

## LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Thursday, March 14, 1985 3:00 p.m.

[In accordance with the Royal Proclamation dated February 19, 1985, summoning the Members of the Legislative Assembly of Alberta to convene on this date, the House met at 3 p.m.]

SERGEANT-AT-ARMS: Order!

[Members and guests stood while the Clerk read the Royal Proclamation]

CLERK: Pray, be seated.

SERGEANT-AT-ARMS: Order, order! Mr. Speaker.

[Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated.

[The Premier, the Clerk, and the Sergeant-at-Arms left the House to attend the Lieutenant Governor]

SERGEANT-AT-ARMS: Order! Her Honour the Lieutenant Governor.

[Her Honour the Honourable W. Helen Hunley, the Lieutenant Governor, and her party entered the House. Her Honour took her place upon the Throne]

[Members and guests resumed their seats]

head: **SPEECH FROM THE THRONE**

HER HONOUR: Mr. Speaker and Members of the Legislative Assembly:

I have the honour to welcome you to the Third Session of the 20th Legislature of the province of Alberta.

My government is encouraged by the results of the First Ministers' Conference on the Economy held in Regina last month, particularly the signing of the accord which will institutionalize first ministers' conferences on national economic policies. This accord will strengthen relations between the federal and provincial governments within the federal system and thereby lead to greater national unity.

One purpose of this address is to set forth the agenda for the Third Session of the 20th Legislature. As part of the agenda, my government will emphasize the following six priority areas:

1. Economic Recovery and Employment Stability — To reinforce private-sector economic recovery by expanding opportunities in job training and student support programs and by supporting key Alberta industries such as tourism. Such initiatives increase development and job creation.
2. Agriculture — To support the farm sector through the current difficult cost/price squeeze with a variety of initiatives and measures to improve net income, in co-operation with the federal government.
3. Basic Education Reforms — The government will

respond to the public discussion of junior and senior high school curricula by presenting a policy statement outlining programs to better prepare our young people to meet the realities of the world marketplace.

4. Industrial and Science Strategy — Reflecting the useful public input received, position papers on certain sectors set forth in the "White Paper: Proposals for an Industrial and Science Strategy for Albertans 1985 to 1990" will be presented during the session or the summer recess.
5. Fiscal Policy — The provincial budget for the fiscal year commencing April 1, 1985, will be a major part and priority of this session. Regulation reform, deregulation, and privatization will continue.
6. Legislative Proposals — The Assembly will be asked to consider a number of substantive legislative proposals.

#### The State of the Alberta Economy

The Alberta economy, on an overall basis, began its recovery in 1984 from the downturn of 1983. In 1985 the recovery will strengthen in most sectors as Alberta's gross domestic product is forecasted to grow faster than the Canadian average.

The degree of recovery in 1985 will continue to depend upon world commodity prices and other external factors. Major variables include fragile world oil prices as well as international agriculture commodity prices and market barriers. If the Bank of Canada continues interest rate increases, this could choke off recovery in a number of sectors.

A major sector of strength should be the oil and gas industry. Petroleum lease and licence bonus payments were up markedly in 1984 and provide a strong indicator of exploration and development budget plans for the year. Prospects for expanded natural gas sales to the United States and for full production from our oil wells are promising. Numerous heavy oil, oil sands, enhanced recovery, and similar nonconventional oil projects are progressing ahead of schedule.

The summer drought in southern Alberta and the early snow cover in most of the province left a significant number of Alberta farmers in difficult positions. My government responded with a number of specific measures. Last year's bright spots included higher cash receipts to Alberta farmers from cattle, hogs, and canola.

This year my government will maintain a wide range of support programs, and appropriate new initiatives will be provided in support of the agriculture sector.

Albertans continue to enjoy the highest family income and lowest tax burden of citizens of any part of Canada. Their confidence is reflected in creating the largest retail trade purchases per person.

Construction in Alberta follows two separate paths. One is engineering and institutional construction, which includes roads, hospitals, schools, and other public facilities, together with plants and energy projects. Here Alberta is well ahead of the rest of Canada. Building construction, on the other hand, faces a substantial inventory of vacant apartments as well as offices and commercial space, primarily in the metropolitan centres, which were overbuilt during boom conditions. This inventory is being absorbed, and recent data on declining vacancy rates is an encouraging sign.

Albertans have more of our working age population employed than any other province except Ontario. There are 457 citizens employed in Alberta for every 1,000 people,

compared to 471 for Ontario, both of which are well above the Canadian average. The numbers not employed remain about the Canadian average, with a large proportion awaiting the revival of residential and office construction projects.

Many of government's recent actions and programs in equity financing, tax relief for processing and manufacturing, marketing assistance, manpower training and retraining, and other measures, will result in expanded opportunities and confidence in 1985.

### **The State of Alberta's People Programs**

Challenging and difficult economic times have not reduced the necessary emphasis of my government on a variety of programs designed to assist Albertans who have personal needs. Many Albertans are unaware that a number of Alberta's people programs are unique in Canada and, in most cases, are the most fully funded of the provincial programs across the country.

The family and community support services program is the only one of its kind in Canada and is aimed at preventing family and social breakdown. The more than 200 participating municipalities, Indian bands, and Metis settlements enter the program on an optional basis and generate over a million hours of volunteer involvement annually. Their services include senior citizens' drop-in centres, youth activities, parent/child development, volunteer development, and referral centres, funded 80 percent by the provincial government but with priorities set by the municipalities.

Recently, funding was substantially increased for the Alberta assured income for the severely handicapped program, a program which ensures that Albertans with a severe handicap limiting their ability to earn a living will have an income equal to that received by senior citizens. Benefits are the highest among the three provinces which have comparable programs. Over 11,000 severely handicapped Albertans received assured income benefits in 1985.

The aids to daily living program was implemented in 1980 to provide medical equipment and supplies to chronically ill and disabled Albertans under the age of 65. Only one other Canadian province provides similar benefits.

It is well accepted that Alberta's array of programs for senior citizens is far ahead of the rest of the country. Other provinces have income supplement programs like the Alberta assured income plan, but benefits are the highest here of any part of Canada. Our home improvement grants, rental grants, and property tax rebates, as well as home heating rebates, provide an unparalleled package for helping our seniors maintain their independence. Our support network of self-contained units, lodges, and other accommodation facilities leads the nation. Unlike other provinces our extended health benefits for those over 65, including the Blue Cross package, cover dependants.

Our widows' pension program is also unique in Canada, providing support for widows and widowers between the ages of 55 and 64. Recognizing the particular needs involved, this innovation is now being considered by other governments.

Alberta has the only fully accredited mental health clinic system in Canada, making our province's system one of the best in any of the provinces. Alberta is also the provincial leader with respect to the range of rehabilitation and other services provided for mentally handicapped persons.

This brief overview of the record shows the commitment of Albertans and of my government to a broad range of special social programs filling the needs of citizens who require some form of help for a broad range of reasons.

### **Review and Forecast of Activities**

A major purpose of this address is to summarize progress and to forecast activity in various areas within the government which will have a bearing on policy considerations during the forthcoming session.

### **Advanced Education**

Albertans are preparing their skills to meet a competitive world on an impressive scale. Provincially funded postsecondary institutions served some 69,000 Albertans last year. In order to help meet the demands of increased enrollments, my government will continue supplementary funding to universities, colleges, and technical institutes.

Alberta maintains the most comprehensive student assistance program in Canada. Approximately 45,000 students were helped in meeting education costs by loan and grant programs, an increase of 21 percent over the previous year. In addition, approximately 6,000 students were assisted under the unique Alberta heritage scholarship program in 1984-85, bringing the total to over 20,000 during the past four years, with awards exceeding \$32 million.

The new facilities at the Alberta Vocational Centre in Lac La Biche are evidence of my government's continuing commitment to provide educational opportunities for northern and native people.

### **Alberta Women's Secretariat**

Nineteen eighty-five will be of special significance for women in Canada. It is this year that the equality rights section of the Canadian Charter of Rights and Freedoms comes into force. The government of Alberta is recognizing the importance of these equality rights by ensuring that women's concerns are integrated into the government's policy and decision-making processes.

The cabinet committee on women's issues will continue to review government initiatives to determine their potential impact on women. Issues which will receive attention during the year are family violence and maintenance enforcement. My government will propose legislative amendments to assure fair treatment of pregnant employees. These proposals continue to advance my government's commitment to equal opportunity for all Albertans.

Recommendations will be made to improve the present system of enforcement of maintenance orders in Alberta by means of an automatic collection and enforcement system.

Alberta will take part in a federal/provincial working group on child care which will report to the ministers responsible for the status of women in June 1985. Responding to the wish of many Alberta families who could not otherwise fully participate in the work force, the provision of day care services in Alberta is far ahead of the rest of the country.

The Alberta Women's Secretariat will continue to review legislation, policies, and programs, and provide advice and analysis relating to issues of concern to all women.

### **Basic Education**

The importance of education to the future of our children and this province cannot be overestimated. With rapid changes and advances in the technological and industrial world, we must ensure that Alberta graduates are well

prepared to meet the challenges of a highly competitive and much changing world.

My government will provide leadership in setting policy based on detailed reviews of both the secondary program of studies and the School Act. Discussion papers on both matters were released in January. As noted, it will be a priority of my government to make major improvements to the junior and senior high school curricula to better prepare our graduates for the marketplace.

Last year the need for teacher evaluation policies was addressed. This was only the first of a number of steps related to the professional development of teachers. In 1985 a new Commission of Alberta Teachers will be organized to establish and maintain standards for and conditions of teacher certification and discipline.

The recommendations of the consultative Committee on Tolerance and Understanding were released earlier this year and provide the basis for a renewed commitment to a challenging and sensitive school system.

The 1984 native education project is well under way and will result in the development of a policy, programs, and materials to further support native education.

These initiatives will ensure that Alberta children continue to receive education to a high standard of excellence.

#### **Manpower**

Alberta's commitment to special manpower programs leads the nation.

Last year my government established a number of major new job creation and related training measures to assist unemployed Albertans. Funded at \$250 million, these initiatives will operate until March 31, 1987, and are primarily aimed at supporting employment growth in the private sector. This brings my government's total commitment to job creation and related training measures to approximately half a billion dollars during the period April 1, 1984, to March 31, 1987.

Many of the 80,000 Albertans who are to benefit under these programs will be youth. Young people with little or no work experience require substantial assistance to help them improve their job skills and employment prospects.

The Alberta youth employment and training program, with postsecondary internship and work experience elements, will provide employment and training for many of our well-trained young people. Many of them will be recent graduates seeking their first jobs in the areas in which they hold degrees or diplomas.

The Alberta training program announced last year helps train and upgrade the skills of Albertans so that they are able to meet the challenges of the workplace.

The Alberta wage subsidy program involving private-sector employers is expected by March 1987 to have provided employment for approximately 40,000 Albertans, many of whom will also be young people.

The hire-a-student program and the summer temporary employment program will again operate in 1985, providing as they have in previous years meaningful and valuable work experience opportunities for Alberta students.

In order to ensure that employers, students, and unemployed Albertans can take full advantage of the current and future temporary job creation and job training programs, a new Bill, the Student and Temporary Jobs Assistance Act, will be placed before the Assembly for consideration during the spring sittings.

A further \$12 million approved for the Alberta vocational training program reflects my government's commitment to providing quality skills development opportunities for disadvantaged and disabled Albertans, to enable them to become more competitive and productive. The additional funds will enhance the delivery of programs and increase student allowances.

The Canada/Alberta new employment expansion and development program of 1983-84 has been a successful example of what can be achieved through joint federal/provincial co-operation and funding.

The federal/provincial agreement announced at last month's First Ministers' Conference in Regina assures taxpayers that duplication of federal/provincial manpower programs will be minimized.

#### **Hospitals and Medical Care**

The major program of improving and expanding the Alberta hospital system will continue at a high level of activity. During the past year 21 new hospitals were opened in communities throughout Alberta, and in the coming year an additional 11 new hospitals are scheduled for completion. Construction will also commence on additional projects, including a patient activity centre for the provincial mental hospital at Ponoka.

My government will continue to provide for the widest array of medical services in Canada. The challenge of maintaining reasonable cost controls over these programs continues. Hospital trustees are to be congratulated on their successful efforts in improving budget controls. The report of the government/profession committee on utilization will be received this year. Also, information programs for our citizens involving hospital and medical costs will be expanded.

Medical research and capital projects will continue to be strongly supported by the resources of the Alberta Heritage Savings Trust Fund.

#### **Social Services and Community Health**

In preparation for proclamation of the new Child Welfare Act, a system of children's services will be developed to reflect the principles established by this progressive new legislation. Children's mental health programs will be an important priority, providing a comprehensive service emphasizing early detection and prevention of mental health related problems, improved services to high risk groups, and a focus on family stability.

As a result of co-operation with volunteer agencies in assessing the needs of social allowance recipients, recent increases in allowance for food, clothing, and household expenses, Alberta continues to provide the highest level of social allowance benefits in Canada.

Through local health authorities my government will continue the major expansion of the home care program, begun in 1984. When fully implemented this year, the number of Albertans helped by the home care program is expected to increase by 5,000 to 12,000, allowing a greater number of Albertans with special medical needs to remain in their own homes.

The Public Health Act, passed in the last session of this Assembly, will be proclaimed this year. It will allow for increased public involvement in both the decision-making and appeal processes with respect to specific public health matters.

The Alberta Alcoholism and Drug Abuse Commission will continue its commitment to treatment through new initiatives for young people and the establishment of an expanded treatment capability in northern Alberta. Also, the serious social problem of impaired driving will receive renewed emphasis. The highly effective prevention program for adolescents will continue. In August 1985, the commission will host in Calgary the 100th anniversary international congress on alcohol and drugs.

#### **Native Affairs**

As a result of recent regional consultative seminars, my government is establishing joint government/native working groups in areas judged by the native people to be of greatest importance to them, ranging from child welfare to housing. These joint working groups will advise the government on practical initiatives which can be undertaken within Alberta to address issues of concern to native people.

Consultation with Metis people during constitutional discussions will better enable my government to respond to the report of the MacEwan joint Metis/government committee to review the Metis Betterment Act.

Last year the Business Assistance for Native Albertans Corporation dealt with over 300 potential native business clients, and a number of permanent jobs have been created by native-owned enterprises. The Native Venture Capital Company Ltd., in one and one-half years of operation, has provided close to \$800,000 financing which has generated over \$2.5 million in new investments and created new permanent jobs associated with 12 native-owned businesses.

This year, the International Year Youth, my government will continue to place an emphasis on native education and child welfare. New provisions of both the Child Welfare Act and the Northland School Division Act will provide opportunities for native communities to assume greater responsibility for their own affairs.

#### **Environment**

Management of Alberta's water resources is an important responsibility of my government. Engineering and right-of-way acquisition will continue on the Oldman River dam, with construction to begin in 1986 to provide needed on-stream water storage for southern Alberta.

This year the Paddle River dam near Mayerthorpe, the Crawling Valley reservoir in the Eastern Irrigation District, and Badger Lake reservoir in the Bow River Irrigation District will begin to serve Albertans in those areas.

A new inhalation toxicology facility will be opened this year at the Alberta Environmental Centre in Vegreville where research will continue on the effects of long-term, low-level exposures to hydrogen sulphide and sulphur dioxide.

The Alberta Special Waste Management Corporation has signed an agreement with a contractor to build and operate a special waste treatment facility near Swan Hills. The special waste treatment facility is expected to handle delivery of some wastes by this fall and be fully operational by 1988.

#### **International Trade**

Preliminary discussions are under way for a new round of multilateral trade discussions under the General Agreement on Tariffs and Trade. Alberta is pressing to ensure that agriculture and petrochemicals have a higher priority with

the Canadian delegation in the next discussion round. Alberta and other provinces are seeking ways in which provincial participation in the Canadian GATT delegation can be more representative and effective.

During 1985 there will be a major Canadian public debate on how Canada should expand its trade with the United States and offset the possible rise in protectionist policies that may develop in the United States Congress. Alberta vigorously proposed at the recent First Ministers' Conference on the Economy in Regina that the best option for Canada is a comprehensive free trade arrangement with the United States, negotiated bilaterally with our southern neighbors. Further efforts in pressing this trade option will be undertaken by my government in the months ahead.

My government's assistance to Alberta businesses exporting into the world trade arena helped to increase exports by 265 percent last year and achieve record high sales of \$347 million for Alberta products, technology, and services. This is evidence of my government's support for industrial diversification. Many Alberta companies are now well established in international markets as reliable suppliers of quality, world-class equipment and technology. The special twinning relationships with Hokkaido in Japan, Kangwon in Korea, and Heilongjiang in the People's Republic of China have proven beneficial for Alberta companies in their export activities.

Through the new export guarantee program my government will act as a catalyst to encourage the financial community to be more responsive to loan applications by Alberta companies wishing to compete in the international marketplace.

Log homes in Japan, a grain handling facility in Brazil, warehouse dock levellers in Singapore, electronic switching devices in California, oil equipment in Hungary, grain dryers and fire fighting equipment in Africa, workover rigs in Australia, western wear in Germany: these are only a few of the Alberta products found around the world. With government support and assistance our energetic private sector will make the list grow.

In October the first Cultural Heritage Council trade show was held. Exhibitors representing the province's ethnocultural communities participated, thus building upon the experience and knowledge of many of our new Albertans.

#### **Economic Development**

Over \$2 billion worth of new petrochemical facilities came on stream in Alberta in 1984 and included the second ethylene plant and associated ethylene derivative plants. These plants contributed to the continued diversification of Alberta's petrochemical industry and brought major economic benefits to several areas of the province.

A program was announced in the Legislative Assembly late last year to ensure that all segments of the petrochemical industry within Alberta have equal access to market-priced gas. This program and changes to legislation governing other cost factors leave Alberta well positioned to participate in future rounds of global petrochemical expansion.

During a time of rationalization of Canada's refining industry and the closure of a number of eastern refineries, Alberta's refining industry has continued to expand. With new, modern, state-of-the-art facilities, including the world's first refinery capable of processing synthetic oil, Alberta can expect to consolidate its position as the refining centre of western Canada.

Despite general oversupply and low lumber prices, Alberta's lumber industry continues to grow and has seen record production levels during 1984.

A \$42 million loan guarantee was approved for Canada's first oriented strandboard plant at Edson. An Alberta government-supported major research and development effort to treat aspen for dimensional stabilization looks promising for increased aspen utilization in the province. Additional efforts by the government resulted in a successful Alberta/German joint venture in the furniture industry. The construction of Canada's first medium-density fibreboard plant at Blue Ridge is on schedule. Work has commenced with the sawmill industry to identify improvements which would lead to increased development of our lumber operations and resources.

During 1984 my government entered into a five-year agreement with the federal government for forest development. It is the first such agreement in Alberta and will support reforestation and hardwood research development on a cost-shared basis.

My government plans to implement a major initiative to support export-oriented industries through the establishment of a container distribution system. The system is designed to provide equal access for both Calgary and Edmonton. Through volume guarantees and the introduction of cost efficient double-stack rail cars, it is expected that exporters of manufactured and containerized bulk products will achieve a significant reduction in inland transportation costs between Alberta and Vancouver. This will create enhanced opportunities for exporters to expand markets and create additional employment in Alberta.

Key to Alberta economic development is an efficient capital market which brings together users and suppliers of capital. Access to risk capital for the financing of small and medium-sized companies is essential to growth.

As expressed in my government's white paper, a significant level of research and technology activity has developed within the province since 1971. High technology is fast becoming the world's leading export industry. The challenge for Alberta is how to participate fully in this new industrial revolution. It is vitally important that our industries are prepared to compete successfully in world markets by developing, adopting, and applying leading-edge technologies. A unified commitment by government, the private sector, our universities, and our scientists will enable Alberta to maintain the momentum now being created.

My government accepts its challenging role to encourage the development of information technologies and systems by the private sector. The components of such development would include software development and marketing, instructional technologies, and data bases. Towards that objective my government has been working with the software industry to develop a strategy for enhancement of its growth in this province.

### **Agriculture**

My government will continue to pursue improvements in federal grain income stabilization programs, as well as implementation of a national tripartite red meat stabilization program based on the principles set out by my government and our livestock producers.

My government also recognizes that in the highly competitive agriculture industry, producers' credit needs must be addressed. Last year financial difficulties faced by some Alberta farmers were alleviated by initiatives such as:

- re-amortization of arrears on Alberta Agricultural Development Corporation direct farm loans,
- trade debt consolidation and fixed rate loan options through Alberta farm development loans,
- relaxation of the off-farm employment restrictions for beginning farmers,
- a farm development guarantee program through the Alberta Agricultural Development Corporation,
- financial management training and counselling, and
- farm financial management workshops.

This year my government will continue its emphasis on maintaining and improving the basic agricultural resources of land, soil, and water. Through the Alberta Heritage Savings Trust Fund, \$150 million has been committed to extend the irrigation rehabilitation and expansion program for five years. Approved projects will be shared 86 percent by my government and 14 percent by the irrigation districts.

My government has extended the Farming for the Future research program through to 1986-87.

My government will continue to assist the food processing sector to attract additional investment. The Food Processing Development Centre in Leduc now provides processors with a capability to develop new products and new processes.

May of this year will mark the opening of the new Prince Rupert grain port facility, financed significantly through the Alberta Heritage Savings Trust Fund. This important investment will result in cost savings to Alberta grain producers.

My government remains committed to substantial changes in the Western Grain Transportation Act to ensure that our producers can prosper from the full potential of our diversified agricultural industry.

My government will continue to pursue the development of an effective feed-grain policy in co-operation with the federal government.

A position paper on agriculture and food to be issued later this year will outline further directions and strategies for the development of agriculture.

### **Energy and Natural Resources**

Nineteen eighty-four was a year of significant recovery in Alberta's oil and gas industry.

The conventional oil sector has performed strongly in recent months — evidence of the opportunities for conventional oil activity which continue to exist in Alberta. The number of wells licensed and drilled increased significantly over the previous year. Crude oil production was at capacity for much of the year, and plans by Interprovincial Pipe Line Limited to expand its system will help ensure our ability to deliver Alberta oil products to market.

In situ oil sands projects by Amoco at Elk Point, Shell at Peace River, and Dome near Lindbergh, along with the announcement of the biprovincial heavy oil upgrader at Lloydminster, the accelerated development by Esso of phases 3, 4, 5, and 6 of its Cold Lake project, and expansion work at Syncrude, demonstrate strong activity in the oil sands, heavy oil, and enhanced oil recovery industry. My government will continue to work with developers of non-conventional oil to bring about further development of these important resources.

The natural gas industry continued to face complex market circumstances in the past year. However, recent developments improving the marketability of Alberta's natural gas have been encouraging. A domestic incentive pricing program for industrial users east of Alberta and a new

export policy are now in place, permitting much more flexibility by producers in responding to changing markets. As a result of these initiatives and other factors affecting demand for natural gas, sales within Alberta, elsewhere in Canada, and in our export market have improved significantly in recent months.

My government is discussing changes to energy policy in Canada with the federal government and the governments of British Columbia and Saskatchewan. Market pricing for crude oil and market deregulation, long-held objectives of my government, are a focus of these discussions. Policy changes should help sustain the recovery now taking place in Alberta's energy industry and help to provide long-term vitality, recognizing that world energy pricing which directly affects Alberta remains uncertain.

Despite difficult market conditions worldwide the Obed-Marsh coal project began production in 1984, contributing to higher levels of production and sales for Alberta's coal industry overall. The office of coal research and technology, created in 1984, is supporting efforts to develop new, advanced technology to improve the competitiveness of and provide new uses for Alberta coal. In addition to supporting the coal industry's marketing efforts abroad, my government will also continue to work toward increased sales within Canada, particularly replacing Ontario Hydro's purchase of United States coal.

#### **Tourism and Small Business**

Tourism, which each year generates over \$2 billion in revenue, employs approximately 80,000 Albertans and contributes to the income of over 5,000 Alberta businesses. It is recognized as a growing industry in Alberta, offering many opportunities for new jobs.

A new marketing initiative has been developed to promote tourism in Alberta, working from the potential of major international events such as Canada's national parks centennial, the flow of tourists next year to Expo 86 in Vancouver, and the 1988 Olympic Games in Alberta.

The small business equity corporations program, since its inception in July 1984, has led to the formation of more than 100 Alberta-based equity corporations. It is expected that \$50 million in business investment will be generated by the \$15 million incentive program, resulting in the additional important benefit of job creation. Out of 47 investments, more than 450 jobs have been created or retained, and it is estimated that 2,000 or more full-time positions will be created when the full \$50 million is actively invested.

The small business division has continued to respond to the requirements of the small business owner through the small business assistance programs and the regional business development programs. More than 15,000 small businesses received direct business counselling and thousands more benefitted from the management assistance program, information programs, and participation in Small Business Week activities. All of these programs are being injected into a business environment showing improved confidence. New business incorporations in the province increased by 5 percent to more than 14,500 last year.

The priorities of the Northern Alberta Development Council continued to centre around the encouragement of public participation in the economic and social development of Alberta's north. Medical recruitment, northern economic development opportunities, and recommendations regarding aspen utilization are among important activities to be under-

taken in 1985-86. The major Challenge North Conference is planned for Fort McMurray in October this year.

#### **Housing**

The outlook for housing in the coming year is becoming more positive. Vacancy rates have fallen between 2 and 4 percent in the last six months in the metropolitan centres, and similar trends have been experienced in most other parts of the province. The housing turnaround that is already well under way in northern Alberta is expected to also occur in several other parts of the province as the year progresses.

The seniors' home improvement program, at a cost of over \$140 million, has assisted over 50,000 senior citizens, helping them to maintain their homes in good repair.

The rural emergency home program has been changed to provide improved services to the 1,100 households currently participating. The program assists families whose homes have been destroyed by fire, flood, or similar disasters, or who are living in unhealthy or unsafe conditions. Rental agreements now provide an attractive home ownership option, effective January 1, 1985.

Approximately 400 new senior citizen housing units were approved for construction last year, mainly in smaller centres. A highly successful new program to provide chattel mortgage insurance for mobile homes was launched, with over 1,200 clients served in the first year of operation.

#### **Transportation**

The introduction in 1984 and the recent successful implementation of the Child Transportation Safety Act highlight the need to continue to improve safety on our highway system. In 1985 my government will place major emphasis on programs to improve highway safety. Better lighting, increased signing, and the installation of guardrails at numbers of selected locations which have a relatively high accident count will improve highway safety. Increased emphasis will be given to driver education and training, and a major program of upgrading railway level crossings will be announced during this session.

The major changes to regulatory policies in the bus and trucking industries made in 1984 have significantly helped operators in these industries. Our province will continue to provide leadership in further regulatory reform in the transportation industry in Canada during 1985.

My government's steps toward privatization have been successful, and in 1985 the entire road and highway construction program will be completed with private-sector contractors and equipment.

#### **Utilities and Telecommunications**

The senior citizens' home heating protection program, which provides a \$100 rebate to Alberta senior citizens living in their own homes, will continue to assist with home heating costs. Approximately 85,000 seniors throughout Alberta are expected to benefit from this program in 1985.

Significant changes in legislation and government policy affecting rural electrification programs will improve both the delivery of electric power to the agricultural and rural communities and the operations of rural electrification associations.

Last year, as part of my government's continuing efforts to assist municipalities with the provision of water supply

and sewage treatment facilities, some 78 new projects were approved for funding in various cities, towns, villages, and hamlets. A similar number of new projects are expected to be funded in 1985.

#### **Labour and Workers' Health, Safety and Compensation**

My government commends employees and employers, especially leaders in labour relations, for accomplishing difficult adjustments in their relationships, with very few work stoppages during 1984. This achievement demonstrates an attitude of responsibility and an understanding of recent economic changes. Continued improvements in communication and co-operation between unions and management and employees and employers will support and increase the rate at which the Alberta economy is now recovering.

My government is pleased that the Construction Industry Advisory Council of Alberta, formed last December, is tackling the special challenges of the construction industry with vigour and goodwill. The council is composed of nominees from the construction contractors, unions, owners, and government.

The Workers' Compensation Act, 1984, came into force on January 1 of this year in response to recommendations made by workers and employers to the select committee of the Legislative Assembly.

More effective prevention programs by employers and workers will be introduced as the Act allows for the funding of employer associations to undertake the promotion of education in accident prevention.

A new Radiation Protection Act will be recommended to the Assembly to update and consolidate the existing Radiation Protection Act and the Radiological Technicians Act. This new legislation will improve the protection of workers and the public from harmful exposure.

#### **Municipal Affairs**

Locally elected responsible municipal government continues to be the strength of the Alberta community.

January 1, 1985, saw the birth of two new municipal districts and one city. These are the municipal district of Cypress No. 1 in southeastern Alberta and the municipal district of Clearwater No. 99 in the Rocky Mountain House area. With the incorporation of the city of Airdrie, the number of Alberta cities now stands at 14.

#### **Public Lands and Wildlife**

A number of major plans will be approved for 1985 under the province's program of integrated resource planning for public lands. These plans will assist in the creation of additional benefits and job opportunities from the province's natural resource base while ensuring the long-term protection of our environment.

In co-operation with the Freshwater Fish Marketing Corporation, my government is working to allow the establishment of a local distribution system for fresh fish, giving Alberta consumers access to these products and improving returns to commercial fishermen.

The first status report on Alberta's fish and wildlife resources will be presented to the Legislative Assembly during this session.

#### **Attorney General and Solicitor General**

The decrease in crime in Alberta which became evident in 1982 and 1983 continued last year. Compared to the first three quarters of 1983 there was a further decrease during 1984 of 8.5 per cent in serious crime, 11 per cent in property crime, and 1.1 per cent in crimes of violence. Many factors affect this situation, including greater social stability associated with more gradual economic growth, the general maturing of the population, and greater public awareness of crime prevention.

The increased police response to growing public concern regarding impaired driving will continue this year through Check Stop and other means.

#### **Recreation and Parks**

Nineteen eighty-four saw the end of the very successful major cultural/recreation facility development program which expended \$238 million on over 4,000 projects throughout the province over a 10-year period, providing Alberta with some of the finest recreation/cultural facilities in Canada.

A new five-year community recreation/cultural grant program will be implemented this year to aid volunteer community groups, clubs, and municipalities in providing recreation and cultural services. Funds will be available for facility development, operation and maintenance, and recreation and cultural programming and planning.

The United Nations has designated 1985 as International Youth Year. In response to this declaration, my government has approved a program of action aimed at recognizing and celebrating the Youth Year in Alberta.

The Alberta Sport Council will assist in sponsoring the 1985 Alberta Summer Games to be held in Fort McMurray.

Nineteen eighty-five will be an important year for projects needed for the 1988 Olympic Games to be held in Calgary. Major construction has begun at the Canmore nordic centre site, and it is hoped that preliminary testing of the cross-country and biathlon trail systems can be started soon. The construction at Nakiska on Mount Allan will proceed this year.

#### **Culture**

This year will see the distribution of the first-ever Canadian Encyclopedia, which is being produced in Alberta and which will be distributed as a gift from the people of Alberta to every school and library in Canada as part of our 75th Anniversary celebrations.

The new Cultural Heritage Act reaffirms this government's commitment to a policy that encourages the expression and recognition of the cultural heritage of Alberta and the contributions made by ethnocultural groups to that heritage.

Alberta has the largest commitment to culture in Canada on a comparative basis in terms of volunteer participation, artistic involvement, and government funding. It is becoming an industry of its own.

#### **Other Activities**

The Credit Transactions Act, which establishes clearer standards of disclosure in transactions between businesses which offer credit and their consumers, has been the subject of extensive consultation with the public. Proposals by the Minister of Consumer and Corporate Affairs for appropriate amendments will be presented to the Legislative Assembly

during this session. Along with a continuing emphasis on deregulation, new initiatives will be taken this year in several areas of consumer education.

The temporary staff service unit of the Personnel Administration office has been successfully privatized. The result has been a substantial increase in business for private-sector companies, enabling government to effectively provide services in peak periods.

This year Japan will be hosting Expo 85, an international science fair at Tsukuba near Tokyo. In co-operation with the Canadian entry, Alberta will present an overview of the province's initiatives in technological development.

Alberta will have a major presence next year in Vancouver at Expo 86, the largest exposition to take place in North America since Expo 67 in Montreal. Now under construction. Alberta's pavilion will emphasize Alberta's economic progress, our innovation in transportation, and the diversity of our province.

Efforts to support the private sector by contracting out building operation and maintenance will be continued. By the end of the fiscal year some 40 buildings, approximately 400,000 square metres, will be tendered for total operation and management.

My government will also give priority to leasing from the private sector, rather than building, to meet office space needs.

#### **Federal and Intergovernmental Affairs**

My government will participate actively in the series of first ministers' and ministerial conferences to be held this year.

The Western Premiers' Conference to be hosted by Alberta in Grande Prairie in May will focus on a variety of issues of importance to the western provinces.

The Select Special Committee on Senate Reform will complete its work and will report to the Legislature.

#### **Conclusion**

Nineteen eighty-four was highlighted by the visit to our province in September of Pope John Paul II. My government and Albertans will welcome the visit this summer of Her Majesty Queen Elizabeth the Queen Mother.

This year will be the year during which my government will make a number of specific public policy recommendations based on the "White Paper: Proposals for an Industrial and Science Strategy for Albertans 1985 to 1990" and based on the valuable responses received from Albertans during 1984. These recommendations will constitute a major step in the reassessment of Alberta's economic strategy and possible shifts in emphasis for the years ahead.

Members of the Legislative Assembly:

In due course you will be presented with budget proposals by my government to support these priorities consistent with appropriate restraint in public expenditures. You will be asked to grant the necessary funds for the operating services and expenditures authorized by the Legislature and to endorse a program of capital financing for the government of Alberta.

I leave you now to the business of the session, with full confidence that as elected representatives your debates and your votes will reflect your understanding of the public interests of all people of Alberta.

I pray for your wisdom and strength in your deliberations.

SERGEANT-AT-ARMS: Order!

[The Lieutenant Governor and her party left the House]

[Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated.

#### **head: INTRODUCTION OF BILLS**

##### **Bill 1**

##### **Alberta Order of Excellence Amendment Act, 1985**

MR. LOUGHEED: Mr. Speaker, I request leave to introduce Bill 1, the Alberta Order of Excellence Amendment Act, 1985.

This proposed amendment will remove an existing restriction with respect to the term of office of members of the Council of the Order of Excellence. It will help to assure greater continuity in the makeup of the council at times when it is necessary to seek new members.

[Leave granted; Bill 1 read a first time]

MR. SPEAKER: I am tabling a copy of the speech of Her Honour the Lieutenant Governor.

#### **head: MOTIONS**

MR. LOUGHEED: Mr. Speaker, I move that the speech of Her Honour the Lieutenant Governor to this Assembly be taken into consideration tomorrow.

[Motion carried]

MR. KOZIAK: Mr. Speaker, I move that the Votes and Proceedings of this Assembly be printed, after first having been perused by Mr. Speaker, and that he do appoint the printing thereof, and that no person but such as he shall appoint do presume to print the same.

[Motion carried]

MR. HORSMAN: Mr. Speaker, I move that the select standing committees for the present session of the Legislature be appointed for the following purposes:

- (1) Privileges and Elections, Standing Orders and Printing,
- (2) Public Accounts,
- (3) Private Bills,
- (4) Law and Regulations,
- (5) Public Affairs,
- (6) The Alberta Heritage Savings Trust Fund Act, and
- (7) Legislative Offices.

[Motion carried]

DR. REID: Mr. Speaker, I move that a special committee be appointed, consisting of seven members hereinafter named, the said committee to prepare and report, with all convenient speed, lists of members to act on the select standing committees ordered by this Assembly: Mrs. Fyfe, chairman; Mr. Kowalski, Mr. Anderson, Mr. Thompson, Mr. Szwen-der, Mr. Batiuk, and Mr. Martin.

[Motion carried]

[At 4:07 p.m., on motion, the House adjourned to Friday at 10 a.m.]