

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, April 1, 1985 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 34**Student and Temporary Employment Act**

MR. ISLEY: Mr. Speaker, I request leave to introduce a Bill, being the Student and Temporary Employment Act.

The purpose of this Bill is to make it possible for students, temporary employees, and employers to take the maximum advantage of provincial government job-creation and training programs.

[Leave granted; Bill 34 read a first time]

Bill 37**Health Disciplines Amendment Act, 1985**

DR. REID: Mr. Speaker, I beg leave to introduce a Bill, being the Health Disciplines Amendment Act, 1985.

The main purpose of this Act is to allow the appointment of people who are not directly involved in the negotiations of a collective agreement but who are in a position where they might be involved in subsequent discussions to do with a hearing under such a collective agreement, to be on a committee or on the Health Disciplines Board.

[Leave granted; Bill 37 read a first time]

Bill 209**An Act to Amend the
Blind or Deaf Persons' Rights Act**

MR. LEE: Mr. Speaker, I beg leave to introduce Bill 209, An Act to Amend the Blind or Deaf Persons' Rights Act.

This Bill will provide for the temporary care of guide dogs of the visually impaired in Alberta hospitals.

[Leave granted; Bill 209 read a first time]

MR. SPEAKER: Might we revert briefly to Presenting Petitions?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

head: **PRESENTING PETITIONS**

MR. STILES: Mr. Speaker, I beg leave to present the following petitions that have been received for private Bills:

1. the petition of the Heritage Savings & Trust Company

for the Heritage Savings & Trust Company Amendment Act, 1985;

2. the petition of the Westerner Exposition Association for the Westerner Exposition Association Act;
3. the petition of David Skakun for the David Michael Skakun Adoption Termination Act;
4. the petition of the Institute of Management Consultants of Alberta for the Management Consultants Act;
5. the petition of La Corporation des Soeurs de Sainte-Croix et des Septs Douleurs and/or the Sisters of the Holy Cross for Les Soeurs de Sainte-Croix, Province Sainte-Therese — Sisters of Holy Cross, Saint Theresa Province Act;
6. the petition of the Concordia Lutheran Seminary for the Concordia Lutheran Seminary Amendment Act, 1985;
7. the petition of the St. Louis hospital, Bonnyville for the St. Louis Hospital, Bonnyville Amendment Act, 1985;
8. the petition of the city of Edmonton for the City of Edmonton Authorities Amendment Act, 1985;
9. the petition of Le Diocese de St. Paul for Le Diocese de St. Paul Amendment Act, 1985;
10. the petition of the town of Pincher Creek and the municipal district of Pincher Creek No. 9 for the Westcastle Development Authority Act;
11. the petition of the city of Calgary for the Calgary Municipal Heritage Properties Authority Act;
12. the petition of Gordon Reid, the liquidator of Highfield Trust Company, for the Highfield Trust Company Repeal Act;
13. the petition of the Society of Management Accountants of Alberta for the Society of Management Accountants of Alberta Amendment Act, 1985;
14. the petition of Sidney DeWall, Richard Ogilvie, Alan Minue, and Stephen Robson for the Youth Emergency Service Foundation Act.

head: **TABLING RETURNS AND REPORTS**

MR. ADAIR: Mr. Speaker, I beg leave to table the annual report of the Department of Tourism and Small Business for the year ended March 31, 1984.

MR. PLANCHE: Mr. Speaker, I'd like to table a response to Motion for a Return 183.

DR. ELLIOTT: Mr. Speaker, I wish to table the report of the Chief Electoral Officer on the Spirit River-Fairview by-election held on Thursday, February 21, 1985.

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. CARTER: Mr. Speaker, it's my pleasure to introduce to you, and through you to members of the Assembly, 40 grade 6 students from Acadia elementary school in the constituency of Calgary Egmont. They are accompanied by teachers Mrs. Ann Ashburn and Mr. Don Williams and by parents Mrs. Shupe and Mrs. Plante. The majority of the students come from the community of Acadia, but there are also some students from the community of River Bend in the constituency of Calgary Millican. They are in the members' gallery, and I ask that they rise and be recognized by the Assembly.

MR. PAPROSKI: Mr. Speaker, I am pleased to introduce to you, and through you to members of this Assembly, a group of seven energetic, interesting, and inquisitive grades 8 and 10 students who attend a unique school in the constituency of Edmonton Kingsway, the Ben Calf Robe school.

This super school offers an excellent learning environment to native students. Situated at St. Pius X separate school, Ben Calf Robe not only provides its students with the opportunity for learning academic curricula but permits an environment to preserve the many customs and the culture of the native people of Alberta. I've had to the opportunity to visit the school to answer questions about how their government functions, and indeed, Mr. Speaker, they asked very many interesting questions. The students are accompanied by two teachers, Louise Potiuk and Susie Seguin, and they are seated in the members' gallery. I ask them to please rise and receive the usual warm welcome from all MLAs.

MR. HIEBERT: Mr. Speaker, it's my pleasure to introduce to you, and through you to members of the Assembly, 45 grades 5 and 6 students from Forest Heights school in the Gold Bar constituency. They are accompanied by their teachers, Mrs. McAdam and Mr. Knall. I ask them to rise in the public gallery and receive the usual welcome of the Assembly.

head: MINISTERIAL STATEMENTS

Department of Agriculture

MR. FJORDBOTTEN: Mr. Speaker, for some time this government has acknowledged the financial stress that has faced many Alberta producers. With commodity prices remaining relatively low and operating costs rising, a number of our producers are now faced with difficult financial and production decisions.

Realizing the scope of the situation, Mr. Speaker, in recent months the government has announced several measures to help producers weather the current cost/price squeeze. Generally, the most recent moves have been in the area of credit. In particular, I would note that a widespread lowering of equity made us view with concern many months ago the increasing difficulty some farmers were having in obtaining operating credit. For that reason, this winter we announced the Alberta Agricultural Development Corporation's farm development loan guarantee, which may provide cash-short farmers with the necessary resources to put in a crop this spring.

However, this government has, in fact, looked at a wide range of areas where it could assist farmers, as I think could be surmised from the priority the agriculture industry received in the Speech from the Throne. As a result, I am pleased to be able to announce an important new incentive to help Alberta crop producers ease input costs.

Considering that fertilizer can represent as much as 30 percent of the cash input cost of crop production, we feel this is an appropriate area where we can help a great number of farmers reduce production costs. Therefore, Mr. Speaker, I am pleased to report to this Assembly that the Alberta farm fertilizer price protection plan has been established to reduce the farmer's cost for most types of fertilizer used in the province.

Since prices of fertilizer and the types used vary considerably across the province, payments under this plan will be made directly to farmers. These payments will be based on \$50 per tonne of actual nitrogen and \$25 per tonne of actual phosphate used in fertilizer formulations purchased by farmers.

Mr. Speaker, the two-year farm fertilizer price protection plan will be retroactive to August 1, 1984, and will end July 31, 1986. Fertilizer purchased between those two dates will be eligible for grant payments. The total estimated cost of the program is \$47 million. Application forms should be available from district and regional agriculture offices around the province within three weeks. It is expected the first grant cheques will be processed shortly after the first applications are received.

Mr. Speaker, Alberta farmers purchase approximately \$300 million worth of fertilizer annually, with natural gas being the major energy component. I would note that payments under this program will exceed the royalties received by the province on the natural gas used in fertilizer products.

I would also like to note that for some time we have discussed a joint effort of this type with the federal government, but we have received little positive response. Therefore, at this time I have again requested the federal government to match our effort to help Alberta farmers meet and overcome the so-called cost/price squeeze.

Alberta farmers are price takers, not price setters; therefore, we must reduce input costs wherever possible. Mr. Speaker, I am very pleased today that Alberta has been able to take such a progressive and much-needed step in this area.

MR. MARTIN: Again, Mr. Speaker, I would like to thank the minister for bringing this to our office ahead so we could have a chance to peruse it.

In replying to the statement, as the minister is well aware — and we've talked about it in this House — there is a myriad of problems facing the farm community at this particular time. I was somewhat disappointed over the weekend, when I saw that we wouldn't look at low-interest fixed loans. But in saying that, Mr. Speaker, I certainly commend the minister for bringing this forward at this time. As the minister is well aware, this is one of the things we talked about in the recent by-election in Spirit River-Fairview, and as recently as March 21 my colleague brought it up in Motion 209, which was something similar to this. So we're glad that every once in a while we can present a thing to the government and it comes about.

In conclusion, Mr. Speaker, I would say a couple of things. I hope we do not think this will solve all the farm problems; I know the minister is aware it won't. There are many other problems. In fact, Unifarm is suggesting in the brief, which I know he has read, that things are as bad as the '30s in terms of real dollars.

I am glad you made this directly to the farmers rather than at the manufacturers' level, because this way there's a good opportunity for them to share in it. The other one might not have got through completely. The only other comment I would make is that I hope we monitor the price manufacturers are charging, though, to make sure there isn't a quick increase in that price and farmers are actually getting the value.

Let me just conclude, Mr. Speaker, and say this is one step in the right direction. I hope this is not the only step.

In this announcement, you certainly have the support of the Official Opposition.

MR. R. SPEAKER: Mr. Speaker, in speaking to the announcement, I would say congratulations to the minister, in the sense that I believe he has reached an acceptable consensus among all parties in the House. Certainly, we see it as a benefit to all the farmers in this province. The principle is good, whereby we reduce the cost of tax to the farmer and directly eliminate that tax in a partial or whole sense so the farmer has his dollars to spend as he sees fit and does not have to wait for a rebate of taxes or a subsidy at a later time, when he's in difficulty. So the principle is right, and I certainly support the minister on that.

Just as a piece of information, I guess, and to have our piece of the cake as well, a Bill is standing in my name on the notices of motion. Bill 255 is called the Farm Gas and Fertilizer Price Reduction Act and has the same principle as enunciated by the minister. Seeing that that Act is there, I certainly endorse the announcement today and give my support to the government at this time. So I appreciate the announcement and the action by the minister. We have had discussions on the matter over the last month or so, and I appreciate that the minister also related to farmers in the province and saw that this was a need at this time. So, Mr. Speaker, I speak with my colleague in support of the action.

head: ORAL QUESTION PERIOD

Energy Pricing Agreement

MR. MARTIN: Mr. Speaker, I would like to direct the first question to the Minister of Energy and Natural Resources. Point 7 on page 3 of the energy understanding signed last week made it clear that the Alberta Petroleum Marketing Commission will no longer act as the exclusive marketing agent for crude oil and pentanes obtained from Crown leases. My question to the minister is: was this clause inserted at the insistence of the federal government?

MR. ZAOZIRNY: No, Mr. Speaker.

MR. MARTIN: A supplementary question to the minister. In making this decision to back away from "orderly and equitable marketing" for all operators — that was their duty in the Act — did the minister's department do any study of whether or not this will unduly benefit large, integrated companies, which can set up their own marketing wings, at the expense of smaller, independent companies, who do not have that luxury?

MR. ZAOZIRNY: Mr. Speaker, perhaps it would be helpful if I could make some comments as to the background and meaning of that clause and a related clause that the hon. member should be familiar with. The fact of the matter is that the producing industry is very supportive of the opportunity for direct buyer/seller relationships to be permitted, which will be the case in a deregulated oil market situation.

The Alberta Petroleum Marketing Commission will continue to have a very significant role in the marketing of crude oil, inasmuch that it will continue to market the Crown royalty share of oil. As well, the intention is that the Alberta Petroleum Marketing Commission will afford

smaller producers — who either do not have or do not feel they have the capability or expertise to enter into direct sales relationships, to get into the marketplace on that basis — to sell their oil through the commission.

On a voluntary basis, producers who wish to continue to have their oil sold through the Petroleum Marketing Commission will be able to do so. I should also add by way of clarification, just so there is no misunderstanding, that as is the case with the other producing provinces, the government of Alberta will retain the power to engage in prorationing if required. That's outlined in paragraph 6 on page 3 of the agreement.

MR. MARTIN: A supplementary question. I appreciate the answer from the minister, but it seems to me there would be some advantage if you had your own marketing wing. If you're a small, independent company, obviously you're just going to have to deal with the commission.

What protection will be in place after this action to ensure that all operators, big or small, will have equal access to markets for their oil? Is that the prorationing we just talked about? Is that the only one?

MR. ZAOZIRNY: No, Mr. Speaker. The prorationing would only come into play if there were a limited market circumstance. In terms of the overall situation, when there isn't a limited market circumstance, I think the commission will achieve exactly what the hon. member is alluding to; namely, the opportunity on behalf of any producers who wish to, to know that they can sell their oil through the commission. The commission will be out in the marketplace. They will be prepared to buy the oil from whichever producers may wish to sell to them and not become involved in that process themselves.

We think it should work well. The approach has been discussed very extensively with the industry: small, medium, and larger producers. I should add, of course, that the final details are still being worked out and that there's a great deal of activity at the commission these days, given this new approach, but I think we'll meet the very fair concern the hon. member is raising in the Assembly today.

MR. MARTIN: A supplementary question to follow up. Some anxiety is being expressed among some members of the industry about APMC abolishing what they call the postage stamp rate for oil; that is, the same transport rate for all oil, no matter from where it originates. Has the minister asked for any study to determine whether this sort of change will make it less profitable to search for and sell oil from more distant areas, Zama, for example?

MR. ZAOZIRNY: Mr. Speaker, in any final decision taken on that matter, certainly the commission and the government will be very mindful of the importance of continuing to encourage activity in areas such as Zama and other areas of the province that are somewhat more distant by way of access but where there are extremely good prospects for oil. So this is a matter that will be considered.

Whether or not a postage stamp rate continues, which may not be the case, we will certainly be mindful of it in our structuring of incentives — which I think is the hon. member's point — because we share the determination to ensure that all oil and gas opportunities in the province have a good opportunity for exploitation.

MR. MARTIN: A supplementary question to the minister. As I understand it, the new marketing system will be in

on June 1. How does the government propose to respond to industry concern that two months is simply too short an adjustment time?

MR. ZAOZIRNY: In fact, Mr. Speaker, we adopted that after submissions were made by various industry associations that there should be a 60-day time frame. That specific decision was taken on the basis of a recommendation from the industry.

MR. MARTIN: One final supplementary. What assessment has the minister made of whether or not this will add more complexity? I'm thinking in terms of accounting and those sorts of things. The price of oil could be changing day by day. Will this add more complexity and hence more costs for smaller companies who do not have large accounting firms?

MR. ZAOZIRNY: Mr. Speaker, we don't believe a deregulated circumstance will be more complex. It's our expectation that exactly the opposite will obtain. The fact of the matter is that most jurisdictions of the world operate on a true market basis. Canada has been out of step with most parts of the producing world for some years now. So it has worked well elsewhere, and we're satisfied that it will work as well here in Canada and Alberta, given an opportunity to get the new system in place. It's a pretty exciting move.

MR. MARTIN: One question, just following up on that. Would the minister not agree that prices will change more rapidly under a deregulated system, and hence it would be important to hire more accountants to keep track of what's going on? Will that not make it more complicated, if you had a very small accounting firm for some of the smaller companies?

MR. ZAOZIRNY: As I said, Mr. Speaker, this is the way the industry operates on a worldwide basis. What we're hearing from industry and have heard for some time is that they want us to move to a deregulated system where there are fewer rules and regulations that confound them, so they have the opportunity to hire more geologists and fewer accountants. We think that in the overall these initiatives will achieve exactly that result.

MR. MARTIN: Of course, that remains to be seen.

Auditor General's Report — Hospitals

MR. MARTIN: My second question has to do with the Auditor General's report, which was released on Friday. I'd like to go the Minister of Hospitals and Medical Care. Can the minister identify what considerations led his department to attempt to free funds from the 1983-84 budget of the department to buy St. Michael's General hospital in Lethbridge, even though no appropriation for that purpose had been sought or granted by this Assembly and even though the practices pursued clearly violated section 32 of the Financial Administration Act?

MR. RUSSELL: That's a very serious matter, Mr. Speaker. The deputy minister of the department has responded initially to the Auditor General. It certainly won't happen again.

MR. MARTIN: That's very nice to know. A supplementary question. Could the minister be a little more specific and

outline some of the steps he has taken to ensure that this doesn't happen again, that his department is in fact following the law?

MR. RUSSELL: Mr. Speaker, the government is as concerned as the opposition about the proper accounting and administration of public funds. It was this government that brought in the Provincial Auditor's Act, and it was for that very purpose. We saw the report not much before the hon. member saw it and, of course, the duty of the Auditor General is to bring those matters to our attention. So we're working with the same objective. I'm just as dismayed as the hon. member about an improper accounting procedure of that nature taking place, and certainly every effort will be made to see that it doesn't happen again.

MR. MARTIN: A supplementary question. Does the minister's department still intend to purchase St. Michael's hospital? If so, what is now the estimated cost of the purchase?

MR. RUSSELL: Mr. Speaker, the purchase itself goes back several years to an arrangement that was worked out when there were privately owned hospitals in the province, most of which were owned by the Catholic church or religious orders, I think. At that time, when the hospital system in Alberta was obviously going to become a publicly owned and publicly funded system, there was a rather complex formula worked out whereby the equity each hospital had at the time was worked out and recognized, and appreciation was taken into effect. Over the years this formula was watched. At such time as ownership was transferred, it was done on the basis of an agreed-upon formula. The basic value of St. Michael's, along with other Catholic-owned hospitals in the province, was established at that time, and the value of the equity of the owners was determined.

Later — and I'm going by memory now, because it happened several years before my term in office — the Catholic hospitals foundation was developed. Ownership of these various institutions was transferred to them, and they had the opportunity to appoint boards and take ownership after the province had paid out the equity owing.

The Misericordia hospital in Edmonton is a good example of how that happened. They're going through a similar process with the St. Michael's board and owners in Edmonton, and there are plans afoot to have that Catholic-owned hospital transferred to the Catholic hospitals foundation and the foundation to appoint a board. Under the agreement and under the understanding, the hospital will be purchased by the province and turned over to the foundation. During the fiscal year the hon. member is referring to, the accounting practices and techniques were handled very badly. The Auditor has brought it to the attention of the government, and we're certainly making sure such a circumstance doesn't happen again.

MR. MARTIN: A supplementary question, to go into another part of it. Can the minister identify those factors or considerations that led to the health care insurance division's failure to retain old records during the course of conversion of the system under which the Health Care Insurance Fund's records are kept, despite the division's assurances to the audit office that those old records would be kept?

MR. RUSSELL: Again, Mr. Speaker, the matter of perfect accounting practices as handled by an agency such as the

Health Care Insurance Commission is always open to criticism. I'm not trying to downplay any defect they might find in the system, but we do get a series of several of those kinds of comments made by the Auditor's office every year, especially with respect to the Health Care Insurance Commission.

I can assure hon. members that ongoing steps are being taken to get in place the perfect system that the Auditor General would like to see. It's frustrating indeed that year after year there are still these points raised, based on an accounting approach to the problem. I think it's important to emphasize in all of this that none of these points raised by the Provincial Auditor led to the loss or mispending or misappropriation of any public funds.

MR. MARTIN: A supplementary question, following up. I recognize that there are problems — I didn't think there ever were in the minister's department. He's always lecturing the school boards.

It seems to me they said to the audit office that the old records would be kept. My question is: has the minister ascertained why they said that and did not do it?

MR. RUSSELL: Mr. Speaker, I can't answer that question today. As I mentioned to the hon. member, there are several pages of criticisms this year, which the department is dealing with. I have the department response to each criticism, and I'd be glad to make the written response available to the hon. member if he has a specific issue.

Teaching Standards Council

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Education is with regard to the new Council on Alberta Teaching Standards. In his pursuit of leadership the minister has got the backs up of all the teachers across the province. Could the minister indicate what consultation occurred with the Alberta Teachers' Association with regard to the policy announced last week?

MR. KING: Mr. Speaker, all hon. members are aware of the fact that one of my constant interests as Minister of Education has been to enhance the professional status of teachers in this province. Because of my interest in enhancing the professional status of teachers, hon. members will be aware that on three different occasions over the last six years I have tried to bring to a successful conclusion the negotiations that would have resulted in a new Teaching Profession Act.

The first of those attempts was in 1981, and it was rejected by the Alberta Teachers' Association. The second attempt was in the spring of 1984, and it was rejected by the Alberta School Trustees' Association. The third attempt was during the winter and early spring of 1985. I have recently received a letter from the president of the Alberta Teachers' Association, advising that they believe it is not possible to successfully conclude negotiations on a new Teaching Profession Act at this time.

With that as background, hon. members will also recall that for many, many years the Minister of Education had a committee which advised him on substantially the same measures as are proposed for the Council on Alberta Teaching Standards. That former body was the Board of Teacher Education and Certification. Like the proposed council, it was exclusively advisory to the Minister of Education, because as with the proposed council it recognized that the

responsibilities that are being considered lie with the minister according to the law of the province.

When I dissolved the Board of Teacher Education and Certification in September 1983, I announced that I was doing that for about 15 months so that there would be a window for successfully negotiating a new Teaching Profession Act. I advised all the interested parties at that time that if negotiations for a new Teaching Profession Act were not successful, I would reconstitute a successor to the Board of Teacher Education and Certification.

That is what I announced on Friday, Mr. Speaker. I put it in the context of six years of serious attempts by this government to bring forward a new Teaching Profession Act that would be consistent with the professional aspirations of teachers in this province. In the event that we cannot achieve our ends by means of a new Teaching Profession Act, I am satisfied that the people of this province do not want professional questions to remain in a state of suspended animation. They want us to take whatever action is possible, given the existing law, and that is what we are doing.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. In terms of the administration of the council and the administration of the Act under the minister, could the minister indicate whether it will be his intent to continue to centralize the authority with regard to the teaching profession under the minister?

MR. KING: No, Mr. Speaker. I think the hon. member has it backwards. At the present time the authority is highly centralized, because it resides exclusively with the Minister of Education. What is being proposed is a very significant decentralization. Under the law the minister is responsible to certify and decertify teachers in this province today.

The proposal suggests that if we are not going to be able to change the law in the short term, at least the responsibilities of the minister should be discharged with the benefit of advice from reputable Albertans, six of whom, it is proposed, should be teachers in the province. The proposed council, Mr. Speaker — let me not say "proposed", since it is in fact the government's position that such a council will be established. The council represents significant decentralization, because it means that the minister will be discharging his legal responsibilities with the benefit of advice to which he has previously not been privy.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. In terms of the appointment of six certified teachers by the minister and the fact that the ATA may be invited to nominate one, could the minister explain how that decentralizes the authority and takes the minister somewhat out of the decision-making process?

MR. KING: I don't understand who the hon. member thinks should appoint people to a committee that advises the Minister of Education. Would you like the appointments to be made by the president of the University of Alberta, the Ombudsman, or the government leader in the Senate? The committee is advisory to the Minister of Education. The Minister of Education is ultimately responsible for acting or not acting on any of the advice he receives from this council. As long as the committee is advising me, as long as I am responsible in this House for the way I respond to their advice, I will make the appointments.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. The minister is rather inconsistent in his own announcement.

For the information of the House I would like to quote from the announcement: Four other members will be appointed, one from each of the Alberta School Trustees' Association, the government of Alberta, the faculties of education, and the Conference of Alberta School Superintendents; one member will be representative of the public at large. Is it the minister's intention to appoint those without the consultation of those respective bodies?

MR. KING: Mr. Speaker, the wording with respect to those appointments is exactly the same as the wording with respect to the appointment of the nominee from the Alberta Teachers' Association. If the honourable gentleman jumps into the middle of text, let me take him back to the beginning:

Six shall be practising teachers, one of whom shall be chosen from among those (3 or more) nominated by the Alberta Teachers' Association ...

Exactly as it says:

one shall represent the Faculties of Education and shall be chosen from among those (3 or more) nominated by the Universities Co-ordinating Council; one shall be a superintendent of schools and shall be chosen from among those (3 or more) nominated by the Conference of Alberta School Superintendents ...

Need I go on, or do I make the point that the nominations from all organizations are being made in exactly the same manner?

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister explain to this Assembly why he is unable to accept recommendations from credible bodies in this province so that the representatives are very representative of such bodies as the ATA and the others that have been listed in our discussion? Why can't the minister accept those recommendations as persons on the advisory committee, so they are advisory and are representative?

MR. KING: Mr. Speaker, right now we have 28,000 teachers in classrooms from one end of this province to the other, teaching our children. The vast majority of them are professional. They wish to practise as professionals. They wish to do and support the kinds of things which will improve the professional status of their group in this province. We have 2.4 million people who are similarly concerned about having the best kind of teacher in the classroom. We have about 1 percent of those teachers who do a disservice to their profession, a disservice to 28,000 teachers, and a disservice to 450,000 students, because they should not be teaching.

We have an impasse in trying to deal with that challenge, because for a variety of reasons we cannot get a new Teaching Profession Act in front of this House. I am not willing to leave the question of the public's confidence in the profession and the question of the profession's self-confidence in a state of suspended animation for another four months or four years while we continue to talk about a new Teaching Profession Act. We are going to establish the council. We are going to do the things necessary to enhance the professional status of teachers in this province. In the course of doing it, we are going to conduct negotiations, as they are useful and fruitful, with the ATA and the ASTA for a new Teaching Profession Act in this province. That has always been and is still the course I would prefer to follow. But if we can't be successful that way, we're going to find another way.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. In terms of a teaching standard board the Ghitter report recommended that eight be appointed by the ATA, five be appointed by the minister, and two be appointed by the ASTA. Could the minister indicate whether there were reasons other than the ones just cited for rejection of that proposal in the Ghitter report?

MR. KING: Mr. Speaker, the problem is that we appear to be unable to make progress along any of a variety of different lines that are proposed. I have in front of me a news release from the Alberta Teachers' Association, the headline of which is "ATA slams Ghitter's model for the profession." If I could read only one paragraph:

"Schizophrenic" was one word used by ATA President Nadene Thomas to describe "Public Education in Alberta," the third discussion paper prepared by the Consultative Committee on Tolerance and Understanding. Her comments came as the Association released its formal written response on Thursday, 1984 11 01.

We have tried three times to get a new Teaching Profession Act. We dissolved the Board of Teacher Education and Certification so as to create a window of opportunity, and nothing came of it. The Ghitter committee recommended a model, which was rejected out of hand and characterized as "schizophrenic".

How many more times should we try how many more different avenues, and during that time should we continue to suspend our concern for what is happening in the classroom? If that's the position of the hon. member, I would be delighted to hear him say it.

MR. SPEAKER: We're starting to run into a time problem. If the hon. leader has a supplementary which can be dealt with briefly, perhaps we might deal with it; then a supplementary by the Member for Edmonton Belmont, followed by the hon. Member for Spirit River-Fairview.

MR. R. SPEAKER: Mr. Speaker, my supplementary is in terms of the criteria being used to appoint the six certified teachers to the council, if we could stick to one particular area. Could the minister indicate what criteria will be used and how the recommendations for appointees can come to the minister? Will the minister be requesting the profession to nominate certain personnel? In the minister's mind, where will these people come from? Or has this list already been established, so the appointees can be made?

MR. KING: Mr. Speaker, I continue to be hopeful that the Alberta Teachers' Association will choose to involve itself in the work of the council, because in my judgment the council will be good for the professional development of teachers in this province. In about 10 days it is our intention to advertise the purpose of the council, the broad structure of the council, and the qualifications we would look for among its teacher members. At that time the hon. member's questions about qualifications will be answered.

My simple hope is that we will be able to find 11 people in this province, including six teachers, whose primary concern is for the professional well-being of teachers. As a result of that, their concern would be for the best possible education for children in our schools. It is that desire for the best possible education by the most professionally prepared teachers that motivates this government.

MR. SZWENDER: Mr. Speaker, a further supplementary. The Minister of Education made reference to the Teaching

Profession Act. Could he clarify whether the announcement on the new Council on Alberta Teaching Standards reflects a government decision not to proceed with rewriting the Teaching Profession Act?

MR. KING: No, Mr. Speaker. As I said earlier, even though we have tried three times, we are always prepared to sit down and continue those discussions with the Alberta Teachers' Association and other interested parties. I continue to be hopeful that a new Teaching Profession Act will be the best resolution of these and other challenges.

MR. SZWENDER: A further supplementary, Mr. Speaker. Could the minister explain very briefly what has prevented an agreement on the new Teaching Profession Act?

MR. SPEAKER: It seems to me we've been over that, just a few minutes ago.

MR. KING: I may be able to put it somewhat differently, Mr. Speaker. In my view, the thing that has prevented agreement has been a significant difference of opinion about whether or not the teaching profession is like all other professions in the province. The Alberta Teachers' Association holds to the point of view that the teaching profession is like all other professions in the province and that it should therefore be treated in exactly the same way. The position of the government and others is that the teaching profession is not exactly like other professions.

Particularly, unlike other professions the clients of teachers are exclusively children unable to protect themselves. To cite only one example, the statements of children are given very little weight against the statements of adults in any case where there is conflict. Secondly, unlike other professions the practice of teaching is not subject to very much reliable evaluation, and the outcome is very much delayed. The practice is not easily susceptible to a second or an independent opinion. Third, nobody else goes to a professional because the law tells them they are obliged to do it. If a person were dying of cancer, there is no law that would oblige him or her to go to a doctor. If a person were charged with murder, there is no law that would oblige them to make use of the services of a lawyer. Fourth, unlike other professions this practice is carried on exclusively in a condition of an employee/employer relationship. Fifth, the delivery model is one to many, rather than one on one. Sixth, the range of choice available to people is very narrow.

We think those six reasons justify approaching the development of legislation for teachers in a somewhat different way.

MR. SZWENDER: A supplementary.

MR. SPEAKER: We're really running out of time, and I'd like to recognize some more members. Perhaps we could have a supplementary by the hon. Member for Spirit River-Fairview.

He has indicated that he will forgo it. Perhaps we could have just one, and if necessary and there's time at the end, or tomorrow, we can go back to the topic.

MR. SZWENDER: Thank you, Mr. Speaker.

MR. SPEAKER: The thanks go to the hon. Member for Spirit River-Fairview.

MR. SZWENDER: A quick supplementary with regard to candidates to be nominated for positions on the Alberta Teaching Standards Council. Would the minister be prepared to consider nominations of Members of the Legislative Assembly who are members of the teaching profession to this council?

MR. KING: I would certainly be prepared to consider it, Mr. Speaker, although I'd be very hesitant about the actual appointment. I know very professional teachers who sit on the government side of the House, and I know at least one sitting on the opposition benches of the House.

Highway 56

MR. MUSGROVE: Mr. Speaker, my question is to the Minister of Transportation. Does the minister have a designated route for Highway 56 from Highway 1 south to Lethbridge?

MR. M. MOORE: No, Mr. Speaker. Highway 56 from south of Drumheller across the North Saskatchewan River, or that particular route, has been suggested to me by a number of people. But thus far no designation of the route has been made, although we are considering some expenditure of funds south of Lomond in future years, on a section that would not have to traverse the river and would be most beneficial to local people in the area.

MR. R. SPEAKER: A supplementary question. Could the minister clarify the statement? Has the section of road from Lomond south to Lethbridge been renumbered 956 at the present time?

MR. M. MOORE: Mr. Speaker, there has been no official designation of that particular route at this point in time, although it is under consideration. Certainly, I've indicated that the area in question south of Lomond would in future become a secondary highway, finally probably leading to primary status, and that we would be considering some expenditures on some parts of that within the next few years.

Pediatric Hospital Services

DR. BUCK: Mr. Speaker, I'd like to ask a question of my favourite minister, the minister of health. [interjections] Hospitals; I beg your pardon.

In light of the widespread public support yesterday in the telethon for the northern Alberta children's hospital, I'd like to know if the minister has met with his department and given any consideration to reviewing the possibility of now building a freestanding northern Alberta children's hospital?

MR. RUSSELL: Mr. Speaker, I believe the position of the government has been stated many times. If and when a children's hospital is needed, the government will fund it, just like they fund all the other hospitals in the province. In view of the pediatric facilities that are available and the crying need for auxiliary facilities for older and chronically ill people, I think the priority at the moment is self-evident.

The Northern Alberta Children's Hospital Foundation has in their minds a two-stage proposal, stage one being a pediatric research institute, which would not be funded by the province under existing conditions, and phase two a

freestanding hospital. I understand their telethon is aimed at raising funds for phase one of their proposal, which is the research institute. I think the more voluntary involvement by the private sector in projects of that kind, the better system we'll have.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. In the design of the new Mill Woods hospital, is there any possibility of utilizing some of the services in that new hospital and using a separate part, a freestanding area, for phase one of a northern Alberta children's hospital?

MR. RUSSELL: Not really, Mr. Speaker. The independent report, which was prepared under the auspices of the Edmonton Area Hospital Planning Council, did come out in favour of a model that was attached to an existing general hospital. In fact, they suggested that it might be the Royal Alex.

Perhaps it's not well known by all members of the Assembly, but a few weeks ago the board of the Royal Alex was given approval to proceed with the development of about \$9.5 million worth of improvements and expansion to the children's pavilion. Many of the things being done meet the objectives of the children's hospital foundation; for example, the separate admitting and the separate emergency ward, those kinds of things, with the other support services. When it's finished, it'll be identical in size to the children's hospital in Calgary. I can't say whether or not that will meet the objectives of the Northern Alberta Children's Hospital Foundation in total. Certainly, it's going a long, long way in responding to the objectives put forward in their position.

DR. BUCK: Mr. Speaker, a final supplementary. In light of the overwhelming public support of the telethon yesterday, is the minister or the government giving any consideration to looking at the possibility of allowing the private sector to participate in capital expenditures? If a facility is required or if the public is demanding it as strongly as they seemed to be yesterday, is the government looking at changing its philosophy so that we can have the private sector participating with the public sector in a facility such as a northern Alberta children's hospital?

MR. RUSSELL: Certainly, Mr. Speaker, and that has always been there. The two current examples, which I mentioned a week or so ago in the House, are the Ronald McDonald houses, a very significant contribution of services aimed at the support of families that have sick children. With respect to other hospitals, that contribution is always there. I've brought forward foundation legislation over the last two sessions of the Legislature to try to organize, improve, and encourage that kind of activity. There are now several million dollars' worth of private contributions to our hospital system of which I'm aware.

DR. BUCK: Mr. Speaker, I guess the minister is saying there will be no consideration of an announcement until the next general election. Is that what he's saying to us?

MR. RUSSELL: I didn't say that at all, Mr. Speaker. We're trying to point out where the priorities and needs are. If the hon. member can somehow justify a freestanding children's hospital when half the pediatric beds in Edmonton are empty and we've got a lineup of 400 people waiting for auxiliary beds for periods between 14 and 18 months.

if that's the hospital planning philosophy of their new party, I'd like to see him go out and defend it. [interjections]

MR. SPEAKER: Order please. I realize the hon. minister has extended a very tempting invitation to the hon. member, but perhaps it could be accepted on another occasion. We're running very critically out of time. I wonder if we might come back to this topic. I still have the hon. members for Spirit River-Fairview and Calgary Buffalo waiting to ask their first questions.

Pork Industry

MR. GURNETT: My question is to the Minister of Agriculture. The minister said recently that an atmosphere of distrust was poisoning the pork industry in Alberta and should be removed. Can the minister advise if he has taken any concrete action himself to be involved in improving that atmosphere?

MR. FJORDBOTTEN: Mr. Speaker, there certainly is an atmosphere of distrust in the industry. If there is going to be any resolution to it that will stand us well in the longer term and allow our industry to expand and develop as it needs to, those discussions have to take place within the industry. I'm certainly prepared to help that.

MR. GURNETT: A supplementary question, Mr. Speaker. Can the minister confirm that the government is continuing to monitor the bidding system for hogs and is satisfied that there is absolutely no evidence of any unfairness in the operation of that system?

MR. FJORDBOTTEN: Mr. Speaker, certainly we still have a monitoring system in place. We see no problem with the system except that it's ridiculous, in my estimation, that we should have the lowest priced hogs in North America.

MR. GURNETT: A supplementary question, Mr. Speaker. It's been agreed that one of the problems in the meat packing industry is the out-of-date facilities. My question to the minister is whether there has been any attempt to convince Gainers that new investment in their Edmonton facility, similar to the investment that Fletchers has made, is essential if there is going to be new health in the industry.

MR. FJORDBOTTEN: No, Mr. Speaker. We're encouraging industries to locate and develop and expand in the province of Alberta all the time, but that would be their own corporate decision.

Dairy Substitutes

MR. LEE: Mr. Speaker, my question is for the Minister of Agriculture. Given the demand from industry and the consumer for imitation dairy products — I am referring specifically to the ice cream substitute tofutti. In view of the fact that current regulations with respect to the Alberta Dairy Industry Act prohibit the possession and sale of tofutti, is the minister considering any action with respect to making this more available?

MR. FJORDBOTTEN: Mr. Speaker, we have the Dairy Industry Act under review to look at ways in which modifications may be made. With respect to the product the hon. member raised, we've been working with that particular

individual at our new, exciting Leduc food processing lab and have been able to formulate a product there that fits under the Dairy Industry Act. It's my understanding that that product is now on the market.

MR. LEE: A supplementary, Mr. Speaker. With respect to the government's position promoting free trade, is it the intention of the minister to review the whole question of all imitation dairy products to reduce the nontariff barriers to importing imitation dairy products that currently exist within the province?

MR. FJORDBOTTEN: Mr. Speaker, the whole process in a comprehensive free trade agreement is to work out and get rid of balkanization, get rid of programs that are destroying industries rather than building on them. So of course we look at that. In the agricultural sector, in certain sectors, there will have to be a phase-in. We aren't driven by that to make any modifications to the Dairy Industry Act in the immediate term, but we try to respond to the needs of individuals in the province of Alberta and will assess and make those changes at the most appropriate time.

MR. LEE: A supplementary, Mr. Speaker, to the Minister of Consumer and Corporate Affairs. In view of the fact that an estimated 40,000 Calgarians and 150,000 Albertans are allergic to milk and other dairy products and are entitled to a fair shake in the marketplace, is it the intention of the minister to intervene on behalf of the consumer to ensure that these imitation dairy products are made more readily available?

MRS. OSTERMAN: Mr. Speaker, the hon. member used the term "imitation". The most important concern I have is that all products in the marketplace are labelled in such a way that there is full disclosure on those products in terms of consumers understanding precisely what they're buying. Obviously, I would offer our office's capacity to work with the federal minister in terms of making sure. I've had some comment in my office with respect to that that leads me to conclude that a number of people purchased imitation products believing they had received an extraordinary value. The products may be very good, but there wasn't an understanding that, in fact, the nutritional value was somewhat less than a comparable — I guess one would refer to the weight and cost of dairy products. The hon. member made a very good point, but I'd be most concerned with proper labelling on those products.

MR. HYLAND: A supplementary, Mr. Speaker. In view of the answer by the Minister of Consumer and Corporate Affairs, is she considering legislation in labelling so these products have to say what and how much of the substance they contain and not ride on the back of the dairy industry by saying "milklike" or "ice-creamlike" substitute — just say it is a substitute?

MRS. OSTERMAN: Mr. Speaker, labelling as far as contents are concerned is the responsibility of the federal department. But certainly any products that are developed in Alberta — and would be an enhancement of the opportunity by both companies and consumers to avail themselves of it — should be properly labelled. I'd certainly undertake to work with the federal minister in that regard, because as I mentioned in my first answer, there has been some

confusion on the part of consumers in regard to what products they were actually purchasing.

MR. HYLAND: A supplementary, Mr. Speaker. Would the minister talk to the federal minister and have "dairylike" removed from the naming and just say what the product is?

MRS. OSTERMAN: Mr. Speaker, I don't know whether the federal legislation would provide leeway for the federal minister to go that far. If there is something with respect to labelling that is unclear or would lead to a misunderstanding by the consumer, I think the federal minister would have some ability to act in that regard. All I can do is undertake a discussion with the federal minister.

MR. FJORDBOTTEN: Mr. Speaker, I'd like to supplement the answer of my hon. colleague. With respect to the question about people who are allergic to dairy products, that's one of the amendments we are looking at making to the Act, particularly for infants. We've already had preliminary discussions with the industry. They don't see any real problem with making amendments as long as a couple of things are in place: first, that imitation dairy products are named, labelled, and packaged in such a way as not to ride on the back of the advertising and high quality of dairy products; and secondly, that the labelling and nutritional value of imitation dairy products be clearly spelled out so that the consumers know for sure what they're buying. So there are a couple of caveats that I think are only reasonable, Mr. Speaker, and we'll continue to work with the industry to develop it.

ORDERS OF THE DAY

head: GOVERNMENT MOTIONS

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

[Adjourned debate March 29: Dr. Reid]

DR. REID: Mr. Speaker, it's a pleasure to rise and take part in the debate on the Budget Address delivered by the hon. Provincial Treasurer. It's always good to listen to the Provincial Treasurer's budgets, not entirely because of his abilities to deliver a good speech in an interesting manner but also because of the content of the sequence of budgets he has presented in this Assembly.

Incidentally, Mr. Speaker, I might say it wasn't quite so easy last Friday to listen to the speech by the hon. Member for Little Bow. I don't intend to sequentially go through the remarks he made in order to rebut some of the alleged information he was giving out. But just looking at the five points he mentioned at the end of his remarks, I think the hon. Minister of Agriculture's statement today has to a considerable extent addressed the concern about agriculture that was expressed by the Member for Little Bow.

On oil and gas, I am quite convinced he had forgotten that the government of Alberta and Albertans as owners of the resource have already contributed \$5.3 billion, or will within the next three years, towards that industry in the

recovery program. So when he talks about royalty relief, the people of Alberta have already contributed their share towards the economy of that industry.

I was also interested in his remarks on small business. If he is not aware of the programs that have been introduced by the Minister of Tourism and Small Business — the business interest reduction program of three years ago, the elimination of income tax for small businesses that are involved in manufacturing and processing, the introduction of small business equity corporations, and the other programs, never mind the effects of a stable economic environment — then I have to presume he hasn't been listening to what's going on in this province.

The other items of limiting government and the size of government — I'm sure everybody in this province would be interested in a reduction in the size of government and in intervention in people's lives and businesses. But one has to accept that this is a very complex society we live in and that we certainly can't go back to the 1880s. I was intrigued with the response that we should have fewer ministers, because if he's going to have fewer elected people looking after the affairs of government, I presume he means that he's going to have more civil servants doing that work on behalf of Albertans with no answerability to Albertans for what they do.

The fifth proposal made by the Member for Little Bow was in relation to capital expenditures and programs. In response to that I would just like to review what is proposed for the Department of the Solicitor General in the way of capital programs this year. As everybody knows, we are going to complete the construction of the Grande Cache correction centre. We are also going to start on the construction of young offenders' closed facilities in Edmonton and Calgary. We're going to start on the construction of the remand and correction centre facility in Medicine Hat, the construction of the remand and correction centre for central Alberta in Red Deer, and the replacement of the Fort Saskatchewan Correctional Centre. Those are five major projects that are going to start in one department alone. The total comes to over \$28 million worth of expenditures in the fiscal year starting today. With the projects that have been completed at the Lethbridge Correctional Centre, the Edmonton remand and the Calgary Bow River centre added to the existing facilities at the Calgary Correctional Centre, the result will be that Alberta will have by far the most up-to-date provincial or state correction centre system in North America.

People may well say, "Are there not better projects to build than correction centres?" The situation is that some of the existing correction centres across the province are aging, and there are gaps in the system. But at the end of the construction program I briefly outlined, we will have a system that will be adequate for the foreseeable future. Surely that's a good expenditure of capital funds on projects that are or will be required in the relatively near future. It's a justifiable expenditure of public funds, and the job-creating capability over the next two or three years of the projects I mentioned is considerable. The projects are scattered across the province; they're not all in one location. They're in the southeast, in the Calgary area, and in the centre of the province at Red Deer. Two projects are in the Edmonton area. I'd like to mention just one other construction project in the province. That will be the new provincial building in Edson, at a cost of about \$8 million in the current fiscal year.

In other words, Mr. Speaker, the suggestions that were put forward by the hon. Member for Little Bow are largely

just a rehash of what the government is already doing. It's usually the government that is accused of rehashing existing expenditures. On this occasion, believe it or not, the opposition member was doing the same thing for us.

Mr. Speaker, I would like to address mostly the effect of the budget on the constituency it's my privilege to represent in this Legislature. In doing so, I will inevitably spread into some programs that affect the province as a whole. It's for that reason that it is a pleasure to discuss in the Legislature the budget put forward by the Provincial Treasurer.

If we look at the summary and highlights on page 28 of the Budget Address book, there's a list of items that, as the Provincial Treasurer said, would be very pleasant for other provincial treasurers and the federal treasurer to address. Within the Edson constituency we like to think that many of the items are specific to that constituency, although, of course, they affect others.

It has been said repeatedly that Canada is an international trading country, and of all the provinces Alberta probably has the greatest involvement in international trade because of both its products and the activities of this government. Mr. Speaker, the Edson constituency, with its natural resources of oil, gas, lumber, sulphur, and tourism, which I suppose is an international commodity, probably has as much or more interest in international trade and commerce as any other constituency in the province.

Our reserves of metallurgical and thermal coal are currently the only ones that are utilized for export offshore. Admittedly, metallurgical coal markets are suffering a downturn because of an international downturn in the requirements for steel. But the resources we have and the capability to produce from three modern open-pit mines — at Gregg River, Cardinal River, and Smoky River — and, of course, the underground mine at Smoky River indicate that when the world economy and requirements for metallurgical coal turn up, those mines, which are currently to a large extent paid for, will be available for producing.

The possibilities for thermal coal in the Edson constituency are very considerable, and the efforts of the government to involve Ontario Hydro and other users of low-sulphur thermal coal are much appreciated in the constituency. Recently we've been able to get the federal government involved as well in the discussions for the use of that low-sulphur thermal coal in Ontario. Indeed, discussions are ongoing to try to have some use of Alberta metallurgical coal in the Ontario market to avoid having to import American coal, which in some ways is more expensive in that it is a negative item in our balance of trade.

The timber industry — lumber, pulp, and fibreboard of various types — is well based in the constituency and, again, is an international commodity. We export almost half the total production of pulp from the province. We export all the production of oriented strandboard from the new plant at Edson, and we export a considerable amount of lumber products, mostly two-by-fours but also some dimensional lumber, from sawmills in Hinton and Grande Cache.

If we're going to get the full benefit of developing our timber resources, considering that the investment requirements in some of these industries are extremely high — we're talking over half a billion dollars for a modern pulp mill as an absolute minimum; indeed, some pieces of machinery cost almost \$200 million — the efforts of the provincial government and the Provincial Treasurer to produce a stable environment for investment by keeping our deficit down and having our expenditures on debt financing

at less than 1 percent of the provincial budget surely have to be attractive to those international companies in the pulp and paper industry. The effect of having a low total tax rate for the employees has to be a beneficial influence on the decision-making in centres other than Alberta to locate further pulp mills within the province. It's unlikely that those mills will go within the Edson constituency. But having had the first pulp mill in the constituency, we all know a lot about it in that area, and we wholeheartedly support the efforts of the Department of Energy and Natural Resources to develop a lumber and pulp industry in this province that is integrated so that the sawmills can sell the surplus chips from their product.

I mentioned the stable economic climate because it's very important to all resource-based industries. They tend to be high capital expenditure industries and long-term industries, and for those reasons a stable economic climate is vital to the decision-making process.

Those items of a stable environment also affect the small-business men who come along either individually on the basis of developing a new industry or as the support industries and the backup private sector for the people who work on those primary resource-based industries. I can think of nothing worse than for a small-business man contemplating setting up a business to look at 10 or 35 percent of the taxes going to support the provincial or federal debt. Coming to Alberta, he at least knows he will not face that type of provincial tax.

The potential in the forest industry, Mr. Speaker, is very considerable in this province. We have in our deciduous timber a resource that has hardly been scratched. The current usage of aspen, white poplar in this province, is approximately 6 percent of the allowable cut. An Alberta entrepreneur has developed a board at the oriented strandboard plant in Edson, at Pelican Spruce Mills, that is literally standing the board industry on this continent on its ear. He is probably the lowest cost producer. He is producing a product that can be turned out from what used to be a garbage tree.

It's a product that can come in any thickness from an eighth of an inch to an inch and a half, in any size up to eight feet by 24, and in densities that are sufficient to either drive a nail into or thread so you can put a bolt into it. In other words, you can put the whole side of a trailer or a house in one piece of this board and cut the windows and doorways in it. The stability is there, because it's not the ordinary four-by-eight piece of plywood with all the instabilities that go with that. It's almost waterproof. It's available now; he's marketing all over the western part of North America. He has done it essentially on his own by looking at technology that was available elsewhere and putting various pieces of machinery together. He got assistance in his financing through a loan guarantee by this provincial government that significantly affected the cost of the money he did have to borrow for that facility.

That's an example of what can be done by an Alberta entrepreneur with a little encouragement from government. The government has not interfered in the development of the plant in any way. All we did was to make available to him the necessary resource for making the board and to give him some assistance in financing through a loan guarantee in the Treasury Branches. I think that's a good example of co-operation between the free-enterprise system and government. I can't think of any better.

There's at least enough of that resource in the province, Mr. Speaker, to build another eight or 10 plants. That's

the size of the resource that's available that is not currently being used. Of course, there are other uses that could be developed for aspen through research and development of other available processes, but that one alone could solve the problem of our unutilized aspen resource.

I don't want to take up too much time, Mr. Speaker, because I know other members of the Assembly wish to take part in this debate. But I'd like to address some other examples in this budget of what can be done by the provincial government. The potential for tourism is very considerable in this province. I happen to represent about half the Eastern Slopes area, all of Jasper National Park, part of Banff National Park, and all of the Willmore area. The efforts of the Associate Minister of Public Lands and Wildlife to open up, within reason, the policy on the Eastern Slopes so that it is permissive rather than restrictive, in conjunction with the tripling of the advertising budget for encouraging the tourism industry, will make a very significant difference in getting tourists into this province. It won't affect just the town of Jasper; it will affect the other communities within the constituency and, indeed, other communities across the province who have spin-off from the presence of the Banff and Jasper national parks as well as the other tourist destination points in the province.

Incidentally, at this time I'd like to compliment the chamber of commerce and other Jasper residents for the effort they put into getting the VIA train service back to Vancouver. The conjunction of the return of VIA in June of this year and the increased advertising budget of the provincial government should do much to return to Jasper the prosperity that existed previously based on the tourism industry. I'm quite sure the other three communities of Grande Cache, Hinton, and Edson will benefit considerably from spillover of that tourism to Jasper National Park.

Those communities, Mr. Speaker, will also benefit from the projected expenditures by the Department of Transportation. Within the one constituency we have the development of Highway 40 north from Grande Cache to Grande Prairie. That will open what is called "loop tourism". It will open up more than the Edmonton to Grande Prairie to Grande Cache to Highway 16 to Edmonton loop; it will open up a loop through the Peace River country of British Columbia at Dawson Creek and back via the mountain parks to Vancouver. For many Americans it will also open up the opportunity — and many Americans I know like to visit all their states — to go through the Canadian national parks, up Highway 40 onto the Alaska Highway and, if they wish, take the ferry on the west coast back to the United States. Again, it will encourage tourism throughout the area.

Other construction projects in the constituency: the twinning project on Highway 16 will encourage people to use Highway 16 more, and I'm sure the paving of the Coal Branch Highway from Highway 16 through Robb to Coalspur will encourage many Edmontonians to visit a beautiful part of the foothills and to gain access to the Forestry Trunk Road at Coalspur and go south to the Rocky Mountain House area. All these projects may not sound like much individually, but if you take them in the total grouping, they all support the concept of tourism in the foothills of Alberta. Tourism is certainly a potential growth industry, just as is the forest industry.

Within the constituency there will also be considerable benefit from the increase in unconditional municipal grants. The town of Edson will have a 6.3 percent increase; the town of Grande Cache, 19.6 percent, which is surely valuable to that community with the problems it has had due to the

downturn in coal mining; and Hinton, almost an 11 percent increase. All of the communities will benefit very considerably from the increased funding for community recreation and cultural grants. An increase of \$5 per capita per year means that altogether about half a million dollars will go into the constituency for recreation and cultural grants this year. Of course, this time some of it at least will have to go to those small community groups who contribute so much to our small towns.

I hope as well that there will be some benefit to the education system in the constituency from the \$15.5 million for computer and business equipment. Funding for the Yellowhead Region Educational Consortium is increased somewhat but not as much as I would like to see in view of the remarkable success of that consortium. It has brought to west central Alberta a facility for adult education that was sorely missed before. It used to be that as soon as our young people finished high school, they had to leave the constituency for any postsecondary training. The development of the consortium concept under the previous Minister of Advanced Education and the continued support by the present minister will, in the foreseeable future, enable many young people to stay within the constituency to take further training. Of course, the very considerably increased assistance to postsecondary students of some 23 percent will benefit many of the young people from the constituency who have to leave in order to attend university, institutes of technology, and other facilities for advanced education. That's especially important to those young people who come from rural Alberta, from small towns, and have to go to the larger cities in order to get those facilities.

Mr. Speaker, the concentration on young Albertans in employment programs, whether it's in the continuing education sphere so that they will be better trained in the future or in direct job stimulation, is very useful to the considerable number of young people in those resource-based communities I represent. We tend to have a lower than average age group, partly due to a higher fertility — perhaps because of a lack of other entertainment. We have a considerable number of young people who will be able to take advantage of the employment programs.

Mr. Speaker, throughout our constituency — which is a microcosm of Alberta; it has the basic strengths and the sectoral weaknesses of the economy of the province at this time — optimism will develop over this next year because of the construction programs, transportation programs, interest in offshore trading, interest in free trade with the United States, work on moving coal into the Ontario market, and of course all the follow-up position papers subsequent to the white paper. All will have a very considerable benefit upon the economic well-being of the residents of that area.

I encourage the entrepreneurs, the small-business men of the area, to take note of the energy agreement of last week, which will once more return stability to that industry. Most of the drilling in our area of the province is, of course, deep drilling for natural gas. But there is some oil drilling and some oil pools within the constituency. The development of those pools will now go ahead because of the removal of the petroleum gas revenue tax from new wells. Certainly, the efforts to increase access to the United States gas market are the best way of returning deep drilling for natural gas to that area. As the sales to the United States go up, so will the deep drilling.

Mr. Speaker, I made a few remarks, partly in response to the Member for Little Bow, partly as Solicitor General, and partly in relation to the constituency I represent. But

I think all those remarks indicate that the budget presented by the Provincial Treasurer for the fiscal year starting today is a document that all Albertans will look back on as a policy, a program, of economic development and fiscal responsibility that will be to the benefit of all residents of Alberta. We'll look back on it as a landmark document.

Thank you.

MR. GURNETT: Mr. Speaker, I'm pleased to have an opportunity to make some comments about the budget as well. To me the document is a discouraging indication of a government which can use glowing rhetoric to describe a world of imagination or to review the past but cannot or will not offer creative, workable programs and proposals for ordinary people in this province. I know we can do better. The hon. Treasurer's address on March 25 mentioned the "wonderland of experiences" available for people in Alberta. We all remember the classic story about wonderland. The central point of that book was that the whole thing was a dream. Anyone who reads the Budget Address and then looks at the everyday situation in Alberta will realize that that parallel still holds true: the dream continues. There are two more comparisons to make with the Treasurer's Monday evening fiction and Lewis Carroll's story about Alice. First, there are always parts of dreamland that are frightening, and we call those nightmares. Secondly, dreams don't last. In the end there's always an awakening, and sometimes that's a very rude or abrupt awakening.

One response that teachers working with small children notice and that alerts them sometimes to the possibility of real problems in the child's out-of-school environment is that the child starts to spend a lot of time daydreaming and trying to actually live in an imaginary world that he or she has created. The Budget Address is a similar kind of exercise, Mr. Speaker. The government cannot be unaware that its rosy images of sunshine and good times are unreal. I can only conclude then that the reality is too unpleasant, as with the small child, but there's a stubborn commitment to a passivist government that prevents anything being done. That doesn't, however, change the reality.

The budget is an example of Conservative ostrich economics. With its head in the sand, the government is telling us that confidence is high, that renewed growth, like spring, is just around the corner, and that recovery is knocking on the door. Meanwhile, back in the real world here in Alberta, municipal governments have to defer needed facilities and improvements in their areas because there's inadequate funding and they don't want to have to raise the local tax burden for people. We've got independent businesspeople who are managing to keep their doors open and stay in business only through a lot of personal sacrifice. We've got banks that are seizing farmers' cattle and refusing operating loans for this spring. Families all over this province are failing to meet payments for homes. As a result, we've got mortgagors managing hundreds of abandoned and foreclosed houses that were once part of the bright hopes of young families. And as I've discovered right in this city, we've got young people delivering a message in bus shelters wherever you go that says: "No jobs in Alberta; give up; commit suicide." I think there's a big gap between that dream message and the reality we see day by day around us.

The Treasurer would like to create an impression that we're enjoying paradise in Alberta, Mr. Speaker. But as I look around at the situation I actually see in the province and the inadequate approach of the government to that

situation, I think that we have a case of myopia in Utopia. In this province the government behaves as if it deserves credit for the good fortune of this province being located on an ancient seabed and therefore having access to incredible wealth in fossil fuel. Well, that's short-sighted. And it's dangerous, because those resources are nonrenewable. When they're made the engine of prosperity, we're showing a disregard for the future that will carry a price tag that will hurt us down the road. I would be far happier if I could see our provincial well-being the result of responsible government and careful decisions, even if that meant more modesty in the area of ski hills, golf courses, and reflecting pools. Mr. Speaker, a good craftsman relies on his skill and not on his tools for his success, and I think this province should rely on the good people and good ideas that are available and not on oil pools.

I'm concerned about the Budget Address, Mr. Speaker, because it uses words to say one thing while something else is intended, or it says two contradictory things in different places with no effort to reconcile the contradiction. One of the best examples of this would be humorous if it weren't so dangerous. On page 17 of the Budget Address we find a statement that says, "This government has long recognized the fundamental importance of agriculture." I just remind you again of the statement on page 8 that tells us that the key to things changing on the farm this year is going to be "a return to more normal weather conditions" in the province.

The Budget Address has too many similar word games, Mr. Speaker. The point is that words are not reality. Talking about something in an address like this does not make it so. It's much more appealing to say that unemployed men and women in Alberta are just between jobs or that a recession is an economic challenge. But no matter what the words, the reality is that ordinary men and women are being hurt while shareholders in railroads and banks, or at least most banks, and multinational oil companies are enjoying record profits. It's easy to say we have a budget that will mean there will be no losers this year in Alberta. But as I look at the proposals in that Budget Address, it looks like there will be a lot of people who won't win.

During the past few days as I've listened to other hon. members talk about the Budget Address, there's been a lot of talk about optimism and pessimism. It has been proclaimed that we just have to be optimistic. But I suggest, Mr. Speaker, that an either/or situation is not really accurate here. Both optimists and pessimists have to ignore a fundamental situation in order to maintain their positions, and that something they have to ignore is reality. The alternative we need is that of the realist, not the optimist or the pessimist. We must look at what is happening economically to the ordinary people in this province. When I see net farm income dropping to its lowest level in 13 years — or if we look at it in real dollar terms, to its lowest level in decades, in fact since the 1930s — when farm bankruptcies are at their highest level in that many years, and when Alberta farmers are being told already that they've got to be prepared to suffer another net farm income drop in 1985 of perhaps as much as 30 percent while farmers in all other provinces anticipate seeing real gains this year, then I think we need a Treasurer who is a realist, not an optimist.

The Norman Vincent Peale budget we were given last week is patronizing and insulting to the ordinary people in this province. The economic pain of Albertans is not something a positive attitude turns around and that little sermons on being positive will make a difference with. The possibility

of men and women exercising individual initiative and knowing some success in Alberta has been hurt by an economic theory that's not efficient, not effective, and not egalitarian, Mr. Speaker. The result is that people in this province are still stuck on a boom-and-bust roller coaster. They're vulnerable to threats from every direction, and they're cheated of the chance to know steady, balanced growth and improvement in their economic lives.

Mr. Speaker, we must remember that government is not different from people. We the people are government, and government by us should be for us — for all of us. In the same vein, the revenue of this province that's talked about in the Budget Address belongs to the people of this province. It's our money. The money does not belong to the government. Government is the steward of that money, and it should use that revenue for the greatest good of the people of this province.

Justice is an important word. What are we all entitled to? I would suggest fairness. Economic fairness is a very important part of this, Mr. Speaker. Fairness requires consistency, and it requires integrity in government following through on the things it claims to believe in. In my short time here I've listened to a lot of inaccurate attacks on "socialism". But really all that socialism says is that government has to take an active role in creating a fair society.

The other approach is not something we call free enterprise; it's capitalism. There was an American president who made a good comment about capitalism. He said: the only trouble with capitalism is capitalists; they're all too greedy. In capitalism we operate as if all that matters is that I get what I want. Mr. Speaker, a budget by people committed to capitalism cannot be fair, because its first concern is to protect those at the top, to make sure that the wealthy can continue to acquire more wealth. With no evidence of its truth, the claim is made that by this approach wealth will eventually trickle down and reach the ordinary people where most of us live.

In this capitalist approach government interference is criticized and decried when programs that help ordinary people are proposed, but government support is praised and lauded if a handful of corporate friends are going to benefit. This is the same myopia that I talked about earlier. The point is missed that practical involvement and participation of government now will often reduce government interference later on, and it will cost less money as well. That approach by government requires real stewardship. It pays real benefits, and it gives everyone, not a small group, a chance to succeed.

Mr. Speaker, there are some good directions this government could have taken in the budget. The black comedy of agriculture status in the budget is probably the worst part of that Budget Address. Debt load and input costs are the two major problems facing farmers in this province. Action in these areas would make a difference to producers caught in the cost/price squeeze we hear about so often. Providing some relief in these areas could have been the foundation of the budget's agricultural initiatives. Debt difficulties of many farmers need to be addressed now. Debt adjustment legislation would help. Such legislation would not let the farmer escape from obligations, but it would let the farmer renegotiate and reschedule debt so that those pressures didn't result in his being forced out of business. Many otherwise successful farmers are right now simply the victims of circumstances related to debt that they had no control over and couldn't escape from. This kind

of legislation in the 1930s played an important part in letting people stay in farming who went on to become successful farmers and to make a real contribution to rural Alberta. The cost of establishing a department to deal with debt adjustment would not be great, and it would be a clear expression by this government of confidence in Alberta's farmers and their future.

In the longer term, however, Alberta must act to take advantage of our special financial resources. We must make long-term, fixed, low-interest loans available to farmers. We could do this easily by using heritage fund revenue, much of which is now tied up in interest-bearing securities, the majority of which are debentures that are issued by provincial Crown corporations who could go and get their money elsewhere on the open market. That kind of step would communicate real confidence in the people of this province far better than anything in this present budget does when it talks about confidence. The loans made available in this way could provide real relief from the high and varying interest rates of the banks and give people some chance to plan and budget with a little bit of security. The province would continue to realize income from these loans by doing this. I'm not talking about a giveaway; I'm not talking about a free lunch for farmers. By providing these loans through the existing Treasury Branches and credit unions in this province, the unnecessary administration costs of ADC could be eliminated — one more small step towards a lean, efficient government.

Of course, this use of the fund shouldn't be restricted only to farmers, Mr. Speaker. I think homeowners and independent businesspeople in the province should also have these possibilities. Then we could see a couple more government bureaucracies dismantled as AOC and Alberta Mortgage and Housing were eliminated. This use of the heritage fund would recognize the need to use income from our nonrenewable resources now to develop a long-term economic base for the future. No one wants to encourage a greater debt load for farmers. We're not talking about tempting them to go further into debt; I'm talking about the need for a reasonable, manageable debt load.

Input costs also need continuing attention. For several months I've talked about the need for a farm fertilizer distribution allowance, and it was good to hear some concrete action in this particular area being explained to us today. This budget sees the farm fuel distribution allowance continue. But it needs to be improved so that the proportionate ratio that was there 10 years ago, when the farmer was paying approximately two-thirds of the pump price for his fuel, could be re-established. Provincially that ratio has crept up to where farmers are right now paying approximately three-quarters when the distribution allowance is taken into consideration. In some areas — for example, the area I represent — they're paying as high as 85 percent.

A rebate on fuel costs for truck transportation of Alberta produce should also be considered as a step to help agriculture in this province. Lower municipal property taxes for farmers is another step that needs to be taken. This could be achieved by introducing municipal revenue sharing in this province and by raising the provincial government's share of education funding so that local school boards don't have to go to their local taxpayers for so much.

Freight rates are also an important area that needs attention. The government should be hard at work now convincing the federal government to halt increases in grain freight rates for producers, and they should also be investigating a freight rate offset plan if increases are imposed.

In the Peace country we would also like to hear about a commitment to link the rail line which now ends at Hines Creek with the British Columbia Railway system in Fort St. John and Dawson Creek.

Agriculture would also benefit from a change of perspective in relation to research. Research gets less than \$5 million in this budget. We could provide major assistance by establishing an agriculture research foundation and giving it a decent endowment so it could really operate. Such a commitment to improving the possibility of success for farmers in the years ahead is superior to band-aid programs that cost a lot of money just to cut losses for a year or a couple of years here and there. Agriculture is a major avenue of new wealth in this province. A whole way of life depends on assuring that agriculture in Alberta continues to be based on the family farm economy. Small communities will suffer if there is not a future-oriented approach in agriculture. Wishing for good weather, Mr. Speaker, is just not enough.

Another major direction this budget fails to encourage is diversification. How long will we continue to be told that the oil and gas sector must be the mainstay of the provincial economy? Use of the heritage fund for low-interest loans and also for equity investment in Alberta companies would encourage diversification. So would more support for co-operative businesses and industries.

One of the directions Alberta should pursue particularly is that of renewable energy. The future for this industry is gigantic with the limited life of fossil fuels clear to us now. Renewable energy offers major economic benefits in the long run, and it's environmentally sound. It's an area that we have the financial resources to encourage major research on and to become an acknowledged leader in.

I attended a science fair at Fairview College in my constituency this weekend. It was an excellent event, extremely well done by the college, and it provided a great deal of encouragement to young people throughout northwest Alberta who have interests in research and science. It was an exciting thing to see how they were encouraged by the attention they received during the event. A lot of young people at that science fair had projects, ideas that they had come up with, that were related to the renewable energy area. What we need is to have structures in place so that when they are able to go on to work in serious research in these areas, there's support available to them to continue their participation and it doesn't become just a passing thing during their student years.

Mr. Speaker, this government could have taken some positive actions in the budget. Co-operation and communication with the people of the province continue to be avoided, and the concept of careful, responsible economic planning and action for the future is absent. Without consultation or even any apparent recognition of the real circumstances of people in Alberta, we've got a budget proposal that will neither strengthen us to deal effectively with the future nor help those people that are in difficult times now. Let's be realistic and approve a budget that can promise a fair chance to everyone. Let's be realistic and quit pretending things are fine because someone says they're fine. Let's be realistic and provide real encouragement where and when it's needed and quit wasting money in other areas. Let's be realistic about getting each man and woman in Alberta on the move again.

Mr. Speaker, let me close by quoting from Georges Vanier, a former Governor General in this country. He gave some good advice about confidence that's far more

daring than any advice or talk about confidence we heard from the Treasurer but, I believe, far more practical as well. I'm going to quote a paragraph from his 1961 New Year's message to Canadians:

In this age of motion and the machine if we can achieve a daily moment of quiet, say ten minutes, for reflection or meditation we may be able to find ways of living the precept 'Love [your] neighbour as [yourself].'

To find practical ways of living out that precept, Mr. Speaker. He continues like this:

This creates a spirit of confidence ... Who knows whether this may not be the first step towards the road of friendship among nations and the achievement of 'Peace on earth to men of good will.'

In closing, Mr. Speaker, I'd suggest that that advice could also be the road towards the achievement of an economically fair society in Alberta.

MR. KOWALSKI: Mr. Speaker, I'm really in a very, very good mood today. Normally I listen when my colleagues in the Assembly speak forth, but quite frankly I didn't really spend much time listening to the Member for Spirit River-Fairview. I've a baby of my own at home, and he had a sore ear last night and kept me up most of the night, whining and complaining.

On Monday, March 25 this year, our Provincial Treasurer brought down Alberta's fifth budget of the 1980s, and in my view it's a most significant document. The Provincial Treasurer is to be congratulated by all members of this Assembly for the empathy he's shown in ensuring that this budget is the most people-oriented in Canada. Without any doubt at all in my mind, this budget contains the tradition of fiscal responsibility and management we've been so used to recognizing and accepting since 1971. Additionally, the budget displays to all Albertans the continuing belief in entrepreneurial integrity and in the individual, which we have shown and displayed with some degree of modesty and with a large degree of enthusiasm over the past 14 years. I want to repeat that: entrepreneurial integrity and enthusiasm for the individual.

I think there are some members of the House who refer to the so-called fairness that exists in socialist societies. I am of Polish heritage. I ask members to project themselves a few hours away by flight, out of an airport in the province of Alberta, and go to some of the fair, people-oriented countries of the world, the Union of Soviet Socialist Republics, and ask for fairness and entrepreneurial integrity and belief in the individual. There are people who currently sit in this Assembly, whose ancestors spent time in the gulags brought about by the fairness of the people society of socialism. To those who live in virtual slavery in Latvia, Estonia, Lithuania, Bulgaria, Poland, Yugoslavia, Czechoslovakia, Romania, Russia, China, and perhaps even those who now are forced to fight with arms and picks and tools against the Russian Big Brother as they've invaded Afghanistan — I want all of them to listen to socialism in fairness. We don't have it in this province. Heaven forbid that we ever will.

[Mr. Deputy Speaker in the Chair]

We believe in entrepreneurial integrity. We believe in the individual. We believe in an opportunity for the person to excel and succeed, to bring forth in a flowering of his own initiative, with his own dynamism, to create and be a better person for himself and his spouse and their children,

not an environment of degradation of the human spirit that's found so often in a socialist society. It's really a sad day, in my view, when hon. members of this Assembly come forward and clearly admit to their belief in socialism and the destruction of the human spirit and the individual.

I'm a positive person, Mr. Speaker, and I want to talk about this budget because I have no doubt at all in my mind that this budget will continue to provide Albertans with the highest quality services in a series of areas, in health, education, social services. As well, it follows that whole question of fiscal responsibility that I talked about. The budget that just came down for the fiscal year 1985-86 is a budget of nearly \$10 billion. Let's talk about its importance to the person in this province of Alberta.

We have approximately 2.3 million people in our province. If you take 2.3 million and divide that into \$10 billion, what do you get? You get a per capita expenditure of some \$4,300 on every man, woman, and child in this province in terms of people services. It's amazing when people come back and say, "Well, that's not enough." I ask all members of this Assembly to consider. Let's take the average Alberta family: a mother, father, and two children. If each of them were to get back this \$4,300, or had to pay for this \$4,300 in services that are forthcoming in our province, that family would in fact be paying Alberta income tax of some \$17,200 a year. Of course, that simply doesn't exist. It doesn't happen at all. In the province of Alberta they do not pay income tax anywhere near that figure, and I'm going to come back a little later to the exact figure they do pay.

Mr. Speaker, I think it's well that when we look at the expenditure level of our budget of \$10 billion, we take a look at the revenue level of some \$9.765 billion. Basically we're talking about a projected deficit for the fourth year in a row, but it's not a projected deficit of substantial numbers. When you look at that projected deficit of some \$245 million for this fiscal year in terms of comparisons to deficits that exist in other places in our country — let's just go back a year and a couple of months when the last federal Liberal budget came down, a budget of some \$100 billion with a projected deficit of some \$35 billion; that's an enormous deficit. The deficit in our province, of course, is less than 1 percent of the total provincial budget.

I think there are some words that are very important. The Provincial Treasurer began his budget speech the other night with the phrase: "This is a budget of economic recovery and renewed growth." And it is, Mr. Speaker. There's no doubt at all in my mind that the rank and file, the people of Alberta, whether living in the far north, the far south, the east, or west, are looking forward with renewed vigour and enthusiasm and confidence on this day in 1985, perhaps a bit more confidence than they've had in recent years because of a series of initiatives that have culminated in recent weeks. Our throne speech, our budget speech, the energy understanding of last week, spring in the air and the like, all come together.

I'm kind of enthusiastic about it all, but at the same time I'm also concerned that a lot of people in Alberta simply do not appreciate the foundation for the taxation aspect and expenditure level of our province. A little earlier I indicated the very good position Alberta families find themselves in. If we look at a family in Alberta earning an income of some \$30,000 and compare what that family would have in terms of take-home pay with a family in Ontario, we find that a family in Alberta would have take-home pay of some \$28,040, whereas in Ontario it would be \$26,670. That model family in Alberta — a mother,

father, and two children — in fact would be some \$1,370 better off than they would be living in the province of Ontario.

When we take a look at our taxation levels, we believe in the individual and in the individual's ability and right to spend his or her own dollars. We do not believe that the government should come in, usurp them of their moneys, and then redistribute them for who knows what purpose and reason. When we look at personal income tax in our province, our percentage of federal tax is 43.5 percent. There isn't a province in Canada that even comes close to that. When we look at the so-called existence of high-income surtaxes — but what's a high-income surtax? My understanding is that in the province of Manitoba, high-income surtax is \$15,000 a year. That's hardly an affluent person. What Manitoba has done is reduce the opportunity for the average individual to realize the dream through initiative that most people would want to have.

Of course, in our province retail sales tax doesn't exist. In many other provinces it does. In Manitoba, the people's paradise, where fairness prevails, it's 6 percent.

We all know Alberta doesn't have a gasoline tax. The new Progressive Conservative government of Saskatchewan also does not have a gasoline tax. That's a very important point one has to recognize when looking at the basic input costs for many of the producers in our province.

Mr. Speaker, when we look at the levels of revenue in our province, a lot of people do not appreciate the sources of funding. When we look at our budget of \$9,765 billion and the various areas where budget revenue comes from, we look at the area of taxes. Taxes bring into the province of Alberta 15.6 percent of its revenue, when we consider personal income tax, corporate income tax, freehold mineral tax, tobacco tax, insurance corporations tax, pari-mutuel taxes, and the like. Nonrenewable resource revenue brings in 37.9 percent of our provincial budget; payments from the government of Canada, money that Albertans provide to the government of Canada, 11.3 percent; fees, permits, and licences, 1.8 percent; trading profits, essentially the profits of the Alberta Liquor Control Board, 2.9 percent; and other revenue, some 2.3 percent. Interest accruing on the investments of the Alberta Heritage Savings Trust accounts for 16.3 percent, compared to 15.6 percent coming directly out of taxes. We're very fortunate. As an individual who was not in this Assembly at that time, I constantly want to say thank you to those men and women who served in this Assembly nine years ago, who looked at the concept of the Alberta Heritage Savings Trust Fund and had the vision and courage to move forward with it.

We then look at the other side of the ledger, the expenditure side. Where does that \$10 billion go: 25.7 percent goes to health, 23.8 percent to education, 11.8 percent to social services, 3.1 percent to regional planning and development, 3.4 percent to housing, 1.8 percent to recreation and culture, 1 percent to environment, 6.9 percent to resource conservation and industrial development, 10.5 percent to transportation and utilities, 4.2 percent to protection of persons and property, 7 percent to general government, 0.8 percent to debt servicing costs, which we referred to before.

There are those who would stand and say, "This is not a budget for people." Again, I'd like to draw to the attention of everybody: general government is 7 percent of the total expenditures of this particular provincial government, which happens to be a Progressive Conservative government which is concerned about the person and not about 'bigesse' in

government, and the other 93 percent is directly associated with the delivery of services to people, not to the glorification of institutions and bureaucracy.

Mr. Speaker, I want essentially to look ever so briefly at six or seven different program areas this afternoon. The first is the disadvantaged, the disabled, our elderly Albertans. When you look at the budget for the Department of Social Services and Community Health, you see a budgetary increase of some \$1.3 billion. Social allowances to provide food, clothing, and household expenses are being increased to \$461 million. The assured income for the severely handicapped program will receive \$93 million, an increase of nearly one-third. Funding for the day care subsidy and operating allowances programs is going to rise by 25 percent. Some of us were fortunate enough to visit Kananaskis Country last fall as part of our responsibilities with the Alberta Heritage Savings Trust Fund. We visited William Watson Lodge, an outstanding facility for our handicapped citizens. In his budget the Provincial Treasurer announced a doubling of that capacity.

Our senior citizens currently receive premium-free health coverage and other health benefits, home improvement grants, self-contained and lodge accommodation, property tax rebates and renter assistance grants, an assured annual income, and social allowances. In addition, we have the special home heating grants for 85,000 senior citizens. In fact, Mr. Speaker, total benefits for our senior citizens, our pioneers — the people I think we have the greatest amount of obligation to — will amount to \$400 million in 1985-86. A lot of people don't really appreciate what a senior citizen in the province of Alberta can obtain in monthly assistance and income. These figures are very current. Under the Alberta assured income plan a single person can receive \$95, under old age security \$273.80, and under the guaranteed income supplement \$325.41. In other words, a single senior citizen living in the province of Alberta today can receive a maximum monthly pension of \$694.21. A couple, both aged 65 or over, can receive \$1,161.46. A couple, one over 65 and one between the ages of 60 and 64, can receive \$1,066.46. If you happen to be either a widow or a widower aged 55 to 64, under the unique Alberta widows' and widowers' pension program, you can receive \$695 a month. No one begrudges the assistance provided to our senior citizens. Inevitably I run into senior citizens who say: "You're doing a great job. You've done a super job. Thank you very much." Some, in fact, are even saying, "Maybe you can slow down for a little while."

Mr. Speaker, it's of interest to note a lot of the very negative comments that came out as a result of the obvious ignorance and misunderstanding with respect to what was contained in the budget in the area of municipal affairs and assistance to municipalities. I think those who basically said that there is a 4.2 percent increase to the Alberta municipalities and didn't go any further have hurt themselves by not using their brain power in looking through the budget to see what is really happening. I'd like to point out what has happened in the constituency I represent: the town of Barrhead, a 21.9 percent increase under financial assistance for municipal programs, far beyond the 4.2 percent I've heard some talk about; Fort Assiniboine, Alberta's second oldest community, 8.1 percent; Nakamun Park, 15.1 percent; Ross Haven, 13.4 percent; Sandy Beach, 14.2 percent; and Yellowstone, 11.1 percent. Those are just examples.

Those who were so quick to comment about what was or was not in the budget also did not use their brain power and initiative to go through and see what was happening

in the area of new programs, the grants in lieu of taxes for senior citizens projects. Many, many communities in the province of Alberta that have lodges and senior citizen foundation buildings will find that they're now eligible to receive a grant in lieu of taxes. That's one of the positives I sincerely want to thank both the Minister of Housing and the Minister of Municipal Affairs for having the initiative and dynamism to bring forward.

Perhaps the one area where imagination is lacking is with respect to those comments that have come forward in the area of agriculture. If you look at pages 17 and 18 of the budget, you will see the ongoing commitment of our government, the ongoing commitment of our province, to funding a whole variety of innovative, unique agricultural programs: the Agricultural Development Corporation receiving a grant increase of 26 percent — I want to repeat that, Mr. Speaker; not 2.6 percent, not 3 percent, but 26 percent — the innovation in terms of the farm development loan guarantee program that was brought in a little earlier today, a departmental budget that will total \$108 million in this fiscal year, the \$73 million that is allocated for purple fuel assistance. It's too bad the new Member for Spirit River-Fairview isn't here, because he'd get another tongue-lashing. He basically stated a little earlier that the \$73 million in terms of purple fuel assistance isn't enough. Isn't it incredible that this is the only province in Canada that has no tax to any agricultural producer for the use of their farm fuel? The major portion of the tax farmers have to pay in this province in terms of agricultural fuel comes about as a direct result of the incest between the federal New Democratic Party and the Liberal Party of Canada several years ago when they brought in the national energy program. Nearly 20 cents per litre of taxes that didn't exist prior to 1980 are now being foisted upon all farmers in this country, and the hon. gentleman has the unmitigated gall to say that the people of Alberta must now pay more and subsidize to a greater extent than the federal taxes. That is something that's unknown to me. I suppose it's a form of economics that might be found in a socialist state, where they also tell you what time in the morning you get up, where you go during the day, when you can die, because they have ways of killing you.

The primary agricultural producers natural gas rebate program has for the most part been unmentioned by the critics. It will provide a substantial amount of assistance to those who are involved in very intensive agriculture: dairy production, poultry production, alfalfa processing, greenhouses, irrigation, grain farming, and sod and peat moss businesses. All of those businesses are unique forms of diversification, intensive production, and they are found in all parts of Alberta.

Isn't it incredible that when the budget talks about the continued need for this government to direct itself to agricultural products, finding new markets, stimulating new markets, opening new doors, these same people who ignore even making mention of the tremendous advances being made in terms of finding new markets are the ones who often get up and speak out of the other side of their mouths and lambaste the leaders of our government for spending money on travel, on opening new doors. I simply don't know how that's possible if you look at the trade statistics for 1984 in this province and see that one sector of our government saw the securing of some \$347 million worth of export contracts last year, a doubling in terms of the dollar figures for 1983. I suspect that what we're supposed to do is lock our ministers and the Premier up in this

building and not ever let them out. Somehow we're supposed to find new markets in other parts of the world. I guess we could send letters, but if we were to do that, I suspect that two years from now we'd probably get lambasted for spending an increasing amount of dollars on postage stamps.

No one is basically prepared to accept that this government committed itself, by way of statements in the throne speech and by way of continuing support for the reduction of input costs, to the natural gas price protection plan. They have not come up and said, "Hey, isn't that of significant benefit to all people in this province, producers and the like." Here is a program that since 1974 has provided over \$1 billion in assistance. Here is a program that is being provided to all people in Alberta who use natural gas. It's a significant program.

Those who stand before us today and take credit for the new Alberta farm fertilizer price protection plan obviously don't attend this Assembly much, don't listen to what members of the government have been saying for a great period of time, or refuse to be honest about where those ideas have come from. All anybody has to do is refer to the *Hansard* debates of the 1984 spring and fall sessions to see the stimulating speeches brought forward by members of the government side on the need to reduce farm input costs. They'll quickly realize the connection to the introduction of the Alberta farm fertilizer price protection plan today, a very unique program that will further reduce input costs.

Mr. Speaker, unfortunately time does not allow a person to go into great detail on the drought assistance program or the crop insurance program, a program that's unfortunately going to have to reach some \$200 million in terms of payouts in fiscal 1985-86 compared to receiving premiums in the neighbourhood of \$100 million. No mention is made of the pork producers' market assurance plan that was so successfully implemented for a period of years. No mention has been made of the credit reality. It's a sad day when credit is not due for the initiative of a government. On the other hand, there are those who are quick to criticize, whine, and complain.

Mr. Speaker, this budget contains dollars for people. In other words, it contains dollars for jobs. I want all of my colleagues in this House not to listen for a couple of minutes, because I want to speak to my constituents by way of *Hansard*. In my way of thinking, the commitments this budget makes to transportation are quite incredible. I have spent some time looking through the Alberta Transportation budget and am absolutely delighted to realize that the constituency of Barrhead is going to do quite well in 1985. We've had to do that in 1985 because we've had a number of rather vacant years in which dollars have been spent in other parts of the province to assist others. Because of my past relationship with that department, some members have accused me of perhaps manipulating something. Of course, that is not the truth. When I look at what's included in the estimates and at what's going to happen in the constituency of Barrhead, I've really got to be very, very proud. I think all members probably would like me to share that pride with them. We're going to see some 21.3 kilometres of paving going down on secondary road 918, that very important connector from Barrhead to Green Court. When we look at Highway 32, that very important connector from Swan Hills to Whitecourt, we're going to see some 21.3 kilometres in addition to another 26.5 kilometres of overlay. The most important new roadway in Alberta, the Grizzly Trail, Highway 33, will soon open up all of

northwestern Alberta directly to Edmonton via Swan Hills and Barrhead. We're going to finish that job and have found good co-operation with the Member for Lesser Slave Lake. There's 32.7 kilometres of paving going in there. And we've got more. All in all, we're very fortunate, because each one of these kilometres of new pavement and hard surface is going to provide jobs for people and constituents.

I'm also very, very proud that the budget continues to have money in support of country hospitals. It's really unfortunate that my very good friend the Member for Clover Bar, in a little exchange today with the Minister of Hospitals and Medical Care, used the phrase "useless country hospitals." I'm not aware of any country hospital in the province of Alberta that's useless. I know that the Member for Clover Bar is soon going to have an opportunity to address this esteemed Assembly and identify which hospital is a useless country hospital. I'm going to sit here and listen. I'm going to take my pen out, and I'm going to write down: number one. Does the Barrhead General hospital fall into the category of useless country hospitals? Does the hospital in Swan Hills, which I've been working very hard for for the last three or four years, fall into the category of useless country hospitals? Does the hospital in Westlock fall into the category of useless country hospitals? I want my very good friend from Clover Bar to identify all these country hospitals that are useless. We all know that this is the same gentleman who a year ago, before the budget, was telling us we were going to come in with a new sales tax. Remember Three Percent Walt? It didn't come through then. I don't think we've got useless country hospitals.

Mr. Speaker, there's absolutely no doubt in my mind that this is a good budget; none whatsoever. When you look at many of the things that are happening, I think you have to be really impressed. Listening to some members of this House, however, I'm really disturbed. We've got the Leader of the Opposition saying on March 26, 1985, that the Premier signed the national energy program. That's not correct. The Leader of the Opposition basically said in his speech on March 26, 1985, that Manitoba is "in the best current economic shape of virtually any Canadian province." What do we get out of Ottawa today? The federal Progressive Conservative government has to come up with some money to bail out the sorry economy of Manitoba, because it falls into that category of being an underprivileged province in our country.

There's got to be some consistency in some of these arguments and debates. What would the Leader of the Opposition do in terms of upgrading rural Alberta? He said he'd come up with a Main Street, Alberta, program worth \$7 million. You know those little roads I was talking about a little while ago in the constituency of Barrhead? There's 173 kilometres of paving in one constituency. That's what this government is doing. That's a pile more money than the total position of the New Democratic Party in terms of upgrading everything that will happen in the province of Alberta.

He also says that rural members can testify to what poor shape our schools in rural Alberta are in. Here's a list of approvals from the Department of Education for schools in the constituency of Barrhead. We've gone Lome Jenken high school getting a major renovation. We've got Neerlandia community school, \$1 million in renovations. We've got Onoway junior-senior high. We've got Lome Jenken school again. We've got Ridgevalley school, Fort Assiniboine school, Swan Hills school, Cherhill school, and this is just a short list. This list of about 50 approvals for people programs has been done in recent weeks in the constituency.

Mr. Speaker, this budget is a good one. There are no new taxes in it, no increases in existing low tax rates, and no increases in health care premiums. It sustains the momentum of recovery not by quick fixes but by building on strengths. Real gross domestic product will increase some 3 percent in 1985. Per capita retail sales will continue to be among the highest in Canada, and inflation should remain below the national level. Albertans will continue to have the highest family income after provincial taxes, the highest per capita construction expenditure, and the highest proportion of working age population employed. I'm really delighted about it. I know the hon. Member for Clover Bar disagrees; I can hear him shaking his head from here.

Thank you, Mr. Speaker.

DR. BUCK: Your humility overwhelms me, Ken.

MR. ZIP: Mr. Speaker, I don't think I can match the oratorical eloquence of our dear Member for Barrhead. Nevertheless, I am pleased to rise to speak on the budget brought in Monday, March 25, and I wish to congratulate the Provincial Treasurer on his excellent management of our province's finances. This excellent management has manifested itself in the superb budget he presented to this House. Despite the uncertainty of world energy markets and the downturn in our economy, he has managed to control spending and maintain our provincial budget in balance over the very difficult economic period we in Alberta have just lived through.

Before commenting further on this budget, Mr. Speaker, on behalf of the constituents of Calgary Mountain View I wish to extend warmest congratulations to Her Honour the Lieutenant Governor on her appointment as our representative to Her Majesty the Queen. Her life of dedicated service to this province and this country inspires us all. I also wish to welcome to this House the new Member for Spirit River-Fairview and extend to him congratulations on a significant election victory.

The budget has been generally very well received in Calgary Mountain View, a central and mature area of the city which has witnessed Calgary's growth since the early days, right from the time it was still part of the Northwest Territories. The most dramatic and incredible of these changes in the long history of my constituency have occurred in the last 30 years. While the remarkable economic growth that has taken place in Calgary over the last 30 years has stalled and created a great deal of economic pain in my city and in the constituency of Calgary Mountain View, we must not forget that the forces that brought about this growth in our city are still present, are very much alive, and are now being rekindled in the superb energy agreement announced last Thursday by our tireless and most energetic energy minister. Knowing as well as I do the oil and gas people in Calgary and the developers who never say die, it will not be long now before downtown Calgary sees the return of its native bird, the construction crane. I fully expect that five or six major downtown office projects will be announced for Calgary before the year is out.

DR. BUCK: The AGT tower?

MR. ZIP: Not the AGT tower, hon. member. Real down-to-earth, private enterprise, economically viable office buildings that create a lot of employment for those people who are currently crying about the job opportunities that socialism and Liberalism helped to destroy in Alberta.

During the economic pause in Calgary and in Mountain View, all was not lost. A great sense of community spirit and citizen involvement that has brought people in the city closer together has built up in Calgary during the downturn. In my almost 30 years in the city I've never seen such a strong sense of community-mindedness as exists now and, sad to say, seemed to be so lacking in Calgary during the boom years. Hopefully this is signalling an important change in our social and personal attitudes that will enhance and restore in our people a greater sense of personal and social responsibility, self-reliance, and thrift, a cultivation of that strength and initiative that comes from within and propels each of us to achievement through self-motivation. These were the qualities of the pioneers who built our constituency, our city, and our province in such a short period of time from the primitive wilderness of the 1880s to the ultramodern economy of the 1980s. Talk about diversification — we have diversified monumentally in the past hundred years. Let's not forget that; let's not be too short-term in this talk of diversification.

The social fabric of this country has been strained badly, and the thinking of people has become confused by the erratic and ambivalent morality of our present age. In the meantime our social and economic problems become more pressing and more complex. Far too often when people speak of less government, they mean less for them but more for the fellow down the hall, less taxes for them but more for their neighbour: "Don't cut my program; cut it for the guy in the next county in another line of business. I want to be a hero, a do-gooder, but don't ask me to put my money where my mouth is. Just let me dip into other people's pockets legally, through taxes, and be a hero with somebody else's hard-earned money." This moral relativism, this basic hypocrisy, not only promotes confusion but fosters cynicism toward our society and disrespect for our governments and institutions, destroying in its wake personal initiative and accountability for one's actions and so many of the other virtues that have made this province and this country great.

DR. BUCK: Easy, Bud, easy.

MR. ZIP: That's right; it's hard to listen to this. Praise the Lord that serious moves are being made to restore and rebuild these virtues. Significant steps in this direction are being taken by our Provincial Treasurer, as is so amply manifested by his budget. This is in step with what other countries are doing in this respect and are therefore producing spectacular results in their economic performance. We don't have to look very far, Mr. Speaker — just to our good neighbour to the south. We can do it. We will, and we must, if we're going to survive in this constantly shrinking global community. Alberta is showing the world. It is doing it through its budget. We are showing the world that here in Alberta we have a style of government that promotes success and economic growth by encouraging and fostering the resourcefulness of its people.

Looking back over the last 15 years in particular and at the much broader perspective of the world economy, the rapid inflation the world experienced and in which Canada was swept up, largely by the impact of the huge increases in world energy prices that took place in 1973 and '74, followed by another round of devastating increases in 1979, as well as the massive intervention that all levels of government in Canada and the governments of most other countries of the world engaged in in their respective economies, financed

through massive borrowing, not only placed an unusual demand for money but raised interest rates to historically high levels. Private-sector enterprises and ordinary individuals by and large responded to calls for economic nationalism and the new-found wisdom of debt financing, and that debt leverage added to these pressures of demand for money and goods and services. Initially this approach provided dramatic results in the 1970s in terms of record high economic activity and employment.

Unfortunately, this American Express or Visa — just pick your poison — style of government and business must face the day when bills start to arrive. These arrived with a vengeance in the 1980s. The need to pay the huge interest and principal payments on this rapidly mounting debt started to choke off and reduce cash flows very quickly in the 1980s and forced everyone — governments, industry, and individuals alike — to retract their spending to the point where employment and economic activity in the country, and Calgary in particular, started to go down, let alone maintain the economic momentum that provides new employment and business opportunities for a growing population. This can be likened to pyramiding schemes that initially bring fantastic rewards to a few, quickly followed by losses for many.

Unfortunately, we are now stuck with the results of this policy of debt creation and consequent discouragement of equity financing by economic nationalists who failed to see the enormous benefits it brought in terms of repayment in the form of dividends which were paid only if the investments proved successful and which were directly related to the rate of success of the investment. It was foolhardy in the extreme on the part of government to replace and to encourage private-sector companies to replace equity investments in this country with debts, both public and private, that imposed high fixed obligations on the citizens of this country that must be paid, whether profitable or not, to the detriment of employment and economic activity in this country, just for the sake of buying back a company owned by outside investors.

Where do we start to clean up this mess we find ourselves in? It obviously has to start with changing the way we do things and changing our attitudes. There simply has to be a shift away from high ratio debt, leveraging toward a greater mix of equity financing, even if it may mean downsizing the scale of our activities, relinquishing some of our control, and accepting a lower percentage of ownership in our enterprises in favour of our new equity partners. This will not be easy to do. Much of our macho-style, ego-tripping way of doing business, based on get-rich-quick, windfall-seeking thinking will have to be replaced by a careful management style that places top priority on long-term success that emanates from cost-effectiveness and productivity, a management style that is prepared to trim size and ego in favour of profitability and competitive strength in the marketplace. To ease the burden of interest and debt payment on our taxpayers and business operators, our huge debts, both public and private, will have to be lightened as much as possible by conversion to equity. This means that governments must become facilitators of the private sector rather than adversaries through intervention and competition in the marketplace and help the private sector grow rather than competing with it for revenue, capital, and resources. Accountability and careful management will have to play as big a role in government as they will in the private sector if government is going to truly facilitate and help its taxpayers, the forgotten people who keep the country going.

Sunset legislation and deregulation will have to be seriously pursued rather than given lip service. Attention will have to be given to yet another important factor in Canadian economic management, and that is adequate competition. By discouraging foreign investment, which the late federal government became so capable of doing through the Foreign Investment Revenue Agency, competition in our country and our province was seriously limited to the detriment of, first of all, our youth who seek employment and opportunities that come from the economic growth that is generated by investment and, secondly, our consumers who pay through higher prices and the lack of choices that result from lack of the competition generated by foreign investment.

[Mr. Speaker in the Chair]

This brings us to the last but perhaps most important part of all, labour/management relations, which will have to change from their present confrontational style to one of co-operation and consultation, with new incentives provided to workers to enhance productivity and minimize waste and theft by introducing a much greater degree of profit sharing with workers and providing them with opportunities to participate in the ownership of the company they are working for. This can be applied to government as well through the introduction of rewards to those civil servants who engage in cost-saving initiatives by paying them bonuses that are tied to the amount of money they save the taxpayer because of their initiative.

In closing, I want to emphasize that many of the necessary directions I have pointed to in my speech are already being followed by this government, as outlined in its budget last Monday. I am thankful that I am a resident of Alberta, Mr. Speaker, and I am thankful too for the responsibility manifested by our Provincial Treasurer and this government.

Thank you, Mr. Speaker.

[Two members rose]

MR. GOGO: Mr. Speaker, I too welcome the opportunity of participating in the ...

Mr. Speaker, I guess we need a ruling. I happen to have the speakers' list in front of me, and I don't see his name on here, but I'm prepared to ...

MR. SPEAKER: It doesn't refer to any list of mine.

MR. GOGO: Mr. Speaker, I thought you were carbon-copied on this.

I welcome the opportunity of participating in the budget debate. I have listened with a great deal of interest to the comments of the various speakers. First of all, I too would like to commend Alberta's arrival in the 21st century with the appointment of Her Honour the Lieutenant Governor. It's just a matter of time. I'm confident that half the membership of the House will be female, and I must say I have been very fortunate over the years always to be seated next to a charming lady who has been able to keep me on track, whether it's the member for Calgary North West, Drayton Valley, Calgary Foothills, or, in this case, the hon. Member for St. Albert.

Also, Mr. Speaker, I'd like to offer my congratulations to the Member for Spirit River-Fairview. I'm quite impressed with the arguments he makes in debate and the questions he puts. There are obviously times when the philosophy of

the party he represents seems to transcend the real, factual information he has access to. But in fairness, the commencement of his apprenticeship with the hon. Leader of the Opposition — I think one has to assume that any good student will emulate his leader, and his leader, as is generally known, subscribes to those principles that are not particularly popular within this House.

Mr. Speaker, we've had introduced to the Assembly by far the largest budget in the country, \$10 billion, of which almost \$2 billion is directly out of the budget for capital construction and another \$1 billion is from the Heritage Savings Trust Fund. At the outset it would be interesting to look at the population of Alberta. It's less than 2.4 million people. I think the Member for Red Deer mentioned 2.3 million, because we've lost about 80,000 people in the past year and a half. It's a budget of some \$10 billion. Manitoba has half that population with a budget of \$3.2 billion, most of it by equalization payments. British Columbia, to the west, has a population of some 700,000 more people than Alberta and three weeks ago introduced a budget of \$9 billion. There's no question, Mr. Speaker, that in terms of outlay of dollars, Alberta exceeds any province in the country. Members seem to take issue, and I guess that's their job, with the way those dollars are spent.

Mr. Speaker, I'd like to congratulate the government in finding the money. Quite frankly, when you look at the past 15 years, you see where oil went from \$42 a barrel U.S. to what it is today. When you look at some \$900 billion of debt owed various banks by Third World countries, you wonder how on earth we could ever find the resources to make the expenditures we have. Thank heaven we have been very successful with natural gas sales, and through the hon. Minister of Energy and Natural Resources and the hon. Premier, with the signing of the agreement the other day, we've managed to alter dramatically the effect of the national energy program.

Having said that, Mr. Speaker, one shouldn't for a moment think that everything is rosy in Alberta, certainly not in the constituency of Lethbridge West. It's tragic indeed to see a father of five who is 40 years of age, has been employed for some 20 years, and has not been employed for a year and a half. It's fine to look at statistics and per capita expenditures. The Member for Barrhead mentioned expenditure; I believe he said some \$4,300 per Albertan. In the constituency of Lethbridge West, the public school district alone spends \$3,500 per student. But there are many who for the first time in their lives find themselves without work, without income — many young people.

We have some statistics: some 50,000 people under the age of 24 without work. That's perhaps 20 percent of the total unemployed in this province. What is particularly meaningful, Mr. Speaker, is that some 16 percent in the age group 20 to 24 have yet to find their first job. The government, through the Minister of Manpower, along with the government of Canada, will spend in its wisdom a tremendous number of dollars, perhaps a billion in aggregate, to train these young people. I'm not convinced that I know what they're training them for. I keep hearing they're going to train them for their first job. On the other hand, I'm told there ain't a first job to be trained for. I have great difficulty understanding why the national government has not taken its three quarters of a billion dollars and given sufficient dollars directly to the small business people of this nation to let them generate the job. There'd be no trouble hiring people if the jobs were created. Quite frankly, I believe we're doing it backwards. We're trying to train

people to take a job when the job doesn't exist. Thank heaven the Minister of Manpower and the Minister of Economic Development, through the budget, have put dollars into small business whereby they may create new jobs.

Mr. Speaker, in my 10 years in the Assembly I've seldom seen the limes I've seen today. When I have MLA day in my riding, people who have been employed for some 20 years and for the First time don't have a job come to me and say, "What can you do?" I'm really powerless to do anything. I ask them if they've gone through the traditional routes of seeking assistance. It's fine for those who have pay cheques every two weeks or every month. But to talk with some of these dozens of people who, through no fault of their own — they've gone through all the hoops they were supposed to — find themselves quite frankly without work, the loss of dignity and respect they experience when they sit down at the dinner table that evening and talk with their kids when traditionally they were the breadwinner and brought home the bread... If they're fortunate, they have a wife or a youngster in the family who can assist in that regard.

Hopefully, Mr. Speaker, we've turned the corner. Hopefully we're on the way back. Everybody seems to hang their faith on the system that's being followed in America — that they're going to solve all the problems. They say Arizona has 4.5 percent unemployment. Isn't that remarkable? It's remarkable because so many Albertans go there to create so much work that they have low unemployment. But in many of those states in America, quite frankly, many programs have suffered. If the balance of payments in America is not resolved, I don't believe economic activity in America will be sustained. However, that is not my affair. I just want to bring to the Assembly the view that in Lethbridge West there are many people who, for the First time in their lives, are unemployed. Hopefully within this budget there are measures whereby we're going to get the province moving again and have employment.

Mr. Speaker, I notice that some 60 percent of the total budget, some \$6 billion, is allocated to three departments: Social Services and Community Health, Hospitals and Medical Care, and the educational system. With great interest I see that we spend almost \$1 billion on the four universities in this province. That has to be by far the highest in the nation. Are the institutions achieving what they hope to achieve, or are we simply putting people through a system as an option because they can't find employment? That surely is a question that's going to have to be answered when we get into the estimates of that department.

Mr. Speaker, we look at the health side, and it's been debated ad nauseam in this House, where we're spending some \$2.4 billion on the curative process of health care. In the estimates this year we're paying some \$609 million to people who are practitioners under the medical care Act. I recall the Member for Red Deer saying a couple of weeks ago that every Albertan made nine claims a year on the health care system. At the same time he said that some 400,000 don't make a claim at all. So there are less than 2 million people in this province receiving medical advice and service outside the hospital system to the tune of some \$609 million. Absolutely tremendous, stupendous: it's awesome no matter how you look at it. If you go through the estimates book, in terms of prevention — and we always seem to preach prevention — you find that we spend something less than \$90 million on community health through health units in this province. When one considers that the future of this province lies in our youth, the future of the

health of our people lies in prevention, one has to wonder why we put such a preponderance on the curative process. The utilization study the Minister of Hospitals and Medical Care did several years ago came to an inconclusive summary because the report didn't satisfy certain people. It was then turned over to experts from Toronto, and as we know the degree of expertise lies in direct proportion to the distance from which people come. They thought they would have good answers from that. That report begs answers now. As members know, surgery in Alberta was 50 percent higher than other provinces in Canada. Although I'm as pleased as anyone else to see the low increase in the health care side in terms of acute care or curative medicine, it is still far too much when one compares it to the area of prevention. It's got to be exciting when you look at the young people and the young families who utilize community health units; that is, the local health units.

Mr. Speaker, when one doesn't often get the opportunity to speak in budget debates, there is a great tendency to ignore the clock. With that I ask the indulgence of members in allowing me to adjourn the debate.

MR. SPEAKER: Do the members agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

[The House recessed at 5:29 p.m. and resumed at 8 p.m.]

MR. GOGO: Mr. Speaker, this year is the 100th anniversary of the city of Lethbridge, which the Member for Lethbridge East, the Minister of Advanced Education, and I are proud to represent. It's a proud time for the citizens of Lethbridge and city council, and shortly the Member for Lethbridge East and I will be presenting to the members of the House this gold lapel pin signifying 100 years of growth and progress. I add that it was purchased with the funds of Lethbridge ratepayers and not a grant.

Mr. Speaker, I want to touch on some social issues that I think are very important in the community I represent. First of all, we have done great things with regard to support in compensating for the high cost of marriage breakdown. We now have the Attorney General with legislation enforcing maintenance orders of the courts. It seems to be working well, and we have reciprocal arrangements with other jurisdictions so that if you don't pay here and run away, even though you may be supporting a family in B.C. or Manitoba, there's a process in place to look after that.

However, Mr. Speaker, I think there's a much more serious problem that doesn't seem to get much attention, and that is with regard to the custody of youngsters. Once they're allotted, and invariably they're given to the mother, courts quite often will give visiting rights to fathers. How often it happens on a given Saturday morning when that father shows up to see his children they're not there, and woe behold the husband, in most cases, who fails to make a maintenance payment. Ten minutes later he has police at his door and he's hauled into court, but what about the father who wants to see his children? What consideration does he get? Frankly, he gets very little. He's really in

the category of the battered wife. If she can come up with \$400 to hire a lawyer to get the state to protect her and save her life — if she doesn't have the \$400, forget it. The husband is in the same category if he wants to visit his children. It seems to me it's far too much one way. I don't know how we would do it, but I think we should give some thought to perhaps using mediators or conciliators in marriage breakdown more often than lawyers, who seem to be an extension of the training in the adversarial process. If they can't make people vindictive and mad at each other, obviously they can't get an adequate share of the assets. The Matrimonial Property Act, as we know, divides everything three ways: a third to the wife, a third to the husband, and a third to the lawyer. That's not the intent, but that's the way it works.

Mr. Speaker, I think Alberta can be very proud. I was frankly astounded at the amount of day care as a result of Woods Gordon, in 1979 or 1980, when we took some steps to bring up our standards of day care. There's no question that day care is a reality in this province. If we are going to have nine out of 10 spouses working, then we have to make some provision. I see in the minister's estimates, tabled before the House, that we will provide this coming year some 228,000 spaces in day care centres throughout Alberta. I didn't know we had that many who would be in day care centres, but this year we will spend some \$28.3 million to the owners of day care centres, be they restaurants or what have you in terms of day care centres. Frankly, that's a tremendous amount of money. It's always been my view that if we have an excess of school space in Alberta, why don't we use school buildings which are vacant or half vacant? They already have built-in infrastructure such as security, playground, and safety in terms of heat, light, fire protection. It's beyond me why we're paying some \$28.3 million for spaces around Alberta. Under free enterprise or private enterprise, or some could get loose and call it free trade, I suppose that that's the way to go. I question whether that \$28.3 million couldn't be better spent elsewhere in this province.

Then we find that there are qualifications to obtain day care funds. This year some \$25.6 million will go to the parents of those children. That's 11,000. If someone is quick with division, one could divide \$25.6 million by 11,400. Then, Mr. Speaker, one begins to get an appreciation of the cost of day care in this province. In the aggregate it's almost \$54 million. I think it's essential that we have day care. I simply put to the members of the Assembly: is it realistic to be spending over \$4 million a month in day care services in this province for many people who, I believe, are capable — I think the limit is \$1,700 a month. If you earn less than that, you qualify for day care. I wonder if that couldn't be reviewed. Undoubtedly it will come up in the minister's estimates later in the session.

Mr. Speaker, in Lethbridge we have the Lethbridge Housing Authority, similar to other jurisdictions except I think it's uniquely different. Last year, in terms of profit, they forwarded some \$300,000 to Alberta Housing Corporation, and their losses were only \$800. I understand that in Calgary they run around \$20,000. But there exists a very real need in the community of Lethbridge for community housing. We now have some 192 units. There's a waiting list of 74. Lethbridge is the only city, the only housing authority to my knowledge, with community housing that has an income limit of \$1,600 per month. If that limit were removed, such as Calgary and Edmonton, the list could well be 300. There's a definite need for more community

housing. HUDAC says there's no need to have more. Quite frankly, if HUDAC could deliver the housing needs to the community of Lethbridge, perhaps there wouldn't need to be any more. But with rents running at \$525 to \$625 a month, quite frankly I have some difficulty believing there is not a sincere need for community housing. As members know, the rent applicable is 25 percent of your income. If you're earning \$1,600 a month, that puts the limit at \$400.

I'm sure the housing authorities throughout the province do an equally good job, certainly in Lethbridge with the several hundred senior citizen units. It's run by a volunteer board. There's no compensation to the board; I think they get one free meal a year. This province and this government are very fortunate to have members of housing authorities such as they have, and certainly the one in Lethbridge is most important.

Mr. Speaker, the role of the volunteer is alive and well in Lethbridge. We have a society there called Keep in Touch. Members will be extremely interested in this, I'm sure. The Keep in Touch Society was formed some three years ago. Their role, through volunteers, is to phone shut-ins, people who, for a variety of reasons, can't get out. They've just completed their 36,000th phone call over a three-year period; that's an average of 12,000 a year. Mrs. Pearl Borgal is the president. They have about 75 members actively involved. I'm sure it's reflected in many ways — reduced health costs, reduced hospital admissions, and generally reduced problems — to have a group of volunteers like this, within any community, who are prepared to take upon themselves the role of caring for their fellow man or fellow woman.

Mr. Speaker, we have Bill 212 on the Order Paper which deals with something that's important to me as the Member for Lethbridge West, and that's the matter of damage deposits or security deposits. Under the terms of occupying or renting a building, people have to put up not more than one month's rent according to the Landlord and Tenant Act. They do that in good faith, whereby they promise to look after the premises. When they leave, if the premises are not damaged, they will receive that back, plus a rate of interest set by the cabinet, currently at 9 percent I believe. How often it happens that these people put up their money in good faith, because it appears that the government of Alberta, in statute, has said that they can do it; i.e., the landlord can do it. Turn around, and these landlords and owners go bankrupt. There is no protection whatsoever for the return of those funds. We hear all the woes of the landlord saying how tough it was, as though it gives them a right to steal that money. Yet we have no legislation in this province protecting those tenants. Neither does British Columbia, but Saskatchewan and Manitoba have it. In Ontario they're allowed to charge the first and last months' rent, but they must pay interest on that rent. New Brunswick, Prince Edward Island, Nova Scotia, and Newfoundland have it; I don't know about Quebec. But Alberta doesn't have it. Clearly, it's an area where we should be moving.

Some 47 percent of Edmontonians rent their properties. We'll hear the argument: yes, but the market is so bad, landlords aren't demanding rents. That's not the point. The point is that when people — if you look at the type of families who rent, Mr. Speaker, they don't have a whole lot of money; otherwise they might not be renting. Surely they're entitled to the return of that damage deposit. The rate of interest might as well be 900 percent. If you're not going to pay it back, what difference does it make? We

hear tales of woe by landlords, some of them slumlords. How tough it is. They put this money in their cash flow. You could go into Edmonton today and buy a 200-suite apartment block and get in there for financing for 10 days. The people in there are compelled to pay the damage deposit. That becomes your down payment. What happens? It happened in Lethbridge. Everybody in the 120-suite building had paid their damage deposit. The company went bankrupt. The new owner walked in and said: "I'm sorry, but that's gone. I demand a new damage deposit." Are you going to move out? Is that what you're going to do?

We talk about being in the 20th century, approaching the 21st. We look at consumer legislation. Our minister says that we can't have trust funds. I don't know why. Seven provinces have them, but maybe they're not as clever as we are. Mr. Speaker, I think it's fine to talk about personal responsibility, as we do. If we don't want to have legislation on the books, let's take it out of the Landlord and Tenant Act. But if we as a government are going to purport to protect the citizens and put things in statutes, let's enforce them. Let's ensure that these renters are protected.

I recall the dollar dealer debate in this House. We had to change the law. The bankers and the lawyers were being hurt. Did you ever see a banker or a lawyer lose money when they're earning a living? I don't mean dealing and speculating in land; I mean practising law. Yet we insisted that we change that law. They knew very well what the laws of this province were. We know what the laws of this province are. How can we as members of this Assembly condone a system where low-income earners forfeit a damage deposit simply because a company incorporated as Alberta 1234 — you can't even find the name of the principals — goes bankrupt? Talk about social legislation and protecting consumers. Who are we kidding? Private enterprise: do unto others as they would do unto you, but make sure you do it first.

I feel strongly about the issue, as may be evident, Mr. Speaker, and I would dearly love the House leader to get Bill 212 on as a government Bill. Probably when people read *Hansard*, it will put it back another five years.

Mr. Speaker, I'd like to conclude with a couple of comments that I'm pretty proud of. As you know, AADAC is well funded by this government. I think it does a good job. Teenage drinking is down some 7 percent. The brewers aren't happy; certain grocery store aspirants are not happy. But the reality is that we continue to convict over 100 hundred people a day for impaired driving. There are people moving on that front. The Red Deer Optimists Club has come out with the most imaginative program anywhere. The rate of conviction in Red Deer was down 35 percent over the Christmas season. I think there's a new awareness about antisocial behaviour in terms of the drinking driver. A lot of the credit should go to the Alcoholism and Drug Abuse Commission. It tends to highlight those problems.

More important though, Mr. Speaker, in the budget we announced a new treatment centre for Grande Prairie. Some 21 percent of the alcohol treatment beds are north of Edmonton, and some people say 80 percent of the problem is north of Edmonton. The Northern Alberta Development Council, with the Member for Lac La Biche-McMurray and the Member for Grande Prairie and other members in the north who assisted in the needs study of northern Albertans in terms of health care, made a concerted effort and convinced the government we should have a new treatment centre. That's become a reality. I'm very proud of those

people who took a stand and pointed out the need to the government and got people to support it.

Finally, Mr. Speaker, this year we have the international conference on alcohol and drugs in Calgary, the first time ever in Canada. It's the 100th anniversary. Betty Ford, the former first lady of America, will be there. Our own Lieutenant Governor will be there. I think it's truly time to recognize that Alberta is not in the backwaters of any program, least of all in terms of alcohol and drug abuse. They lead the country, and some say they lead the world.

Mr. Speaker, I think the budget presented of some \$10 billion, a record budget for the province of Alberta, looks after most every interest in the province, with the exception of some I pointed out. I look forward to ministers bringing their votes before the House, when we can delve into some of these matters a little deeper. Mr. Speaker, I'm proud to be a member of the government of Alberta and the governing party of Alberta. I look forward to many future bright days ahead.

MR. FISCHER: Mr. Speaker, it is a pleasure to rise tonight to participate in the debate on the Provincial Treasurer's motion to approve in general the fiscal policies of this government.

On behalf of the constituency of Wainwright, I too wish to congratulate Her Honour the Lieutenant Governor on her appointment as our new representative of the Queen. If her delivery of the throne speech is any indication of her abilities, she will do very well in her new position.

Mr. Speaker, I am proud to be part of a government that has managed the funds and resources of this province over the past 14 years in a manner that has made Alberta the envy of every province in Canada. It is an exception, not a rule, in today's world for governments to balance their budgets and be able to follow them. The continued careful, responsible management of public finances is shown again in this year's budget.

Our province has recently experienced some encouraging changes in the oil industry. You can imagine how delighted they were in the Wainwright constituency when they heard the results of the new energy agreement with the federal government. With the development of the Husky Oil upgrader project, there is a proposed drilling program of 200 to 300 new wells in our area. The absence of the PGRT will have an immediate effect, injecting the much-needed cash flow back into the industry, where it belongs. It is estimated that \$3.2 billion will be spent during the long-term development of the Husky Oil upgrader project. That's big money, Mr. Speaker. You can bet that the industrious folks in the Wainwright constituency will be competing fiercely for their share of those dollars, opening up many new job opportunities. We have some exciting times ahead of us in the energy industry. The impact of this project will be felt not only in our region but all the way across Canada.

An equally important sector to our economy is agriculture. As agriculture employs 81,000 people in Alberta compared to 60,000 in the oil industry, I wish forecasts for the agriculture industry were as optimistic as they are for the oil industry. The ag industry is having some tough times due to low world grain prices and subsidized competition. The fact remains that there is an international problem, the farm cost/price squeeze. Commodity prices are simply not keeping up with input costs. The Alberta government should be congratulated for the emphasis they have placed on agriculture. They have demonstrated a willingness to work with farmers to overcome these problems. A good example,

and I'm very pleased with it, is the announcement of the new \$47 million two-year farm fertilizer price protection plan. This program will give the ag industry a much-needed cash injection. Seeding time is the time of year that creates great demands on your bank account, and I'm sure every farmer in the province will welcome this program.

The Department of Agriculture received a 12.9 percent increase in its funding during a period of budgetary restraint. The Alberta Agricultural Development Corporation received 26 percent to help the credit needs of the industry. When we're in budgetary restraint, 12.9 and 26 percent are big figures.

The Provincial Treasurer was correct in emphasizing the importance of the farm fuel distribution allowance. This allowance will subsidize farm gasoline and diesel prices by \$73 million this year. It is a unique program that ensures that Alberta farmers have the lowest fuel costs in North America, except at the pumps of our own province. I am concerned about the method of distributing this program, Mr. Speaker. When you find you can buy clear diesel fuel cheaper at service station pumps than the bulk dealer delivers to the farm, we must question who is getting the \$73 million benefit of the farm fuel distribution allowance — the farmers or the oil companies.

We can all agree that processing and refining Alberta's raw commodities here makes good economic sense. I will strongly support any initiative that will expand our province's processing capabilities. There are a lot of job opportunities to be created in processing and manufacturing.

I was pleased to be able to present a \$996,913 cheque from the Canada-Alberta Nutritive Processing Assistance Agreement to Canada Packers canola oil refinery in Wainwright about three weeks ago. The refinery has been an excellent corporate citizen and has provided greater stability to our local economy. The refinery employs 20 to 25 permanent jobs, and it certainly is a nice boost for the trucking industry. The products from this plant are used here in Alberta and in all parts of Canada, and a good portion are exported to many parts of the world. This nutrient processing program is a valuable program for the economic development of western Canada.

When I travel around and meet people of the constituency, I feel proud. It is a real eye-opener when I see the recreation facilities in our area. There are nine ice arenas, and six out of the nine are equipped with artificial ice plants. We have 10 curling rinks, and nine out of the 10 have artificial ice. We have six golf courses. There are a number of community halls and libraries. Most of these facilities came about with the encouragement of the former MCR grant. I was very happy to see that the community recreation/cultural grant program will follow the MCR program in the same tradition. It will continue to aid volunteer groups, clubs, and municipalities in providing recreation and cultural services. I also welcome the news that the new program will have less red tape; as well, a portion of the funds may be used for operating.

Hardisty opened a beautiful new hospital last year, and Wainwright's hospital is scheduled to open this year. These facilities are a source of pride to the entire constituency. Mr. Speaker, it is very gratifying, as the minister of hospitals can tell you, to look at the faces of those people who attend those hospital openings. There is a real sense of appreciation and even relief particularly among our senior citizens, that their health needs will be looked after by these facilities. The capital expenditures for '85-86 are \$2.7 billion. On a per person basis this is the highest in Canada. Included in

those estimates is funding for our new \$3.5 million provincial building at Provost. The Provost folks welcome the news with open arms. They have been working towards this for a number of years.

Mr. Speaker, my next topic, transportation, is a very sensitive issue in the Wainwright constituency. There are some major industry changes that create huge demands on our roads and highways. With the increase in the oil and gas activity in our area, the occurrence of railway abandonment, our new canola oil refinery, and a new waste incinerator, these roads are really getting used. In fact, the hon. members from Highwood, Calgary Foothills and Calgary North West came to visit me last summer. I asked Mr. Alger how his trip was. He said, "I'll remember it well. It sure raised hell with my new car. Can't you do something about the roads out here?" He promised that he would make special recommendations to the minister supporting my needs for further road development in the constituency. I hope he hasn't forgotten about me. I am pleased to see that there is a [\$673] million budget for highway construction and maintenance. I'm sure that with the help of these other concerned members, Wainwright will receive its fair share of the pie.

Mr. Speaker, I share the Treasurer's assessment that the 1985-86 provincial budget is one for economic recovery and new growth. You do not have to travel far to see how fortunate we are in Alberta. This is due to our ample natural resources, aggressive private sector, and a government, as shown by the provincial budget, that is committed to good financial management. The Leader of the Opposition has been concerned about the government bragging about our economic strengths and the level of government services. I am reminded of the words of the great baseball manager, Casey Stengel. He said, "Sir, in all humility, it ain't bragging if it's true."

I therefore urge members to support this motion and endorse the government's fiscal policy.

MR. JOHNSTON: Mr. Speaker, I do not want to miss an opportunity to participate in an extremely significant event which takes place every year about this time when our colleague the Provincial Treasurer brings his budget down. It's an opportunity to draw into some negative comments from the opposition, and allow the people of Alberta to be refreshed by a clear statement of fiscal policy, of economic opportunity, and a restatement of the fundamental principles of conservatism which I think Albertans want to hear.

It's always nice to have the opposition take the opposite position, because I know that's part of their parliamentary responsibilities. But, of course, it makes it very easy for us to give the other side. We know very well that in terms of response, the people of Alberta understand that what we're saying is in fact closer to the truth than some of the misleading statements which have taken place by members of the opposition. When I read through the statements made by the four across, I can understand clearly why they have to take that position, because what our Treasurer has done is frame in a very great way one of the best economic statements of any government perhaps in the world. I think a great deal of thanks and appreciation must go to our Provincial Treasurer for having assumed that responsibility for the past six years and having the foresight and determination to make sure that we are deficit free, have the lowest tax regime in the world, and have one of the strongest positions of any government in Canada.

I also should recognize another brief celebration. I'm very fortunate to have represented the people of Lethbridge for 10 years. March 26, 1975, was the election when John Gogo, my colleague from Lethbridge West, and many others from the southern part of the province joined the very major momentum which was developing under our Premier's leadership and became part of the government. So I took a second to review one of my first speeches, which I made in June 1975. You'll recall that we went in later in that period. I had an opportunity to speak just after the Member for Clover Bar and was able to compare and contrast with the views he had about the future of our province at that time. I'm looking forward to having an opportunity to hear his views sometime during the next few days as to what he thinks is the future of the province in the 10-year context.

Lethbridge has changed fairly dramatically over that period. At that point we were talking about higher inflation rates. We were talking about the way in which we could cope with urban expansion and the way in which we could deal with some of those problems which go with the very significant increase in real economic growth which our province went through in that period between 1974 and 1982. But through all of that, our city maintained a very modest growth rate, was able to cope with both the ups and downs of economic swings and, even to this point now, 10 years later, is essentially in a very stable economic position, although somewhat more dependent on the agricultural service industry and watching very carefully to see what the moisture content will be for our farmers this spring, yet very stable economically with one of the lowest unemployment rates throughout this region of our province.

Again I want to restate and extend my appreciation to the people of Lethbridge who have returned me on several occasions to represent them. As a lifelong Lethbridge boy I want to express my appreciation to my constituents.

Let me turn to a bit of a brief overview of the world situation and start to focus on some of the opportunities which I think rest in Alberta, for which many of us have the responsibility to cast in place some policies and ideas and some future-looking options from which we will, in the near term, have to select and allocate resources in terms of achieving those objectives, but set in place a view for the future of our province. At the present time that essentially is the task and responsibility many of us are faced with in terms of trying to forecast where Alberta should be in, say, the 1990 to 1995 period.

The International Monetary Fund made some important summaries. Just on Sunday, as a matter of fact, the International Monetary Fund brought down some very significant indicators which I simply bring into the record because it gives us the context with the discussion we're having here today. As our Premier and others have so clearly pointed out, we must take our reference from that international context and be always aware of the way in which these economic changes are impacting and influencing us here in Alberta. To be sure that we're perceptive and understanding and have some modest influence in the way in which those policies affect us here, it is extremely important that we understand and know just what significant changes are taking place.

First of all, the IMF indicated that the prices or the inflationary rate across 12 different countries has been the lowest in about 13 years. Therefore, one of the traditional problems we have faced over the past decade, that of high inflation rates or high price changes, is essentially now under control for perhaps the third year. That has to be

positive news for those people who are dependent upon fixed sources of income and for those people in governments who are attempting to make decisions based on high inflationary rates, with the incumbent difficulties all of us have faced in the past five years. The average rate was 4.8 percent, a fairly modest inflationary rate and certainly one which is manageable in terms of federal and provincial government policies.

As well, foreign trade expanded very dramatically. In 21 countries the foreign trade balances rose more than 2.5 T dollars in 1984 — a very substantial expansion. Of course, part of that was because of the low inflation rate and part of it was because the importing countries of crude oil had an opportunity not to lose their balance of payments as a result of energy prices and the scenario which we saw in 1982.

DR. BUCK: Who is writing your stuff this year?

MR. JOHNSTON: Walt, in my view you've missed many good opportunities for being quiet, and this is another one of them. I hope you keep coming, because I've got a few more ready for you.

DR. BUCK: You've got a new speech writer. That's not your stuff.

MR. JOHNSTON: I haven't any speech writers, Walt. I'm just trying to get the facts, because if anybody needs them you do.

Japan posted the best record, 2.3 percent inflation rate and very significant trade expansions over the period 1984. In Canada's case the inflationary rate of 4.3 percent was just under the average. With a trade surplus of \$12 billion, Canada was among the top four trading countries in the world, and that trade surplus was the first in several years which we can mark in terms of a positive trade balance in both merchandise or real account and visibles or goods and services. At the same time, as I mentioned, our inflation rate is down to 4.3 percent from 5.8 percent in 1983, 10.8 percent in 1982, and 12.4 percent in 1981. So the trend is there. It is a very important trend and allows us to draw some conclusions about the way in which our economy should expand. As many of us said previously, it's much easier to deal with public policy issues when you have some control over inflation and some understanding of what the real economic growth may be in your economy.

In the case of Alberta, others have given you measurements of the successful fiscal position we're in, and I would only underscore a couple of points. First of all, in 1985 it is safe to predict that we will have a significant real increase in our economic growth in the order of perhaps 2 percent. If you combine that with the modest inflationary rate we're now projecting, we will have the elements of a good foundation for economic turnaround through '86 and '87. Combine that with some of the significant changes which have taken place in Canadian policies which impact in Alberta, and you will clearly see that our economy is strong, is under way, and as others have pointed out, our economic position is among the strongest in Canada. We must maintain that as a very basic principle. These principles are important because we're setting in place a legacy for generations to follow.

Let me turn briefly to a couple of comments I want to make, primarily in the context of the longer term views, the discussion on the white paper, which we have touched

on to some extent and perhaps, finally, deal with the kinds of views many of us have about the future of this province which need to be on record, because of course we're now in the process of dealing with this transition from the industrial era to the information era, a changing view as to what economic assumptions must be built into our matrix of understanding, our game plan in terms of fiscal and economic policies, and the role Alberta must play in that overall context.

We have gone through the white paper process. I know the opposition does not like us to talk about the white paper because we have stolen the mandate from those who have suggested that we are not ones who go out and talk to the people, that we're not looking for clear ideas and new challenges, that we're not willing to push back the frontiers of mediocrity and deal with new challenges. We, in fact, have been doing that. The evidence is clear, and we know that the opposition objects to initiatives we have taken there. We must continue with that. We must continue to respond to the people of Alberta, and we're in the process of carrying through with that commitment.

In July 1984 the Premier released the white paper. Since that time there have been a series of discussions across the province, with more than 325 groups and individuals making representations to us, discussing what their view of the future of Alberta is, suggesting to us ways in which we can match those objectives with government resources and policies, and showing the way for the private sector to participate more clearly in arriving at some very important plateaus in our evolution in this province, ones that are based on the natural strengths we have, a foundation based on intellectual and human strengths together with resources, and also combining the potential for the challenge of the change which has taken place in economies across the world, particularly in the area of advanced education, and combining the very major intellectual strength which exists in universities and the private sector in terms of research and human power.

We've gone through wide discussions dealing with the opportunities for diversification, dealing with ways in which we can couple diversification with the high-tech areas, with the knowledge industries, and blending in the quality of life, working on the strengths we have here, which we've talked about, including the budgetary strengths of low taxation, good economic benefits, sound economic policy, and high level of services. That's a very major attraction in itself, Mr. Speaker, for anybody in the knowledge industry who wants to relocate an industry.

We've encouraged the technology transfer in this province. We're making amazing gains in terms of relationships with the universities and colleges — a significant feat, I should say, because there is amazing potential for the transfer from universities to the private sector. In a report received on the white paper from the University of Alberta, there is even a commitment to establish at least 50 different transfers through the next year to ensure that that technology transfer from the intellectual and creative capabilities which exist in our universities into the commercialization of those ideas is a very major potential in the commitment the universities have made. From our part we have to move in, provide mechanisms, provide additional support, provide an opportunity for that technology transfer to go through in a smooth process. Sometimes the people who generate the ideas are not the ones who can transfer them into commercial projects, and it's important for us to ensure that that transition takes place in a smooth and flowing way.

Infrastructure investments: we can go back over the past decade and recount the many substantial and innovative ways in which this province has reacted to ensure that there's balanced economic growth in this province, to ensure that the private sector has sufficient human skills, skilled labour, to deal with the kinds of technical problems they're facing, and as well to ensure that the location analysis — why industries locate in some jurisdictions — is evident. That has of course been a major commitment this government has made in terms of infrastructure. Even this budget, some 10 years later since I've been in this House, continues with that commitment to decentralization and balanced economic growth and maintains the high commitment to ensure that a sound and exceptional level of quality life exists in all our jurisdictions.

When we discuss the white paper, Mr. Speaker, we're really talking about the future of Alberta. Everyone has a set of goals; everyone has a view as to what their community should look like in 10 years. All of us, if we collectively bring these thoughts together, can probably shape some understanding of where Alberta should be going. Beyond those points I've made, we're extremely fortunate in that the basics of the industries and businesses in this province are new businesses, not ones which have to be restructured or retooled, as you see in the steel or coal industries of other major industrial areas, not ones which are prejudiced by difficult trade relationships in terms of restrictions on trade or in terms of the very difficult trading relationships some countries are now invoking to protect these old and obsolete industries.

We're fortunate because we have freshness in terms of development, a very young province. My colleague from Lethbridge West indicates that our city of Lethbridge is celebrating 100 years this year. One hundred years is not very long to be a very formative part as a city, not very long to grow and progress, considering the historical roots of our city and our province. But we have that fortunate advantage: we have some new industries. The petrochemical industry did not come here by accident. We had the natural advantages, plus we provided the government and the economic environment to attract that industry. We did it without subsidies. We have that industry here, and it's now world class, competing only with Saudi Arabia and with some of the Japanese offshore companies. But it is in fact a major building block, a diversification of this economy in the future.

We must now add to that diversification. We can do it in a variety of ways. We can do it in the advanced technology area, which we've talked about. My colleague the Minister of Economic Development advises me that we already have at least 100 high-tech companies operating in this province, companies which have taken an idea, taken a risk, and put it in place, employing enhanced human capital, higher paying jobs, adding to our export potential and developing amazing potential here in Alberta for high or advanced technology industries to form, to be attracted, and to shape part of the diversification of our economy.

There are many potentials in that area. To name a couple of them, we could look at the area of semiconductors, the chip industries. Some people have suggested we should simply cast that aside, that it's too far gone for us to be part of. If we look at it carefully, Mr. Speaker, there may be a niche for Alberta to carve out in that area of the semiconductor business, particularly in CMOS, the complementary metal oxide semiconductor area, where you can pattern specific chips for specific industries. That's the kind

of expansion, the kind of creativity which our province needs. That's the kind of diversification we need to attract to this province to ensure we're in the forefront and to ensure we can attract the kinds of industries which are complementary to our ambitions, which build on the strengths, and which improve and invest in the human capital which exists in this province. By the way, the CMOS semiconductor is one of the fastest growing sectors, will have a growth rate something in the order of 30 percent, and will attract additional industries if you can pattern those chips, and at the same time provides exceptional opportunity for research expansion within our universities and private sectors, because one of the particular problems universities and research companies are facing is that there is a very significant time delay in terms of design and delivery of particular chips for special applications as you would find in the CMOS or the special chip prototypes.

That's one of the areas, Mr. Speaker, that has been suggested to us as a result of the white paper and of some of the initiatives taken by other colleagues in this House. I think it's this kind of initiative which is necessary for us to expand upon. There are many others we can touch on. Many of them you're aware of. Many can build on the existing agricultural strengths we have in our province as well.

That's the outset of the white paper. We've gone from concepts. We've taken the chance to cast out some wild words perhaps, some wild ideas. But anybody who takes a risk is, of course, assaulting those who are not willing to challenge new frontiers, who tend to be unthinking in their approach. What we did in the white paper was to prompt discussion and reaction, and now it's our responsibility to follow up with some form of policy statements. I can assure you, Mr. Speaker, that we will do that. I've been advised by my colleagues who have direct responsibility for developing these policy or position statements that they're moving along very well. Working groups are in place which are drawing together a wide base of opportunity and intellectual creativity and experience. These papers are being formed and will be released shortly — significant to the province, significant to private-sector investments, and significant statements of position for this government.

As I've indicated, Mr. Speaker, our opposition colleagues do not like these initiatives, because it has in fact swept away much of their criticism about what we should be doing or have not been doing. But I can assure you that when they were challenged to come up with some creative responses to some of the problems we face, and there are some problems, they of course have abandoned the creative side of their proposals and have come up with the same old horizontal jargon which we have traditionally seen over the past 10 years. That is really unfortunate, because I would expect more from the opposition who claim to be speaking for the people, who have all the insight and all the knowledge. But the facts are different. They've been very disappointing in the kinds of responses they've come down with.

Let me turn to the question of agriculture. I want to speak very briefly on that area, because it is one of the significant sectors in this province. As I indicated in my earlier comments, the city of Lethbridge is very dependent upon the agricultural sector. I want to compliment the Minister of Agriculture, the Member for Macleod, for the very significant policy statement he brought down today with respect to fertilizer assistance.

We're watching carefully, Mr. Speaker, for the forecast of some moisture this year. We're already moving into the

spring season, and our colleagues the farmers are getting a bit edgy, as they always do at this time, about the potential for moisture. From some of the projections from the meteorologists I have some faith in, including the *Canadian Almanac*, I am confident that we will in fact have better than average moisture this year. I know that if we can click in terms of some of that special snowfall in the south, we will be more aggressive in the ways in which our spending patterns develop, and I think there will be a better future for our farmers in '85, in the south at least.

Nonetheless, the broader problems facing agriculture are just as critical. I think many have heard comments previous to this that there is some difficulty on the world scene, that world technology is increasing, that production in some of the less developed countries is significant, and that many of these normally importing countries are now generating surpluses in those areas in direct competition with the province of Alberta. For example, wheat is now being abundantly grown in India and China, and to some extent these countries have an objective of becoming self-sufficient.

I think we realize the difficulties in agriculture. We realize the subsidies which have taken place out of the common agricultural policy in the European Common Market and in the United States, where abundant surpluses have been built up as a result of subsidies and assistance to farmers. Of course, that has a depressing effect on the price of the commodity worldwide. I think that'll be the case we face in the next year or so. As a farmer myself, I know I'll be watching very carefully to see what kind of payoffs we see through the crop year 1985 in terms of the first payment, where in fact our sales go for the next three-to-five-year period, and whether or not Russia and China continue to be our friends and consumers of our exports. It's a very important and significant element. I think we particularly have to watch and see how we can shape and form federal policies complementary to those which this province needs, particularly whether or not the Wheat Board takes an aggressive stance in terms of marketing our product, the continuing problem of transportation dislocations, and of course the need, in my view, for enhanced research and technology in the area of biotechnology to ensure that we're always in the forefront in terms of new crops and increased productivity. So we have watch that. As I've indicated, it's significant to the people in Lethbridge and southern Alberta, and significant as a very mainstay part of our economy here in Canada.

Let me just conclude, Mr. Speaker, with a few broad comments about where I think we should be in terms of our discussions. I do not need to go back and restate the many obvious comments my colleagues have made about the significant Budget Address which has been brought down. All of that is evident to all of us, and I must say I think it's above anything else. That's one of the most significant policy statements we have. We're extremely fortunate in a variety of ways to have those resources in this province. To have had an opportunity to talk about them, as all of us have had in the past few days, is of course an easy political process for all of us to go through, and it assists us in terms of carrying the message to our constituents.

But beyond that, some of the items we must underscore and to which we have turned our attention to some extent must, first of all, deal with our approach to international affairs. I think we have to maintain our outward-looking view on international relations and realize the growing expansion of our own policy positions is to some extent an interaction with the economic foreign policy positions of

other countries. We must attempt to do that, and we've made some initiatives there already. My colleague the minister of intergovernmental affairs talked about the twinning with Heilongjiang. My colleague Mr. Woo, a Lethbridge boy also, made some comments about the important Pacific Rim trade. Of course, I must underscore their comments and arguments, because they are very significant arguments. As we know, our economy is based to a significant extent on international trade.

We must continue to encourage and foster new ideas and strategies for economic recovery and diversification. We have done that through the white paper process, Mr. Speaker. We have done it in a variety of other ways, and we will continue to do that. In order to shape the economic future of this province, we must have current input, current information, and continue to be responsive to the people of Alberta that we serve. In my view, economic diversification must be one of the number one objectives, and I think we now have in place an opportunity to maintain and extend that diversification.

We have to be alert and informed specifically on American economic foreign policy. In this past year, much of that \$12 billion trade surplus I talked about took place as a result of trade with the United States, one of the important trading partners. Of course, their economic objectives are very similar to those we've outlined. Reducing trade barriers, encouraging friendly relationships with major trading partners, attempting to privatize many of the industries which normally have been taken over by government, controlling the size of deficits: these are the elements we have talked about, Mr. Speaker, and these are the elements which are now being espoused by the current government in the United States. We must tie into those extremely significant statements of policy. We must attempt to be in contact with American decision-makers. We must ensure that Canadian national policies identify, at least as goals, an opportunity to tie closely with American policy positions, because of course they are major trading partners who will provide major technology and, to some extent, some investment in our province as well. We must complement our policies. We must attempt to achieve and expand our international trading ties with the United States, the intra-American trade.

Mr. Speaker, we must maintain our view and allow our arguments on current interprovincial, regional, or Canadian policies to be always maintained at the decision tables. Our Premier has maintained and has managed to get into formal recognition the importance of a first ministers' conference on the economy. I think that's almost as important as the amending formula, which the Constitution now reflects. I would say that we must maintain our positions at these tables to ensure that we have an opportunity to condition, influence, and change national and regional policies, because they impact so directly on our own policies in Alberta. We want to be sure we do that through the process of encouraging other provinces to understand our views, by expanding the opportunities for us to shape national policies and to be involved not so much in a de-industrialization of some of the industries, as other provinces must be, but in terms of revitalization, expansion, and diversification of our industries. We can only do that if we have some common national policies we can tie to and assist and which in fact are important in Alberta, as they are in other parts of the province. That's extremely important for us. We must maintain that as an objective, at least among those four points.

Let me conclude, Mr. Speaker, with a couple of comments. Even if I were a member of the opposition party.

I think I would have to say that the current economic forecast as presented by the Provincial Treasurer is one which is realistically shaped, one which sets in place a set of options for us currently, and one which reflects a sound management position. I know that we have campaigned on the sound management position for some time. All we have done here is to maintain one of our major commitments: that we will give you good management; we'll maintain that trust you have placed in us through the financial maintenance of our assets which have been given to us in this province through oil and gas and through human resources. Clearly, if anything is reflected in this budget, it is in fact good management, and I have to give the Provincial Treasurer all the kudos in the world for the way in which he's handled that major responsibility.

I must say as well, Mr. Speaker, that if I were in opposition — I know that in looking at the speeches in *Hansard* and trying to reflect upon ways in which I could handle the positions they have adopted, unfortunately I can only say that I must find fault with the way in which they have handled themselves. I know there is little public belief in what they have said, and moreover, I know there's very little public credibility in what they will do in the future. Unfortunately, that maintains itself because of the display we've seen in the last few weeks: no clear alternatives, very little in terms of clear and critical comment about the fiscal and economic position in this province, and nothing much in terms of what other clear alternatives could be available to us, given the resources this province has. I think the people of Alberta will recognize that and are recognizing it today.

Mr. Speaker, let me conclude by saying, for all of my colleagues, that the year 1985 will be an exciting year in the city of Lethbridge. I hope many of you will have an opportunity to join us in the city. There are a variety of conventions, art displays, get-togethers, reunions, and I hope many will have an opportunity to travel to our city to enjoy part of that deep south hospitality. On behalf of the city of Lethbridge, I extend to any of you that invitation to be with us over the summer or at any event which may be of interest to you.

Let me conclude, Mr. Speaker, by saying that we have shaped the platform for economic recovery. The world trends are now clear; Canadian trends are now evident. Now, more than anything, the Alberta command of the situation is forefront, and I think we're on the rebound — a significant gain in 1985 and '86. We have set the plateau; we're under way.

Mr. Speaker, thank you very much for the opportunity to speak on this important budget this evening.

MR. MUSGREAVE: Mr. Speaker, it's very difficult to follow the eloquent Member for Lethbridge East as well as the eloquent Member for Lethbridge West. However, I will put in my small contribution.

I would like to say one thing, though. As the original male champion of women in this Legislature, it gives me a great deal of pleasure to congratulate Helen Hunley on her appointment as Lieutenant Governor. I'm sure she will do a first-class job.

To you, Mr. Speaker, my congratulations on your continuing style of performance, but I think even you would admit that on most occasions the members of this Legislature make your task fairly easy compared to what your counterparts have to suffer in British Columbia or Ottawa.

Before I discuss the budget, which I will deal with later in my talk, I would like to mention some of the concerns of my constituency. They are somewhat similar to those of the Member for Lethbridge West. The president of my constituency association, who was a vice-president of a most successful real estate development company in North America, with a staff of almost 1,200 people less than two years ago but now down to less than 50 people, was out of a job as of the first of this year. Most of my constituents are working or are retired, but in new areas of my constituency, one in five houses is empty; they're under foreclosure. For example, my returning officer's husband could not get a job, so she had to go back to work, and he is still unemployed. A constituent of mine who is a structural engineer is driving a cab. I have a chap who has a PhD in civil engineering from the University of Alberta and is unable to find work. These are some of the strains and stresses we are now being subjected to. It's most unfortunate that as the MLA I feel so helpless to help these people out of their dilemmas.

Our budget is a balanced, conservative, and yet positive financial statement; no question. I think, though, that we should bear in mind the remarks of the Member for St. Albert, who said that the riches and resources of our province are much for us to be thankful for. We have good land, we have educated people, we have lots of water, good transportation systems in spite of what some of the rural members may say about the roads, and we have many natural resources. These are all great factors in helping us to be good stewards of our province. I think our budget is a positive one. It has helped those in need; it has excellent programs for the elderly. For example, I'd like to quote from a newspaper advertisement of one constituent of mine, Doris Urch, who is a resident of Calgary's J. E. Harris House. I might mention that in the 10 years I've been here, I've managed to get one senior citizens' facility built in my constituency. She says: I really think there are a lot of seniors who could benefit from this kind of housing, a well-managed place where you can have a sense of community while at the same time privacy and independence at a rent you can afford. I think our program of housing for the elderly is one of the best in North America.

Obviously, the improved community recreation grants are going to be a help for me because one of my new communities wishes to build new facilities.

I would also like to thank the Minister of Energy and Natural Resources and our Premier for achieving a new energy agreement. I think that had a significant effect on our very successful convention this last weekend. But more important than the fact that we now have an energy agreement is the fact that the new federal government is drawing our country together, first on the east coast — in Newfoundland they were able to make an agreement — and now one in the west. As important as the energy contract is, I think it's more important that our country is finally beginning to work together.

I have one concern for the Provincial Treasurer, and that is with the large surplus last year, and while we are planning a deficit in the current year — I doubt if it will happen, maybe I'm being too optimistic — I would like to see an increase in the buildup of the capital contribution to the Heritage Savings Trust Fund. In the next year's budget I think we should be looking at a 5 percent increase in our capital contribution until we get back to the level of 30 percent, where we were before.

Naturally I have some concerns; first of all for our universities. We have a 7.7 increase this year, but many

of my constituents, particularly support staff with many years of experience with the university, are losing their jobs. I think we have to make some provision for overhead, for research projects, particularly from federal agencies which are taking a large part of our university budget. Obviously, something has to be done in this regard. I have some other concerns with our universities if they're going to continue the role of helping us to diversify our economy. We obviously need educated people to work in Pacific Rim countries, and they need education in Chinese, as I'm sure my hon. member from Edmonton would agree. Yet the University of Calgary is cutting off courses at the end of the first year because of lack of funds. I know they would be concerned if we provided extra funding and said it would have to be dedicated to programs we feel are important to our diversification and strengthening our economy. They may resent this change in direction. But I don't feel universities can maintain their independence and at the same time obtain extra funding if they are not addressing our community needs.

Mr. Speaker, as chairman of our Research Council, I've been fortunate to be involved in a small way in some of the foreign involvements which our Minister of Advanced Education was speaking about. Last summer we had a group of educators, businessmen, and politicians from Colorado state visit Edmonton and Calgary. These people were hosted by the Alberta Research Council and our office of science and technology. We gave them a review of research in our primary industry, a tour of our universities, and a review of our medical heritage foundation. Colorado's concerns are similar to ours. They have a faraway central government that's not always sympathetic. Regrettably for them, their central government owns much of their mineral wealth. They are primary producers of agriculture and mineral resources and, as for us, their prices are set elsewhere. They do have similarities to our province. They have a tremendous number of ski resorts, and recreation has a very high emphasis in their economy. They have a very great emphasis on private enterprise and education, but unfortunately, because of the structure of their legislatures, their universities are not funded in any way as generous a manner as ours. Another advantage they obviously have is many federal and military establishments.

In our discussions with Governor Lamm of Colorado he expressed great interest in our LRT systems in Calgary and Edmonton, and at the time I thought there would be possible opportunities for our consulting engineers in this area. Naturally, as many know in this Legislature, there is already an Alberta presence there in real estate, oil, engineering, and some commercial developments. But to me there is a great opportunity for us in pursuing free trade as urged by our Premier at our First Ministers' Conference.

Mr. Speaker, as the Member for Lethbridge East mentioned, we have many, many significant ties with the United States. It is a free democratic society, we speak the same language, there are many interfamily relationships, they share the same physical environment, we have strong commercial ties, and many of us spend our vacation in their land.

Early in March I had the opportunity to visit Japan and China, heading a cold regions science mission. In the province of Hokkaido, in northern Japan, I was able to visit with some agriculture scientists, cold regions building and maintenance technologists. It was interesting that they were concerned about heaving roads and frost boils, the same as we were, and they were concerned about housing in cold regions.

I thought it was very interesting in Tokyo. The ministry of science provided us with a copy of their white paper on science and technology written in 1983. It was only a summary copy, and they are going to provide us with a full copy as soon as they are able to translate it from Japanese. The main objective of their science paper was their concern with keeping ahead with new technology, ensuring that more of their students were engaged in fundamental research as against applied research, because they felt that was the one way they could compete with countries such as the United States, Germany, and the U.K.

I found my trip to China very positive, and naturally I would like to go back there many times. I was very impressed with the fact that while it was a Communist country, they were encouraging their people to get the maximum education. In their agricultural areas they were encouraging free enterprise. It was quite novel to see some of the people bringing their produce into the cities and selling it for whatever they could get. It is interesting too that 80 percent of their 1.2 billion people live in the country. While I was there, there was an article about setting up free-enterprise zones in some of their large cities, and from the people we met there was a desire of wanting to become involved with foreign countries for trade and for culture exchange.

In our visit to Heilongjiang, the province in the northern part of China which those of my generation would know as Manchuria, we visited the cities. The city of Harbin is desirous of exchanging students and professors with us and, most important, trade relations. In my opinion it's going to take time and patience and money, but I think the opportunities are tremendous and the competition is very tough. We ran into people from the United States, Japan, Australia, and they're all aggressive and are all working very hard.

In conversation with the Canadian ambassador to China I asked him what he thought were the main problems Canadians face. He said we have one obstacle in China and that is fear — fear of the unknown, fear of taking a risk, fear of the sheer numbers. For example, in talking to one head of a science institute, I asked him how many employees he had. He said it's approximately 50,000. At the Alberta Research Council we have 500. That will give you some idea of the perspective of the numbers.

While speaking to a young Chinese from Hong Kong, he too mentioned how conservative we Canadians are. He

advised that in our future trade relations, though, it is important that not only should we have people with some facility in the language but, more important, it was the feeling that these people should have for the cultural and historical background of both China and Canada. On these kinds of relations we can build a firm foundation for future trade and exchanges between our countries.

As the MLA for Calgary McKnight I appreciate the opportunity to make this contribution to furthering our efforts in international trade, which has been so vigorously promoted by our Premier.

In conclusion, Mr. Speaker — and I'm going to say "conclusion" only once, not several times like the previous speaker — I'd like to mention how I appreciate the support of my constituents. Obviously, we have some problems and I hope we will work our way through them. We have problems of finding jobs for construction people. Many of my constituents were employees of the Burns plant, and those that are members of the rural community know what that means to our city. Our university people are having their problems. But I think our budget is encouraging and, with the energy agreement, is a positive step forward.

As the MLA for Calgary McKnight I've been in politics for 18 years now, and I appreciate the support of my constituents, my constituency association, its officers, and particularly my wife. This weekend my wife celebrated her second birthday in a row at a Conservative convention, and she feels she is serving above and beyond the call of duty.

Thank you, Mr. Speaker.

MR. CRAWFORD: Mr. Speaker, I'd ask leave to adjourn debate.

MR. SPEAKER: Do the members agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. CRAWFORD: Mr. Speaker, the Assembly is not to sit tomorrow night.

[At 9:14 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]