may be sufficient to meet the test under section 281.

MR. MARTIN: Mr. Speaker, a final supplementary to the Minister of Labour, who is responsible for the Human Rights Commission. Could the minister advise if any further planning has been given to including some enforcement provisions on hate literature distribution under the Individual's Rights Protection Act? I'm not sure in my own mind that this is the way to go, but I think it has been suggested by some people. I would like the minister's comments on that.

MR. YOUNG: Mr. Speaker, as I understand the question — and not being absolutely certain of the hon. member's definition of hate literature — if it falls within the ambit of the Criminal Code, I do not believe any consideration would be given.

MR. MARTIN: A supplementary. I'm not asking the minister to get into the Criminal Code, but some people have suggested that enforcement provisions on hate literature distribution could be put under the Individual's Rights Protection Act. I believe that has been requested by the Jewish Federation of Edmonton. I was just asking the minister to update if they had looked at that possibility.

MR. YOUNG: Mr. Speaker, there is some consideration now being given to a variety of suggestions by the Alberta Human Rights Commission which might lead to amendments to the Individual's Rights Protection Act. That may well be among the suggestions they're looking at. I won't know for some weeks yet.

Mount Allan Olympic Ski Site

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Tourism and Small Business is with regard to the Mount Allan ski resort. I wonder if the minister could confirm that the province, in spending \$25 million on Mount Allan — a purchaser would still pay \$16 million, leaving the taxpayers of Alberta with \$9 million to pick up in terms of cost.

MR. ADAIR: Mr. Speaker, I read that article too. I think what was being said at the time was if it were sold, and I have to qualify that at this point. At the present time we will be putting forth a request for proposal as a lease operator. But if the time should come that it should be sold, the site itself — in essence the hill and the buildings there — would be considered at that time. Based on the documents we have filed, the cost of that

would be around the \$16 million mark, less the road and the other improvements for the Olympics.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Consumer and Corporate Affairs. I wonder if the minister could indicate whether she or her office were contacted by the Canadian Sports Pool Corporation in reference to donating \$25 million for the construction of the Mount Allan ski resort, over and above the \$212 million that's committed by the federal government.

MRS. OSTERMAN: Not to my knowledge, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether the Canadian Sports Pool Corporation has indicated it would support any other projects in Alberta?

MRS. OSTERMAN: Mr. Speaker, I've had no contact with the Canadian Sports Pool Corporation.

Group Home Complaint

MR. PAPROSKI: Mr. Speaker, I'd like to address my question to the Minister of Social Services and Community Health. I've been informed that complaints have been made regarding house parents in an Edmonton group home. Has the minister been made aware of these complaints? If so, what action has he taken?

DR. WEBBER: Mr. Speaker, my office receives complaints in the area of child welfare on an ongoing basis. As of last Friday, my attention was brought to this situation where there were complaints about house parents in a particular group home here in Edmonton. I referred the matter to officials in the Department of Social Services and Community Health. As a result of that referral, the house parents were asked to leave the home, which they did, and the children were placed elsewhere. I would just like to add that all this action was taken as a normal precautionary measure.

MR. PAPROSKI: A supplementary, Mr. Speaker. Could the minister then assure the House that the children in this particular group home are presently being adequately cared for?

DR. WEBBER: Yes, Mr. Speaker. I indicated that the children were moved, and they were moved into a facility where adequate care is provided.

Spruce Budworm Control

MR. STROMBERG: Mr. Speaker, during the question period on March 23, 1984, I asked the ministers of Agriculture, Energy and Natural Resources, Recreation and Parks, and the Environment if they were willing to contribute to help defray the cost of air spraying of a serious outbreak of spruce budworm.

My question is to the Minister of the Environment. Will the minister now be willing to reconsider supplying funding, in light of the report by the Environment Council of Alberta, Acid-Forming Emissions, Transportation and Effects, released March 1984, which states that the budworm outbreak is the minister's responsibility? Mr. Speaker, I will quote from the council's report if you will allow me, just so . . .

MR. DEPUTY SPEAKER: Perhaps the hon. member could come directly to the question.

MR. STROMBERG: I asked the question, Mr. Speaker. Is he willing to live up to his responsibilities in funding?

MR. BRADLEY: Mr. Speaker, I'm not aware of any comment in the report which suggests that the Department of the Environment has a responsibility in this matter.

MR. STROMBERG: Mr. Speaker, I will then table the report, Acid-Forming Emissions, Transportation and Effects, by the Environment Council of Alberta. Note page 31, and I have it marked.

MR. BRADLEY: Mr. Speaker, if I could comment, the reference in the report is to balsam fir. It does not in any way suggest that a spruce budworm outbreak is in any way due to the report the hon. member is referring to. It is a very tenuous relationship the hon. member is trying to arrive at.

Victorian Order of Nurses

MR. SHRAKE: Mr. Speaker, my question to the Minister of Social Services and Community Health concerns the plight of the 75-year-old Victorian Order of Nurses. They're reported to be near bankruptcy, and they requested aid, funds, from the local board of health, the city of Calgary, and the province. I guess the local board of health said no, and the city of Calgary has now turned them down. I understand nurses will be receiving layoff notices on June 30 if they don't get a little bit of help. Can the minister advise the House if he is prepared to grant this organization some funding, so they can carry on their good work in the city of Calgary?

DR. WEBBER: Yes, Mr. Speaker. In asking the question, the hon. member provided the information that the Victorian Order of Nurses, which is run by a volunteer organization in Calgary, was having financial difficulties in providing home care services for the Calgary Board of Health and, over the past number of months, has been trying to work with the health unit, and the health unit with them, in resolving their difficulties. However, at this particular time they did need a grant in order to carry on, so we have made the decision to give them a one-time only grant up to \$30,000, so they can carry on for a while.

MR. SHRAKE: A supplementary question, Mr. Speaker. Can the minister explain whether this funding will ensure that the VON can carry on providing this home care in Calgary, or will it ensure that the order will have the opportunity to bid on the contract to the Calgary Board of Health?

DR. WEBBER: Mr. Speaker, the Calgary Board of Health is responsible for the delivery of the home care services in the city of Calgary and will continue to have the Victorian Order of Nurses, as well as other private-sector groups such as UpJohn, [Medicorp], and others, help provide those services.

There have been studies done that indicate that the board of health could possibly carry out the delivery of the home care services on a more efficient basis in-house. However, that issue is a point of discussion between the board of health and the Victorian Order of Nurses. Currently the Victorian Order of Nurses will continue to provide services to Calgarians. My understanding is that beginning next year, April 1, 1985, the board of health has made the decision to go the tendering route, and it's my understanding that the Victorian Order of Nurses plans to tender in that process.

MR. SHRAKE: A supplementary. Given that the Victorian Order of Nurses is under contract to the Calgary Board of

Health, I guess, and not directly to you, does your announcement today affect this relationship between the board of health and its contractors?

DR. WEBBER: Not at all, Mr. Speaker. The Calgary Board of Health has full responsibility with regard to the delivery of home care services. The contract the Victorian Order of Nurses has with them is something arrived at as a result of negotiations between the board and the Victorian Order of Nurses. This particular grant is a result of requests the Victorian Order of Nurses made to the city and to the province. Last week, in a very narrow vote, the city rejected the request for a grant. Today we made the decision to give them the one-time only grant so that they are able to carry on in the short term.

MR. SHRAKE: Just one final supplementary. What assessment has the minister made of how the recently announced expansion of the home care program will impact on the service provided by the Victorian Order of Nurses in Calgary?

One other little question, while you're answering that one. How did *The Calgary Herald* get Marc Lalonde's picture with your name under it? Maybe that affected some of your decisions today. [interjections]

DR. WEBBER: Mr. Speaker, it's probably a matter of what is upstairs, on the top of our heads. I think the hon. member should refer that question to *The Calgary Herald*, or maybe even to some of the reporters here, if they wish.

In terms of an assessment, we haven't done an assessment as to the impact of the announcement with respect to the home care services, the expansion of the program on the Victorian Order of Nurses. That's for the local board of health to do. We do have a 5 per cent increase in the provision of funds to assist the local board in offering home care services to those they have provided service to in the past and to those who require some kind of medical treatment. As hon. members have noted, we have injected considerable funds in the budget, some \$10 million, for expansion of home care in Alberta. Primarily that would ensure that the frail elderly and the handicapped in institutions would be able to receive homemaking kinds of services — Meals on Wheels and those kinds of things — so that expansion may not directly impact the Victorian Order of Nurses significantly. However, the 5 per cent increase may. But whether it does or not is certainly a decision of the local board of health.

MRS. EMBURY: A supplementary question, Mr. Speaker. I wonder if the minister would comment. If the Calgary Board of Health uses the tendering method for nursing services, are there any studies to evaluate the quality of the nursing care provided by the Victorian Order of Nurses vis-à-vis other agencies?

DR. WEBBER: Mr. Speaker, the Victorian Order of Nurses as well as the Calgary Board of Health had a study done relative to the question of both the board and the Victorian Order of Nurses providing services, as to whether or not cost efficiencies should be involved. There are those who think that efficiencies can be made, and there have been ongoing discussions between the board and the Victorian Order of Nurses with respect to that. With respect to our departmental assessment, I don't recall any assessment along that line.

Agricultural Assistance (continued)

MR. OMAN: Mr. Speaker, I'd like to return briefly to the matter of moratoriums on foreclosures, and ask the hon. Provincial Treasurer if he could give us some feeling as to what the reaction of financial institutions might be to farm credit if the government were to invoke such a policy. In other words, might they put a moratorium on mortgage issuing if we put a moratorium on foreclosures?

MR. HYNDMAN: That would be possible, Mr. Speaker. As well, there would be a likelihood of an increase in the cost of money in the interest rate to borrowers.

MR. MARTIN: A supplementary question, Mr. Speaker. Going back to where it happened, in Saskatchewan, is the hon. Treasurer aware that during that time, farm credit from banks, credit unions, and trust companies rose by 10.7 per cent from 1971 to 1972 and 28.8 per cent from 1972 to 1973? In other words, if the Provincial Treasurer is aware of that study, how would he account for that? It's the opposite of what he said.

MR. HYNDMAN: I think nine other provinces did not see that as a proper way to go, Mr. Speaker.

Robotics in Public Service

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Public Works, Supply and Services. I wonder if the minister could indicate to the Assembly whether he's had recent contact with two of his employees, Norman Mailer and Emily Post?

MR. CHAMBERS: No, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, could the hon. member indicate whether two of his employees are robots? I am wondering what salaries those two employees are being paid.

MR. CHAMBERS: Mr. Speaker, I would be happy to determine what salaries are paid to those robots.

MR. R. SPEAKER: Mr. Speaker, in a more serious vein, could the minister indicate whether employees in his department have been replaced by these mechanical mail deliverers and whether that will be the practice throughout government?

MR. CHAMBERS: Mr. Speaker, I am aware that in newer installations, there is a considerable degree of robotics in handling mail and also with regard to warehousing. I couldn't say offhand that these have replaced people. But in past years, during the expansion of these systems, the utilization of mechanical robots has speeded up the process and probably avoided the need for additional personnel.

MR. R. SPEAKER: Mr. Speaker, a supplementary question in the same vein to the Minister of Agriculture. Can the minister indicate what the robots are doing within his department, and what types of functions are being replaced in terms of the use of these robots?

MR. FJORDBOTTEN: Mr. Speaker, I really don't know. I have to take that question as notice and report back. However, I do know we have a robot that delivers mail within the agriculture building, but I don't believe they gave it a name.

MR. MARTIN: It was one of the MLAs.

MR. R. SPEAKER: Mr. Speaker, just for the information of the Assembly, I understand that the name of the robot is Adam. I suppose one other question a person could ask is whether or not there will be an Eve, but I'll leave that for later.

I would appreciate the minister's review.

ORDERS OF THE DAY

head: **GOVERNMENT DESIGNATED BUSINESS**

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

Bill 1 Students Loan Guarantee Amendment Act, 1984

MR. LOUGHEED: Mr. Speaker, section 9(2) of the Students Loan Guarantee Act provides for a statutory loan limit. It has been \$100 million. Because of the programs that are involved, this has been deemed to be inadequate. Therefore Bill No. 1, the Students Loan Guarantee Amendment Act, 1984, proposes to change section 9(2) by deleting the amount of \$100 million and replacing it with the amount of \$150 million.

I therefore move second reading of Bill No: 1, standing in my name on the Order Paper.

[Motion carried; Bill 1 read a second time]

Bill 53 Rural Electrification Statutes Amendment Act, 1984

MR. BOGLE: Mr. Speaker, I move second reading of Bill No. 53, the Rural Electrification Statutes Amendment Act, 1984.

As this is a statutes Act, it contains amendments to three pieces of legislation. First of all, amendments are proposed to the Co-operative Associations Act, 1984, which will require that for the sale of a rural electrification association, proper notice outlining the purpose of the meeting must be given to the members of that association at least 10 days in advance of the general meeting. Secondly, when a vote is taken at the meeting, the vote must be approved by at least two-thirds of the members present at the meeting. These two provisions change from the current situation whereby the matter of the sale of an REA may be raised from the floor at an annual meeting, with no advance notice to the members. At the present time the required approval to pass the motion is 50 percent plus one vote.

As well, there are amendments proposed to the Rural Electrification Revolving Fund Act, 1984, and the Rural Electrification Long Term Financing Act, 1984. As I indicated during first reading of the Bill, Mr. Speaker, the upper limits of the loans in both of these pieces of legislation would be increased from \$20,000 to \$25,000. The legislation proposes that under the part one portion of the loan there be a loan of \$5,000 with an interest rate of 3.5 percent for a maximum term of 10 years. The second \$5,000 would be provided in what is called the part two portion of the loan, which is an interest-free loan, and the loan is repaid by new customers when they are provided with electrical services at a later date. The remaining \$15,000

is shared equally between the part one and part two portions of the loan.

In addition, Mr. Speaker, a significant change to the program is that while at the present time the loans are restricted to farmers installing up to but not surpassing the 25 kva, under what is proposed the funds will be available for large single-phase and three-phase farm installations.

Mr. Speaker, I would like to conclude my remarks on second reading by indicating that we certainly appreciate the support of the Union of REAs as an executive representing all of the REAs provincially. At the annual meeting in Red Deer last June, a position was put forward on the review of the program. A lot of work has been done since that time by the action six committee under the leadership of Mr. Ben Smashnuk and also the three-phase power committee under Mr. Ted Herman. With those organizations operating under the umbrella of the Union of REAs as well as the interest of various individual REAs across this province working with their Members of the Legislative Assembly, we have been able to bring these amendments forward as part of the total package as announced in the Assembly a week ago this past Monday.

MR. BATIUK: Mr. Speaker, it's a pleasure to express a few comments on this legislation. I'm more than gratified that it has finally been brought in as legislation, and I trust it will pass.

Back in the early 1970s, three of the MLAs from our caucus were chosen on an REA caucus committee: the present Minister of Recreation and Parks; yourself, Mr. Speaker; and myself. At that time we met with numerous groups: individual REAs, regional REA groups, and the provincial ones. We met with the utility companies and with groups that had an interest in there. It was very difficult to come to a consensus. At that time there were approximately 300 REAs in the province. But still, Mr. Speaker, as we met, the same problems continually came up. The concern was the master agreements, the administration of deposit reserves, and REAs should have the rights to construct and reconstruct lines. I'm also glad that in this legislation there will be provision for loans to farmers even if they are not in an REA area. The increase from \$20,000 to \$25,000 will be an additional help by way of loan.

I'm glad the utility companies have given good service. I know we hear many complaints about them, but as a member of an REA for almost 35 years, I can really say that the service was exceptionally good. True enough, like anybody else I don't like to pay more. No doubt our costs of the service to the residences have doubled, trebled, and are maybe even five or six times what they were 30 years ago. But everything else seems to have gone up in costs.

When I think back to the mid-1940s, Mr. Speaker, the intention of these REAs was to provide a clean light, but it went far beyond that. Shortly, little by little, rural people used this power for many things and the demands came for greater, stronger transformers.

I really can say that I support this piece of legislation. I'd like to commend the minister for finally taking the bull by the horns. This is step in the right direction. When we met a week ago with approximately 250 members of REAs, there was almost unanimous support for this legislation. Trustfully, when this legislation is passed, which I believe it will be, we can go on. I think there are still other areas where REAs or the system can be improved. So I stand on record as supporting this. I hope all members will support it.

MRS. CRIPPS: Mr. Speaker, I'm pleased to be able to briefly speak in support of the principles of Bill [53]. I know that the

REAs and power producers have debated the master contract for at least 25 years. I know that the ability to renegotiate the master contract will assist REAs. If both parties approach the renegotiation in a manner or tenor of goodwill, I'm sure that those contracts can and will be renegotiated to everyone's benefit in rural Alberta.

For the past five years, I've participated in a committee trying to resolve the issue of fair and equitable power rates for all Albertans and trying to ensure that REAs remain viable. That's one of the things that I think will be accomplished by the principles of this Bill.

I believe the ability to manage their deposit accounts and contract work will revitalize the REAs. I support the REAs being able to service all farm customers. I think that's important. Their inability to service 25 kva transformers has been a sore point for a number of years. I think this is a big step.

As chairman of the utility caucus committee, I'm pleased to be able to support the Bill.

MR. MARTIN: Just a couple of comments, seeing my colleague is not here. I'm sure that may be one of the reasons we're into this. You'll have to listen to it again in the Committee of the Whole. My colleague will be going over it in the Committee of the Whole, which is the appropriate place, but just a couple of quick comments, and the minister can perhaps think about them.

It has to do with the ownership after the lines and the power of the private companies generally. I don't pretend to be an expert in this area, but as I understand it there's a lot that's good about the Bill. In the Committee of the Whole, my colleague will try to make the Bill even better. I know the hon. minister will wait with bated breath until the Committee of the Whole, when he can bring through some of his concerns regarding the Bill.

[Motion carried; Bill 53 read a second time]

MR. MARTIN: Mr. Speaker, just on a point of order. It's a little hard to follow; I do not have a list. Could the Government House Leader give us an idea of the Bills we'll be dealing with, so we can at least follow along as they come up in this hour and get information if we need it?

MR. HORSMAN: Mr. Speaker, we've dealt with 53, somewhat out of order. If the hon. member will turn to the Order Paper, we'll start next with 33 and go down the list in numerical order, leaving out 37 and 41 I would think.

MR. MARTIN: Thank you.

Bill 33
Alberta Heritage Savings Trust Fund
Amendment Act, 1984

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 33, the Alberta Heritage Savings Trust Fund Amendment Act, 1984.

There are four amendments in the Bill. Two of them are of some considerable importance in principle. One ensures the continuation of funding after March 31, the end of the fiscal year, for previously approved capital projects under the capital projects division, and would allow a special appropriation Act to be introduced after the start of the fiscal year. The purpose of that amendment would be to facilitate the continuing construction of the capital project past March 31 in a situation

where moneys have not been voted in the previous calendar year.

The second major change of course is evident on page 14 in the budget speech, Mr. Speaker. As part of the 1984-85 fiscal strategy, it was stressed that the transfer of the heritage fund investment income in order to pay for some 16 percent of total operating expenditures was an integral portion and part of the 1984-85 fiscal strategy. That will reduce the deficit, the need for borrowing. Of course over the period to the end of the fiscal year 1985, close to \$4 billion in heritage fund investment income will have been diverted to provide what is essentially two out of 12 months of support for the operating programs for Albertans for hospitals, social services, services for seniors, education, and justice.

[Motion carried; Bill 33 read a second time]

Bill 38
Public Lands Amendment Act, 1984

MR. WEISS: Mr. Speaker, I move second reading of Bill No. 38, the Public Lands Amendment Act, 1984.

The intent of this Bill is to simplify and deregulate, as well as provide greater flexibility along with improving the quality of management of Alberta's public lands. There are many revisions to the Bill, in particular as best expressed by the Member for Cypress, who earlier said to me that everybody else knew what a slough was and now the legal experts will too. I've had several members — the Member for Drumheller, the Member for Innisfail — come up to me and indicate how pleased they are with the Bill and what it will do with the deregulation and simplification of some of the particular areas.

In particular, the government will confirm its policy of not claiming ownership to the beds and shores of sloughs and other intermittent water bodies. The Act clearly stated before, under section 3(1), that intermittent sloughs and other intermittent bodies of water could be considered Crown land. Of course that policy has not been carried out by government, but it certainly clarifies it. There is no mistake as to the ownership.

Provision is made to allow prospective purchasers of public land to submit written tenders stating how much they're prepared to pay for the land. This allows them to decide, outside of the excitement of a public auction sale, how much the land is worth. In particular, Mr. Speaker, there have been problems in areas such as Fort McMurray, where an acreage development was proposed. In that particular area, there were no comparable land sales that could be used. In this case, the minister is now able to use comparable sales in the area where the Crown land is to be sold or located. So it certainly does assist in that particular setting.

As well, restrictions on the size and shape of parcels that will be granted to schools, churches, and community groups will be removed. The minister had to adhere to some very strict regulations that specifically laid out the size. In particular, a school division pursuant to subsection (1)(a) must not exceed 12 acres and the length of the area shall not exceed twice its width.

This went on and on and created a great deal of confusion. This certainly has clarified it.

Holders of leases on public lands will be given 60 days rather than one month to appeal any withdrawal from their leases. A similar extension to 60 days will be given to lessees to attempt to settle the amount of any compensation for such withdrawals before the Land Compensation Board becomes involved. Once again, Mr. Speaker, that will provide adequate time for both parties to be involved.

Great emphasis has been pointed out to the fact that no new homestead sales will be issued. Sales will continue under the combined farm and homestead development regulations, which are less restrictive in terms of government control over residence requirements and the time of farm development. It's a clear case of deregulation, supported, I'm sure, by many members. In particular, where in the past members have had to try to establish their residency requirement under the homestead Act, it was very difficult. In today's age, where there are a lot of small communities accessible to an area that's being developed, the applicant will no longer have to reside on that particular land but can live in a small community and go out and work the land. It would be more economically feasible as well and would limit the number of dollars that would have to be put into the infrastructure. The responsibility of course is still there to that applicant. He will have to adhere to it. It will just be tightened under the other regulations, just shortened in great detail.

Further regulation will occur through the residency requirement in respect of the existing homestead sales contracts. Development of good roads has allowed farmers not residing in the immediate vicinity to effectively develop and farm homestead lands. Of course this will allow the part-time farmer to develop as well, and we certainly encourage it.

The minister will also be authorized to invite applicants to submit tenders for grazing leases where applicable. Regulations will be allowed to govern withdrawal of grazing lease lands from corporations which might otherwise acquire more lease land than the allowable maximum through change in the corporation share structure. This regulation will provide for charging a corporation a transfer fee which will be in direct proportion to the extent of the interest which is transferred, no matter what alteration of the share structure is used. It certainly eliminates those violators who have tried to transfer land and avoid any penalty, and ensure that the regulations are kept.

Therefore, Mr. Speaker, I'm pleased to move second reading of Bill No. 38, the Public Lands Amendment Act, 1984. I urge all hon. members to support the Bill, and look forward to any discussion that might come forth in committee stage.

[Motion carried; Bill 38 read a second time]

Bill 39

Pension Statutes Amendment Act, 1984

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 39, the Pension Statutes Amendment Act, 1984.

This short Bill contains quite a number of arithmetic calculations, Mr. Speaker, but basically it simply amends two Acts, the Local Authorities Pension Act and the Public Service Pension Act, by proposing to the Legislature five-year phased increases totalling 1.25 percent of salary for employee contributions and the same for employer contributions under each of these two plans. This would be effective January 1, 1985.

The purpose of these amendments is to ensure that current contributions by the employees and employer will in total, when the interest and income is added in, come closer to meeting the current costs under these plans. The proposal is to phase them in over the course of five years at .25 percent per year on the base of 3.8 percent of salary now. What this will do is reflect advice which was given by the Auditor General over previous years to the effect that this would be a desired course of action and also reflect those actuarial studies which indicate that current contributions are lower than would be appropriate and there should be an increase in them.

So what this will do in the long run, Mr. Speaker, is assist in maintaining the fiscal credibility of the province and avoid an increase in the tax burden for Albertans in future years.

[Motion carried; Bill 39 read a second time]

Bill 42

Alberta Corporate Income Tax Amendment Act, 1984

MR. HYNDMAN: Mr. Speaker, I move that Bill 42, the Alberta Corporate Income Tax Amendment Act, 1984, be read a second time.

One of the major elements of this Bill is to parallel Bill 51, introduced by my colleague the Minister of Tourism and Small Business, in that it will enable the Alberta corporate tax system to deliver the benefits of the small business equity corporation program to businesses in the province of Alberta. Therefore the Bill is similar to and mirrors the elements of delivery that are present in Bill No. 51.

As well, the Bill modifies the rules for calculating interest on excess refunds, and deals with the transition between provincial and federal corporate tax with respect to loss carrybacks. It further clarifies exceptions with regard to communication of information under the Act, which is limited.

The other amendments are technical, as is the case in the next Bill which is coming forward. If there are detailed questions with respect to what is complex tax legislation, I would be pleased to follow it up in committee.

[Motion carried; Bill 42 read a second time]

Bill 43

Alberta Income Tax Amendment Act, 1984

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 43, the Alberta Income Tax Amendment Act, 1984.

The introduction of this Bill is somewhat of an annual event, insofar as under the tax agreements in this federation, in order to maintain uniformity generally between the Alberta and the federal personal income tax laws, there are Bills of this kind introduced into this and other provincial legislatures.

As well, this Bill deals with the topics I mentioned with respect to the previous Bill; that is, the carryback of losses, which now goes for a full three years pursuant to recent amendments to the federal income tax Act and also with respect to excess refunds. It further deals with royalty tax credits, which are treated as what in fact they are, a refinement of the royalty system. However, I stress that the amendments would in no way change the status quo with respect to a number of legal actions which are in progress vis-à-vis the royalty tax credit.

[Motion carried; Bill 43 read a second time]

Bill 47

Alberta Art Foundation Amendment Act, 1984

MR. McPHERSON: Mr. Speaker, I move second reading of Bill 47, the Alberta Art Foundation Amendment Act, 1984.

There are a number of salient points with respect to this Act. The first three deal with pretty much the same subject. In the first instance, the Bill would amend section 3, entitled "Objects", by adding after clause (a) "public galleries in Alberta may be encouraged in their work". The encouragement of public art galleries in Alberta is not listed as an object under

the present legislation. This particular amendment would assist in the development of public art galleries as a means of promotion of the visual arts to the public and provide a positive economic implication. The visual arts community has been advised of this, has been canvassed, and is generally in agreement and welcomes this particular proposal.

In addition to that, section 1 is amended by adding "public art gallery" after clause (b). Simply, this will define "public art gallery" for the sake of understanding and to be abundantly clear so there will be no confusion by anyone as to what would be interpreted as a public art gallery.

The third small amendment in this section would be to amend section 4 to allow the Minister of Culture to make regulations prescribing public art galleries, and these public art galleries would be prescribed in the regulations. I believe there are 11 at the moment.

The other area that makes amendments to this particular Act is amending section 6, entitled "Financing", by deleting subsection (1):

The Provincial Treasurer shall pay to the Foundation in each year a grant in the sum of \$50,000 from the General Revenue Fund.

That whole area is being deleted in deference to the rather massive and recent infusion of lottery funds to the Alberta Art Foundation. It's felt that there is no longer a need to provide a \$50,000 grant from the Department of Culture to the Alberta Art Foundation when one considers that under the new distribution of lottery profits, the Alberta Art Foundation will be receiving 18 percent of the cultural component of the lottery distributions, to a maximum of \$1.1 million. So there's a considerable injection of funds and no longer the necessity of a \$50,000 grant.

Mr. Speaker, another amendment is to the effect that the foundation may make grants to any person or organization carrying on activities that are within the objects of the foundation. The foundation doesn't have the authority to make grants under current legislation. The power to make grants is required so that the foundation can offer direct financial assistance to those institutions such as public art galleries, for the production of such things as catalogues to promote visual art activities. These activities have taken place before, but they were carried out by the foundation through a co-sponsorship mode that has been determined to be rather cumbersome and more expensive. The Alberta Art Foundation is amenable to these proposals, and it would be of great assistance to the potential recipients of grants to the foundation.

One other amendment that takes place under Bill 47, Mr. Speaker, is to amend section 8(3), ministerial direction, by deleting subsection (3)(a) and including "providing priorities and guidelines for it to follow in the exercise of its powers". Essentially, this amendment provides greater ministerial discretion in the present legislation to broaden the discretion of the minister with respect to the regulations. It's felt that the considerable infusion of substantial lottery funds into the foundation and the proposed authority for the foundation to make grants requires a broadening of the ministerial direction in such areas as exercising fiscal responsibility, ensuring there are proper accounting mechanisms established, avoiding duplications of programs and services between the Department of Culture and the foundation Act.

Those are the four salient points, Mr. Speaker. I move second reading of Bill 47 and seek approval by members.

[Motion carried; Bill 47 read a second time]

Bill 48

Cultural Foundations Amendment Act, 1984

DR. CARTER: Mr. Speaker, I move second reading of Bill 48, the Cultural Foundations Amendment Act, 1984.

The Bill comes as a result of requests by various groups throughout the province representing writers, publishers, and library services that, given the fact the government has made a decision that some of the lottery funds will be channelled in this direction, there follows that there must be a foundation to handle receipt of the funds and the disbursement thereof, in terms of various programs. This amendment will simply add the Alberta Foundation for the Literary Arts to those covered by the existing Act. It will provide for a mandate for the new foundation, similar to those set out for the Alberta Cultural Heritage Foundation and the Alberta Foundation for the Performing Arts, and will have similar goals and powers. The amendment will have no effect upon the existing foundations.

The objects of the amendment are listed in the Bill, and of course the primary reason is to promote the literary arts within the province. A foundation board will be established to administer various programs, and it is hoped that various individuals and organizations throughout the general public in the province will indeed see fit to follow the example of the provincial government with respect to giving donations for the ongoing work of the foundation.

[Motion carried; Bill 48 read a second time]

Bill 50

Law of Property Amendment Act, 1984

MR. CRAWFORD: Mr. Speaker, I'd like to move second reading of Bill No. 50, the Law of Property Amendment Act.

Mr. Speaker, the important provisions of this legislation deal with the law of foreclosure in the province. The principal ingredients are aimed at what are called "dollar dealers" in the province at the present time. Numbers of people have observed the activity of dollar dealers. Primarily their method of operation is to acquire property for a dollar in circumstances where the mortgage is perhaps equal to or exceeds the value of the property, and then, by being the insubstantial defendant in lengthy foreclosure proceedings, collect rent on the property during that period of time. This is a way of ripping off lenders, and I think some hardship has resulted, with no countervailing benefit. In other words, given the hardship of the lender in losing moneys that have been legitimately advanced in respect of the property, the only other thing that occurs in the circumstances is that someone, who has up to that time had no interest whatever in the property, profits because of what might be called a slick transaction.

In order to try to discourage this type of practice, Mr. Speaker, the proposal in the Law of Property Amendment Act is to provide that in foreclosure proceedings, the normal waiting period, which is called a period of redemption, would not apply. The period of redemption should and does apply in more normal situations, where a person may have some equity in the property and where the original owner or resident at the time the property went into arrears is still occupying the property. In those situations, the normal processes would still be followed.

In these less than ordinary circumstances, though, where the person in actual legal ownership of the property is the dollar dealer, the proposal is that the first and second orders of foreclosure — that is, the order that precedes the period of redemption and the order that ends the period of redemption, which is called a final vesting order — could be merged into a single

order. That way, the profitability of having the property for three or four — or perhaps, given the fact that proceedings normally take some time in addition to the redemption period, a dollar dealer might be in possession of the property for six or even eight or nine months. In circumstances that would be possible, given the difficulty perhaps in obtaining an order, in serving certain parties, and all the various other reasons there may be for delays. In the result, if that period, which could be several months, can be shortened to a very short time indeed by merging the two orders, it is thought that that would dampen the enthusiasm of dollar dealers.

One would want to know what it is that triggers these special provisions in respect of foreclosure. What would trigger these special provisions would be if the property were transferred while a mortgage was in arrears or if it went into arrears in the first four months after a transfer. I note that dollar dealers usually feel that if they can get three or four months rental income from the property, they've had a profitable deal. That's why the suggestion is that if it goes into arrears anytime in the four months following a transfer, these special provisions would apply.

There is one other provision. At the present time, an order for receiving of rent has to take place in the course of a legal proceeding which has been commenced by the lender against the owner of the property. This Bill would provide another procedure, where a receivership order could be taken out on an ex parte basis, without commencing an action in respect of the mortgage document itself.

Mr. Speaker, I hope hon. members will support Bill No. 50 in second reading.

[Motion carried; Bill 50 read a second time]

Bill 51

Small Business Equity Corporations Act

MR. ADAIR: Mr. Speaker, on a point of order before I get into the reading of Bill 51 — I'm trying to keep my ups and downs as limited as I can — I would like to seek unanimous consent of this Assembly to send a written letter of congratulations to the Edmonton Oilers, who again have put not only the city of Edmonton but the province of Alberta and Canada on the map and around the world as a point not only of excellence as a team but in essence proved that by hard work and diligence you can win the Stanley Cup for the first time ever on Alberta's soil. [applause]

Mr. Speaker, I now move second reading of Bill 51, the Small Business Equity Corporations Act. The purpose of this Bill, a new Act, is to provide the opportunity for the creation of private-sector pools of equity capital and that that capital would then be invested in small- and medium-sized businesses in the province. Thirdly, by providing incentives by way of grants to individuals and tax credits to corporations that have invested through the equity capital corporations in businesses in the province of Alberta, they would then benefit by that incentive of the grant to individuals or the tax credit. In essence, Mr. Speaker, with the approval of this Assembly, it's hoped that we would have \$15 million for that program over the next four years and that that kind of incentive pool by the Department of Tourism and Small Business on behalf of the government of Alberta would see the creation of some \$50 million worth of equity capital generated throughout the province.

The need for this particular Bill has been identified by a number of requests over the years that have come from the private sector. I should point out at this time that one of the

groups that deserves a great deal of credit for helping us as we put the Act together is the Edmonton Chamber of Commerce.

MR. DEPUTY SPEAKER: Not wishing to cause the hon. Minister of Tourism and Small Business an extra sit down and stand up, I didn't ask if we had unanimous consent to the message he suggested. Do we have agreement?

HON. MEMBERS: Agreed.

MR. ALEXANDER: Mr. Speaker, I don't think this event should pass without being celebrated, at least in a small way. I think it's very important, and I want to say that Bill 51 does something which is desperately needed in this country at the moment; that is, it stimulates the formation of equity which is in an otherwise very punitive environment.

For a long time I have regretted that the government of Canada has taken such a punitive approach to capital formation and investment. It seems that we're one of the few countries, in the modern world anyway, which makes a fetish of penalizing success, certainly investment success. In my view it's an irony of the ultimate order that we look almost daily to countries like Japan and the U.S., and the Pacific Rim countries — one thinks of Singapore and Taiwan and Hong Kong — where there has been incredible capital formation in the last few years, encouraging and stimulating investment of all kinds. Not in Canada though. Over the last 25 years we have adopted a kind of secular religion, if you like, that has to do with the redistribution of income. When we've gotten to the ultimate level in the redistribution of income, we then proceed to the redistribution of wealth, transferring investable funds from producer to consumer in massive size, with a huge cost of administration on the way through.

At the same time we recognize that small business is the backbone of our economy and that it must run on some kind of fuel, either personal savings of the owners, its own internally generated cash flow, or bank loans. Then when business slows down or falls, as it has in the last couple of years, the first of these, personal savings or assets, has to be diverted to secure the third, bank loans. By now we have learned that this is a poor way to do business, as we all witness the impact of the recession. If it is not an impossible system altogether, it is extremely difficult, especially for small businessmen.

Mr. Speaker, I don't think I've seen a statistic that dramatized that more significantly than one that was given to me not too long ago by the Canadian Federation for Independent Business, which indicated that small-business bank loans are guaranteed to the extent of 92 percent at the banks. Those guarantees are assets other than assets of the businesses themselves. In plain English, it means that small-business men have secured their small-business bank loans at today's banks by personal assets. That may contain some kind of commentary on the dedication of major banks to small business itself. I leave other members to make a judgment based on that if the evidence is in fact valid.

What do we do then? Small business clearly needs equity. Our country doesn't permit too much of that, except in instances of its own approved, centrally planned programs, usually in the form of tax shelters. We all know what those are — movies, MURBs, oil and gas funds, and the current fad of flow-through research and development credits. We also all recognize that what we really need is to release small business to follow the paths of its own ingenuity, creativity, and initiative, and to make its own decisions without the smothering influence of left liberal wisdom — thus Bill 51.

As the minister has informed us, the Bill

is to create the opportunity to stimulate the formation of pools of equity capital by relatively small investors throughout the province of Alberta. Once formed, the private-sector equity capital pools would provide small businesses with access to equity ...

to replace their debt, hopefully,

... which has been difficult to obtain through current programs and practices.

I have just tried to briefly describe those in outline form.

These pools of equity would ... provide a means whereby Alberta small businesses are able to replace debt with [much needed] equity, thus resulting in a better financial structure.

Perhaps a do-able financial structure.

In closing, as a private-sector, free-enterprise advocate I must say that I am sorry our government is forced to do this, that such lengths are required to re-establish the integrity of the financial structure, but they are. So, Mr. Speaker, I commend the minister on the introduction of the Small Business Equity Corporations Act, because there's simply no other way to go in today's environment. I commend second reading to all members.

MR. LEE: Mr. Speaker, I wish to join this debate on second reading of Bill 51. I too wish to commend the Minister of Tourism and Small Business for his sponsorship of the small-business equity corporation program and the Act. In some ways, this Bill has received relatively little public acknowledgment and media attention. It is my view, and it is just my opinion, that this Act may be the most significant and important legislation and legislative initiative for the long-term stability and growth of small business in this province in over a decade. I say that recognizing that in the past decade this government has introduced and sponsored many very important political initiatives. The establishment of the Department of Tourism and Small Business, the creation of the Alberta Opportunity Company, the small-business interest shielding program, our present corporate tax structure, initiatives to develop international trade, Vencap, and many, many other programs — all very good, laudable initiatives.

In many ways, this initiative has the potential to be the most creative business policy initiative in some time. It is not a handout, it is not government interference, it is not a make-work or a makeshift program, and it has not been created in isolation of Alberta's business community. It is an important, positive incentive to stimulate individuals and corporate investors who have traditionally invested their savings in savings accounts, who have traditionally invested in investments such as large corporations, blue chip investments, and were satisfied with a safe rate of return in a relatively safe investment. I believe the objective and the result of this Bill will cause them to reconsider, to take a risk, in partnership with the entrepreneurs of this province, to participate through providing investment capital in five areas: the formation of new companies, the refinancing of existing businesses, the expansion and improvement of present corporations, the development of research, and finally, launching new divisions or enterprises of existing corporations.

Mr. Speaker, most of all, I want to address my remarks today to the need for new capital for the formation of new companies and refinancing of existing companies. I am certain that in my office in Calgary, I must get an enquiry once every two weeks from constituents looking for some assistance and direction in the creation of a new company or the refinancing of an existing company. Because of the old DREE programs, the Department of Regional Economic Expansion programs of

the federal government, I think most people going into business believe there are handouts, that there are large capital grants that we give away to assist them to form new companies. There is that misconception or myth out there that government has a large amount of equity to give away to people who want to start new businesses, and that isn't true.

So what I do in my explanatory process is identify the sources of capital that are available to them. We go through a very traditional information process. I immediately explain that the primary source of government assistance in Alberta is the Alberta Opportunity Company, the AOC. I explain to them that in order to qualify for an AOC application, they have to be turned down by three banks. I'm told very quickly that that's not difficult, particularly today, given the current situation. But AOC has very strict, very definite policies in terms of what it may do.

We then go through the process of looking at the established banking system and how it can assist. As the previous two speakers have pointed out, in the traditional banking system there is really no provision for long-term equity, for patient equity. It's evident, after the past three years in Alberta, that no company, no corporation, whether it's a new business or whether it's Dome, can finance its growth or its stability on demand notes that can be called at any time. Banks have responsibilities to their charter, to federal regulations, to their shareholders. They really don't have an instrument for long-term equity.

Then we look at the stock market and private investment opportunities. The immediate consideration many small-business men look at is, there's no point in my going to a public offering. To get a Securities Commission approval today is costly. I think the minimum legal bills today are about \$60,000. It's complicated; it's not always successful. There's no guarantee that a public offering will be accepted. In many cases, the amount of capital that would result from a public offering is too large. You don't require millions of dollars; we're really looking at sums of money less than a million dollars. There's a second option, of a private placement under the provisions of the Securities Commission here in Alberta. Again, the same problems exist: it's costly and it's complicated.

Of course there are many inquiries today about Vencap. Is Vencap the mechanism for the creation of new capital? It's my observation thus far that it really doesn't meet the needs of 80 percent of small businesses in Alberta, because most businesses aren't looking for in excess of a million dollars. It's my observation as well that Vencap has been relatively conservative, if you'll pardon the expression, in the types of ventures it is investing in, for many reasons known to itself and its investors.

Why are individuals looking to government for assistance? Because the first place they should look is the most difficult place to obtain new investment — private individuals. If we look at our track record in the past two years, thanks to international interest rates, to the national energy policy, and to the world economy, I think private investors have been burned and are reluctant to risk any more. We look at savings in Alberta today. Savings are up to 14 percent of gross income for individuals. People are not speculating. They are not risking and they are not investing. I attended the opening of a bank in Calgary. I won't name the bank, but the credit manager there informed me that for one branch he had a credit line of \$58 million available for investment, but he couldn't place it because business simply couldn't meet the investment criteria that most banks establish today.

I'm afraid we have a belief system setting in by the public that yes, they were willing to risk three or four years ago but they're reluctant to today. Fortunately we still have a breed of

entrepreneurs in this province who have visions, who have new ideas, who have new proposals, but simply can't seem to attract those private investors. This will provide the primary instrument to do that.

Mr. Speaker, the second area is refinancing existing businesses. One doesn't have to go very far today to find many very worthwhile, successful operating businesses that are barely hanging on in terms of survival because of losses during the past three years, because of interest rates, because of the tremendous loss in equity and land, that are unable to survive today because they need new capital, new equity, refinancing. Many have already gone into receivership, and in my view there are literally hundreds of businesses today that are looking for some opportunity to attract new investment equity. I believe Bill 51 is that mechanism.

Number three: research and development. When a corporation is fighting for survival, when it's not showing any kind of profit or rate of return to its investors, when it's attempting to aggressively market its existing product, there is little opportunity for investment in research and development. If we listened to the debate in this House in the past two months, there is clearly a need for high-tech research and development in this province — any kind of research and development. I believe that Bill 51 provides a mechanism for many corporations to look once again at that particular facet of their business.

Expansion and development: how many businesses today are taking advantage of the opportunity to increase their market share? It's my experience in Calgary that there are relatively few, because they are unable to attract sufficient additional new equity to expand. Bank lines of credit are limited. Banks don't want to provide additional debt to expand because they look at the balance sheet and say: where's the equity in your existing business; what is the security you can provide? There's relatively little security out there in the business world today. Again, I think Bill 51 will provide a new mechanism for existing businesses to expand, and finally, for existing businesses to launch into new enterprises and new initiatives.

Mr. Speaker, I think the program is solidly organized. It says there must be a minimum of \$100,000 in investments . . .

MR. DEPUTY SPEAKER: I regret having to interrupt the hon. member. The time for Government Designated Business has expired.

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

217. Moved by Dr. Carter:

Be it resolved that the Assembly urge the government to continue to promote the development of high-technology industries in the province by:

- (a) encouraging the use and development of computers, robots, and lasers in design and manufacture, and
- (b) working with industry and labour to develop strategies to prepare the Alberta work force for the impact of high technology.

DR. CARTER: Mr. Speaker, I am pleased to move Motion 217, which is a very complicated motion in one respect, being that it covers the complete spectrum with regard to a number of issues which are very important in terms of the education process, the development of new technology within this province, and the social spin-off which takes place as a ramification of the development of high technology.

If hon. members would be good enough to read over the motion, they will see that there are indeed three focusses. The first is to urge the government to continue to promote the development of high-technology industries within the province. That takes note of the fact that various programs and consultation processes have been in place, and so we are urging the continuance of the development of high technology. The second focus is with respect to naming a number of particular areas which are in need of further investigation, as well as the matter of usage, and that is with regard to computers, robots, and lasers. Then we go on to mention the area of design and manufacture with respect to high technology in the province. The third focus is to request the government to continue not only to have in-house discussions in various departments but to have dialogue between various departments of government and then to continue in dialogue with industry and labour.

[Mr. Purdy in the Chair]

So the focus of this motion is not at all narrow but one which really challenges the government to deal with the issues and also to reach out in terms of constructive dialogue with industry and labour, because the full impact of this revolution, where we are at the moment, affects all the people in the province of Alberta as well as the spin-off in terms of the rest of the world.

Mr. Speaker, it would be much my preference to stand in the wind and beauty and tranquillity of the Cypress Hills and listen to the melody of the coyotes, the screech of hunting hawks, or the call of hunting owls, and watch for deer or other wildlife. There it would be much easier for me to lean back and think that perhaps if I stay there, I wouldn't have to come face to face with the reality of not only the changes involved in terms of living everyday life but the impact and rapidity of change. However, even in the tranquillity of the Cypress Hills, I am really a subject of the high-tech revolution in various ways. The other evening I could watch television as the Oilers won the Stanley Cup. But at the same time I was observing that game on television in as remote a place as the Cypress Hills, I myself was being analyzed from outer space.

It's one of those things that on an evening you can observe the satellites passing overhead, and a number of us did spot satellites. That's at night. But in the daytime, the satellites still spin high above the earth's surface, and in their orbits they may well be observing such productive things as environmental factors or the change in agricultural land use. They may be able to detect salinity, factors in terms of land use, and agriculturally they are also able to detect where certain types of fertilizer could be used to better advantage. All of that is very interesting and productive. But at the same time, those same satellites are observing you and me for military purposes as well. So no matter where we go, we are impacted by observation, which is just one of the spin-offs of the technological upheaval which has taken place and which comes under the very broad definition of what technological development or high tech is all about.

I wish to quote very briefly from *Megatrends*, a book by John Naisbitt. He puts certain things into a very special context; that is, that during the agricultural period of man's history, the real issue was man pitted against nature. When we moved to an industrial society, we had man having to work with and against or in the context of fabricated nature in terms of machinery. But now, at the same time we are in an agricultural society and an industrial society, we are in an information society where for the first time in civilization — the game is people interacting with other people

and interacting almost instantaneously. What has happened is that the shift from an agricultural to an industrial society, whether in North America or in other parts of the world, was a shift which took place over a period of 100 years.

The present restructuring from an industrial to an information society took place [over 20 years]. Change is occurring so rapidly that for most of us there is no time to react.

But somehow we must try to "anticipate the future".

The five most important things to remember about a shift from an industrial to an information society are these, which are a number of points hon. members might well reflect upon:

The information society is [already] an economic reality. Innovations in communications and computer technology [only] accelerate the pace of change

as it affects our lives.

New information technologies will at first be applied to old industrial tasks, then, gradually, give birth to new activities, processes, and products.

Then there's a drawback to all this, which is referred to in Motion 217. It's the societal impact.

In this literacy-intensive society, when we need basic reading and writing skills more than ~~ever~~ before, unfortunately in North America

our education system is turning out an increasingly inferior product.

It's in the context of writers such as these that we really have to reflect upon the immediacy of the information age which is upon us and how we in Alberta have to adjust at a very rapid pace.

Number one, we have to recognize that change is here, and that items such as computers, robots, and lasers are not just something to deal with in terms of the future. Most of us have indeed adjusted to the reality that one must face trying to come to grips with how to operate a computer in terms of our own working lifetime. Many of us, though, still think of robotics as being very much an esoteric kind of development, that robotics really don't affect our lives too much. The same thing holds true with lasers. We still think of lasers as something out of *Star Wars* or Buck Rogers, when in actual fact there is an interrelationship between computer development, robots, and lasers in terms of design and manufacturing as they affect us today, whether they're being employed in a car plant in Japan or the United States or being used in other industrial spin-offs. The sheer reality of the situation is that we are already well along in the development of microcomputers, robotics, and the use of lasers.

How will we as a province adjust to these kinds of challenges? That obviously is a challenge not only for the Department of Education but for the frontline troops, in terms of teachers, students, and parents. So the parents and teachers will encourage the children and, altogether in terms of the system, there will be a search for the more rounded individual in terms of education, the more adaptable and flexible individual who has the initiative to deal with facing change and to see change not as a threat but indeed as a very real opportunity for personal growth, not just for personal survival.

The challenges are there not only in the Department of Education, as mentioned, but in the Department of Advanced Education. We have that division between advanced education and education, and what's happening here is that the lines are blurring even more with the development of microcomputers. As the hon. Member for Cypress realizes, in some of the day care facilities which he and I visit within this province of Alberta under the Social Care Facilities Review Committee, there are children aged four and five who are working with

computers right now. I'm willing to wager that some of those young children, and those who are not too many years older, have far greater computer literacy than any of us in this Assembly. What we have there is a whole impact in terms of the educational system at the basic level and, as I mentioned earlier, the blurring of the lines in what we call advanced education.

We could sort of say to ourselves that in the last number of years computers have a reality — the use and development of them, the working toward supercomputers — and we can rest assured that those kinds of issues will be dealt with at our institutions of advanced learning. But in actual fact, that type of advanced education has moved down into the high school system and the lower grades as well. So it is that the challenges are there. Of course the challenge is there for parents to have to try to deal in conversation with young people today, especially with their own young people. They have to have some kind of working knowledge, a very basic understanding of the potential of computers in addition to the operation of the same.

The motion before us talks not only about computers; it talks of robots and lasers. With regard to the matter of computers, it's my understanding that in Britain in 1982 the government recommended that they should be spending \$700 million on a five-year research program for enabling technologies. The technologies with respect to the development of microcomputers were these: software engineering — that's a phrase most of us here understand — the development of computer software, the programs. They also recommended that much research funding be put into the area of very large scale integration, man/machine interfaces, and knowledge-based systems. With respect to computers, they're already dealing in terms of what are known as fifth-generation computer systems. These systems are expected to give considerable competitive edge in world markets to whoever can successfully produce them.

It was in this regard that in an earlier debate a week ago, I made reference to the fact of the computing capability of the Calgary area, looking forward to the matter of having a supercomputer hopefully installed at the University of Calgary within the next year, one which will be kept at world-class standards. Its full capability is an exciting challenge. It's mind-bending to try to imagine the infinite number of computations and the analysis which can take place within such a facility, and the speed.

Of course there will be negative sides to the matter of further computer ability. Oftentimes one of the first issues to be dealt with, or one which rises, is the matter of the potential damage to the quality and privacy of life, especially in the workplace. So it is that this has ramifications for labour organizers as well as for administrators and manufacturers, in terms of dealing with excessive intrusion into the privacy of an operation, the monitoring. In addition, microcomputers, robots, and lasers make for shrinkage in jobs. But on the other hand, there's the social benefit that oftentimes some very humdrum activity on an assembly line has been taken away and replaced by the use of a robot.

It's interesting to know that the whole development of microchips has led to some fantastic developments with regard to the size of computers, the portability of computers, as well as the expanded usage and increase in speed with which computations indeed can take place. It's very interesting to note that a single chip can do what would have required a whole rack of equipment only two years ago. This continuing trend toward even more complex custom chips and the concept of total systems integration has reached the stage where a complete modern telephone switching system can be put on a relatively small area of silicon. In terms of industry, that obviously

reduces the amount of space required to house such a system, and it certainly leads as well to reduction of costly wiring, connection, and maintenance problems.

In an international context in this information technology, industry and university leaders throughout the developed world are needed to plan to meet their various national needs in terms of highly skilled manpower, because this really is the whole matter of survival in the years ahead. We will still have our basic resource industries and resource development, but we need to indeed focus much more of our attention on the development of high technology, even including such developments as having chip fabrication facilities or factories.

There is no doubt, with regard to computers, that there are a tremendous number of challenges. Computers allow us to interface with a lot of other developments that indeed take place within society. Computers allow us to be able to program and direct the workings of robots. That in itself allows for a greater shrinkage in terms of demands upon the time of the individual human being.

High technology really can become a bit of a conundrum. Is it really going to be a blessing or a curse? Whether it is blessing or curse, we're faced with what is there. With respect to high technology in the United States, it really is a glamour industry. As an industry it really is a hodgepodge, if you will, of computer electronics, software, robotics, communications equipment, computer-aided design and manufacturing, fibre optics, optical instruments, vapour phase technology, medical instruments, and biogenetics. And all of this stands on the continuing frontier of innovation. In early 1984 in the United States, roughly 2.5 million to 6 million people were employed in the high-technology industry, and that's out of a work force of over 103 million individuals. It's obviously a very high growth industry and one where there will be dramatic transformation. The real impact will be felt upon the manufacturing industry, to make them into leaner and more versatile facilities in dealing with the future economy of the whole world.

In terms of the impact upon labour, unions have been making very little progress with respect to organizing workers in high-tech industries. In part that's because high-tech industries tend to be smaller companies, often run as much more of a family-style business, the approach which was adopted within Japanese firms. Again there's another factor, that high-tech workers often regard themselves as professionals and therefore are not quite so interested in being unionized.

With regard to computers, computer-aided design, CAD, is another catchphrase we will have to incorporate in our vocabulary more and more in the next few years. Another phrase is computer-aided manufacturing. Computer-aided design is an exceptionally helpful working tool, because it makes scaling models possible. In terms of the design process, I was speaking last week with a friend of mine who is involved in the architectural and engineering aspect of the Alberta economy. They are moving immediately to computer-aided design, because it helps tremendously with respect to modelling of buildings and other construction projects. It allows for great input with respect to the design. You can call up the model on the computer and even move the model in a three-dimensional fashion. You can make immediate program changes, push the button, and away the whole modelling process goes. This of course takes away the very tedious process for a tremendous number of draftsmen. Computer-aided design has been compared to what word processors have done for typists and writers. This matter of the process involving innumerable revisions, with resultant fatigue to the operator, has now almost been done away with in terms of that device.

[Mr. Deputy Speaker in the Chair]

Computer-aided manufacturing then takes us into the areas of programming robots or other kinds of design and building so you can have a more efficient operation in terms of the manufacturing process. But that really means there is a third area, called computer-aided production planning. This is where we bring computers into the whole planning process within the operation of a business. That in turn helps to cut down on costs involved and make for much more efficient design of plant processes.

The matter of robots can cause great concern to people. Nevertheless, I'm given to understand that within North America there has been considerable development from 1954, when the first patent was awarded for a so-called playback manipulator, which later became known in the nomenclature of the marketplace as an industrial robot. The first commercially available robot was marketed in the United States in 1960. So it is that most robots were programmed and employed to move materials or tools through a programmed set of points.

At present there are 2,000 different types of robots. They can differ dramatically from other automatic machines with regard to their flexibility. They are very useful for production in the short runs that are very typical of the Canadian manufacturing economy. A robot of course is readily reprogrammable, has many functions, and can switch from one task to another in just a few moments. When one is faced with rising labour costs, obviously there comes a point when the cost of a robot makes it very attractive as compared to the ongoing labour costs involved with a person. That of course is one of the great cares and concerns of the labour movement and also for manufacturers and owners themselves.

Obviously most robots have been used in fairly mundane tasks such as manipulation, welding, or in spray painting with respect to machines. That also is a spin-off sociologically, from a health point of view, because the whole matter of one person being involved in spray painting parts of machines, farm machinery, trucks, or motor vehicles can indeed be a health hazard with respect to damage to the lungs.

There have been some recent trends in industrial robots. There has been a shift from pneumatic and hydraulic activation to electrical drive. So it is that the robots are becoming increasingly programmable as they are hooked up to microprocessors and microcomputers. This also means they are able to be downsized, so they are much more mobile. The reliability of robots used to be 400 hours of uninterrupted performance. That has been increasing, and the goal now is about 1,500 to 2,000 hours. Obviously that means you can work a robot around the clock, which we are not able to do and which is not desirable to do with a person. Robots are now being developed with a rudimentary sense of vision, so they have better recognition and orientation. They are even developing them with tactile sensing. The matter of robots is obviously upon us right now and has tremendous impact.

Lasers were originally developed in about 1960. There have been tremendous developments there as well. So it is that their light ranges from invisible, ultraviolet, infrared, through all colours of the rainbow. One of the things about the laser is that it's a light beam which can be focussed. Lasers are being used right now to transfer photographs and maps to printing plates. It's interesting that the Federal Bureau of Investigation have been able to work out a system with their lasers whereby, even 40 years later, the otherwise undetectable print left by a fugitive's fingertip can still be identified.

The laser is a great measuring device. It has tremendous effects in terms of healing, especially in the area of surgery, which can be done in a very fine and calculated manner that also helps to promote healing. In picking up the magazine *Farm*

Light & Power, which comes to me because I'm a member of the Cypress Rural Electrification Association, I was interested to note that now they've even developed a laser-guided, computer-controlled, solar-powered irrigation device.

Mr. Speaker, with respect to this motion before us, I look forward to the debate and input from other hon. members in the Assembly. I know the motion has broad-ranging ramifications, and I am certain that the members will be only too willing to share with me and other members of the Assembly their interest in this tremendous technology, this whole new challenge to all of us.

MR. MUSGROVE: Mr. Speaker, I certainly agree that we should continue to promote and develop high-technology industries in the province of Alberta. However, research and development by themselves have few economic benefits. The results have to be put into practice or commercialized in order that society reap any significant benefits from them. We must ensure that the adoption of new technology is not only encouraged but successfully balanced. High technology is fast becoming the world's leading export industry. Planning to become a full participant in this new industrial revolution. Alberta is building a sound base from which to operate. Alberta is working to diversify its economy and develop new industries. An important contribution to this end was the recently announced \$200 million Alberta heritage trust fund loan to establish a venture capital corporation that will offer incentives to high-risk and innovative business ventures.

Mr. Speaker, in the Bow Valley constituency, we have a high-technology industry called Global Thermalelectric. It has now ventured into the field of robots, and the managing director of Global Thermalelectric, Norman Arrison, is quite enthusiastic about spreading high technology all over Alberta. He has visited several communities, and his knowledge of high tech and enthusiasm are quite interesting. He's quite interested in holding a meeting of some of his followers with the caucus committee on rural industrial development, to get the people of Alberta pulling together, as he quotes it, as far as the promotion and development of high tech are concerned.

Concerning robots, in 1954 a patent was awarded to G.C. Devol for a playback manipulator, which has become known as an industrial robot. The first commercially available robot was marketed in the U.S.A. in 1960. There are various kinds of robots, and I can recall seeing robots taking bottles off belts and putting them in boxes in the glass factory in Reddiff in the late 1940s. They were not high-tech robots, but they were serving the same purpose.

Worldwide, the United States robot market has grown from 21 million in 1977 to 60 million in 1979 and 90 million in 1980. It is expected to reach 700 million by 1985 and 2.2 billion by 1990. Japan leads the world, in terms of both robot manufacture and installations in industry. In 1980 alone, 12,000 robots were produced in Japan, up nearly 50 percent from 1979. The annual growth rate is expected to remain at that level through the '80s. The cost of industrial robots is quite high, ranging from \$7,500 to \$150,000, but the payback periods are claimed to be from one to three years. Experts have predicted that a robot will produce the same output for \$1.25 an hour as a human labourer will produce for \$12 to \$15 an hour.

The computer's influence on jobs isn't restricted to manufacturing. Modern sawmills have computer-controlled saws. In the mines, computer terminals and robots are joining in the work force. Computerized laser scanners have been introduced in some large supermarkets as a way to boost efficiency at the checkout counter.

Robotics may prove the greatest threat to the labour force. With the huge robot population, Japan can make a car in about 57 man-hours, compared to 100 man-hours in North America. North American auto manufacturers can't afford not to follow this Japanese example. But the technical avalanche hasn't led to high unemployment in Japan, because Japan has been able to continue to increase its share of the world market in any manufactured products. Concern about the effects of computer technology on jobs and working conditions has become widespread amongst labour and political organizations. Concerns arise not only about the disappearance of jobs as a result of technological change but also about shifts in the job market. However, one truism of automation of any type is that the number of indirect or service workers does not decline in proportion to the decline in direct employees, as those working on the production line.

Employee training did not go unnoticed at the recent western premiers' conference in Kelowna, British Columbia. Communiqué #3, Economic Growth and Development, contains the following excerpts:

The Premiers discussed the critical importance of skills and knowledge in the economic era now emerging. They stressed that all levels of government must cooperate with business and labour to provide Canadians with educational and training opportunities relevant to the job market of the future. The Premiers noted that emphasis should be placed on retraining workers affected by technological change, on improving apprenticeship training and on redirecting university priorities to encourage courses more consistent with needs of the economy. They indicated that special priority should be given to training programs related to international trade.

The Premiers directed their ministers responsible for manpower to jointly develop mechanisms for greater cooperation and coordination in this area.

Mr. Speaker, we're into the technological age, and whether we of our age group understand it, I think we have to continue to promote this kind of development. So I suggest that everybody pass this motion.

Thank you very much.

MR. WOO: Mr. Speaker, as all hon. members know, we have had a number of debates on related motions and Bills that have been presented to the Assembly over the past few years. Certainly more have come to this floor in the last two years, because of increasing awareness of the role of technology in the provincial scheme of our economic future and certainly the industrial future of Canada. We have debated a number of subjects in the broad areas of science and technology, research and development, biotechnology, micro-electronics, and micro-computers. These are all areas we see as part of the so-called high-tech age of the '80s.

From a national perspective, we know that Canada is about four to six years behind the United States, Europe, and Japan in using micro-electronics and computers to increase productivity in manufacturing. Insofar as some of our more advanced companies are concerned, I think there is an absolutely clear recognition that productivity through the use of computers and robotics technology is the key to international competitiveness. I believe all governments now share this view, although perhaps in varying degrees. With the exception of Saskatchewan, Newfoundland, and Prince Edward Island, there are now technological or micro-electronics centres in all the provinces. Government commitments to funding such centres range from too little to just less than adequate — for example, from the federal government commitment of \$10 million over five years.

which translates into \$200,000 for each centre it supports, to the Ontario government commitment totalling \$200 million provincially over five years to its own centres.

With the question of funding, I think there are two schools of thought. On the one hand, if we are to give substance to this motion and all others of a similar nature that have been presented to this Legislature, then certainly the view must be interpreted that all our present funding formulas are less than adequate. This would be particularly true of those funded projects which have a significant and direct relationship or application to our provincial economic concerns. On the other hand, if the perception is such that through the investment of the public dollar we are funding scientific or technological projects that seem out of place or whose applications are doubtful, or projects that reflect a political priority as opposed to practical or pragmatic realities, then one might be led to the conclusion that regardless of the quantity of dollars involved, those dollars would be misdirected.

Mr. Speaker, I am of the opinion that the debate as to what should and shouldn't be done will continue for some time to come. There are those who argue on the side of natural advantage, and there are those who argue on the side of creating totally new industries apart from the aspects of natural advantages. With all due respect to my colleagues in this House who have argued on both sides of the fence, I happen to come down on both sides concurrently. The point I'm trying to make, Mr. Speaker, is that caught between all this rhetoric are our scientific and research community and certainly our small- and medium-sized businesses and industries in this province, particularly those dedicated manufacturers and industries that have made considerable and significant forward movement in terms of engineering design and fabrication and practical applications in the use of technological innovations in industry.

Of particular concern to me, if I am to read my hon. colleague's motion correctly, are those small- and medium-sized manufacturers who have staked a claim in the high-tech industry in this province. Many of these firms are involved in the development and manufacture of technological instrumentation that has application to our economic interests. It is my view that in the short and medium term, these firms must expand their efforts beyond those concerns of a provincial nature if they are to survive or expand from an economic standpoint. The present domestic market, based upon natural advantage, can only absorb so much technological innovation unless we seriously begin to diversify our industrial and economic base, in which event our present firms will not only provide the base for a high-tech industry itself but will contribute to the creation of totally new industries. This means more jobs.

I have confidence in the demonstrated ability and expertise of our scientific and research and development community in this province and in the management ability of those Albertans who have established their companies in the field of computers and technological instrumentation. If we look at our provincial economy, Mr. Speaker, we will find it is primarily resource based — oil and gas, petrochemicals, agriculture, forestry, and mining. I believe the potential for operational enhancement and increased productivity through the use of technological and computer innovation is tremendous. I know that many of the companies involved in these industries are already using technological instrumentation, and some of the new projects that are not yet off the drawing boards are incorporating still newer innovations as an integral part of their plants and operations.

The area of technical innovation is not only central to the creation and sustenance of its own industry, Mr. Speaker, but its application to our current industries has a number of added benefits. There are the spin-off support companies in both serv-

icing and production and a whole new field of endeavour directed towards new inventions. The one side of the fence I come down on in this regard is the need, from a start-up position of our computer factories, as I call them, the requirement to specialize in the areas of direct interest in terms of our existing industries and also our need to store, compile, and access information and economic intelligence, and the means to communicate them. Without question, there is tremendous potential in the field of development to advance a program of computer-aided design and computer-aided manufacturing that will have a direct application to our agricultural, oil and gas, and petrochemical industries, and to our forestry, medical sciences, and research efforts.

In other debates, Mr. Speaker, we have talked about education and the role of universities and tech schools in the area of computer sciences. I would like to speak briefly to the other dimension of my colleague's motion: the impact of technology on the labour force. Over the course of the last three or four years, a number of studies and reports have been commissioned by various levels of government, institutes, and labour councils in an attempt to ascertain the impact of technical innovation in the workplace and its resultant effect on employment. The question as to whether high-tech industry will create more jobs than it eliminates finds proponents on both sides of the argument. I have no doubt that there will certainly be job displacement, and with it will come serious social, economic, and geographical disruptions and dislocation. I believe that not only will there be movement within various job levels and in terms of the variety of job opportunities but there will be movement from community to community and region to region.

I am of the opinion that labour groups, as we know them today, face a number of serious choices. The traditional concerns of labour unions in terms of job tenure and job loss must give way to a serious effort of preparing their members to look at future programs of reorientation and to redefine the roles of unions in the technological marketplace of the international community. By example, I think it is important for labour groups to recognize that over the course of the last 10 years, their place in the manufacturing industry has experienced a continual decline. As long as that industry continues to apply technical innovation to increase productivity in order to compete in all markets, jobs will continue to be eliminated. It doesn't really matter whether those jobs require few or high skills, because when you're unemployed, you're out of work. That applies equally whether you're unionized or not. On the other hand, if unions exercise their power to force industries out of the field of technical innovation, they do so at the peril of the very members they represent. For example, if a particular industry is forced to adhere to outmoded methods of production, that industry will soon begin to stagnate and lose its place in the markets. It will in fact lose its markets, because it cannot compete. The result will be wholesale shutdowns, and a major labour force will be out of jobs.

Mr. Speaker, to me the labour force is an important part of our communities and our Canadian way of life. It is the backbone of some of our greatest industries going today, and certainly its contribution to our economy is significant. It is my view that if the union and labour leadership in fact have the well-being of their membership at heart, it is high time that rather than channel their resources and money to staging strikes and walkouts, they redirect those resources and funds to seeking a better place for the worker in the technological age. The leadership in all strata of our work force, be they organized or not, must lessen their preoccupation with traditional fears of job loss and look to new orientation. Certainly this applies equally to government and industry.

The ultimate test of what we achieve in the areas of science and technology will have to be measured in terms of our position in the international marketplace, our contribution to Albertans and the world community in the areas of medicine and health, food production, communications, shelter, energy substitutes, manufacturing, long-term employment, productivity, and personal worth.

Mr. Speaker, I thank the hon. Member for Calgary Egmont for his resolution.

MR. PURDY: Mr. Speaker, in rising to spend a few moments on this resolution this afternoon, I think the resolution is timely. However, in the last three-quarters of an hour that we've dealt with this particular topic, within the computer age we have going in this world, a number of new, innovative ideas have already taken place. I think the majority of people involved in the computer age and high technology can't even keep up with what's taking place. I know myself, as an individual who is involved in private enterprise — and that particular private enterprise has gone pretty well fully computerized — that there are changes and new programs coming out daily. We have to take upgrading courses to find out their significance and how valuable they are.

I remember that when I was furthering my education in engineering by correspondence, I had to buy a calculator which was very large, cumbersome, and had batteries. I was given a calculator the other day that's run by a light meter. It's got a minicomputer in it — no worry about batteries or anything. That first calculator I had to buy was in the neighbourhood of \$250; this small minicomputer calculator is under \$20 these days. So you can determine what's happening in the technology we have today and how prices are coming down.

I note that in the industry I'm with, starting there approximately 24 years ago, we didn't have any of the high technology or computer components we now have. Even with a plant whose oldest part is 14 years old, part of that has now been upgraded and new, innovative computer programs brought in for better operation of the plant.

The notes I have today, Mr. Speaker, are out of a computer, a word processor I personally own. This afternoon I'm going to spend my few minutes on the development of computers, what I see for the future and what we have today in the province of Alberta. The hon. Member for Calgary Egmont talked about word processing in his presentation. I just read an interesting article that was put out by Digital. The time saving between a secretary working on a typewriter and having to do documentation for, say, a board of directors or any person — by the time that particular document is taken out of the typewriter, taken to the board, comes back, is corrected and rechecked, if it's done on a word processor there's a saving of approximately four hours.

The hon. Member for Barrhead wants a number of improvements, but I think we've made some significant improvements in members' services in this Legislature. We are working on that. In fact because of one of the ways I have moved in this Legislative Assembly — I've put a computer in my own office. As soon as the secretary gets right onto it, I think it's going to be a substantial saving of time for her to have the knowledge of that particular piece of equipment. I've told my secretary that if she's afraid of it, I can certainly train her on it, because I think I'm fairly competent on that particular word processor and minicomputer in the office.

Mr. Speaker, in our society there are six classes of computers available today. The first is the supercomputer, which would cost a company about \$45 million to install and about \$10 million a year to operate. These are used in weather modifi-

cation, environmental areas, nuclear science, seismic operations, and even pharmaceutical chains. There are none of these machines in the province of Alberta today. However, there are two installations in Canada. Environment Canada has one, and another is a military security setup outside Ottawa.

The next type of computer is a miniframe. These miniframes are large computers enabling from 500 to 1,000 users to have access to a significant computer resource on a time-sharing basis. These cost about \$4.5 million to install and about \$2 million a year to operate. They are found in virtually every major institution or corporation in the province. They are used for [everything] from everyday business accounting to seismic data processing.

Next is the minicomputer or microchip. The leading one in that particular field is the one I just mentioned, Digital Equipment Corporation of eastern Canada. These computers are found in virtually every business employing more than 40 people, who want to do some research and development activities. In business they are a very, very reliable workhorse to draw together computing power and if necessary, extremely high data security. In research and teaching uses, minicomputers provide the cheap and easy-to-manage computer capability that is critical for the development and testing of new ideas as well as the training needed for our brightest young scientists, engineers, and programmers.

Then we go into the next group, Mr. Speaker, the personal computer. These are the true microcomputers and are generally distinguished by the fact that they support only one user at a time. The leading computer in this province is the IBM PC. The Alberta government has several hundred of them in various offices throughout this city and other areas of the province. Its technology is a few years older and has been totally eclipsed by products such as Radio Shack Model 2000, the Sperry PC, and even the Apple Macintosh. Nevertheless, it is still considered the standard machine by industry, because it has been sold in very large volume to government and other institutional users. Personal computers usually vary about \$3,000 in cost. If you want a complete computer setup with the many, many facets available to various ones, it could run up to \$25,000.

We have a federal policy to assist to Canadian manufacturers of these machines, with federal losses to date varying from \$100 million to \$350 million, depending on who reports them. These estimates are exclusive of Mitel, another company. The Ontario government recently sank about \$50 million into the development of a personal computer for use in schools, but school boards left to themselves are almost uniformly opting for IBM or the Apple product instead. There are now Canadian personals, but they are not competitive with the American and Japanese product on a price/performance basis.

We also have the other computer, the toys, where you can get joysticks, and the Commodore 64 and the IBM PCjr. The last line of computer is the dedicated processor. This is the largest area of growth. But because they are not user-programmable, they should probably not be considered computers. For example, any new car is likely to have several microprocessor controls, as does a microwave, washing machine, or typewriter. In fact there is virtually no complex tool or appliance whose operation or manufacture cannot be improved by microcomputers.

Mr. Speaker, I think I'm going to conclude on a note that the economy of Alberta can develop out of its resource-based stage only via the continual education and development of its people and the subsequent export of their products and services. The typical Alberta farm producer, for example, is running a million-dollar enterprise and needs a detailed knowledge of such diverse areas as soil chemistry and world commodity

markets. Similarly an Alberta engineering company must bring considerable expertise and demonstrated experience to its work to win a contract overseas. To achieve this ability, to compete, we must maintain Alberta's outstanding commitment to higher education, continuing education, and education through research and development.

At this particular time, I believe Alberta provides excellent educational opportunities in agriculture, business, medicine, and numerous other areas. Our colleges and technical institutions are full of people seeking to upgrade their skills in practical job-oriented areas, while the universities are for the most part raising their standards and producing hardworking, reasonable, literate graduates for the job market. Through the Alberta Research Council and private-sector firms working with such government agencies as AOSTRA, the Alberta Oil Sands Technology and Research Authority, and in academic institutions, Albertans are seeking answers to specific technological and research questions. This is a largely structured research for which the goals are known and the methods are sought.

Mr. Speaker, because of the time and the importance of this particular motion, I would like to conclude my remarks there.

MR. DEPUTY SPEAKER: Are you ready for the question?

[Motion carried]

MR. HORSMAN: Mr. Speaker, this evening it is proposed to deal in Committee of Supply with the estimates of the Solicitor General. I therefore move that when the members reassemble this evening, they do so in Committee of Supply, until such time as the House rises and reports.

MR. DEPUTY SPEAKER: You have heard the motion by the hon. Deputy Government House Leader. Are you all agreed?

HON. MEMBERS: Agreed.

[The House recessed at 5:27 p.m.]

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

head: COMMITTEE OF SUPPLY

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of Supply will please come to order.

Department of the Solicitor General

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

SOME HON. MEMBERS: Question.

DR. REID: Mr. Chairman, in their enthusiasm I think some members may be a little early in calling the question.

It is for me, as you know, somewhat of a privilege to introduce for the first time the estimates for the Solicitor General's department for the 1984-85 fiscal year. To start with, perhaps I should explain that these estimates as presented are not the total figure for the department. The sum of some \$213.6

million should have added to it approximately \$11.6 million, which was in the estimates presented by the Minister for Social Services and Community Health. The number of positions, some 2,554, allowing for the reduction of 52, should also be increased by some 168 positions, that were transferred from the Department of Social Services and Community Health under the young offenders program.

Briefly, Mr. Chairman, I would like to mention what I think are some highlights of the department for the coming year; first of all, with regard to the correction services, of course the introduction and final proclamation of the Young Offenders Act by the federal government and the meetings that have gone on for some considerable time with regard to that legislation. The philosophy of the federal Young Offenders Act and its companion the provincial Bill, which is currently before the Assembly, is that young offenders, those under the age of 18, being predominantly still young people and therefore, in the majority, first offenders, should be treated by the correction services and by the administration of justice separately but equally in comparison with those who are adults. I think the attempt at de-institutionalization in the handling of the young offender is a very valid one in that surely if we are trying to look at the results of sentencing and their treatment by the correction services subsequently, the aim is to avoid their becoming chronic long-term and repeat offenders. It's for that reason that there is considerable concentration in the legislation on the alternatives to incarceration, and of course there's also the unique provision for diversion prior to the court appearance.

The Young Offenders Act will mean that in the provincial service a separate operating budget will be required for young offenders, and it's that budget that the federal government has agreed to cost share on some basis. The estimated amount for the young offenders program's operating costs in the fiscal year we're considering is approximately \$27 million, of which the federal government will cost share to the extent of \$9 million. It's important to realize, however, that that \$9 million includes some \$5 million that is currently cost shared under the Canada assistance plan in the Department of Social Services and Community Health — or at least was, until April 1, 1984 — and that therefore the new money represents some \$4 million out of the total of \$27 million.

Mr. Chairman, in addition to the operating costs there will of course be some capital cost requirements, initially for facilities in Edmonton and Calgary but, subsequently, possibly for additional facilities across the province. Those capital costs are not included in the budget, because they have not yet been delineated. We still have to make some decisions as to exactly what types of facilities and services are required. It's with a view to delineating some of those requirements that in August of this year I'm going to travel with some department staff to have a look at the system in Britain, a system which just about two years ago underwent a fairly significant change. We're going to go to Britain with a concept of trying to find out what they found wrong with their system as it was, the reasons, and what they did about it. Hopefully that will result in our not unnecessarily repeating mistakes that were made in Britain.

Also in the correction services there's the new medium-security facility under construction in Grande Cache, which should be completed toward the end of this fiscal year or early in the next fiscal year. I'm told by the Department of Public Works, Supply and Services that currently the construction is both on schedule and on budget.

The other aspect I would like to address in the correction services is not necessarily a purely fiscal one but is that of the rehabilitation aspect of the correction services as opposed to punishment or detention. It's interesting, Mr. Chairman, that

in Europe the rate of incarceration varies from some 25 per 100,000 in Holland to a high of just about 100 per 100,000 in West Germany and the United Kingdom. In the provincial system in Alberta we currently have some 2,600 incarcerated inmates. In addition to that of course are those in the federal system. So our rate in Alberta is well over 100 per 100,000.

If we are ever going to address the cost of incarceration and look at the results of the correction services, perhaps we should in the future have a good look at how or why those European societies manage to avoid the high level of incarceration that we have. We have to make some allowance of course for the fact that there is a very high rate of incarceration among native people, but there still must be some aspects of our system that could be looked at with potential benefit both to those who have offended and to society as a whole in the avoidance of reoffending and reincarceration.

Mr. Chairman, in relation to the law enforcement division of the department, I would also like to mention that we are currently undergoing a review of the Police Act. We have already asked for input from the organizations across the province who are involved with policing. Just recently, out of the second printing of the working paper, a discussion paper on the provisional new Police Act, it's been distributed to members, and I would appreciate their input over the next short period of time so we can get on with the rewriting of the Police Act.

Also in law enforcement — and this is somewhat of a hobbyhorse of mine — we have the problem of enforcing the laws against impaired drivers. There are some proposals for change in the federal Criminal Code which significantly increase the penalties for second and subsequent offences of impaired driving and which introduce two new offences to the Criminal Code, impaired or dangerous driving causing injury and impaired or dangerous driving causing death. In other words, there is no longer going to be the requirement to prove criminal negligence. It's to be hoped, Mr. Chairman, that the law enforcement agencies will in the future pay considerable attention to the problem of impaired driving, which is associated in some way, directly or indirectly, with some 50 percent of our fatal accidents.

Mr. Chairman, the other large part of the department in addition to the correction services is the motor vehicles division. Of course all of us have been aware that over the last few months we have introduced some new programs in that division. First of all, we have introduced the new licence plates, which seem to be on the majority of private motor vehicles now and, by the end of June, should be on all private vehicles and on commercial trucks.

The changes in the system involve more than just the new plates. The division is also going to a system of staggered relicensing on a monthly basis for private vehicles. For commercial vehicles and trucks, the licences will be paid on a quarterly basis in the future. This system is possible because of the introduction of a new computerized system within the division, which in the future will be able to give Albertans a much better service than was possible under the old manual system, and it should be done at reasonable cost. Indeed, with the introduction of that computerized system, we will be able to introduce on a satisfactory basis the concept of personalized licence plates. Providing the necessary authorization goes through, it is hoped to introduce personalized licence plates late this fall.

The computerized system will enable the private issuer to provide additional services they cannot provide at this time. They will be able to do searches of the individual driver's licence permit to see whether he has any demerit points or, for

insurance companies with the correct access responsibility, they will very simply and very quickly be able to find out the driving record of a driver for the previous three years, that period of time which affects your insurance rates if you have a bad driving record. There are other possibilities associated with that computerized system. In answer to a question that was asked of the Attorney General during his estimates by the the hon. Member for Cardston, I would like to say at this time that there are active discussions going on between the staffs of the two departments with a view to possibly incorporating the motor vehicle liens, along with the other information on motor vehicles, so that it would be a much simplified system, much more available and accessible. Again, it would provide a better service to Albertans at reasonable cost.

Within the motor vehicles division, there are of course other aspects of that division: the driver's licences, the driver's permits, which are also going onto the same computer system, and the information will be tied together. Members may have noticed on their application this time that there was the driver's licence number of the owner of the vehicle, if it was a privately owned vehicle. That information will be tied together in the computer system as well.

One other aspect of motor vehicle licensing and review of drivers and their driving habits is the Driver Control Board, which until now has had offices only in Edmonton and Calgary, and has had to travel to other areas of the province, sometimes causing inconvenience to people who have accumulated the necessary demerits or who have accumulated a suspension for impaired driving or other reason. We have just recently authorized the upgrading of the offices in Grande Prairie and Lethbridge so that they will provide a full service to the people of those areas for the Driver Control Board, for both interviews and formal hearings.

Mr. Chairman, the other two direct responsibilities of the department are the Racing Commission, which I think all Albertans who are interested in horse racing realize keeps a very clean industry in Alberta — we've had very few problems with attempts to subvert the races for the benefits of individuals. The other item I'd like to mention is the Liquor Licensing Review Council, who normally have functioned as an appeal mechanism for licensees who were unhappy with the decisions of the board. It's my intention to use that council as a proactive body to review proposed regulations that may affect the restaurant, hotel, and travel industries of Alberta.

That's a brief review of the functions of the department, its divisions and subdivisions. I'll be quite willing to listen to the comments of members and will attempt to answer any questions they may have.

Thank you.

MRS. CRIPPS: Mr. Chairman, in order to keep the uniformity of this, maybe the minister would be able to answer my questions directly after I speak. I've been waiting for the minister's estimates to raise the issue of the Alsike minimum-security centre. I attended a meeting at Alsike on April 11 which was attended by 112 people. They're very concerned about the changeover of Alsike from an AADAC centre to a minimum-security centre.

I was asked if I was in favour of the facility. I'm in favour of making useful use of the facility, and I guess I'm in a quandary about whether it should be a minimum-security facility or if there is any other viable alternative. There doesn't appear to be at the present time. I gave a commitment to raise their concerns on the floor of the Legislature. Mr. Minister, people at that meeting were concerned about five major problems: one, their security and that of their families; two, the

life-style of the community, major changes, i.e. keys in cars; three, what type of visitors are being lured to the area, and is there a possibility of them casing their places; four, the possible effect on their young people by association; and five, property values.

I want to review the circumstances leading up to the change, so that it's on the record. The rehabilitation success rate at the AADAC centre was reviewed. Since these people were mainly serious problem alcoholics, many with serious offences also, there was very little success rate. A decision was made to close the centre but to try to utilize it and maintain the jobs. As an AADAC centre, the centre was part of the Solicitor General's facilities and so reverted to the main department.

I have a major concern in the manner in which the change-over was made. I had phone calls from residents and indicated to my constituents that a public meeting would be held. In a meeting I had with the chairman of AADAC and the Solicitor General, I requested a public meeting prior to any change. Since my discussion took place prior to the finalization of the budget and prior to the final decision on the Solicitor General's department accepting the AADAC centre, the public meeting was agreed to but a date wasn't set. Because of personnel changes in the Solicitor General's department, the commitment to have a meeting prior to the change taking place was not fulfilled. On the floor of this Assembly I can only apologize to my constituents for that mix-up.

I found out that the correctional services arm of the department was moving offenders to Alsiike in the same manner that the residents of the area did — through a news story. I hope my constituents understand that the correctional directors do not normally inform the Solicitor General of movement of offenders between the various facilities. The system would be totally unworkable because of a bottleneck if the Solicitor General were involved in such movements. In this case, I went to the Solicitor General's office to request an explanation. He was as surprised as I was because, as I just said, he's not normally informed of individual correctional movement.

When the budget was brought in, the Alsiike centre was transferred to the correctional division, and they assumed use and control. I've already explained the personnel changes that caused the breakdown in communications and the movement prior to the public meeting of April 11, which was moved from April 25.

Another major cause of local concern was the instruction of the AADAC personnel at the centre not to discuss the change-over. The correctional division was providing information openly and freely to anyone who called. But that information was overshadowed and its credibility was jeopardized by the inability of the employees at AADAC to discuss the change-over. While I was totally unaware of the restriction on the workers, I apologize for the impossible situation this placed them in.

I believe the lack of a public meeting prior to the offenders being moved in resulted in three things: one, an affront to the community; two, a questioning of government credibility and intention; and three, the effectiveness and usefulness of the Alsiike facility. I have a commitment to raise their concern and opposition. There was a strong opposition and a sincere concern, and I want to underline that. I said at that meeting that I didn't honestly believe the decision could be reversed, but I will commit myself to request a six-month review. Mr. Chairman, I believe the six-month review was rejected as an option in view of the feeling that the Alsiike facility should not be a minimum-security facility at all.

I was asked a number of questions, and I'm going to pose 12 questions to the minister which I hope he will address in

his response in the estimates. One, what is meant by minimum security? Two, what type of offences would have been committed by these people? Is it driving without a licence? What type of offence is it? Three, would you explain specifically the type of selection process to determine who would be eligible to go to the Alsiike centre? Four, what are the security procedures? Five, what guarantee is there that local residents would not be in danger because of the proximity of the facility and the loose security? Six, how would you compare the offender that would now be housed in the facility to the resident under the AADAC program? Seven, what is the average sentence of the minimum-security offender, and where are these people in their sentence? Eight, what assurance has the community that this initial step will not lead to an expansion of the facility and overcrowding? Nine, in view of the fact that the facility was opened as an AADAC centre — i.e., that was the policy — and now a change in usage and presumably in policy, what guarantee is there that there will not be future policy and usage changes which the community would find more undesirable and objectionable? I promised to raise that on the floor of the Legislature because the residents feel there's already been a change in policy, and they want some assurance that that won't continue. Ten, will there be a six-month review? Eleven, will there be ongoing communication with the local people? Twelve, have any steps been taken to ensure that experienced personnel are in charge of the Alsiike centre as a minimum-security centre?

Mr. Chairman, I spent some time in the Alsiike area during the last week in June, and I can only re-emphasize the concern of the local people who do not understand the parameters designating minimum security and who are genuinely concerned about the effect the Alsiike centre will have on their families and their community. I wait with bated breath for the minister's reply.

MR. DEPUTY CHAIRMAN: Does the minister want to respond? I have another member of the Assembly, but does the minister want to respond to that particular question?

DR. REID: Mr. Chairman, seeing that we're looking at one facility, a specific one in a specific constituency, and the member has raised several concerns, perhaps we should deal with that as one item.

The hon. Member for Drayton Valley has raised, as she said, 12 items. Perhaps the easiest way to handle this is to just go through the 12 that she raised, after acknowledging of course that society as a whole always has difficulty with any detention centre, whether it's the Alsiike variety, the AADAC type, or those facilities that are operated as group homes under social services under the old juvenile delinquency Act. On the other hand, society also has to recognize that we have a responsibility for these groups of people in society.

With regard to the meaning of minimum security, Mr. Chairman, the term minimum security is the lowest level of security in the system. It can indeed be regarded as open security in that the reason for having minimal security is that the type of people who are in it — and I'm now onto the second question she asked — are those who have already been in the system for some length of time. They are offenders who have not committed any violent crime, who have shown no evidence of any violent tendency during the prior part of their sentence, their term of incarceration at another facility. They may have indulged in minor property offences, traffic offences, but not those related to violence. The type of inmates we intend to have at Alsiike are, therefore, those who have not been convicted of violent offences and who have already been screened in other facilities under the system prior to their transfer to

Alsike. Another thing that should be mentioned is that going through any previous record they may have, any previous offences, they have all been of a nonviolent nature.

The third item, the selection process, is a somewhat complex one. Perhaps I should describe it in some detail so the hon. member will be able to tell the people in the area about it. The first item is that inmates are chosen for placement by a careful screening process in the previous facility, usually Fort Saskatchewan. They're chosen by a classification committee, which has two members of the managerial staff of the parent facility and a caseworker. The second stage of that process is that after being selected by this committee, each case is referred to the director of the institution, at Fort Saskatchewan, for approval; that's a separate step. Thirdly, they are forwarded to the regional director, for the Edmonton region if it's Fort Saskatchewan, for final approval.

To classify the screening criteria, as I said, the inmate must be of a minimum-security rating. In the previous facility they must have demonstrated evidence of maturity and reliability, and they must have behaved in a responsible way during their term of incarceration up to that point. As I said, there is to be no record of violent or sexual offences, either the offence for which they are currently incarcerated or for previous offences. They must have been sentenced on the basis of one charge only, with no outstanding charges that still have to be heard. They must show evidence of being highly motivated to participate in this type of facility, which is, after all, an outdoor farm-type operation, and they must have shown evidence of earning privileges for being responsible and stable by their behavior pattern in the parent facility.

In addition, Mr. Chairman, they have to be near the end of their sentence, and they must be serving an original sentence of six months or less. In the provincial system, we are responsible for those offenders who have been sentenced to less than two years. But it's only those who have been sentenced to less than six months who are eligible to go to a facility of the type of Alsike. In addition, before being transferred, all those who are transferred to the Alsike-type centre must have undergone psychological testing.

The hon. member asked about the security procedures. Alsike, even as an open- or minimum-security facility, is staffed 24 hours a day, seven days a week, by fully trained correction officers. After the initial opening period, the staffing is intended to be a director, a secretary/typist, a cook, and 10 correction officers. At the moment we have additional staff there, because during the opening period we have put in trained staff from other facilities, and indeed we have an assistant deputy director on site at the moment. When Alsike was under the Alberta Alcoholism and Drug Abuse Commission, the director of the AADAC facility was Mr. Leslie-Spinks, who had been there for some years. In order to give him the chance of upgrading his employment, and with his agreement, he has been transferred to the Fort Saskatchewan Correctional Centre, where there are further opportunities in the corrections system than are available to him at Alsike. We have transferred a new director there from Fort Saskatchewan, Mr. Hatcher, who I understand is a person who is understanding by nature, approachable, and quite willing to talk to the local residents on a one-to-one basis about the facility he will be the director of.

As I said, there are additional staff there at the moment, because of course the employees who had been under the Alberta Alcoholism and Drug Abuse Commission were not trained corrections officers at the time of transfer. Most of them have undergone at least the majority of their training as correction officers, in addition to their previous experience looking

after the prior inmates under AADAC. Those people will not be transferred out of Alsike until the senior personnel in the department are convinced that staffing is adequate for the needs.

The hon. member asked about a guarantee that the facility would not be a danger to anybody living in the neighbourhood. After going through the details of the selection process and the staffing, perhaps that's the furthest I can go in the way of a guarantee. One cannot, of course, offer a guarantee for anything in this life. If you walk across Jasper Avenue when it says "walk", one cannot guarantee that it is perfectly safe. There's always a possibility that somebody will come through a stop sign. But in general, Mr. Chairman, one would expect that with the selection process and the care that is taken with it, with the type of sentences that people have been given, and the type of offences they have committed prior to that sentence, the chance of those people, who are at Alsike because they are at the end of their period of incarceration and because of the selection process, wanting to commit any other offence and therefore being sentenced to a further period of incarceration would be minimal.

The possibility of expanding Alsike or changing its use is very easy to answer, Mr. Chairman. First of all, the Alsike facility was built as a rehabilitation centre for chronic alcoholics. It therefore is, by definition, a minimum-security facility. To convert it to anything else — in other words, to convert it to the next type of facility, a medium-security facility — would require such major changes to its construction and design that, indeed, it would probably be easier to build a facility somewhere else than at Alsike. So I don't think the residents need to worry about the possibility of its being escalated to a higher level of security. Expansion of the facility as a minimum-security facility, an open facility, is not possible as the facilities in the central building do not allow us to expand the numbers above the current capacity of 22. I can therefore give the hon. Member for Drayton Valley the assurance that the number 22 is a maximum. Indeed, on average it's likely that the number at Alsike will be approximately 18.

Mr. Chairman, the next question was the possibility of a six-month review. The correction service does not function on a basis of fixed reviews in any of the facilities. Reviews occur when there is any incident which may indicate a problem with the security. For instance, at Alsike there would automatically be a review of any instance where an offender walked away from the facility. The circumstances of their walking away would be looked into to see whether any change was required in the security systems. Those security systems involve routine checks at regular intervals of who is there. In addition to that there are checks at irregular intervals, so that those who are at Alsike are never really sure of when their numbers will be checked up on to see if anybody has left the premises.

I think the last two questions the hon. member asked are probably those which have the greatest possibility for settling down those people at Alsike who are somewhat disturbed by the transfer and change in function. Communication with the residents of the Alsike area was unfortunate at the beginning in that it was not as open as had been intended. There was open communication with the AADAC staff who were going to be transferred to the Department of the Solicitor General. Unfortunately that communication was not spread to the surrounding population, and of course the best way to have had that communication spread would have been by the residents, the staff of Alsike. Unfortunately that did not happen, so we are to some extent playing catch-up ball. The communication from now on — and I mentioned Mr. Hatcher, the new director. He is recommended to us as being somebody who is able to communicate very easily on a one-on-one basis, and I would presume that that is what he will do with the local residents.

That brings up the last question as well, which is that of experienced personnel. I can assure the hon. member that Mr. Hatcher is experienced. It is to be hoped that between the communication skills and the experience, in addition to the community use of the people who are there, by either nonprofit organizations or the surrounding communities, that will allay the fears that currently exist in the area and will enable the people to accept the facility and indeed have their communities benefit by its presence in the location.

I think I have answered all the questions that were put by the Member for Drayton Valley, Mr. Chairman, but if she has any additional ones, perhaps she can get into the discussion later on. Thank you.

MR. R. SPEAKER: Mr. Chairman, three items to the minister. First of all, in terms of the licence plates, the minister didn't cover all the details in terms of costs. One complaint I've had, and it's been raised in the Legislature, is that when licence plates were mailed back to a number of the people, they were each mailed individually to various recipients of licences. I was wondering if the minister has looked at the mailing costs and how that will change next year. I'm sure they have. Secondly, in terms of private agencies dealing with the issuing of licence plates, I believe the minister is working on that and has made some commitments with regard to that. I'd like an update on that.

The second item is with regard to the Alberta Liquor Control Board and the layoffs that happened. I am wondering if the minister could indicate what the present circumstances are. Have some of the people been hired back on staff again? Have some of the hours in various stores across the province not adjusted to the time schedule, and have certain adjustments been made since the first decision? I'd like maybe a little more detailed update on that matter.

The third item I want to raise is with regard to victim compensation, and this is an attitude more than anything. I recognize as well that much of this responsibility comes under the authority of the Attorney General. In light of the fact that under correctional services under Solicitor General, one of the responsibilities in terms of community correctional services of the Solicitor General is to provide alternatives to incarceration for nondangerous offenders. So I raise this on the basis of that responsibility of the minister. As has been noted in this Legislature, I've introduced legislation this session — for example, the Victim of Crime Levy Act, the Tax Refund and Provincial Grant Intercept Act, and the Profit from Crime Act. Another one I was reading about the other day that I think has a lot of merit is a statement by the victim of a crime before the sentencing, so that that statement does affect the sentencing of the perpetrator of the crime. I'd be very interested in the minister's attitude toward ways and means by which we can compensate the victim, whether the victim has been hurt emotionally or in terms of his or her physical property.

I think there's a time in our application of the law that a focus can be made on the victim and that certainly the victim can be recognized in this process. Up to this point in time we usually punish the criminal and say, this is your sentence or this is how much you will pay. Reviewing some of the legislation even introduced in this current session of the Legislature, we have one Act whereby a fine of up to \$50,000 can be levied on the person that violates the Act. That's a very severe penalty, but what about the victims of those people that perpetrate a crime, mislead the public, misrepresent themselves to the public or, as I say, violate a person's personal or family property? I would certainly like to hear the minister's viewpoint on that. I'd like to hear the minister say: that is one of the areas in my

new portfolio that I'd like to explore and certainly press forward in this Legislature.

As well — and I don't think I've had the opportunity of doing this publicly — I'd like to wish the minister the best in his portfolio. I believe his sincerity with regard to the subjects and his interest with regard to the responsibilities of the portfolio will certainly carry him forward well in the challenges that are ahead. And there are some great challenges. As our economy continues to be in a bit of difficulty, as our population maintains a degree of mobility, there are problems with that. You do have social problems that go along with the economic problems. I do wish the minister well and certainly feel, from my experiences with him to this point, that he will accept the responsibility well and do a good job. I certainly urge him to carry on and be innovative as much as possible. My experience of 21 years in this House has seen many ministers come and go. I think one of the best pieces of advice I could give to the minister is: if you think something can work, give it a try and push it as hard as you can. Because the short period of time a person is a minister, whether it's four years or eight years or even longer, isn't very long. You do have one chance to impress yourself upon the history of the province.

With those words, Mr. Chairman, I commend the minister to carry on with his responsibilities and certainly would appreciate his attitude on the three items I've raised.

MR. LEE: Mr. Chairman, I too would like to begin by acknowledging the new minister for his assignment, his new portfolio, and indicate that it is my feeling that the minister has grasped the complexity of his portfolio relatively quickly and has a good understanding of the issues. Certainly he is following in the footsteps of a very competent minister, his predecessor.

I have a few points I would like to raise with the minister and ask for just a brief acknowledgment of what is happening in that regard. Four years ago, as a member of the city council, I served on the Calgary Police Commission. I recall that the police commission had then made a submission to the provincial government that there ought to be a change in the allowable maximums for traffic fines for moving offences. This was done two years ago, and I understand the city of Calgary Police Commission has more recently made a submission again. Perhaps the minister could indicate what action is contemplated in that regard. Inflation has leaped ahead while the fines have remained relatively stable. My guess is that in some respects it's cheaper to pay a fine than to pay the penalty of abiding by the provision of the fine, so I'd ask the minister to comment on that.

Secondly, Mr. Chairman, the minister has indicated that the Police Act is open and a review is under way with respect to the content therein. The city of Calgary Police Commission undertook a very extensive review of the citizen complaint system, complaints against the police, and as a result of that initiated a complaints monitor and a very detailed systematic process by which a citizen could make a complaint against the police. I'd be very interested to know if the minister feels that is an important matter to review and what provincial involvement there might be in terms of guidelines for the local procedure of complaints against the police.

Thirdly, Mr. Chairman, I recently forwarded to the minister and released to the public a copy of a survey I conducted of the attitudes of the owners and managers of restaurants in the constituency of Calgary Buffalo with respect to liquor licensing regulations. The survey that was undertaken took place in the months of December and January, and I identified 11 areas of concern as a result of consulting with restaurant owners. For example, why is it that you may drink in a lounge only until

1 o'clock in the morning but if you move next door into the dining room, which may be 10 feet away, you can continue to drink until 2 o'clock.

The survey addressed the issue of "happy hours" as they're presently conducted. The question was, should happy hours be discontinued? Thirty-three percent agreed, 44 percent disagreed, and 22 percent had no opinion. There seems to be a great deal of controversy with respect to happy hours in restaurants. I think it's evident from the way it's structured that restaurant owners certainly don't make any great profit on it. My concern is, are we not really requiring a stockpiling of drinks by our customers in restaurants by this regulation and really promoting heavy drinking practices? Does the minister consider that a concern?

Thirdly, an obvious matter that has been on people's minds for many years: should customers be allowed to transport or carry their beverages in the designated lounge and dining room areas?

Mr. Chairman, I just mention these three examples; there are 11. I forwarded it to the minister. I wonder if the minister could indicate how he would propose to respond to this survey and if in fact these concerns might be incorporated in the minister's review of the Liquor Control Act and the accompanying regulations during this summer.

Mr. Chairman, another point is the whole question of municipal policies in Alberta with respect to parking and parking policies for the disabled. Some municipalities now have requirements that the disabled may have certain parking stalls designated in close proximity to their destination, that they could be used exclusively for the disabled. There has been a committee under way for the past two years reviewing this whole matter, and it has recommended a comprehensive Alberta standard of stickers to be placed either on the outside of a motor vehicle or on the inside, that could be removed, that would identify an automobile owned or operated by the disabled. Is the minister contemplating any kind of systematic approach to providing a form of identification to those who so request?

Mr. Chairman, one other area of concern that I've had a couple of inquiries on in the past year is with respect to the cost of automobile insurance for those under the age of 25. There's a very clear feeling by many that rates are discriminatory in that they're primarily based on the track record of those in that particular age group. I understand the province of Ontario has initiated a change in its regulations with respect to establishing rates for the insured for those under the age of 25. Is the minister looking at this area at all?

Finally, Mr. Chairman, I have one area of a small degree of interest. That is the option of an amendment to the Liquor Control Act with respect to the vending of beer and wine at local food stores. The minister indicated that he intended not to restructure but to ask the Alberta liquor appeal council — I'm sure I don't have the correct name — to look not only at the matter of appeals but also to advise the minister on the areas of policy. I wonder if the minister could indicate if in fact this proposal has been referred to that particular appeal board for consideration.

Those are the areas I ask the minister to very briefly comment on. Mr. Chairman, I would appreciate the minister's response.

MRS. KOPER: Mr. Chairman, I too would like to commend the minister on his grasp of his new portfolio and all the things he's done to this date.

My questions centre on Vote 2. I am interested in the kinds of correctional centres offered in the community, particularly for young offenders. In having to deal with young people, perhaps in trouble with the law, it became very apparent that

the judges were often sentencing them to go back to school. Of course, that was very difficult to enforce. There seems to be a great lack of programs for young offenders in the community. I guess my concern revolves around, number one, the residential care of the programs and the transfer of those programs to your department, and number two, whether there is some treatment component that goes with the sentencing of these children in the court procedures.

I would like to direct attention to such ventures as Stampede Ranch. I realize it's partly funded by Education and Social Services, and I hope there could be some ventures at some point in time for young offenders who come to this kind of model for helping the young offender. It appears that in ventures such as Stampede Ranch and some programs like St. John's, where the individuals are challenged, learn to realize their potential, and get confidence in themselves, perhaps there is some success in their rehabilitation and treatment. While I realize this is very expensive, Mr. Minister, I wonder if there has been some consideration of this approach with young people.

The second item I would like to know about are the native programs you administer under your portfolio. Has there been any study as to the success rates in the court workers, the alcoholic programs administered under your jurisdiction? I wonder if there are any new initiatives being taken under this aspect of your portfolio.

I'd also like to ask about some of the items in Vote 3, law enforcement. There has been such an outstanding success in our community with programs such as Crime Stoppers, Neighbourhood Watch, Block Parents, and that sort of thing. I wonder if there is any research on this sort of thing that shows new initiatives we could take. I consider these programs as rather proactive, and I wonder if there has been any research so that we aren't just responding to needs in the law. Is there any research undertaken by your department that tells of new initiatives we can introduce provincewide instead of community by community?

I also notice there's about a 58 percent reduction in the budget for Alberta Check Stop. It appears that that has been quite a successful program. I wonder why that reduction, since there is such a high correlation between drunk driving and the accidents on our highway. I would also like to ask — it appears there is a great reduction in the sales of liquor and alcohol. I wonder if there is any corresponding relationship between the number of accidents on the highway and the number of injuries caused by drunken drivers and that sort of thing. Are any initiatives being taken in that direction to study the correlation? It appears there's less money being spent on liquor, and I wonder if there are fewer accidents.

Mr. Minister, I feel there is a great deal to be done under your portfolio. I hope the enforcement part of it can go hand in hand with preventive action as well; I think we can work with both aspects. Along with other portfolios such as Social Services and Community Health, Education, and AADAC, I hope we can come to some very satisfactory programs.

Thank you.

MR. McPHERSON: Mr. Chairman, first of all, I'd like to commend the new minister on his portfolio. It's our first opportunity as Members of the Legislative Assembly to discuss some of the areas of importance to our constituents with respect to his portfolio since he's taken over the difficult task and challenging job of the Department of the Solicitor General.

It was almost a year ago to the day, May 20, 1983, in the estimates of the Department of the Solicitor General, that I had the opportunity to give a rather lengthy speech with respect to

the remand centre in downtown Red Deer. I'm pleased to advise hon. members tonight that I don't intend to give such a lengthy speech, but I do want to refresh our new minister's memory on some of the events that have unfolded over the last year with regard to the proposed remand centre in downtown Red Deer and ask some questions.

Mr. Chairman, it was a year ago that I stood in my place speaking on this subject, pretty nervous about what was developing in the city of Red Deer, in a very heated debate with respect to a proposal for a remand centre, detention centre and, as was said by some people, a maximum-security prison. Of course, none of those things has transpired to this point in time. There was a considerable amount of discussion by broad sectors of the community as to just what the facility would be, what inmates would be housed in it, what the direction of the department was in this whole area.

I can recall, and would like to put on the record, that during that time, because I didn't think decisions had been fully made, I took it upon myself to go door to door for a whole afternoon and evening in Red Deer and sort of take a petition, asking people what their position was if the Department of the Solicitor General decided to establish a remand centre to replace the antiquated lockup that is now housed in the police cells in downtown Red Deer — which, incidentally, I'm told houses as many as 40 inmates in 11 cells from time to time and can certainly create an unsafe circumstance. Moreover, those inmates who are housed in the downtown lockup are being vanned or bused from the downtown cells to the courthouse for appearance in court, which also causes an unsafe situation. Nevertheless in the heat of the debate I took it upon myself to go door to door, and I asked people specifically if they had any objections to a remand centre, trying to dispel the fears that were preponderant at the time that we were dealing with a maximum-security jail, which was never the case. Interestingly enough, I found that the majority of people were not opposed to a downtown remand centre. While a number of them had signed a petition that had been circulated earlier, they signed it with the understanding that they were dealing with a prison as opposed to a remand centre.

Mr. Chairman, I think it's worth while to very quickly trot out the proposal that had been put forth to the citizens of Red Deer through a variety of public meetings attended by the former Solicitor General and members of his department, and I can't tell you how many public meetings I attended on this subject. The proposal at the time was for a remand centre which would house approximately 100 inmates. I think the number is down to about 96 now. The remand centre would provide accommodation for 32 remanded men — remembering that remanded individuals have not been found guilty; they have been remanded in custody until their next court appearance, so they are still innocent in our society until proven guilty — and 24 detention men which would replace, as I have mentioned, the antiquated and rather unsafe lockup in downtown Red Deer. The plans called for 12 spaces for women in either remanded or detention status, as well as 16 beds for young offenders and 20 beds for minimum-security inmates. We've discussed the status of minimum-security inmates in the discussion from the hon. Member for Drayton Valley. So that was the plan as proposed at that time.

I would simply like to ask the Solicitor General a number of questions and await his comments. Through you, Mr. Chairman, could the Solicitor General provide any information as to the current status of the downtown remand centre? I note with interest that under the detailed estimates, the budget this year calls for a \$250,000 allocation for the remand/corrections centre in Red Deer. Obviously you're not going to build much

of a remand centre for \$250,000. The question that comes begging would be: could the minister advise what the status is for the remand centre in downtown Red Deer? Has there been any confirmation of the site? Could he advise what effect the new young offenders' legislation, both federally and provincially, may have on the planning and capacity of the facility? Can he simply give some kind of indication of the plans of his department with respect to the remand and detention centre in downtown Red Deer?

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

DR. REID: Mr. Chairman, there have been some interesting points raised. I'll try to go through them in sequence by the various members who raised them.

First of all the hon. Member for Little Bow started off on the issue of licence plates and the recent reissue and renewal of them. Of course it was both; it was a renewal of the licence plate for a term that would enable us to get into the staggered system and the issuing of new plates. I have checked into the matter of the costs of mailing and the system as it was developed. It appears that indeed, considering what was being done all at once — the several different items — the single source for licence plates and mailing out in conjunction with the information coming in achieved several things. It achieved a clean computer file for the new computer system. It ensured that licence plates went to the correct address because they were mailed out, which of course was an automatic check on the correctness of the address. Indeed I understand that in many instances the cost of mailing out, or of courier or other delivery of numbers greater than one or two sets of plates, was not much more expensive because of the rates that were obtained from the Canada postal service. If one takes the total cost that would have been incurred by correcting errors and all the rest of those problems that occurred previously with the manual system, the total cost is indeed probably less with the system that was used. Prior to implementation of that, the department had checked with other jurisdictions that had gone through similar adjustments elsewhere. It was on the basis of that information that the system was developed.

The hon. Member for Little Bow went from the recently completed process to the subject of private issuing offices. I'd like to assure members of the Assembly that subsequent to May 1, we are going back to the private issuing offices or, in the larger cities, the department offices and those operated by the Alberta Motor Association. From now on, residents of Alberta will be able to go to the private issuing office, submit their application, and get new plates across the desk as they have in the past. Once the new computer system is fully operational, in many locations where the volume justifies it, in addition to having input capability at the private issuing offices there will also be printout capability so full documentation will be issued at the private issuing office directly on-line from the computer in Edmonton. In other words, we will have the advantages of a centralized system with a highly sophisticated computer, which resists wrong input, and the local issuing office operated by the private issuer.

The second item brought up by the Member for Little Bow was that of changes in the function of the Alberta Liquor Control Board's retail outlets which occurred some two and a half months ago. In relation to the layoffs, those layoffs numbered approximately 860 and were all casual employees. In other words, those people who were laid off were essentially people who were not working a full-time week. Indeed for many of those people, it was a matter of working partial shifts or one

or two shifts a month. There was a small number of people who were working on a fairly regular basis as casual workers, for whom it may have been significant income. For some single-parent families, it may have been the only source of income. However, because the Alberta Liquor Control Board is one of those few government functions which brings in more revenue than it expends on the cost side, it's difficult to accept that for that reason it should continue to employ people who are not necessary. Efficiencies and restraint within government surely apply across the whole spectrum of government function. Whether we save the dollars in an essentially expenditure-oriented department, such as Hospitals and Medical Care, or save it in the Alberta Liquor Control Board, the saving to Alberta's taxpayers is the same dollar.

I can't give to the hon. member the number who have been rehired, possibly for fewer hours than previously, as it is done by the individual store manager on a basis of need and requirements in that individual location. As I said, I understand that some have been back to work on fewer hours than previously, but certainly the full 860 have not been called back, and I presume that many of them will not be in the future.

The matter of the hours of opening of the stores probably caused more concern to the general public than the reduction in staff, but of course the reduction of staff was associated with the decreased hours of opening. The Board is reviewing the hours of operation of the stores on a one-by-one basis. Where it appears that the hours that were decided upon for groups of stores are not suitable for an individual store, the board is indeed willing to make adjustments. It was felt that the end of May, some three months after implementation of the changes, would be a suitable time to review those hours, with a view to any changes that might be necessary.

The last item raised by the Member for Little Bow is an interesting one in that it was essentially a philosophical item. What he was addressing was the issue of the purpose of having a correction system, the purpose of sentencing offenders in court to some penalty, which may or may not involve incarceration. When one looks at offences, there are really three types: offences against the individual — in other words, bodily attack — offences against society as a whole, and offences against property. I'm not a lawyer and I'm not a judge, but the decision that is made by a judge in court is related to the evidence that is presented in front of the judge. No doubt the individual background and philosophy of the judge has some bearing upon his or her function, but the final assessment of the penalty and distribution of the offenders is surely related to the evidence that is given in court on an individual basis.

Where there is an offence against an individual, there has recently been the concept in the court of the victim having the opportunity to present a statement, either verbally or in writing, of the effects of the offence upon that individual; in other words, upon the victim. It's a relatively new concept in law enforcement and the administration of justice. It's one that I think is still experimental. It's one that will have to be carefully evaluated in relation to both the effect it has upon the judicial or jury function and the effect it may have upon the correction services, in two ways, the work load and the effect it has upon the attitude of those who are incarcerated for offences.

Mr. Chairman, I think all of us in this Chamber, and indeed the vast majority of Albertans, believe in the rule of law. It is only those who transgress the laws in significant degree who are subjected to incarceration. The results are essentially related to the actions of the individual who has committed the offence. Perhaps it is only reasonable that those who are directly affected — in other words, the victims of violent offences and offences against the person in particular — should have the opportunity.

in the court, to address what it has done to them. Perhaps the written statement is preferable, as the oral one is liable to be somewhat emotional and may indeed have an effect upon jury or judges outweighing its true significance. However, that does not directly impinge upon the Department of the Solicitor General but rather on the Department of the Attorney General. I think I'll leave anything further that may be said on that subject to the Attorney General.

In any event, the matter of victim compensation is of course addressed in this province by the Crimes Compensation Board. That philosophical bridge has already been crossed in this province, and the Crimes Compensation Board does indeed award sums of money to the victims of crime where there is a monetary loss, either directly or through loss of income. So the direct compensation, in dollars, of victims is already addressed. It is of course very difficult to compensate victims for the physical and emotional stresses they may suffer if they are the victims of violent crimes against persons.

Mr. Chairman, the next group of questions was presented by the hon. Member for Calgary Buffalo. With regard to moving offences, the Highway Traffic Act, under the Minister of Transportation, and the Motor Vehicle Administration Act, under the Department of the Solicitor General, are going to be addressed in a cohesive manner this summer. The two Acts relate closely to each other in many respects. It is felt by both the Minister of Transportation and myself that the most reasonable way of addressing the two Acts is to do them in concert. It is our intention to do that this summer. Those points addressed by the Member for Calgary Buffalo which are related to those two Acts will come under review in that process. In actual fact, I think it's quite likely that some of the penalties under those two Acts will be increased. I know the Attorney General has been addressing penalties under the specified penalties Act, and indeed some of them have recently been increased, which may address some of the concerns of the Calgary Police Commission in the past.

The review of the Police Act includes some items related to the police commissions and the Law Enforcement Appeal Board. When citizens have a complaint against the police force, the first avenue is to address the chief of the municipal police force, if there is a municipal police force contract, or the officer in command of the local detachment of the Royal Canadian Mounted Police. In the municipalities, if the complainant is not satisfied with the result of the investigation initiated by that initial complaint, they can of course complain to the local police commission, which represents the people at large. There are municipal appointees and there are nonelected people on those boards, who function in the way of the traditional watch committee in Britain. I think the vast majority of complaints are probably addressed at that level. If the complaint is against a member of the Royal Canadian Mounted Police, the next level of appeal is either to the inspector in charge of the local subdivision or indeed to the commanding officer of K Division, Assistant Commissioner Whyte. I'm quite sure that if people have any complaints against the RCMP and feel they are not addressed adequately by the local commanding officer of the detachment. Assistant Commissioner Whyte would certainly wish to be informed of the lack of satisfaction on the part of the complainant.

If the complaint relates to a municipal police force, there is of course the Law Enforcement Appeal Board, which is open to complaints either by police officers in relation to disciplinary matters within their own police force or by the general public as a last-resort appeal to rulings that may have been made by a chief of police or a local police commission. The Law Enforcement Appeal Board functions as a quasi-judicial body

and is beyond the reach of the Solicitor General or indeed any member of the Legislature. The decisions it makes are usually very well founded, and subsequent to those hearings there seems to be very little problem with complaints about police actions in municipal police forces.

In relation to the Royal Canadian Mounted Police, since I took over the portfolio I have not had any complaints of dissatisfaction with the eventual decisions of the Royal Canadian Mounted Police subsequent to their internal investigations of complaints against their members.

I was interested in the comments of the hon. member with regard to his survey of restaurateurs in the Calgary Buffalo constituency. I have indeed received the document he sent to me, and it's one of many I have received from individuals and groups across the province subsequent to his introduction of the Bill with regard to the sale of beer and wine in food stores, corner grocerias. He seems to have stimulated considerable interest around the province, both pro and con. I think the best place to have the debate on that matter is when the Bill comes up for debate in the Legislature, either towards the end of these spring sittings or early in the fall sittings. This also applies of course to the lobbying he did on behalf of parking for the disabled. He has an item for debate in front of the Assembly, and perhaps I should also leave the debate on that item. Rather than doing it in the estimates, perhaps we can do it in the full House, in the Assembly, in debate on that Bill.

With regard to the items the hon. member raised with regard to the review of the Liquor Control Act, I should perhaps state to members that I am not contemplating any full-scale review of that Act with any concept of a rewrite. Members will remember it is only some four years since my predecessor took through this Assembly the new Act, which included many changes, some of them quite dramatic compared to the preceding Act. The regulations that come under the Liquor Control Act have been changed in considerable ways since 1980, and that review and amendment process will undoubtedly continue. What I wish to initiate with members is a request for any problems they or their constituents may have had with the application of the regulations. I have initiated correspondence with the hotel association and the restaurant association, and will very shortly with the Travel Industry Association of Alberta, so that any review of the regulations will, within reason, address the concerns of both individual Albertans and those who are in the industry and serving the public in licensed premises.

Having come from Scotland, which had barbaric liquor regulations when compared to England or indeed places on the continent — at least it had barbaric regulations when I was a student — I realize that there are many attitudes to the consumption of alcohol either at home or in public licensed premises. But I think we have to realize that in spite of considerable research, accessibility to alcohol has not been shown to be directly related to abuse and overconsumption or the development of that tragic condition known as alcoholism. Indeed there is some evidence that open access in a reasonable environment may encourage moderation in consumption as opposed to the happy hours the hon. member mentioned. I have considerable concern with the concept of the happy hour, where people are either drinking doubles or drinking two drinks instead of one. Happy hours tend to occur immediately after the closing of most businesses at 5 p.m., and they go for one or two hours, during which time considerable amounts of alcohol are consumed in a short period of time. Many of the consumers then get into their automobiles and drive home — and I'll get on to the problem of impaired driving in response to the questions asked by the Member for Calgary Foothills.

I think the concept of the happy hour is related somewhat to the concept they used to have in Australia, where the thirsty

Australian — after all, they live in a warm environment — used to have one hour after the closing of industrial concerns prior to the temporary closure of licensed premises. Australians are famous for playing rugby and cricket and for the consumption of beer, and Australians went through incredible quantities in that one hour. I don't think it did anything for moderate drinking, but it did restrict access. Enough said on that subject, I think.

The insurance rates for drivers under 25 of course come under the Minister of Consumer and Corporate Affairs. I'll refer them to her, and perhaps she can answer the member in writing on those questions.

The hon. Member for Calgary Foothills brought up the subject of the Young Offenders Act and what effects it will have upon the dealing of the law enforcement system, the administration of justice, and the correction system on those young people under the age of 18 who commit offences against either the Criminal Code of Canada or the provincial statutes. It's too early perhaps to get any worthwhile indication of the attitudes of the judiciary to the young offenders. Preliminary indications are that the availability of alternative sentences is being addressed by the judges in that the number sentenced to incarceration does not appear to be increasing. I don't yet want to say that it is decreasing, as that may be a premature statement, but there is not as yet any indication of a philosophy of "hit the offender hard".

If in actual fact that is what the judges are deciding, that does fit in with the philosophy of the legislation, a philosophy that was developed, as members know, over some period of time in consultation between the federal Solicitor General and successive solicitors general in the provinces. The aim is surely to develop a result-oriented system; in other words, to look at the results, after some period of time, of the operation of the Young Offenders Act. If we do achieve a decreased rate of relapse — in other words, if we decrease the number of young offenders who come back into court and are sentenced for subsequent offences — then the Young Offenders Act will have worked. The concept is that the use of alternative measures, such as were mentioned by the hon. Member for Calgary Foothills, will avoid incarceration. The hope is that the use of volunteer agencies and probation systems, and continuing the offender in the school system, will enable them to continue their education, perhaps under some duress because it may be part of their probation order, and become more useful members of society than they would otherwise have become.

There is an additional point I would like to make, and that is that even when sentenced, in the facilities for young offenders such as the one that is going to be opened in July at Strathmore, there will be ongoing education facilities. They will be contracted out to the local school board, who will provide a headmaster and teachers. Those offenders will have equipment and other facilities available to them to enable them to continue their education in the young offender correction centres. How well that will work out is again perhaps too early to say, but I think the concept is an admirable one. We intend to follow through with it and will be assessing its effectiveness over a period of time; that is, both the medium term with regard to the individual and their completion of any educational program that may be initiated for them, and also in the longer term the assessment of the results on larger numbers and whether or not it does indeed result in a decreased relapse rate.

The hon. member mentioned native programs; I did not mention them in my initial remarks. Native programs in this province come under several headings. There are of course those operated by the Alcoholism and Drug Abuse Commission for both nonoffenders within the system and those in the pro-

bation system who have offended. Those systems seem to work really very well, considering the people that are involved, and appear to have a pretty adequate response in reducing the number of ongoing alcohol-related offences. In particular that applies to native people.

One of the unfortunate things about the correction service — and it surely has to do with our society — is the disproportionate number of native people who, having offended, are in the court system and those who are incarcerated subsequent to the court decision. I think there has been a conscious effort on behalf of society and the court system to decrease the number of natives that are incarcerated, in several ways: the fine option program to avoid incarcerating for nonpayment of fines and the other service offered by the native court workers, which seemed to have a very beneficial effect upon the native people. The court workers who are dealing with them are themselves natives. They understand the society they have come from and the stresses upon those native people of living in large cities. They seem to be able to get a much better understanding of the offender, and that appears to be beneficial to the offender, at least in many cases. Like all systems of course it is imperfect, and attaining a one hundred percent success rate is perhaps beyond anybody's wildest dreams. But the combination of AADAC programs, especially for native people, and the native court workers seems to be making some progress in dealing with the problem of the disproportionate number of native offenders and detainees.

The hon. member mentioned the reduction in the budget for advertising Check Stop. Perhaps I'd better put that in the proper perspective. The reduction is in actual fact a paper reduction, in that in 1982-83 the actual expenditures on Check Stop advertising were some \$147,000 and in 1983-84 the actual expenditures were some \$141,000. In other words, the budgeted expenditures were not completely spent. For that reason we felt that this year the item in the budget should be more realistic in relation to the projected expenditures, which will probably be in that same \$140,000 to \$150,000 area. It is not in actual fact a reduction in the advertising; it's a reduction in the budgetary allocation which was not spent in the previous two years.

I think the expenditures in the last two years on advertising the Check Stop program have been effective. There is definite evidence of reduced alcohol consumption. That may be partly economic, but it's across the board. It applies to all forms of alcohol — wine, beer, and spirits. Perhaps in conjunction with the programs offered by AADAC, we are at long last beginning to see a reduction in alcohol consumption in the province. It's perhaps too early yet to say there's a causal relationship between decreased consumption, increased surveillance for impaired drivers, increased enforcement, and the decreased number of fatalities and injuries. I think we should wait some time longer before we decide we are indeed achieving the results we all wish to. With any degree of co-operation by society as a whole, by the programs the government and private agencies, such as People Against Impaired Driving, operate, the publicity they engender, I myself would hope, as a previously practising physician and a coroner, that we will indeed reduce the damage to people and property that has resulted from the unfortunate combination of alcohol and driving.

The last member who addressed any remarks and questions, Mr. Chairman, was the hon. Member for Red Deer. In view of the budget documents, he was questioning the status of the Red Deer remand centre. As he very graphically described, this was not intended to be only a remand centre. In addition to having the remand centre, it will have a short-term incarceration facility under the correction services. It's also intended to have some facilities there for young offenders.

Perhaps for the benefit of members I should expand upon my earlier remark of equal but separate treatment of young offenders. The federal legislation is introduced in two parts. On April 1, 1984, the Act was proclaimed, and it was subsequent to that that the then existing juvenile delinquency facilities under the Department of Social Services and Community Health were transferred to the Department of the Solicitor General. There is a subsequent date, in April 1985, at which time all the provinces are supposed to conform to a standard maximum age of the 18th birthday. For some provinces that is relatively easy in that they already have a maximum age of 18 under the old juvenile delinquency Act. Alberta had a maximum age of 16, and we therefore have to make some adjustments in both our programs and our facilities, to enable us to provide the separate facilities for young offenders.

There is the additional complication, and I've mentioned it twice already, of the assessment of what the results will be of the implementation of the young offenders in both the court system and the correction service. In addition, as I mentioned, senior officials of the department and myself are going to go to Britain and have a look at the results of their program, which was initiated many years ago and which had major changes made some two years ago.

With a view to looking after the taxpayers' dollars, it is noteworthy that there is no capital budget in these documents for the facilities for the young offenders program. The reason was that it was felt that until we had some indication of the attitudes of the judiciary and until we had looked at greater length at the programs required within the department, there was no point in trying to decide the potential cost of those facilities. We are working on the facilities for Edmonton and Calgary, which are both remand and closed correction centres. We think we have some indication of what is needed there, and it is subsequent to that decision that we will then address both the Red Deer facility, which was intended to include young offender facilities, and indeed also the facility in Medicine Hat, which was similar. It may be that the facilities in Edmonton and Calgary, in conjunction with the Youth Development Centre in Edmonton and Strathmore outside Calgary, will be all that is required for closed facilities. We may not need any further capital expenditures in relation to the young offenders program. That will of course have a direct effect upon the facilities that will be constructed in due course in both Red Deer and Medicine Hat.

It's not just a matter of the current restraint program of the provincial government. I think it's a matter of the responsible allocation of public funds to the provision of necessary resources. Perhaps my Scots background and that of the hon. Member for Red Deer — perhaps he will accept that this is an intelligent approach to the expenditure of capital funds on a capital program.

He asked a question in relation to the site of the Red Deer facility when it is built. It is the intention to build it immediately adjacent to the Red Deer courthouse so there will be direct access between the remand centre and the courthouse, as indeed there is in Edmonton and Calgary. The advantage of direct access between remand facilities and courthouses is of course twofold: security and cost. It saves the transportation costs, and the security is greater. One must remember that remand centres, as opposed to the other correction centres operated by the provincial Solicitor General, are for those who have been accused of all offences, whether under the Criminal Code or under provincial statutes and whether the sentence is going to be less than or greater than two years. In other words, accused persons on remand are those covering the whole spectrum of offences, including the most violent. For that reason, security

is a prime concern in any remand centre. That leads to the logical decision to build a centre immediately adjacent to the courthouse and connecting to it.

Mr. Chairman, I think I have addressed all the issues that have been raised by various members. If there are any other questions, I would be pleased to try to answer them, perhaps as we go through the votes.

MR. NELSON: I've only got about half an hour here, but I'm going to condense it down to one quick question that will require one quick answer. Being one of those who likes to wave the flag for the private sector occasionally, and dealing with the hours of liquor stores, we have in this province a number of beer stores that are operated — or at least the investment is made by the private sector. The beer stores in particular are operated by the Alberta Liquor Control Board. During the period of time when the hours of the liquor board's stores, that they particularly own, were reduced, they also took it upon themselves to reduce the hours of the beer stores, that have been put up at a great cost to the private sector. They've shut them down for the whole day on Mondays.

I would like to know if in the near future the minister might consider giving special consideration to the private sector who has put up this money to operate a business, and the liquor board, be it through their own wisdom or otherwise — and I would not like to suggest that they don't have wisdom, but in this particular circumstance I might consider that. Penalizing the private sector in displaying and selling their wares is not the way to go. I just wonder if the minister might consider — just a quick answer, yes or no — giving the private sector the opportunity, at least initially, to run their business at the hours they normally did until this cutback in the store hours for the ALCB.

That will be enough for me at this time, Mr. Chairman. I will have other matters at a later time.

DR. REID: Mr. Chairman, in answer to the point raised by the Member for Calgary McCall, I recall sitting in this Legislature not long ago and listening to a debate on the possibility of gradual privatization of the function of the Alberta Liquor Control Board's retail outlets, a motion that was put forward by the hon. Member for Calgary McCall. There were some very valid points made during that debate.

With regard to the beer stores, the retail outlets at the breweries, it is true that the construction of those facilities may have been by the private sector, but the operation is by the Alberta Liquor Control Board. The salaries of the employees are paid by the Liquor Control Board. It was for that reason, in relation to the decreased consumption, that it was felt that those outlets should conform to the hours of the other stores of similar nature.

However, there is an interesting point. We now have several wine stores in the province, operated by the wineries. The wineries not only provide the building but they also staff those stores; they are not staffed by ALCB employees. They perhaps represent a very tentative and minor degree of private retail sales of alcoholic beverages. [some applause] I notice that's getting at least some response.

During the time that I've served in the portfolio, I've had two meetings with representatives of the Alberta brewers' association, to do with other items, not specifically to do with the retail stores at the breweries. At neither of those meetings did the ABA representatives bring up the subject of the hours of their stores, and those hours had indeed been reduced at the time of the meetings. Whether or not there is demand from the

public, it was not brought up by the brewers' association members at the meetings I had with them.

When the motion of the hon. member comes up for debate again in the fall, perhaps in the course of that debate this issue could be further addressed and the pros and cons could be gone into. As I say, the only thing I can bring up at this time is that there has perhaps been a very tentative first step with the privately operated wine stores in relation to the Alberta-owned wineries.

Agreed to:

1.01 — Minister's Office	\$201,400
1.02 — Deputy Minister's Office	\$144,800
1.03 — Finance and Administration	\$2,139,500
1.04 — Personnel	\$1,800,600
1.05 — Computer and Research Services	\$2,353,000
1.06 — Liquor Licensing Review Council	\$154,200
Total Vote 1 — Departmental Support Services	\$6,793,500

2.1 — Program Support	\$3,780,900
2.2 — Institutional Services	\$60,465,800
2.3 — Community Correctional Services	\$10,679,200
2.4 — Community Residential Centres	\$2,363,200
2.5 — Native Court Workers	\$1,525,600
Total Vote 2 — Correctional Services	\$78,814,700

3.1 — Program Support	\$1,098,600
3.2 — Financial Support for Policing	\$84,728,400
3.3 — Highway Patrol	\$4,379,200
3.4 — Federal Gun Control	\$448,600
Total Vote 3 — Law Enforcement	\$90,654,800

4.1 — Program Support	\$22,318,700
4.2 — Licence Issuing and Driver Testing	\$9,561,200
4.3 — Operator Licence Control	\$957,200
Total Vote 4 — Motor Vehicle Registration and Driver Licensing	\$32,837,100

Total Vote 5 — Control and Development of Horse Racing	\$4,500,000
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Department Total	\$213,600,100
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DR. REID: Mr. Chairman, I move that the votes be reported.

[Motion carried]

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

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration the following resolution, 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 the Solicitor General: \$6,793,500 for departmental support services, \$78,814,700 for correctional services, \$90,654,800 for law enforcement, \$32,837,100 for motor vehicle registration and driver licensing, \$4,500,000 for control and development of horse racing.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, tomorrow afternoon the House will be in Committee of Supply to consider the estimates

of the Provincial Treasurer. That will be the case until 5 o'clock. By arrangement with the Leader of the Official Opposition, the House will then have half an hour to consider committee study of Bills.

[At 9:46 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]

