

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, May 8, 1985 2:30 p.m.**

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

PRAYERS

MR. SPEAKER: God our Father, this day of special commemoration, help us to remember those, both military and civilian, who suffered death or injury during that conflict whose European aspect ended 40 years ago today.

We ask you, Father, to make this remembrance an incentive to do our duty, wherever that may lead us, and to develop, within each of us, that inner peace which begins with you and which can radiate in our families, our neighbours, our communities, our beloved country, and beyond that to the family of nations.

Amen.

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. SPEAKER: May I draw to the attention of hon. members the distinguished presence, in the Speaker's gallery, of representatives of the Canadian Legion who are here to join us in marking the 40th anniversary of VE Day.

They are: from the Montgomery Branch Legion, President Edward Ward and Vice-President Thomas Phelan; from the Strathcona Branch Legion, President Hugh Watt and Vice-President Jack Moorehead; from the Kingsway Branch Legion, President Mac McMahon and Vice-President Percy Rositer; from the Norwood Branch Legion, President Walter Chorney and Vice-President Eugene Plawiuk; from the Ex-service Women's Branch, President Denny Dundas and Vice-President Kathy Wynn; from the Jasper Place Branch Legion, President Robert Gleason and Vice-President Frank Wilkins; from the Sherwood Park Branch Legion, President Col. Eric Cormack, after whom the Cormack Centre is named, as we all know, and Vice-President Edward Yuill; from the Provincial Command, Alberta North West Territories, President Hugh Green and First Vice-President James Buffam; the Zone Commanders for Alberta, Lyne Jones and Jack Norwood; and the senior aide-de-camp to Her Honour the Lieutenant Governor, Lt. Col. J. H. Quarton.

I ask that our distinguished visitors be recognized and welcomed by the members.

The Sergeant-at-Arms will now escort our colleague the hon. Member for Lacombe to proceed to the landing of the main staircase and there to represent all of us by taking up a position between the bugler, Mr. John Jackson, and the piper, Constable William Cameron of the Edmonton Police Department.

Would hon. members please stand for the sounding of the *Last Post*, followed by some moments of silent tribute and remembrance, and then *Reveille* followed by the *Piper's Lament*.

Beginning with the *Last Post*, representatives of the Legion at the main doorway will dip the Union Jack and the Legion flag.

Following the *Piper's Lament*, the Sergeant-at-Arms will escort Mr. Ron Moore back to the Chamber.

[Mr. K. Moore, accompanied by the Sergeant-at-Arms, proceeded to the landing of the main staircase and returned to the Chamber after the ceremony]

MR. SPEAKER: Please be seated.

head: INTRODUCTION OF BILLS

Bill 269

Pollutant Spills Act

MR. GURNETT: Mr. Speaker, I request leave to introduce a Bill, being the Pollutant Spills Act.

This Bill would establish in law a duty to act by a person having control of a pollutant that spilled. It would require such people, in the event of spills, to act to prevent, eliminate, or take care of the effects of the spill. It also involves notification of the Minister of the Environment, the establishment of an environment compensation board, and protection of individuals' rights to compensation in the event of spills. So it would deal with the fact there is now no clear or coherent statute to deal with what happens in case of a spill.

[Leave granted; Bill 269 read a first time]

head: TABLING RETURNS AND REPORTS

MR. BRADLEY: Mr. Speaker, I'd like to file with the Assembly the 1984 annual report of the Environment Council of Alberta.

head: INTRODUCTION OF SPECIAL GUESTS

MR. CRAWFORD: Mr. Speaker, I take pleasure today in introducing to you and to the members of the Assembly some 54 students involved in an exchange between one of our schools and a school in the province of Quebec. I believe the exchange will shortly go the other way and that the Avalon students will be able to visit their friends and colleagues in Quebec who are now visiting them.

The Alberta students are from the Avalon junior high school in the constituency of Edmonton Parkallen. I regret one thing about my schedule earlier today, and that is that I didn't get a chance to meet with them, as I would like to have done. My understanding is that most, if not all, of the students are involved in the musical program at their schools, and that would have been of particular interest to me.

I would like to introduce them now: their group leader, Carolyn Ratz, and teachers Grace Poulin, Mark Babin, Rejean Beaudoin, and Andre Boudreault. I ask that all the teachers and students now stand and receive the welcome of the Assembly.

MR. FISCHER: Mr. Speaker, I would like to introduce to you, and through you to the members of this Assembly, 20 grade 10 students from the Provost high school. They are accompanied by teachers Clara Blue and Pat Vaughan, who is also the bus driver, and by a parent, Helen Galick. They left home early this morning, as it is a four-hour bus ride to get here. They are here to observe their government

in action. I ask them to rise and receive the warm welcome of this Assembly.

MR. MUSGROVE: Mr. Speaker, I would like to introduce to you and to the Assembly a very important person from the Bow Valley constituency, the chairman of the Eastern Irrigation District. Don Alberts is in the members' gallery — I hope, because I can't see. I ask him to stand and receive the warm welcome of the Assembly.

head: ORAL QUESTION PERIOD

Transformer Leaks — Calgary

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of the Environment. Has the minister yet been advised of the results of the test done this morning on the fluid that leaked out of a transformer at the Alberta Wheat Pool research centre at Firestone park in Calgary? If so, could he share those results with the House?

MR. BRADLEY: Mr. Speaker, the department has advised me that the results of that sampling will be available tomorrow.

MR. MARTIN: A supplementary question. To the minister's knowledge, if I could put it that way, has any unprotected person come in contact with the leaked PCBs at Firestone park?

MR. BRADLEY: Mr. Speaker, I have received some information from the department that an individual working with a paving crew company may have come in contact with the PCB material at the park. It's my understanding that it was the employees of the paving crew company that advised of the leak from the transformer in the first place.

MR. DIACHUK: Mr. Speaker, may I supplement that answer of my colleague the Minister of the Environment? The officials of the occupational health and safety division have been in contact with the workers. Their apparel, boots, and clothing have been placed in containers until they're able to determine whether those articles have any contaminants on them. In the meantime everything possible is being done by the hygiene people of occupational health and safety to assure the workers, if there was any exposure, of what precautions should be taken.

MR. MARTIN: A supplementary question to the Minister of the Environment. I wasn't aware that it was confirmed, but he said "PCB". Could the minister confirm that we are aware that there were PCBs at this field?

MR. BRADLEY: No, Mr. Speaker. As I indicated, the individual had come in contact with the substance which was leaking from the transformer. There hasn't been confirmation at this time whether or not it was PCBs coming from the transformer.

MR. MARTIN: A supplementary question to the minister. Can the minister advise what steps will now be taken to properly dispose of the leaking transformer and perhaps the contaminated materials, including the concrete floor, from the spill site? Will that be sent specifically to Nisku?

MR. BRADLEY: Mr. Speaker, the department has engaged Chem-Security to secure the site. Once we determine what the substance is, we will be dealing with it. Of course, the first priority is to ensure that there is no further contamination taking place. They've placed absorbent material at the site to collect any further liquid coming from the transformer, and they have taken measures to prevent any material from moving off the site. Once it's determined what the substance is, appropriate action will be taken to clean up the site. We are endeavouring to contact the owners of the facility to advise them of the spill. In the absence of being able to find individuals responsible for the site, the department took this action in terms of securing the facility. Once we've identified who, in fact, has responsibility for it and determine what the substance is, we will be requiring the private company and owner of the facility to take appropriate action.

MR. MARTIN: Flowing from that, Mr. Speaker, can the minister advise when and by whom his officials were notified of the transformer leak and when that leak occurred?

MR. BRADLEY: Mr. Speaker, a report of the leak came to the department on Monday afternoon. I am not aware of the specifics as to who informed the department, other than the advice I gave earlier, that we believe it came from paving crew company employees who were at the site and noticed that there was a leak from the transformer.

MR. MARTIN: A supplementary question. Yesterday the minister said, with regard to the other spill at the University of Calgary that we discussed, that he would "shortly have a report from them with regard to the results of their investigation." Has the minister received that report yet? If he has, could he comment specifically on whether section 17 of the Clean Water Act was violated?

MR. BRADLEY: Until I receive the results of the investigation, Mr. Speaker, I am not able to advise the Assembly as to what follow-up action the department may be contemplating.

MR. MARTIN: A supplementary question to the Minister of Workers Health, Safety and Compensation. Similarly, yesterday the minister said:

The university indicated that there was so small an amount of spillage that they felt there was no need to report it.

Can the minister, in dialogue with them, precisely tell what volume the university estimated the spill to be? Was it one millilitre, 50 millilitres, half a litre? Just how much was it?

MR. DIACHUK: No, Mr. Speaker, at this time I can't precisely. I indicated yesterday to the House that it was through a telephone conversation that I was informing the House. I regret that I can't give the hon. Leader of the Opposition any accurate information on it. It's still under investigation. My colleague the Minister of Advanced Education may wish to supplement it.

MR. JOHNSTON: Mr. Speaker, I don't want to pre-empt our hon. leader, but I do have some information simply on details which may be helpful. First of all, the volume of the spill, which took place in February 1984, was of the order of approximately half a cup. It did not have any

extensive spread and was contained very quickly by the normal procedures which the University of Calgary has in place — and, by the way, the city of Calgary. It was contained. There was no contamination whatsoever. The spill was very small. The date was February 1984.

I think it would be helpful to know that the reason it was not reported to the Department of the Environment as I understand it, and I'm sure my colleague will supplement me if I'm incorrect, is that the regulations requiring a report to the Department of the Environment were not in place until January 1985. I should go on to say, Mr. Speaker, that a report did take place through the normal channels within the University of Calgary. It was reported through to them. They ensured that the proper procedures in terms of control were in place and that proper control procedures were in place during the cleanup.

From my point of view, Mr. Speaker, it was properly handled, it was unfortunate it did take place, and it did follow normal procedures.

MR. MARTIN: A supplementary question. It's not the Minister of Advanced Education's role to decide whether it was properly handled or not. My question to the Minister responsible for Workers' Health, Safety and Compensation ...

MR. JOHNSTON: Mr. Speaker, I can only give my opinion, and my opinion is as good as the Leader of the Opposition's opinion.

MR. MARTIN: Admittedly it is an opinion. That's the point.

My question is to the Minister responsible for Workers' Health, Safety and Compensation. Yesterday the minister said that

safety is the responsibility of both the employer and the worker. In this case neither ... advised my officials.

That's under section 13.

Having had an opportunity since then to review the Act, can the minister advise whether or not it is now his understanding that section 13 of the Occupational Health and Safety Act places the onus for notification solely on the employer?

MR. SPEAKER: The hon. leader is reverting to getting legal opinions.

MR. MARTIN: No.

MR. SPEAKER: Yes, he is. He's asking the minister for his opinion as to whether a certain section applies to a certain situation, and that's clearly a legal opinion. If I could only think of some way of making that point clearer, I'd be glad to adopt it.

MR. MARTIN: Well, we certainly wish you could make it clearer. My question is to the minister, Mr. Speaker. Could he tell us if section 13 has to deal with the employer?

MR. SPEAKER: That's the same question under another guise; sorry.

MR. MARTIN: Mr. Speaker, on a point of order. On an Act that is presented by this government, I'm asking for a

qualification what section 13 means, so we can understand it.

MR. SPEAKER: That's exactly what I understand the hon. leader to be doing, and that is exactly what we are not supposed to do in the question period, because it is not an occasion for having 78 or 79 members sit around while somebody gets a legal opinion.

MR. MARTIN: Thank you for your interference again, Mr. Speaker. I'll come back ...

MR. SPEAKER: Order please. That is quite uncalled for, I think, especially in view of the background. I've now made about eight attempts to make the point clear. If the hon. leader wishes to proceed in proper order to ask his next supplementary, I'll be glad to recognize him. Then we should go on to his next question.

MR. MARTIN: Supplementary question, then, to the minister. Is he now prepared to move under section 13 and bring charges against the University of Calgary?

MR. DIACHUK: Mr. Speaker, no.

MR. MARTIN: A supplementary question.

MR. SPEAKER: Order please. Might we go to the second question and, if there's time — I have a medium-long list — we can come back to this topic.

MR. MARTIN: Well, we would certainly like to come back to that.

Sugar Beet Industry

MR. MARTIN: I'll direct the second set of questions to the Minister of Agriculture. It's something that the Member for Little Bow has talked about, and we've had some recent information having to do with the Sugar Beet Growers Marketing Board and B.C. Sugar. It's my understanding that they've broken off negotiations and that B.C. Sugar is apparently trying to circumvent the board and deal directly with individual producers.

My question to the minister is this: can the minister identify those considerations which have precluded passage of regulations for the Sugar Beet Growers Marketing Board, giving that board exclusive marketing authority? I understand this has been going on for more than a year.

MR. FJORDBOTTEN: Mr. Speaker, there is work under way now, with the marketing council working on regulations. Before the regulations are put in place, of course, they have to be drafted and agreed upon by the marketing board, and then come back to look at the scope of those regulations, and also work done with respect to the Attorney General's department in looking at the legality and the compatibility of the regulations with the Act. Mr. Speaker, last weekend I had a phone call from the chairman of the marketing association for sugar beets and gave him my undertaking that we would move with all due haste, recognizing that the regulations could not likely be in place for the crop year 1985. However, we would do what we could to be of assistance as quickly as possible to see that regulations are in place so they can establish a marketing board.

MR. MARTIN: As it's not this crop year, could the minister say when he expects to have these regulations in place?

MR. FJORDBOTTEN: Mr. Speaker, about the quickest they could be done at this point, from information given to me by my officials, is about three or four weeks.

MR. MARTIN: A supplementary question, Mr. Speaker. Can the minister say whether or not these regulations will be made retroactive, thus avoiding any contract entered into by B.C. Sugar with any individual grower in the intervening time?

MR. FJORDBOTTEN: No, Mr. Speaker, I don't believe it would.

MR. MARTIN: A supplementary question to the minister. B.C. Sugar, to my understanding, has let it be known that in the absence of an agreement it is prepared to shut down its Taber plant. Has the minister's department, perhaps in conjunction with the Economic Development department, developed any contingency plans; for example, funding the grower takeover of the Taber plant, enabling the growers to run it as a co-operative? Has any contingency plan like that been looked at?

MR. FJORDBOTTEN: Mr. Speaker, the hon. Minister of Economic Development may wish to supplement my answer. However, no, there has been no contingency plan with respect to ownership of the plant at Taber. If there were plans or discussions under way that would involve us in some way, we would be interested and would listen to see if there is some way we could become involved. But to this point, there has been no discussion.

MR. MARTIN: A supplementary question. Would the government be moving in any direction if that plant — that's hypothetical, Mr. Speaker. I won't give that question. Seeing that there is no contingency plan — and the other factor of this, which has been discussed in the House, is developing a national sugar policy so the dumping would stop. Has the minister received any assurances from his federal counterpart that an effective national sugar policy will be in place in the very near future to prohibit foreign dumping on the market that's hurting our producers?

MR. FJORDBOTTEN: No, Mr. Speaker, I didn't receive any real assurance, and that disappoints me to some degree. We certainly need a sugar policy in this country so that we're not a dumping ground for sugar on the world market. It's just nonsense that agriculture continues to get traded off in these areas. In the meetings in Ottawa over the past couple of days, I raised the issue of a sugar policy and extended our support that we would work with the federal government in any way possible over the course of the next few months — and I say few months, not few years — to work toward developing a sugar policy.

It's my understanding, Mr. Speaker, that their intention at this point is to investigate the feasibility of a sugar policy. I've stated in this House before that that's nonsense. We have been studying that for 15 to 20 years. It's time to get on with a sugar policy, and I'm happy to extend any support and assistance from our government to the federal government toward developing a reasonable and proper sugar policy for this country.

MR. MARTIN: A supplementary question. It's my understanding, Mr. Speaker, that if crops aren't planted in the next few days, it will be too late. Does the minister have any feasibility studies about what would happen to the industry in the future if we do not plant this year?

MR. FJORDBOTTEN: No, Mr. Speaker. I don't have any feasibility studies, but I would remind the hon. Leader of the Opposition that we placed a \$10 a field tonne support payment on the table for the sugar beet growers in southern Alberta to assist them with their negotiations, showing our support for them in their industry. We all have a recognition that if sugar beets aren't grown this coming year, there would of course be other commodities, like soft white wheat, which could cause a surplus of that product on the market. So without feasibility studies, we in Agriculture know that taking a significant crop like sugar beets out of production certainly has an impact on other commodities.

MR. MARTIN: In view of the seriousness of the problem and recognizing that the subsidy was given by the minister, but obviously with where we're at in negotiations it was not enough to keep that industry viable, is the minister now prepared to become personally involved in the negotiations between the board and B.C. Sugar? I'm saying to the minister that we will have an emergency situation within the next few days if something isn't done.

MR. FJORDBOTTEN: No, Mr. Speaker. It's not our intent to get involved in the negotiations between the growers and the company. We hope there will be a reasonable attitude taken by B.C. Sugar, recognizing how important the sugar industry is to this province and to the country as a whole, but there's no intention whatsoever to become involved in negotiations.

MR. MARTIN: A supplementary question.

MR. SPEAKER: Might this be the final supplementary on this topic.

MR. MARTIN: The minister has laid out well the seriousness of the problem; it's a \$170 million industry. My question is: why would the minister not do everything possible, even intervene personally at this stage, to bring negotiations together and try to save this industry?

MR. FJORDBOTTEN: Mr. Speaker, I can't direct a private company on whether or not they're going to keep their door open or what their intentions are. I think we have shown our very strong support — more significant support for the sugar industry in southern Alberta than any other government has shown across this country. We're prepared to work with the growers and do all we can. However, at this point I cannot become involved in negotiations on a contract.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of the regulations, that I understand will be passed in the next two to three weeks, could the minister indicate that the arbitration clause will be contained in those regulations?

MR. FJORDBOTTEN: Mr. Speaker, I didn't say in two to three weeks; I think it will take a minimum of three and probably four weeks to do it. The arbitration clause

would of course be part of the discussion, and negotiation would take place with respect to regulations that would have to be done between the board and the marketing council, recognizing the limitations they have under the Act. Also, that would have to pass the Attorney General's scrutiny as far as regulations that would be compatible with the legislation.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister with regard to the \$10 payment to the grower. The \$10 payment can be made to any grower, whether the association signs an agreement or whether the growers individually sign an agreement with the company. Has the minister reconsidered that position in light of the fact that it's causing a lot of division in the beet growers association of southern Alberta?

MR. FJORDBOTTEN: Mr. Speaker, on May 1 I sent a letter to both the president of B.C. Sugar and the marketing board and laid out clearly for them that the \$10 payment was to go to the producer, that the B.C. Sugar factory didn't have a right to claim the \$10 and neither did anyone else. That was to the growers themselves. The growers have to make the decision themselves on how they want to have negotiations take place. There was no intent in the letter that I sent — and I'm happy to file a copy with the Assembly — to be at all negative to the marketing board, who I happen to think have done a terrific job of trying to work for the benefit of the industry, or to anyone else. I stated very clearly in that letter that payment will be made by the Department of Agriculture directly to the farmer in the fall, when the beets have been harvested. Our assistance is not tied to the federal stabilization plan, to a contract negotiation between the company and the board, or to any other factor. It is direct and unqualified support to the Alberta growers, an incentive for 1985. Mr. Speaker, I'll be happy to file a copy with the Assembly.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. I can appreciate that the grant of money should go to the grower, but what is happening is that it is destroying the southern Alberta beet growers association. The company is now signing individual contracts outside the association, and we've got nothing but chaos. In light of that, is the minister willing to reconsider his position?

MR. FJORDBOTTEN: Mr. Speaker, I'm always prepared to look at new information and better ways of approaching things, but at this point I see no reason to change. What they do with the money has to be the growers own decision. The cheque will go directly to them, not to anyone else.

MR. SPEAKER: The hon. leader of the Representative Party.

MR. R. SPEAKER: Mr. Speaker, I'd like to go further down on the list. I note that the minister of health is not here at the moment. I'll have another question in a few moments.

Red Meat Industry

MR. CAMPBELL: Mr. Speaker, my question is to the Minister of Agriculture. Can the minister advise the Assembly whether or not he made any progress on stabilization or support for the livestock industry in this province during his trip to Ottawa on Monday and Tuesday of this week?

MR. FJORDBOTTEN: Mr. Speaker, I can advise the Assembly that we made considerable progress. By "we" I mean the Minister of Economic Development, the Minister of Housing, and I, who had the opportunity while in Ottawa to meet with several federal ministers: the Minister of Transport, the Minister of Agriculture, and the House leader for the government. We also had the very strong support of the MPs from Alberta. We have made progress, and in fact the second reading of the red meat stabilization plan is to be brought forward today. The only reason it is now delayed is that the Liberals and the NDP are using stalling tactics in the House. However, the Bill will come forward today, one day after we returned, and I'd say that's progress.

MR. CAMPBELL: A supplementary, Mr. Speaker. Does the minister have any plans for the red meat producers between now and the passing of Bill C-25 prior to the summer recess?

MR. FJORDBOTTEN: Mr. Speaker, Bill C-25 is enabling legislation. The enabling legislation also has a clause in it that would make the legislation retroactive, so the support for our industry from the passing of that Bill will be key to our future. I have been working very closely with the industry in the province to work out what kind of support we could look at in the province of Alberta. On May 3 the Alberta Pork Producers' Marketing Board said that while the board has requested assistance from the government in the form of an emergency stop-loss payment to hog producers, the chairman believes a national tripartite stabilization program and an end to provincial incentive programs to be another acceptable solution. So we are working on a national red meat stabilization program, which is now becoming a reality, and we feel it will meet the immediate needs of our producers.

MR. CAMPBELL: A final supplementary, Mr. Speaker. Have there been any new developments on the countervailing duty imposed by the United States government?

MR. FJORDBOTTEN: I think it is tomorrow when the Department of Commerce is holding meetings in Washington with the Pork Council and the Canadian Meat Council. Both are making representation on behalf of their industries. I also have a senior member of my department at those hearings. They are crucial to the final decision on countervail. Also, our Premier has just left Washington and, while there, had meetings with the ministers of Agriculture and Commerce. At that time they had discussions on countervail. In discussions this morning with the Premier, he said he would report on that to the Assembly when he returns.

MR. FISCHER: A supplementary, Mr. Speaker. Concerning the trip and the Hall report, that was released by the federal Minister of Transport last week, and in view of the fact that the recommendation of pay-the-producer is vital to the survival of the red meat industry in western Canada, did the minister have any discussion with the federal Minister of Transport on when these recommendations would be implemented?

MR. FJORDBOTTEN: Mr. Speaker, I didn't receive any assurance that it would be done immediately. I think that's regrettable to some extent, because there is certainly an extremely negative impact to our livestock producers in this

country because of that disincentive. However, we used that opportunity with not only the federal Minister of Transport but other federal ministers as well as the Members of Parliament from Alberta to enforce in their minds a clear understanding of what the impact on Alberta really was and how important it was to get on with that method of payment being made to the producer and not delay it any longer. Heaven knows we've had enough delays, hearings, and meetings on this issue. It's time to get on with it. We laid that clearly on the table. I hope good sense will prevail and that those changes to the legislation enabling the method of payment to go to the producer will come now.

MR. KOWALSKI: A supplementary, Mr. Speaker. Did the Minister of Agriculture also have an opportunity to discuss with his federal counterparts the difficulty that Alberta and Canadian beef producers are suffering as a result of offshore imports of beef to this country?

MR. FJORDBOTTEN: I certainly did, Mr. Speaker. There are three elements that we discussed when we went to Ottawa that are important to the red meat industry in this province, the first one being the red meat stabilization program and the second one being the method of payment. The third one, and the question the hon. member asked, has to do with the import levels of subsidized meats coming into this country. It's just nonsense that we keep getting traded off in agriculture all the time. We have import levels of meat coming into this country. We don't mind competing with it as long as it's not subsidized. But this is highly subsidized product coming into this country, and we're being traded off.

I had discussions this morning with the industry in the province and have offered the assistance to them of a consultant or anything else they may feel they need to get on with it on an immediate basis, to work toward doing something about stopping the imported product that comes in that has such a negative impact on our industry. I believe we made some progress, Mr. Speaker.

MR. KOWALSKI: A supplementary, Mr. Speaker. Did the Minister of Agriculture also have an opportunity to raise with his federal counterparts the asinine position being taken by the federal NDP party in demanding further beef imports to this country?

MR. SPEAKER: That's a little close to the line. I don't know whether the hon. minister has an obligation to report on the activities of other political parties, but since it was put in the context of the discussions, perhaps it might get by.

MR. FJORDBOTTEN: Mr. Speaker, it's disappointing there are some parties that support letting in levels of highly subsidized beef that are negative to our industry, but it's true. That's one of the elements we certainly have to face and do something about. It's not only the balkanization within provinces in this country, but we've become a dumping ground because of no federal leadership for a number of years. These actions cannot be allowed to continue. There should be no doubt in anyone's mind, in this province or in this country, about our resolve to take on this issue and show leadership and not allow this to continue to the detriment of our industry.

MR. MARTIN: It's always amazing how the Member for Barrhead gets things screwed up as usual. Blame the federal NDP. My question to the minister . . .

MR. KOWALSKI: On a point of order, Mr. Speaker. The hon. member of the opposition referred to the Member for Barrhead as being screwed up. That's most definitely a point of opinion.

MR. SPEAKER: Sorry; he didn't. He referred to getting "things" screwed up, not the hon. member.

MR. KOWALSKI: Mr. Speaker, on a point of order. I would simply like to draw to the hon. member's attention debates in the Canadian House of Commons, positions put forward by the federal New Democratic Party, demanding that the government of Canada permit the importation to Canada of further amounts of foreign beef. That's a matter of fact, Mr. Speaker.

MR. MARTIN: We will get into this debate. He took it out of context, and he knows that. But my question to the minister, something that this government can do . . .

MR. KOWALSKI: Mr. Speaker, on a point of personal privilege. Nothing was taken out of context by the Member for Barrhead. It's a matter of fact. Anyone who wishes to read the Hansard of the House of Commons can . . .

MR. SPEAKER: Order please. It's a well-known principle, and one that is extremely welcome to the Chair, that disagreements concerning points of fact are not a subject for question period.

MR. MARTIN: Thank you, Mr. Speaker. Just because the Member for Barrhead says it, I appreciate it. It's his estimation of the facts.

To come back to the negotiations about a national red meat stabilization program, my question specifically is: has the minister of the Alberta government made representation to his federal counterpart about increasing Alberta's share of the market? I say that, Mr. Speaker, because over the last decade or so we've slipped from approximately 22 percent of the market to 12 percent. I fear a freeze at that level would not be fair to the producers in this province.

MR. FJORDBOTTEN: Mr. Speaker, we're not interested in decreasing any more. There has been a decrease at this point because of balkanization and other provinces trying to buy industries. That nonsense has to stop. It has shown up as a classic example in the U.S. countervail action against our hogs. Allowed to use our natural advantage in this province, we can compete with anybody. Our production will increase to the level it should be.

Mr. Speaker, we are working on a tripartite program. I think we should understand that it's voluntary. There is no supply management. We're not interested in getting a percentage by law, in legislation, of what this province can have. That's supply management. We're not interested in that in the red meat industry. We want support levels across this country to be equal, not higher in some provinces than others, but equal so the natural advantages that each province has can be fully developed, rather than one treasury competing against another. If they're not prepared to do that, then we have to look at other options. But I believe we now have a window of opportunity to take on that challenge, get rid of balkanization, and build a stronger agricultural community in this country, if we have the resolve to do it. We in Alberta do; I hope the others do.

MR. SPEAKER: I realize this is an extremely important topic. The hon. Member for Cypress wants to ask a supplementary. But I have three hon. members who have not yet had an opportunity to ask their first question, and we're now two-thirds of the way through the question period.

MR. HYLAND: Mr. Speaker, my supplementary will be short, and it's also to the Minister of Agriculture, relating to his discussions on Bill C-25. I wonder if the minister, during those discussions, was made aware of any amendments that would slow down the progress of that Bill and hold it up for an undue period of time.

MR. FJORDBOTTEN: No doubt there is a concern, Mr. Speaker. There are thoughts by some that there should be some amendments allowing for top-loading and other regional costing allowed into the program. I made it very clear to the federal government when we were there that if any regional costing, or anything like that, was brought into the program, Alberta would leave the table. This program was not designed by government or governments; it was designed by industry working in co-operation with government to design a program that is actuarially sound across this country. If there are amendments brought forward that would change the basic principles of that legislation, we would certainly reassess our position.

Small Schools

MR. ANDERSON: Mr. Speaker, my question is to the hon. Minister of Education. I wonder if he could inform the House whether or not his department has determined a policy which would encourage or discourage schools below a certain size.

MR. KING: As much as possible, Mr. Speaker, we are trying to operate policy and programs provincially so as to be neutral on that question, because we believe that decisions about the size of schools should be made locally, having in mind local circumstances and interests.

MR. ANDERSON: A supplementary question, Mr. Speaker. In light of the great degree of controversy that has existed about the destruction in some cases or at least the closure of small schools, particularly in the city of Calgary, and the recent school board decision there which would possibly have the effect of closing a number, would he consider becoming not neutral and establishing a program of funding for small schools so that they might exist within the communities which they serve?

MR. KING: I think I should be more clear than apparently I was in answer to the first question. We are not neutral about the reality that it is appropriate to operate small schools in some circumstances. We accept that that's valid, and in some cases vital, depending on the nature of the community and the circumstances. There should be no question about that. I have simply said that we try to ensure that the decision about that kind of small school is a decision that is made locally and entirely on the basis of local circumstances, not one that is skewed one way or the other by the policy or the programs, especially the financial programs, of the provincial government.

To be very clear: if a board wants to allocate resources so as to support small schools, it's a decision they are entitled to make. Depending on the circumstances, it might

be a very appropriate decision. It is possible to receive a first-class education in a small school which may not have some of the amenities of larger schools.

MR. ANDERSON: Mr. Speaker, I appreciate the minister's answer in that respect. A supplementary question to him. Though the local board would be given the right to make the final decision, will the minister consider establishing a small schools program which would assist those boards to keep open small schools that may be viable and may be of benefit to the community?

MR. KING: I'm always open to persuasion on the matter, Mr. Speaker, and I'm sure the hon. member will be his persuasive best. At the moment, the practice of the department is based on the idea that that question would be better handled in the revisions to the School Act, by creating the means so that parents could be involved in the decision-making process. We don't think it is a question of providing more resources or telling boards how to allocate their resources. We think it's a question of ensuring that there is good communication between the electorate and the trustees and the administration and that there is a means for the electorate to make its voice heard. We'd prefer to see it done by way of some of the provisions of the new School Act, rather than by way of a financial program.

MR. ANDERSON: Mr. Speaker, a final supplementary for clarification. Is the minister saying that a program such as I've described for small schools by the minister's office could, in fact, be part of the discussions on the School Act?

MR. KING: Clearly, discussion on the revision of the School Act will address questions such as the size of jurisdictions, the optimum size of jurisdictions, and by extension you could address questions such as the optimum size of schools, individual school populations, and the minimum feasible size of school populations. You could address the question of how the local community gets an opportunity to say: we will trade off science labs for a smaller, more intimate atmosphere in the school — that kind of thing

MR. SPEAKER: The hon. Member for Wainwright, followed by the hon. leader of the Representative Party.

MR. FISCHER: Mr. Speaker, I asked my question in the supplementary, so I can pass.

Kinetic Storage Facilities

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of the Environment, and it's with regard to the Kinetic Ecological Resource warehouse at 1509-8th Street, in the Nisku site. It's a few blocks from the one we've been talking about in earlier discussions. I am wondering if the minister could indicate whether any PCB storage items are at that site. If so, are they all stored within the warehouse that is there?

MR. BRADLEY: Mr. Speaker, I don't have the specifics on the warehouse the hon. leader is referring to. The advice I have received from the department with regard to substances which are stored at the Kinetic storage facility is that those materials which are required to be stored inside buildings are stored inside buildings.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister also check to see that the signing with regard to this warehouse — in our investigation, the signs are very small and difficult to see. Would the minister review the signing of the facility if PCBs are on site?

MR. BRADLEY: Mr. Speaker, there are a number of substances which are stored at the Kinetic facilities, one of which is polychlorinated biphenyls. I believe there is a requirement that the entrance points to the facilities be signed. I'll undertake a review of that specific, but there are other substances which are stored there too. I guess the requirement the department has is that if there are hazardous chemicals or hazardous materials stored at these storage sites, there would be signage at the entrance to such facilities advising the public of that.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister: At the rear of the property there is a ditch that has water in it. Could the minister also review the information of the department to see that that water has been tested in terms of PCBs?

MR. BRADLEY: Mr. Speaker, the department has undertaken a sampling program with regard to the facilities at Nisku, and I will be making the results of that sampling program public in the near future.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Would the minister indicate whether all the up-to-date results in terms of the tests around the Kinetic sites have been tabled in the Legislature, or are there some still to be tabled at this time?

MR. BRADLEY: Mr. Speaker, I believe I indicated that the department has undertaken a sampling program out there, the results of which will be tabled in the Legislature in the near future.

Sunday Shopping

MR. GURNETT: Mr. Speaker, my question is to the Minister of Municipal Affairs. I'd like to ask whether he's received any official communication from any Alberta municipality or municipalities or organizations of municipalities concerning the government's decision with regard to the regulation of Sunday shopping hours, and if so, whether he could give some idea of the content of any communications that he's received from municipalities or organizations.

MR. KOZIAK: Mr. Speaker, I'm not aware of any that have come directly to my attention at this point, but there may be copies of correspondence either within the department or in the office that have not reached me. I can inform myself and share that information with the hon. member.

MR. GURNETT: A supplementary question, Mr. Speaker. Has the minister requested or received any estimates of the costs to municipalities in Alberta of conducting the plebiscites that they'll be required to do in connection with developing regulations on Sunday shopping hours?

MR. KOZIAK: No, Mr. Speaker. As I pointed out in response to that same question, that was posed to me earlier, I don't think we should try to quantify the cost of democracy.

MR. GURNETT: A supplementary question, Mr. Speaker. I think it's a very important thing to protect democracy too, but I'm also concerned about the taxation level for citizens in municipalities. My question to the minister is whether he's yet had the opportunity to undertake any review of the experience in British Columbia, where municipality-by-municipality shopping hours are in effect and have resulted in quite a lot of commercial chaos in some areas of the province.

MR. KOZIAK: Mr. Speaker, we don't have to leave the province, because there are municipalities within the province that regulate the closing hours today. So that information is available here. As to the concerns about the costs of democracy, I know the party opposite, on many occasions, has selective approaches to democracy.

MR. GURNETT: A supplementary question, Mr. Speaker. I think we could find many examples where the selectivity would be on the other side of the House as well. Rather than pursue that, my question really is the concern about the cost of the plebiscites to the municipalities when they don't have a choice with regard to it. Could I ask a supplementary to the Attorney General regarding this?

MR. KOZIAK: On a point of order. There is a choice. There isn't a requirement that a plebiscite be held. The legislation provides authority under the Municipal Government Act for municipalities to pass bylaws. In addition to the provisions under the Municipal Government Act which empower municipalities to pass bylaws, there is also the input available to the citizens in a municipality.

MR. GURNETT: A supplementary question, Mr. Speaker. I think the necessity is still required, of course, when citizens request a plebiscite.

My question to the Attorney General in connection with this issue of the hours: in the interest of democracy and fairness and avoiding confusion throughout the province, will the Attorney General undertake to recommend to the Lieutenant Governor in Council that at the next general election a plebiscite on the question of Sunday shopping hours be put to the electors of the entire province at one time?

MR. CRAWFORD: Mr. Speaker, I don't think that would be appropriate, in light of the fact that the responsibility for legislating in respect to business hours is that of the municipality.

ORDERS OF THE DAY

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

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. ISLEY: Mr. Speaker, I take pleasure in introducing to you and to members of the Assembly 127 bright grades 5 and 6 students, who have travelled a considerable distance to visit our province and our Legislature. They're from the

Jubilee elementary school located in Meadow Lake, Saskatchewan, in the constituency represented in the Saskatchewan Legislature by the Hon. George McLeod, who I have the honour of sharing part of the Saskatchewan border with. They're accompanied today by their principal Emile Arraf, who, by the way, is a close friend and former teaching colleague of our Deputy Speaker and MLA for Athabasca; nine teachers, Ed Taylor, Dale Holtby, Alice Stein, Susan Paley, Sandra Senga, Jim Berezonsky, Bill Meger, who is also the vice-principal, Lorna Grismer, and Graham Scott; and three bus drivers, Dennis Hetlinger, Richard Hazard, and Keith Flanagan. They're seated in both the members' gallery and the public gallery, and I ask that they stand and receive a welcome to Alberta.

head: **COMMITTEE OF SUPPLY**

[Mr. Purdy in the Chair]

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

Department of Advanced Education

MR. DEPUTY CHAIRMAN: The Minister of Advanced Education was making some remarks when we concluded the last day on this particular department. Would the minister wish to continue?

MR. JOHNSTON: Mr. Chairman, the only outstanding item I recall as not having been dealt with was raised by the Member for Edmonton Gold Bar, who asked me about the International Ombudsman Institute. I think it would be appropriate for me to simply address one or two points to his question. I'm sure the hon. member will assist me if, in fact, I have missed his point.

First of all, through one of my grant programs we are assisting the International Ombudsman Institute, which was incorporated in 1980 and shares a fund from the province of Alberta and the province of Ontario. We receive an annual report. The last annual report was received on May 25, 1984, for that year. I imagine that in the near term I'll be receiving another one. At the same time, every two to three years we review on a very comprehensive basis a report prepared by Dean Frank Jones, the chairman of the institute, as to the number of publications and the activities historically undertaken and what the work plan is for the period ahead. I expect that through the year 1985-86 this tri-year assessment will take place once more, and we will then decide whether or not we will continue funding that institute. I suggest that it has done some important work. It draws together a variety of ombudsmen from across the world and is attempting to disseminate and provide information to a variety of ombudsmen in the area of ombudsmanship in all parts of the world.

Mr. Chairman, I believe that concludes most of the comments raised by my colleagues.

MR. GURNETT: Mr. Chairman, unfortunately I missed being in the House the first time the estimates came up and have a number of matters on which I would like to get some information from the minister. Let me begin with some that come directly from the northwest part of the province and then move on to some more general ones.

At Fairview College, in my constituency, over the last few years the staff have piloted and developed and now operate a very good motorcycle mechanics program. In fact, it's the only program like that in Alberta and attracts students from all over the country, not just the province. It's well supported by the industry as well. Recently the Apprenticeship Board, with the support of Fairview College, designated motorcycle mechanic as a recognized trade in Alberta. There is some concern that Fairview College may not have the opportunity to be a training location for this particular trade. I'd be interested in the minister's comments about whether a decision has been made yet with regard to that and whether he can assure Fairview College that they will in fact be an approved location for training in this trade. Their base expertise in offering the trade course that's existed till now is well recognized and well established. So the possibility of offering the training now that motorcycle mechanic is a recognized trade is something they're very keen to hold onto. I know they would appreciate some clear indication that they will definitely have the opportunity to offer the training in the trade in addition to the simple course they've operated till now. That's one specific I'd be interested in a comment on.

Maybe because they're far away from the big cities, the colleges in northwest Alberta have been very innovative institutions. Grande Prairie College has also done some very innovative work trying to develop new programs. One of the programs has been their fine arts department which was, I believe, the first Fine Arts department in a public Alberta college. It originally began as a pilot project and received funding on that basis for some years. My understanding is that early last year a three-year program was approved in principle that would allow that program, which wasn't receiving funding as part of the base grant to the college but was simply receiving this limited pilot project funding, to begin to receive increasing funding as part of the base grant for the college, with the goal of eventually expanding the department quite a bit.

The first year's funding to support that approval in principle for the program followed through, but my understanding is that the funding to follow into the second year of the program, that had been approved in principle, apparently didn't come this year. I'm sure the college would be reassured to know that they are going to receive the funding that basically seemed to be assured by the fact that approval in principle had been given to the expansion and development of the fine arts program there.

The fine arts program at Grande Prairie College receives a lot of very positive comment. The art show this year was widely complimented as one of the best programs like that that had been seen anywhere in colleges in this province for a long time. So it's something that is making a real contribution to the area, and I think the college would be pleased to know that they had some assurance about that funding.

There is one other matter for northwest Alberta that I'll come back to a little later, but first let me ask the minister for some comments about some other items that flow from the estimates. I'd be interested in the minister's comments about what's happening with consortium-type arrangements involving the colleges. I know that over the past several

years there's been a lot of encouragement with regard to these kinds of programs, and they certainly offer some real benefits. I wonder what evaluation has taken place with regard to consortium situations in different places in the province, what effort there is to develop or revise any guidelines that exist about this with regard to funding and the actual operation of consortiums, what exists as far as policy about consortium-type situations, and what the minister sees as the future for these arrangements, whether there's an effort on the part of the department to see more or less happening with regard to consortiums, whether we're just going to let it evolve rather than there being leadership in any particular direction from the department.

I also have a concern when I see that tuition fees are going to be increasing at the University of Alberta. I'm interested in that particular issue. Particularly, though, I'm interested in whether or not any study is being done about what's happening to what might be called user fees at the university level. Students, according to information I have in talking to some that are even in my own family, feel assaulted with quite an array of user fees: fees for trips, fees for labs, fees for various kinds of material and equipment, in addition of course to books, which I think are an accepted and reasonable part of the cost of going to university. I'm interested in whether any study has been done about just how much mushrooming there's been as far as these various other kinds of fees and whether or not, as that kind of thing becomes more predominant, we're putting entire families under some kind of stress as they have to increasingly look at providing some kind of financial support because of the difficulty of students meeting all their costs.

At the same time as I'm asking about a problem area that's causing economic difficulties for university students, I certainly think the minister and the department should be commended for the extra money that's been made available for fellowships and scholarships and remission of loans by this government, because the percentage of students needing loans to go to university is very high — somewhere beyond 60 percent depend on loans, I think. So it's good to hear that there is going to be more money available, and I commend the minister for that.

I'd be interested in the minister's comments — and I hope these aren't things he commented on earlier. In vote 1, I see that planning and research has a significant cut of 13.5 percent. I wonder if this means that we're going to continue to spend more and more money to do basically the same things in Advanced Education as we've done in the past, rather than looking for possibilities to be innovative and to develop new kinds of programs or to revise the way we go about offering Advanced Education so that we're preparing for the future in the best ways. I'm particularly thinking about our accessing all the things that are happening with new technology and that could really put this province in the forefront.

Connected to that, I'm concerned when I see the funding cut by about \$2 million for Athabasca University, because Athabasca University is seen as an important and innovative institution, especially by many of us in rural parts of the province, one that is really able to meet needs of Albertans in a special way, that doesn't require their being away from their homes. I'm wondering what's involved in the decision to make that cut in the funding to the university. What kinds of things will not be happening as a result of the funding cut that's taking place for Athabasca University?

Mr. Chairman, when I talk about the value of Athabasca University and its particular benefits for rural Alberta, that is also a good way to lead into the other area I'd like the minister to comment on; that is, the need for a degree-granting institution in northwestern Alberta. Over the years, as Grande Prairie College has been available, and also to a certain extent through Fairview College, a lot of adults, people working in various occupations in the northwest area, have been able to take a certain number of courses through the colleges there and to extend their post-high school study. But they run into a conflict when they finish maybe up to the first two years that they're able to take within the local area and they have to decide: do they want to leave the area for the time it will take to complete a degree, come to Edmonton or a university in some other location, and put up with both the stress on the family and the financial burden of maybe having to keep two residences going, trying to move back and forth to farm at home and go to university down here in a city?

That kind of situation is good in the sense that people are in that position. Because of the availability of college courses, there are people who have been able to extend their education a certain amount. But now there's a concern that you have to make these painful choices if you want to go on and actually complete a degree. That's why I'm very interested in where the minister and the department stand with regard to going forward with action to make a degree-granting institution available in the Peace country. Certainly, there could be, at far less cost and disruption, an advantage to having a degree-granting institution right in the area. It would also relieve some pressure on the university here. For example, we hear a great deal about the need to impose quotas and the difficulties that has caused at the University of Alberta. It would certainly be a commercial and economic advantage to the communities that might be involved if there were a degree-granting institution in the northwest. And it would result in a decentralization of education in the province that, I think, is generally healthy.

I know there are people who say that a small university has difficulties. In my particular case, I attended the University of Alberta with however many — 14,000 or 15,000 people went there at my time. I had a sister who attended Bishop's University in southern Quebec with just a few hundred students at the time. I know that there were distinct advantages in her situation. So there are some things to be looked at with a small campus situation.

I think a good case can be made that the population in the northwest area, the potential attendance area, is more than adequate and, I think, compares more than favourably with the population the University of Lethbridge can draw on. I think those things need to be considered. Of course, there's also the possibility of serving the Peace country in British Columbia and the Northwest Territories and so on.

I would be interested, as the minister is commenting about the possibility of a degree-granting institution there, in thoughts about how such an institution might be delivered, because there are many ways. It might involve, for example,

the University of Alberta seeding a new campus into the area, and it would likely involve not offering degrees in every area but, at least to begin with, in some of the more basic areas like social work, agriculture, as well as education and the arts and commerce — the kinds of areas that have either particular application in our area or are of a more general nature.

I'd be interested in whether we're looking at making use of the possible role not just Grande Prairie but Fairview and the adult education centres that have been set up throughout the northwest part of the province could potentially play in a university — as I referred to earlier, the possibilities of using technology and delivering university education at a distance through things like satellite communications.

So to a certain extent, Mr. Chairman, I'm indicating that a large number of people in northwest Alberta think that a degree-granting institution there is something that should be looked at very seriously and favourably, that the time has come for that to be available in our part of the province. I'd be interested in what action is under way and what the minister is considering can be done in the short term, to begin the process, and what the real long-term prospects of a structure of this sort existing in northwest Alberta might be, before the problems of large campuses in Edmonton tend to be a greater discouragement to people from rural areas coming down to attend university.

For now, at least, those are some of the areas I want to have a chance to hear the minister comment on. I look forward to his comments in those areas.

MR. MARTIN: Mr. Chairman, I too would like to participate in the estimates, perhaps to some degree, in a philosophical sense, about financing and then come back to specific questions. I'm sure the minister has looked at the report on educational funding that was prepared by the former CBC president, Mr. Johnson, and the release. The report suggests that Alberta's own funding contribution toward advanced education in relation to Ottawa's has declined from about 36 percent in 1977 to 27 percent this year. My question, first of all, is this: does the minister buy the figures? I recognize that figures are different for different people, but I take it that they didn't have an axe to grind. He went through all the provinces, and he said that the federal government has been picking up quite a significant amount here in Alberta. Secondly, how could we justify this? The government has brought out and the minister was one of the authors of the white paper, and we talk a lot about the importance of research and development. At the same time, if these figures for Advanced Ed. are true, not all of it but a lot of the research that's been done seems to be dropping. I'd be interested in the minister's comments there.

In funding generally, Mr. Chairman, I notice that the universities get roughly a 2.7 percent increase across the board in 1985-86. It seems to me that this is still less than the rise in inflation. On February 18 of this year, President Horowitz of the University of Alberta stated that there has only been one year out of nine when provincial funding to universities has approached that of the previous year's inflation rate. At the U of C, I think they face — the minister will correct me — a \$1.4 million operating budget deficit for '85-86. Obviously, a 2.7 percent increase is better than no increase at all. Maybe the minister would disagree on figures; that's fair enough. But if we buy what Mr. Horowitz is saying, that in nine years there's only one

when they approached inflation, it seems to me there's been a gradual cutback.

I suppose the argument could be made, and the minister may want to make it, that there was a lot of fat there at the time, that the money wasn't being spent wisely. I don't know that, but even if we buy that assumption, it seems to me we're now beyond the fat. It seems ironic to me that when we talk about the new threshold and the white paper and research and development, the bulk of these are going to have to be done by the universities. They're at least saying — it's not us saying it; they're saying it — that they're not equipped to do that.

I know the minister will come back and say, and it's basically true, that the province's spending on basic and advanced education is among the highest in Canada on a per capita basis. We spend 5 percent of gross provincial product compared to Ontario, which is seven to eight. But that's irrelevant, because we've had the money here in this province. Certainly, the minister is the key person in advancing some of the thrusts of the government. I suggest to him very strongly that we cannot do that without a strong, viable Advanced Education. I think he and I would agree. We may disagree on the figures, but whether we spend more or less than Newfoundland or B.C. — and I hope we're never going to compare ourselves with what is going on in British Columbia — is largely irrelevant to what we may want to do in the future. I don't have the magic wand. I recognize that we all have to live under — what we always want we're not always going to get. But if I look at these figures and at what Mr. Johnson is saying, I'd say in all sincerity that maybe we have been cutting back or not giving enough, and the federal government has had to pick that up.

What I'm asking above all this — I know what we're doing here in this year. But if I can go ahead, are we looking at any other funding mechanisms? What are we looking at in the next three or four years? When we talk about diversification and all the rest of it, what specifically is the future of the university area? I'll come back to some of the others.

The other area has to do more specifically with research, because you do allude to research and development a lot, as we do in our white paper. We both recognize that it's important, and I think justification can be made that jobs are created with a good research and development area. I suggest that perhaps the research funding system needs some fundamental changes, because it is my understanding that some of the research moneys are becoming an increasingly important part of the operating budget. We're told, for example, that the U of C currently has an annual research budget of roughly \$40 million, but research grants do not generally include overhead costs such as salaries and space, which can be equal to half or more of the grant's value. We're told that those costs are borne by the already overtaxed operating budget. It seems to us that if we want money in research, it may be that we have to be slightly more generous and make sure that these are covered in research if we want the research done. I leave that with the minister.

To come closer to home, to a university he is well aware of, called the University of Lethbridge, this is information sent to us and I'd appreciate the minister's comments on it. We are told that they will receive only \$100,000 in supplementary funding for enrollment growth when they had in fact budgeted for \$400,000. The U of L based its judgment on the fact that it experienced an 8.6 percent enrollment increase in 1984-85, and I believe — I'm sure the minister

will correct me if I'm wrong in this — something like 70 percent over the last three or four years. Of course, we know what has caused that problem; we've talked about it from time to time. It's not only Lethbridge. The recession hit. Young people that would ordinarily go out in the labour market didn't have those opportunities, so many more were staying in public schools to begin with and going to university or colleges or NAIT or SAIT. Can the minister update us? Is this a trend that's going to occur in the next few years? If it is, is the minister considering in the future an enrollment supplemental fund increasing that so that it would be more realistic, at least going by what the institutions say.

I could go into many things. The minister is well aware of the complaints being made, especially by universities, that they've had to cut back on libraries and staff and all the rest of it because the money isn't there. Is the minister accepting their complaints? Does he think they're wrong? What is happening? Will the minister update us in that area?

I could talk more on expansion and on gifts, but I would like to ask some specific questions. I notice the funding is quite different for the different institutions. The public colleges and technical institutes get much healthier increases than the universities. I expect there's a logical reason for that. Perhaps the minister can tell us.

I'm more interested in terms of the future. The minister's department must be doing projections of what's going to happen not just in the next year but, say, the next five or 10 years in terms of the junior colleges, technical institutes, and universities. Are we going to keep having a fairly rapid increase in that area, or is it going to gradually come down? What are our projections? Are there going to be changes in what each institution is attempting to do? For example, when we have a tough job market, is there some encouragement about where — or how do we determine who should be taking up the slack? Should it be at the college level or NAIT or SAIT for most students? How do we fit the three together? I know it's a difficult question, and I'm not expecting a simple answer. But what are the projections of what the minister sees happening there?

I am interested in another area because I was involved in it as a counsellor. What has been happening with the heritage trust fund scholarships? I'm thinking specifically now that we have departmentals. Did we notice a change in terms of more or less? I know that would affect only grade 12; it wouldn't affect grades 10 and 11. But specifically in grade 12, have we had an increase over the years or a decrease? How did departmentals fit?

The other area I would like to go into briefly is tuition fees. I'll give the minister some time; he may want to come back on some of these. Again, I guess it's a philosophical thing. My colleague talked about them. Let me go to a study the minister had. I see that tuition fees will increase by 3 percent at the U of A in order to combat a reduction in the base budget of \$5.1 million. I expect there are perhaps similar increases for other institutions. I believe we're now looking at an average tuition of over \$800, which is a lot more than when the minister and I went to university. A task force under the direction of the minister's department completed a paper entitled Participation Pattern Study: Report of the Committee to Examine Participation Trends of Alberta Post-Secondary Students. There were a number of findings. Number one, it was found that

the likelihood of post-secondary participation increases with the level of family income.

That's not surprising; it's something we knew. I want to come back to that in terms of tuition. Then it says:

this is particularly evident in the full-time participation rates, which double between the lowest level of income and the highest level of income.

Again, it was found that

the student most likely to attend a post-secondary institution in 1981 appears to be an urban Ukrainian female, aged 18 to 21, with high socioeconomic background, high parental education level, and high family income.

There's nothing particularly surprising about that. I think any of us that studied Sociology 200 or whatever could probably have predicted these sorts of things.

I think the minister and I would agree that we want the best minds going to the institutions, let's say to university — not necessarily how rich your family is. I think we would all agree with that. My philosophical question to the minister is this: where does the tuition and the cost of going to university become a barrier to that? Obviously, if your parents are well-to-do, it's not a barrier. In some areas of the world, that's in fact the case; those are the only people that get to go to university. But I suggest to the minister that we may be facing that problem right now.

I recognize that there are loans, remittances on those loans, scholarships, and all the rest of it. But for the average student who doesn't quite qualify at that level, it is becoming a handicap. If I may speak for parents in my own riding, an inner-city, generally working class riding, it has now become a barrier. A lot of the parents suffer a lot to get their kids there. I wonder where that dividing line is in the minister's mind. How much more can we pile onto tuition? I do recognize all the other things like the loans, remittance, and all the rest of it.

That leads into the other area having to do with single parents on the loans. Where are we with this? At one time, until you were 21, you had to take the parents' income. Some students I know, and that is true very early, really are independent. How do we recognize that, or do we at this particular time? Do we still have to take parents' income on particular loans?

In lieu of that there are a number of areas — perhaps it would be better to allow the minister to come back on those and then we can come back on that. I know a lot of them are philosophical. But I think it's an important area. Many people don't realize it, but I say that the minister's department is perhaps, for our future, one of the most important departments that we can face in government, because with good advanced education a lot of the other things we talk about here in debate hopefully will be looked after. Mr. Chairman, I await the minister's response to those serious questions, and perhaps we can proceed from there.

MR. HIEBERT: Mr. Chairman, at the outset of the discussion on the estimates the minister responded to some of the concerns and questions I had raised with regard to the International Ombudsman Institute. I'm pleased to hear there will be a review undertaken. But I wonder if the minister would give this undertaking: in that review, could the Legislative Offices Committee be consulted so that some of their concerns could be raised and integrated into that review?

The second comment I would make — the minister indicated that an annual report was filed in the Legislature. At least I have a copy of it, and that is why I have a delay in my response, Mr. Chairman. I took a look at the

report. It includes a summary of undertakings by the Ombudsman with regard to various departments, statistics pertaining to certain cases, and an overview of the operations of the Ombudsman's office. I don't think it addresses the concern that members of the Legislative Offices Committee had, which I was trying to get at when we were dealing with the estimates before. That is: where can the members of that committee get a detailed accounting of the annual budget and expenditures with regard to the funds that we give to the institute?

Mr. Chairman, I understood the minister to mention a name — Mr. Jones. I'm wondering if Mr. Jones would be willing to appear before the committee, if possible, because there are some questions the committee would like to raise. Basically, it's a question of accounting of where the dollars are going. The committee is discharged with the responsibility of knowing what's happening with the office of the Ombudsman, and therefore I'm bringing this concern to the minister so that we can get some direction as to where we could find the information.

MR. COOK: Mr. Chairman, I'd like to ask the minister a couple of questions, particularly about the biotechnology area. In the white paper the suggestion was made that Alberta should embark on developing the biotechnology area. I understand that there were some proposals from the University of Alberta to develop a biotechnology technician program and that funding for it was requested but approval was not given. I wonder how we're going to translate the government's stated objective of developing expertise in the field of genetics, microbiology, and genetic engineering and go beyond the goals statement to implement it. Ought we to develop levels of expertise at both the University of Calgary and the University of Alberta? Or do we need a program like the Heritage Foundation for Medical Research? What is the vehicle for us to develop this area?

I think it's important, Mr. Chairman, when we look at what's happening to agriculture and the rising input costs. I think the only real answer to the problems of agriculture in the long run — and I'm not an agriculturist — is to improve the technology, improve the productivity of the industry, and reduce the costs of production. Looking at the experience of our competitors, we know we can do that. The United States is investing something like four to five times the amount of money we are on a domestic product percentage basis. Japan is doing better than that. Germany is doing better than all the rest. Canada is falling behind, and our competitors out there are starting to take advantage of some major developments.

Just to give you one example, Mr. Chairman, there was a particular variety of strawberries that apparently was much, much superior. There were very few plants available to be marketed. A few years ago the firm that is now marketing these things put a couple of the plants into a blender, added water, and turned on the switch. The net result was that they created a mush out of these strawberries.

MRS. CRIPPS: That always happens when you put something in the blender.

MR. COOK: That's right. But they put them into petri dishes in a chemical solution where each one of the cells could develop into a plant on its own. The result was that from one single plant they had hundreds of thousands of offspring in one generation. That's the kind of technological leap forward that can be made using this kind of technology.

I think we are woefully behind our competitors and have to take steps to catch up. I only ask the minister how he plans to do that, being a person who is occupying a major responsibility for this policy area.

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

MR. JOHNSTON: Thank you, Mr. Chairman. Let me attempt to work my way through the various questions which were raised by those members who have spoken this afternoon. I appreciate the opportunity for another view, another opinion, suggestions for improvement, and some recommendations for change on some of these very critical public policy issues in the area of advanced education.

The Member for Spirit River-Fairview raised the concerns of a very important part of the advanced educational system; that is, Fairview College, which resides within his constituency. He raised the question about a unique program of motorcycle repair, which was developed through the leadership of the board of governors and the staff I am sure the member is aware of others, which are just as fascinating to me personally, including the beekeeping program and the groundskeeping program as well. They are just as unique and serve not just the province of Alberta, in terms of drawing students and attractiveness for educational opportunities, but a much broader area as well, including the United States. So we can see that in a very major way this institution has carved out for itself a unique niche, and I'm sure that in the future it will continue to be just as competitive and creative in the way it offers courses to the public.

I must compliment the board of governors, in particular Mr. Lazoruk, who on many occasions has raised the same question with me. That is: what is the future of motorcycle repair at Fairview College? It's my view, Mr. Chairman, that motorcycle repair will stay at Fairview College. I would imagine that if you have the initiative to develop a program, to make it unique not just in Alberta but in Canada, to have the infrastructure in place, to have the experienced teachers in place, in fact, you've immediately precluded 30 percent of the other colleges from entering the market. I expect they have such a strong leap forward in this area that they will be able to command a very significant portion of the students in the future.

I can't go so far as to say that there will not be any other institution offering this program, because in the brokerage process within our advanced educational institutions it is quite common for an institution to broker these unique programs to various parts of the province, simply because their facilities are not large enough to handle it or there's no competition for population because of the geographical distances which may exist between, say, Fairview and Medicine Hat College. In that sense there is some need to spread some of these courses around, but I will not say that's going to happen.

At the same time, I cannot give any guarantee as to the future. I don't think the member wants me to do that. I think he simply wants me to underscore and agree with him on the importance of this particular program to Fairview College. Of course, I will concur in that, but I will also say that at some point in the future there may be an opportunity for the college to develop these programs to replace some of the older and perhaps traditional apprenticeship programs, which are obviously suffering from popu-

lation declines as a result of the current economic problems in some trades.

I would certainly agree with the member that this institution is among the leaders. It's one of my favorite institutions. Every time I have an opportunity to visit it, I do. I'm sure the member knows that I actually raided the past president, Dr. Fred Speckeen, from Fairview College and took him to the Alberta Vocational Centre in Calgary. He has done a commendable job there as well. Perhaps "raided" is the wrong word, but I certainly didn't dissuade him from coming to AVC; that is a departmental role. Nonetheless, I'm sure his contribution and the legacy he left there will be significant and long-lasting. Part of the legacy, of course, is the motorcycle mechanics. I hope I dealt with that. I would sincerely like to see it become a monopoly, and I've essentially given that assurance to the chairman of the board of governors. I think you'll see it being important for Fairview in the future, and if the apprenticeship program proceeds, I'm sure they'll carve out part of it.

Several questions were raised with respect to Grande Prairie college. Dr. Elliott, the MLA, has made several representations to me to be sure that we are able deal with this college in the northwest region of the province. Members will also notice that in this budget we have provided for some planning money for Grande Prairie college to allow it to do a couple of things. First of all, I think it's important that a college have some longer view as to its scope and scale of operation. With this planning money, of course, some approach to a master plan may be attempted. Some study of the physical space which may be required would be assayed, and there would be some opportunity with this amount of money to deal with the needs on the physical side. It's my understanding from my last visit there that six rented properties are now being used by Grande Prairie. There are some pros and cons to that. I would like to see it in a more consolidated, unified form. Therefore, this planning money will assist the board and the chairman to accomplish that end.

The Member for Spirit River-Fairview, along with the MLA for Grande Prairie, raised the question about the fine arts department. I don't think we have any disagreement. We certainly recognize the importance of the fine arts department and the college in extending cultural and other amenities into the system in the community. It's probably the most important cultural organization in the community. It provides intellectual stimulus, et cetera. We all agree on that.

In terms of the budget, it's my understanding that this budget for 1985-86 includes the same amount of money as last year, \$585,000, to continue the support of the music component of the program. The college also requested some additional capital funds. I was not able to meet that request at this point. Toward the end of this year we will be looking wherever possible for some surplus capital dollars, and that will be one of the high priorities for me.

In the context of degree-granting status and its evolution away from universities, which is an interesting issue for a variety of reasons, we have had questions raised in this House by my colleagues from Lacombe and Camrose in particular. I am able to report today, Mr. Chairman, not on this specific point but on this broad issue, that the accreditation board which was set up under legislation providing for degree-granting status to the private colleges is in fact well at work, has the issues well in hand, and is making some recommendations to me in the near term,

which will allow the government to consider whether or not degree-granting status should be given to Camrose Lutheran College, first of all. That has been quite a lengthy process, including consultants to ensure that the academic minimums are in place, that the library is either built or budgeted for, and that the course requirements meet the minimum university requirements in terms of degree status. That has now been given to me as a general recommendation, and a formal recommendation will be coming to me soon.

In terms of an experiment or a model, I'm very pleased to say that this model is one route we would take if we were to examine the possibilities of extending degree-granting status to other public colleges throughout this province. I'm not adverse to public colleges being able to grant degrees at some point, and obviously the question is: at what point does that take place? It's my view that in the evolution of things, as they will unfold, that could take place in the next five- to 10-year period.

I think there are some ideal colleges that are now offering university transfer programs and that, through a variety of mechanisms, could in fact advance the number of years that a student takes within those institutions as he works towards a degree. I would see, for example, a combination of extension of third-year programs to some of the colleges and perhaps the articulation of the programs with those being offered by Athabasca University through the enhanced facilities and new technology available. That would be one process which might evolve. I think that will happen at some point. I don't know if it's going to happen in our time or in the time of this government — that is to say, between now and 1990. It's hard to say. I'm not adverse to it.

I think we need to think about ways in which we can extend degree-granting status to a college or at least allow it to offer more university transfer courses on the interim basis. Mr. Chairman, that is also a commitment I have given to the board of governors. I'm not saying anything new here that I haven't said in Grande Prairie, and generally speaking, they are somewhat satisfied, at least on the interim basis, with that reaction.

The member also talks about consortia. I was very fortunate to be invited by the MLA for Hinton to visit Hinton and attend the graduation just last week of the Yellowhead consortium. I must say it was a very rewarding experience for me. I was particularly impressed by the fact that these people have re-entered the educational system. The majority of them were women who actually had many of their family, young children, with them as they went on stage to receive a diploma. In fact, it was an extremely positive and important part of the process which Advanced Education offers to the people of Alberta.

By way of footnote, I should note that Advanced Education in all its elements touches one in every 3.3 people in this province. Therefore, the consortia, in the sense that they provide decentralized access to education facilities in the outregions of the province, are in fact employing and participating in a very major way in this touching of the people of Alberta. And they do it on a least-cost model. We have no capital facilities, we have extensive use of volunteers, and we provide wherever possible the resources to ensure that these programs are delivered.

At the same time, the co-operation of those universities and colleges involved in the consortia is in itself remarkable, and they also share the commitment to ensure that these consortia work. We, in fact, will maintain that program, because the way the consortia operate is unique not just to

Canada but to many parts of the world. It's my intention to ensure that it continues, to maximize the potential of many residents, and to offer them the opportunity to access advanced educational systems. This must be a strong objective of ours.

The question of tuition fees is always thorny. I remember when I was in university. The Member for Edmonton Norwood said that tuition fees are higher now than they were then. I guess that's true, but relative to my income at that point, I'm not too sure that they were any easier to pay. It's always a problem for us to pay tuition fees. The members for Spirit River-Fairview and Edmonton Norwood have commented on the increase in tuition fees. My first point must be that it would be easier for us to increase the tuition fees each year on a relatively small level rather than have some large, say, lockstep increase over a period of time. Two percent in a year and a half to two years as opposed to 15 percent in three years seems to me to be more reasonable, and I'm afraid those are the alternatives we are facing. I think the 3 percent increase in tuition fees amounts to \$20 to \$22 a year.

It is not a significant amount when you consider the other elements of that policy position. First of all, we have stepped up student loan assistance, which is the richest, if you want to use that expression, student loan program in Canada. We will continue at that priority, moving to about \$106 million this year with the highest amount of students and dollars provided.

Secondly, I think the basis on which tuition fees are considered must be in the context of the overall operation of the university. Here again, I think the trade-off is about 90/10 between the cost of financing provided by the university and the government — mostly the government — and the student. So it's not a big cost relative to the total cost of education.

In the case of user fees, we have discussed that possibility with the chairman of chairmen of boards of governors, Mr. Byron, on behalf of the colleges, and with — it just escapes me, but certainly the Universities Co-ordinating Council, the meeting of presidents, and the chairman of chairmen of the university sector as well. They have all given me the commitment that wherever possible they will monitor these changes and ensure that they are in fact reasonable and within limits.

At the same time, the assistance we provide to students in a variety of ways, including the Heritage Savings Trust Fund scholarships which have been made available, certainly more than compensates for any increase in costs they may have suffered. On the Heritage Savings Trust Fund scholarships, the question was raised as to whether or not there was any information which would suggest that as a result of the high school matriculation program the actual awards have dropped. It's my quick view now, just checking the information I have before me, that there has been very little change this year over last in terms of the actual number of Rutherford scholarships given out. I would expect we need one or two years to see whether or not there's going to be any significant variation in the granting of Rutherford scholarships in particular.

It was argued by others that at some point there was some mark inflation taking place to ensure that students were able to receive the Rutherford scholarship. Well, I'm not too concerned about that. But in any event, we now require that at least some of the courses included in the Rutherford scholarship calculation be departmental courses. Of course, there is a fair share between those as to how

much is made up of departmental exam and how much is made up of student evaluation by the teacher. So it's working about the same.

I'm certain that the 4,000 or so Rutherford scholarships which are given out enhance the opportunity of all the best students in this province to enter universities and colleges. I must say that every year when I sign those letters, it's an extremely rewarding experience knowing that at least \$300, if not \$1,500, is flowing to some students to allow them to cope with these tuition fee increases which have been noted. I think this is a unique program in the province of Alberta. It reflects the advantages of the Heritage Savings Trust Fund, and it has benefitted some 20,000 students in this province already. I think we as legislators must give ourselves a pat on the back for making sure that this important project is working.

One of the specifics raised dealt with the question of planning research. The change in the planning research budget is only \$17,000, which is essentially not very much. It was, in fact, a decision to do two things: number one, part of the costs of the accessibility study were obviously not required again; but secondly, historically we were attempting to use contracts to do some of the work. We found we could do the kinds of research we wanted internally just as well, so therefore we cancelled some of the contracts or the provision for contracts. So it's not a big event, but I don't think that was the point the member was making.

He did make the point that we need to be concerned with new technologies, the frontier, high tech or low tech, new opportunities for educational experience for students — blending together all these new potentials, whether it's Athabasca University and its deliverability, the computer software program initiatives at the University of Calgary, the advanced technology studies being done at the University of Alberta, or, for that matter, some of the curricula which have been developed at the AVC Calgary and Edmonton in terms of providing upgrading to disadvantaged adults. On and on it goes. All of this fits within this high-tech area.

Let me give you the assurance, first of all, that our department believes this to be one of the important areas. I'm pleased to say that Athabasca University will be open on June 15. It's now in place. It's certainly the only distance learning university in Canada and one of the few in North America. It will be a valuable part of the process. Coupling the resources we give to Athabasca University with ACCESS itself and its educational foundation side will provide us with a step in the right direction, if not a quantum leap and a leading edge in some of these areas. For example, I know we are now exporting to some of the LDCs and second-level countries much of the technology of education which is now a very important commodity for us, which allows us to enter, for example, Singapore and Pakistan with contracts where we provide educational opportunities for upgrading using a combination of curriculum instruction techniques which have been developed here by the department and by the various institutions. Without going further, I can say that we are forefront, it is a priority, and we'll continue to provide resources to ensure that that happens.

In the case of Athabasca University, specifically in terms of the cutback in its funding, the university is now relocated and, therefore, the relocation costs were dropped from the budget. It has a very good financial base. It has surpluses and will be able to operate very effectively with the size of budget which is provided this year.

I think those are the major items the members have raised. Let me go on to two or three others which are more in a philosophical vein as opposed to a specific vein. First of all, with respect to the funding by the province of Alberta relative to other provinces and the federal government, no matter what you use to measure the contribution by the province to advanced educational institutions in Alberta, in any combination of the most important measurements of those variables, Alberta ranks first or second all the way across for per capita grants per student, contributions to universities, and percentage of budget. We're way up there; there isn't any question at all about that. When other provinces, particularly B.C., which the Member for Edmonton Norwood mentioned, are cutting back their contributions to universities and colleges, we are in fact expanding our contributions.

I must say I don't agree with this current study, the Johnson study, because it assumes that the tax transfers made by the federal government to the provinces to take over some of the guarantees and some of the matching commitments on established program financing were included in those calculations. Therefore, on policy and statistical analysis we have to disagree with them, because when you give tax transfers to a province, you also give it responsibility for the spending. We have accepted the spending; we have accepted the tax transfers. It's not proper or appropriate or symmetrical to include in the federal contributions any contributions made via the tax system.

On the other hand, the contributions made in the province of Alberta under established program financing are very small relative to the total amount of money spent on advanced education by this government. I think it's around \$200 million. If you look at my budget on a very crude basis, it's up around \$1 billion, so it's not a bunch of money in terms of the contribution by the federal government. So number one, we disagree with the analysis. Number two, we object to the fact that tax points are included in that calculation. Number three, I should say that the Council of Ministers of Education, under the chairmanship of my colleague the Minister of Education, will be meeting with the minister McLean and Mr. Jonson within the next 14 days to discuss further our concerns and the ways in which he intends to react or deal with some of the recommendations of that report.

In the case of funding of institutions, I should just make a small footnote. I must admit that in our budget there is some data which even I consider to be somewhat misleading, because it doesn't allocate to the universities all the service element. The service element includes some of the special funding which these universities get. There has been some concern about how the government has reacted to funding for increased enrollment. Unique among any province in Canada, we have provided marginal additional money to universities for every student increase above the '81-82 base. That amount of money would account for about \$15 million this year. My commitment this year, as it was last year, is that if the student numbers increase in September 1985, we will again look for ways to provide some additional funding to ensure that those marginally increasing students are paid for. That money then goes back into the budget. It's not base budget; it's soft money. When the student numbers start to decrease, as we expect they will, that money will come back out of the budget.

In terms of my long-term view, I think you're going to see approximately a 2 percent increase in the total pool of students this year, but the universities as a segment of that

pool will in fact decrease. I think there may be, if not a zero increase, a very nominal increase in student numbers at the university level. Substantial increases in the college system can be expected. Some increases can be expected in the vocational centres as well, as more people are going back to upgrade their skills for pre-employment, apprenticeship programs, and a variety of areas.

On that side over the next five-year period, I think you will see a softening in student numbers. Universities are already trending down. I think the problems we have experienced in the universities in particular will be eased somewhat. You will still see some pressures at the college level as colleges continue to field and receive substantial numbers but nothing we cannot handle within the current system.

Research is an important priority, and the amount of money spent on research at the universities this past year was close to \$100 million. Of course, the argument is always made by my colleagues in the universities that we are not paying enough for the administration. That's an open debate. It's under some consideration. We are now looking at whether or not the administration fees now levied against research money are applicable. There are two sides to that question. In fact, we are looking for ways to assist with those administrative costs as well. I think it's now 5 percent, and some are asking for 65 percent. So you can see there is quite a gap between what is realistic and what is required.

Let me also note, in the context of assistance to universities and colleges, that in the case of the University of Alberta, which was a specific point, if you allocate all the money coming to the university this year, it will in fact increase by approximately 4.6 percent or 4.8 percent, depending on how you calculate it, over last year. That's just about equal to the inflation rate, so I think it's safe to say that in this year at least, we're matching the expansion equal to the measurement by the CPI.

Of course, because the budget at the University of Alberta, for example, is well over \$200 million, you can understand that even a \$2 million or \$3 million increase doesn't really work out to be very much percentage-wise. In the case of colleges, for example, at Fairview, where the budget is about \$7 million this year, you will get a 13 percent increase simply by increasing by the numbers themselves. So the percentages don't tell you very much. It's simply a question that we are increasing our assistance, that there are no cutbacks at universities and colleges and there is no reason for layoffs. There may be some need to defer some of the existing jobs which have not been filled and perhaps to use sessional or part-time instructors to deal with the additional or marginal increase in student numbers.

On the question of barriers to entry, I tend to agree that it is difficult to judge what either causes a student to go to university or prevents him from going. I don't know if I have the full solution to that. I think we are attempting wherever possible to ensure that those students with a good high school scholastic record have an opportunity to attend. We talked about a variety of mechanisms. I think we all agree that we have one of the most sophisticated and elaborate systems to ensure that attendance or accessibility is guaranteed. I tend to agree that entrance to university should be based on ability, not ability to pay, which of course has been the principle established here.

We agree that there were some revelations to us but nothing all that new in the accessibility study. We did show that our accessibility record is very good compared to other

provinces. There are some areas we need to improve. For example, we are doing some work on native studies. We are improving wherever possible and, if practical, targeting certain groups to ensure them an opportunity to access the system themselves. Whether or not the best minds get to university is always a question. Usually they do, but not always. Whether it's ability or ability to pay is not always clear. But in the case of Alberta I don't think tuition fees, student assistance, or scholarships are, in fact, the barrier. If both colleagues across the way, who are more skilled in education than I, have some very substantial or unique ways in which we can deal with that accessibility question, I would certainly be glad to hear from them.

Let me also deal with the question of the Member for Edmonton Gold Bar with respect to the Ombudsman Institute. Mr. Chairman, in my briefing information I have the operating statement for the year to December 31, 1984, in which there is about a \$64,000 budget: \$25,000 for operating expenses, \$9,000 for travel expenses, computer services, and on and on it goes. In my view at least, it's not an elaborate budget. It seems to meet the criteria of the board of governors, and as I've said before, I will be in the process of evaluating the International Ombudsman Institute this year.

I should note that I don't know if it is for me to commit the International Ombudsman Institute to appear before the committee referenced by the Member for Edmonton Gold Bar, because this institution is set up and incorporated under provincial statute. It has its own board of governors. It does not receive financing from the committee itself; it receives money through my so-called discretionary money. The only thing I can commit to is discussing the future of the institute, dealing with the pros and cons, with members of that committee. I'm sure that if individual members wanted to make a request to those people involved in the Ombudsman Institute, they would adjust and respond in a very positive manner. Therefore, I would leave that to that committee to pursue.

My office and I personally would be at your disposal to help you wherever possible. But I don't think it proper for me to make a commitment with respect to the appearance of that committee before your committee, any more than I would ask Guelph University, for example, to appear before your committee or any committee of this House simply because I am assisting that university through the funding of veterinarian students attending that school. The point I'm making is that this is a sort of discretionary pool of money which I use, and one of the expenditure items happens to be the Ombudsman Institute.

[Mr. Appleby in the Chair]

With respect to biotech, the Member for Edmonton Glengarry is always on the leading edge of the issues. Through his inescapable ability to consume a vast amount of information in a very quick period, he has again hit on the one area which I think would open a variety of doors to the province of Alberta, if we were to capitalize on the agricultural research in this province and the strength and intellectual power in our universities and couple that with the private-sector initiatives which are obviously taking place. I would personally share the view that we should pursue biotechnology as a priority in terms of science objectives.

There are some initiatives now under way. I know that my colleague Mr. Musgreave is working through the Research Council to secure an infrastructure potential for the council

to do some biotechnology research — fermenters, for example. Some of these programs are now on the drawing boards, if not committed. I would not want to foreclose my colleague from making that announcement, but I know this is on the agenda. As a member of the Research Council myself, I know it's been discussed on several occasions. So we tend to concur that this should be an objective to pursue.

Mr. Chairman, I think it's important that we harness this strength of the universities not just in the area of biotechnology but in other areas. Essentially, I think that's the point the member made. He also ascribes to the biotechnology area, and we tend to agree with that. Others have suggested, for example, that the chip industry should be pursued. A variety of high-tech industries are now being recommended to us. We have the resources to move on. I think it's important that we attempt to establish this base as soon as possible so that we are in the 21st century, so to speak, in the science and high-tech area.

I would conclude at this point, Mr. Chairman, by saying there is very little disagreement, in my mind at least, that the universities are at the heart of the future. They will in fact provide much of the guidance in a variety of areas which will affect public policy and the diversification and growth of this province. At this point, perhaps more than ever in the history of our province, I think the relationship between the general public and government and universities and colleges is closer than ever before. This fact is recognized in our statements in the white paper, in the travels we've had across the province in pursuit of the white paper listening to well over 250 submissions, and in the submissions themselves.

If you look at other jurisdictions, they build the heart of their high-tech industry and other knowledge industries around the universities and colleges. Research, academics, and the potential for transfer of technology is all there. It all must be recognized and is, in fact, one of the real strengths we have in this province.

So it's safe to say that the past commitment, the very vast amount of money which we have committed to these universities and colleges, will continue, not just for research but for training and retraining programs. That infrastructure investment is now starting to pay dividends. In this budget we show a commitment again to excellence, a commitment to maintaining the strength of universities and colleges for the reasons we've all talked about. We will continue to do that as long as this government is in place. I know that view is shared by all my colleagues. As I look back on the record, all of them speak with pride, with optimism, and with a view of the future for what can be delivered by the institutions which so proudly are part of the advanced educational system.

Thank you, Mr. Chairman.

MR. GURNETT: Mr. Chairman, I appreciate the detail of the minister's replies to many of the things I raised and the information he made available. I'd like to come back on two or three items and ask a couple of other questions I didn't ask initially.

One of them relates to the comments about the motorcycle maintenance course at Fairview College and in general about the development of new courses. As I said earlier, I'm also very proud of Fairview College, what it does, and the innovation that's happened there in the development of many courses over the years. I guess my concern about the inability to provide some real security in a sense is because of that tension that always exists. You don't want any

institution to become too secure and sort of sit back and not feel any pressure to be innovative or to look toward the future, just getting fat and comfortable, if you like, because there are dangers associated with that — no question. Having to be innovative is strengthening in a certain sense, and you have to always be working to be better and to anticipate new areas and new needs.

On the other hand, there's also a certain amount of insecurity that comes from continually feeling like a small and geographically remote college. It may end up feeling that it can't count on anything being too secure for a long time. So that was why I asked about the security for the motorcycle maintenance. I know the college wants to have both. It's happy to be innovative and to continue to set an example and see courses it develops being offered in other colleges all around the province, but it also needs a certain amount of security that it will not have to stay in business by continually being innovative.

In responding to the minister's comments about Grande Prairie Regional College and specifically about the fine arts program there, I'd like to pursue that a bit and have the minister indicate whether or not I'm mistaken. My understanding was that by approving in principle the three-year program for the fine arts department, the funding would increase during each of those three years. While I'm happy to hear, as the minister indicated, that the funding is as much as last year, this in fact should be the second of a three-year program that involved increments in each of those years so that the program could develop as it was outlined in the original approval in principle given last year. There should have been another increase this year, gradually moving it to a place at the end of the three years where it had the total funding package it was looking at.

The concern I have there is simply as the minister said, that offering fine arts in a primarily rural area of Alberta is a very important and new area of education. When the pilot project showed the kind of success it showed over time, I would be anxious to see the program develop as far as the college would like to see it. So I wonder whether, in fact, the funding staying the same this year is actually a backing off from the funding that was required by the original program approval in principle of a year and a bit ago.

In talking about the whole area of degree-granting status for an institution in the Peace, the minister responded primarily in terms of whether or not Grande Prairie college becomes a degree-granting college. The ideas I was hoping to explore a bit with him related more to a university of the Peace that would make use of distance education and all the facilities that are available throughout the area in some new ways. I wonder if we couldn't approach the whole thing a little more quickly and courageously if we looked at the idea of degree-granting status in the Peace country being seeded from the University of Alberta. I remember that the University of Calgary began some years ago as the University of Alberta at Calgary, and that gave an immediate kind of credential status as far as granting degrees. It also meant that the institution could immediately count on a certain amount of administrative and educational leadership. I concur with the minister when he says there's a problem moving too quickly in letting a sort of untested college have degree-granting status. But I wonder how much investigation has been made of the idea of a child campus, if you like — the seeding of a campus from the University of Alberta in the Peace area.

Finally, in responding to some of the thoughts the minister shared, Mr. Chairman, I'd also pass on a thought with

regard to the whole comparison of funding for advanced education in Alberta compared to other parts of the country. I don't think this is anything the minister would disagree with in theory; the challenge is to continue to show it in practice. Comparing with provinces that aren't doing enough, whether they can't do enough or they choose not to, is not really the route to go. We want to look at Alberta continuing to be clearly and strongly identified by the role it takes as a leader in what it's doing in advanced education.

I don't want the decision about whether we're a leader in advanced education to totally depend upon how many dollars that are spent there or not. In the estimates we see that there are a lot of areas reduced and areas increased. Overall we've got a small increase. But we do have the financial ability in this province to really see development and encourage various aspects of advanced education, not only the universities, so that we could make a very clear statement and nobody could stand up and say that there's some doubt as to whether Alberta is doing as much for advanced education as it is really capable of doing. Get away from comparing with other jurisdictions and look instead at whether we're doing all we can.

I am interested in the minister's comments about his relationship with the new federal government. What efforts are being made to increase the importance the federal government attaches to funding support for advanced education? Is there going to be more federal money available for support of advanced education when the budget is announced on the 23rd? Has the minister been active to encourage that as the decisions are being made federally?

We talked a little bit about the effects of inadequate funding, the things the universities choose to do. We talked about tuition increases as one of the ways they deal with funding they see as inadequate. I wonder whether the minister's department has done any investigation of the effect of financial restraints on such things as libraries and the way courses are offered. For example, are libraries keeping up as they should be? Are they moving increasingly into kinds of media other than just print because of the growing importance of those other areas?

With regard to course delivery, are we seeing more dependence upon multiple choice testing, rather than testing that allows more comprehensive use of students' abilities? Are courses being delivered increasingly in classrooms that have larger numbers, rather than students having more contact with instructors? Has there been a reduction in the actual range of course choices that are available? Is that a route universities are taking to make up for not having the funding they would like to have? Overall, I am interested in what research there has been into areas where universities may be reducing and whether they have then been encouraged to make sure that those areas don't really hurt the delivery of educational services.

Finally, I'm interested in the minister's thoughts on whether or not they have any idea of how much parental cosigning of loans takes place in the province. Is there any idea of an effect of that situation on whole families? In other words, are parents agreeing to cosign loans that then create tensions or difficulties for the families with the repayment of those loans, rather than just for the students that are able to use the loans? I'd appreciate a comment on those areas when the minister has an opportunity.

Thank you.

MR. MARTIN: Mr. Chairman, to continue discussion of the estimates of Advanced Education with the minister. I

apologize that I didn't hear all the answers; I had to leave for a few minutes. But I assure the minister I will read with bated breath what he had to say with regard to some of the other areas.

One of the things I would come back to is the funding. I understand the minister basically said that in his opinion it's generally adequate, if I can say it in that regard. Rather than trying to be difficult about it — it's not necessarily us who are saying that but most of the people at the universities. I mentioned Mr. Horowitz and other university presidents.

MR. JOHNSTON: Would you go on record with the president's name?

MR. MARTIN: On February 18 this year, he stated there has been only one year out of nine. He said that publicly.

MR. JOHNSTON: How many university presidents?

MR. MARTIN: I said the university president. I said Mr. Horowitz. Don't be defensive.

MR. JOHNSTON: When I see my university colleagues, I'll say, "You know, Ray said that you guys are upset," and they'll say, "Jeez, we never said anything like that."

MR. MARTIN: Don't worry about it.

MR. CHAIRMAN: Perhaps all the remarks could be addressed through the Chair.

MR. MARTIN: The minister is trying to be cute, but he well knows what we're talking about. The point is that that was said. If the minister wants to get into this, I'll quote something from another area, which was in a press release. I know he will say they're wrong, that the minister is always right, and everything else. But this is a press release that went out after the Budget Address:

... Alberta Faculty Association President, Lorna Cammaert, called the 1985-86 budget address an inadequate response to the long term underfunding of universities. She said:

When one considers inflation and increase in enrolment, the operating grant has gone down by approximately \$700 for every full time equivalent student between 1978-79 and 1984-85.

This means that the Alberta Government would have to give almost \$34 million more in operating grants in 1984-85 to meet 1978-79 levels.

I'm sure the minister has seen that public release. People are complaining. If the minister is saying that everybody at the University of Lethbridge, University of Alberta, and University of Calgary is totally happy with their funding, then one of us is misreading the situation. I'm sure the minister knows there has been criticism. There's a couple publicly. The minister may dispute their figures, but the fact remains that people are saying these things. It's not just the opposition. That's just typical ...

AN HON. MEMBER: It is so the opposition.

MR. MARTIN: We're quoting from people who know, who have to deal with the budgets. That's what the two I've talked about are saying, Mr. Chairman. I hope the minister at least listens to them and tries to come back with reasonable

suggestions. Surely that's his job. It's not a matter of saying that we spend more in Alberta, that we spend more in Canada, and all the rest of it. That's irrelevant to people. That's irrelevant to their reality at that particular time. We can be smug all we like. The minister and the backbencher back there — I forget his name. That's what people are asking. That's the job of this Legislature, to go through with these sorts of things. Obviously, I recognize that there are differences of opinion about these things, but surely it's time to look at it here in a serious manner. That's what we're suggesting.

The other area I want to go into on specific levels rather than general, if I may, Mr. Chairman, has to do with the \$3 million the minister announced in February. I remind the minister that last year we were told in estimates that the funding was adequate. The minister made the same sorts of arguments last time. Obviously, he must have felt the need was there. I take it he doesn't just hand out \$3 million. For some of them the grant came more than five months after their enrollment increases, but the \$3 million was appreciated. It seems to me that this is not the best way to fund institutions, on grants that come somewhat after the point.

I ask the minister: are we looking at the possibility in the next estimates of some other one-shot grant like this? Or is the minister satisfied that this budget is satisfying the needs of the institutions? He said last year that we were. We had this discussion. We were told that we were the best and everything else. Why, then, did we need \$3 million later?

MR. JOHNSTON: I'll explain it to you later.

MR. MARTIN: I hope you do. I'm asking if there's a possibility that we'll need something like that again, beyond these estimates. If that's the case, I suggest that we'd better look at a better way of doing it. I think the minister would agree that it's not good to come with one-shot grants from time to time. Perhaps we have to go back to the drawing board in that regard.

Another question is not in the area, but there's been some talk about it. I would like the minister to update us on the, I believe, \$22 million expansion of MacEwan Hall at the University of Calgary. Some concerns have been expressed that the delays in this project will result in a scaled-down facility. Would the minister confirm that the \$22 million is solid, that the original facility will be there?

Mr. Chairman, another area I want some general comments on has to do with native secondary education, specifically Blue Quills. How is that program working? Are there any statistics that would indicate an increase in native students going into secondary education? Are there some new initiatives in that area? I'd appreciate comments from the minister in that regard.

The other area comes back to what we were talking about in tuition fees. The minister and I agree that there's a cutoff point. We may disagree where it is. It seems to me that there have been a number of increases in tuition fees over the last few years. I'm not expecting an exact answer to something like this, because I agree with the minister that it's complex following up from the Participation Patterns Study. But I have a real concern about this. It's an area that I feel relatively strongly about, representing an inner-city Edmonton riding. The minister obviously had some concerns or the study wouldn't have gone ahead. Has he considered a task force, perhaps out of his department,

to take a look at the issue of students' contributions, appropriate tuition fee levels, and the effects of fees on accessibility?

Maybe there is an ongoing review. But if not, a standing committee could secure input from various people around the province. From his comments, I take it that the minister doesn't feel we've yet reached the stage where accessibility is a problem. I think he said we want to go on our ability, not our ability to pay. He had that concern. Throwing it back, are there ongoing studies in the department? I know we don't make policies off the top of the head. But would the minister consider as a possibility taking a serious look at that whole idea of accessibility and student contributions, perhaps as a task force or as a group out of his department?

I say this, Mr. Chairman, because it is a very serious matter. As I said, I don't expect the minister to know where that dividing line is. But I'm told by people in my riding that we're perhaps approaching that, even with the grants and the loans. I recognize that the better students have the heritage trust fund loans. They're a big help; no doubt about it. I administered a lot of them in my time. I think the rebates and loans are good. A lot of students have the ability to go to university but don't qualify at that level, and those are the ones I have some concerns about. I throw that possibility out to the minister to see what he might say about looking at something like that.

Thank you.

MR. R. SPEAKER: Mr. Chairman, I wonder if the minister could indicate what the current situation is with regard to the University of Lethbridge and the long-base array program — whether it will proceed and the minister's present position with regard to that matter.

MR. JOHNSTON: Mr. Chairman, a very valuable contribution on most points and certainly an opportunity to debate and discuss what I consider to be very significant issues facing us in Alberta, particularly in Advanced Education. I want to make sure the record is clear. When I asked the Leader of the Opposition to clarify who he was speaking about — obviously, when he expresses a view, I take it as an important point. I try to at least get some feedback or some assistance from those people I deal with on a day-to-day basis, including university presidents and boards of governors, to be sure that I am not missing the point in attempting to find a reasonable explanation, understanding the point made by our colleagues here today. That's why. I was not trying to be cute at all; I was simply trying to have the record clear. Often when I turn to my colleagues, to my university presidents and boards of governors, they say: "That wasn't our interpretation at all" or "We didn't really mean that" or "That isn't what was said." So with respect, I wanted to be very clear that I had the right source. I'm of that nature anyway, to be sure we have the right sources. I was simply trying to establish that.

What was raised with respect to Fairview — I think the hon. member and I may have some disagreement about the importance of innovation and impetus to moving an institution forward in terms of its creativity. I tend to agree with the member when he says we would not want to have a complacent institution. We'd rather have an institution which is challenged by environmental changes, by the need to be innovative and creative. I think that's why Fairview has been very successful in the past. I tend to agree with him again when he says that if we take away the opportunity to be creative and innovative, we may in fact lose some

of the excitement which has existed in that institution for some time. So here is a balance.

I tend to agree also that we want to protect wherever possible some of the investment which an institution has made in some of these courses which are now becoming popular, and that is a commitment I'm giving. I'm not going to give a full commitment, but I'm saying that there is a balance here somewhere. I like, for example, to be on the creative side, where the impetus and the innovation flows from the need to survive, the need to be on top of things, the need to reach and to search the environment to be sure you're delivering those meaningful kinds of programs which are required. We're only differing by degrees, I think, and I appreciate that comment as well.

With respect to Grande Prairie Regional College or a university for the Peace River, let me begin by saying we must recognize that we're going to be facing decreasing university enrollments across Canada. We went through this big bubble period, but everyone is saying that the population of the universities will be down over the next decade. That puts some pressure on both private colleges who are now granting degrees or will be granting degrees and the future expansion of other universities in this province.

Thirdly, I'm not sure I can say that the traditional learning skills will be delivered in the conventional mode. We've invested a considerable amount of money in Athabasca University. Maybe by the time it's up and running, in five years, there will be other new, innovative ways in which we can deliver education at the university level to the far reaches of this province. So I'm a touch hesitant to make any strong commitments toward another university at Peace River. That's why I said that before we run, we should learn how to walk. And that's why I believe that the Grande Prairie college in particular, through its expansion of university transfer programs, is in fact a valuable asset in that area and at some point may well be the core of a Peace River university or some other form of university deliverance of programs.

Again, I don't think we have too much difference. I am simply putting on record the fact that I'm not too sure that traditional universities are going to be the form we'll be using in the longer term. That's a reasonable concern, and that's why we're going to Athabasca University. That's why we see, for example, a multiple use of high-tech learning instructions being delivered at various institutions. So that's part of this makeup. Again, I appreciate the views of the member there.

We've had two comments on whether or not Alberta is the leader in the area. I guess it is easy to say that we should ignore what other provinces are doing, except that everyone takes things in a provincial context. We always look to the way in which we are financing various services to people — very high in this province. But how we're financing those services must be compared to other provinces, and we're continuing to do that. The only comparisons I can use that have any efficacy must be with other provinces. Here again, although it is convenient to say we should not compare with other provinces because it's meaningless, we must look at some base and make some comparisons. In fact, we've done that. As I said earlier, on those comparison bases, by measuring whatever variable you wish, Alberta is, in fact, the leader. Alberta is the leader in advanced education in this country and will continue to be in the future. I can't be any clearer. I can't be any more sincere. I can only make that statement and back it up by resources.

I think the federal jurisdiction is in the process of finally recognizing the importance of education, advanced education

in particular. They're dealing with the high-tech side, attempting to tap in to universities to get them to do something more on the economics side. That leads you to the debate as to whether or not research at universities should be applied or general. Of course, there's a fine line there. My own view is that we should not go too far on the applied side because of the unusual situation which may generate some profound discovery for us. I think one of the strengths of universities is the freedom of research and the freedom from restrictions as to applied research. I think the federal government is attempting to harness the applied research side to too great an extent right now. At least that's my interpretation. My view would be to leave it roughly the same as it is and allow the competition for money and the province to provide the major part of that funding on the research side.

When we set our budget, really it's a fair statement to say that we ignore the transfers from the federal government in terms of what they may give us in the next year. We build our budget in Advanced Education on the objectives, on the goals set, in consultation with the universities and colleges and my colleagues here in the House, through a variety of ways. We really ignore the federal contribution. I know my colleague the Provincial Treasurer is quite concerned about that. Nonetheless, in my view it is not a significant variable in the way in which we set, appraise, adjust, or review our budget every year. We try to target our own objectives. We do it from our own basis of understanding, our own projection of needs, and our own goals and objectives over a five-year period. That's how we will operate. It's not being set by the federal government as it is in other jurisdictions. Frankly, I really don't want to see the federal government play too great a role in what we're doing here, because they have more to gain from us than we do from them.

We have very much to offer in our investment in universities and colleges. Our researchers, our intellectual ability, and the retraining side of it are, in fact, world leaders. We're being asked a variety of times in a variety of places to provide those services. It provides us with an economic opportunity to couple on trade. It provides us with an opportunity for research, tech transfer, and on and on. I do not want the federal government to get involved to any greater extent. I believe in co-operation, and I believe in the responsibility we have as Canadians. All that is fine, but I do not want to see the federal government participating any more in terms of policy-setting for our universities or colleges.

Inadequate funding: well, that's the wrong choice of words. The funding is, in fact, adequate. The funding is, as I said, above the standards met or provided in any other province, and I'm sure we'll continue with that as well.

On the policy for loans, of course, it is always a question of judgment. But I think we err in favour of the student. If the student is living at home, is dependent upon his family, and is in first-year university, usually the parental contribution is considered and weighted quite heavily. If the student lives away, is married, or is the head of a household or a single family, then the family obligation liability is not included. He is considered an individual and can apply for loans and assume responsibility for payment the same as others. But there's always a gray area as to whether or not the student is, in fact, dependent and what level of parental responsibility should be involved. I simply say that I think we've erred in favour of the student and the individual wherever possible.

Let me also note the specific concerns with respect to enrollment funding. Mr. Chairman, what I've said historically and what I said earlier this afternoon is that we continue to pay the universities and colleges for increased student numbers measured at September '85 intake in this last year and September every year. We then make the calculation, review the FTE equivalent increases and make the payment early in the next year. That money historically has been raised by looking at other avenues within my department where there may be some surplus money or by going for special warrant to make that payment as we have done on two occasions. The historic contribution to the universities and colleges for the increase which is now in their system is in the budget. Some \$15 million dollars is sitting there. That's the collected amount of money which we paid on top of the base budget expansion. What we have done is coupled the base budget process, where we have built the base budget on new course programs and expansion of services and the cost of buildings, and added to it additional money for enrollment.

That enrollment will continue to flow to the universities. The \$3 million which you mentioned for this fall is, in fact, \$3 million on top of any money which universities and colleges expect this past year, contingent upon student numbers increasing and showing up at these institutions, as I think they probably will this year. We will then continue at that commitment. So that money is enrollment money. It's marginally additional. It's not in the base budget. It's based on, dependent upon, and conditional upon students showing up at the doors. When the students do not show up at the doors, the base budget expansion will continue separately and the funding money for enrollment money will obviously start to decrease. That's a reasonable expectation in terms of resource allocation. That's how it operates. That's how it will operate next year as far as I can see.

In the case of MacEwan Hall, a very exciting opportunity. The students at the University of Calgary are just delighted with their commitment to build a new building. I was there when the first ballot was taken to agree to an assessment to pay from tuition fees part of the cost of that building. Through some very creative financing by the past president, his board of governors, and the University of Calgary student council, we have succeeded in putting in place a very important project. It's \$21.6 million; it's on project. I had the delightful opportunity of turning the sod a couple of weeks ago. It will be built on time. It is going to be a very major facility for the students in that area, and it combines as well part of the funding for the Olympics. There are no problems. The students are delighted. The MLAs from Calgary should be congratulated for their assistance in putting that together. It's a remarkable event when you can combine the Endowment Fund, heritage money, student contributions, and university money to make a project go. That's determination. That's the response we should be giving.

With respect to native education, I can give you some statistics. The University of Lethbridge reports a dramatic increase in native student enrollment. In the past three years full-time native student enrollment has increased by 85 percent, from 70 in 1982-83 to 130 in 1984-85, usually mature students over 19 years of age. At U of A, precise data is not available until the summer, but a spokesman contacted estimated current native population at approximately 130, up from 33 in 1977. From native student services at the University of Calgary, the number of native students has recently increased by over 58 percent in 1982-

83 to 92 in 1984-85. The vocational centres in Lac La Biche, Grouard, Edmonton, and Calgary provide educational services to large native populations — a continuing priority. I think we're doing a fairly good job there in terms of encouraging and suggesting to the native population that they should upgrade their skills. We're doing that in a variety of regions across the province. It is a high priority to continue with that funding, and I think the response is taking place.

With respect to accessibility, I don't know just how to respond. We've had some discussion about this. In two years I will have three children at university, probably in Alberta. It costs money; no question about it. When you're destitute politicians like we are — and you in particular, Ray; I know what you make — it's obviously difficult to pay those fees. But the combination of student loans and tuition fee assistance via the Heritage Savings Trust Fund is helpful. I think accessibility is always under study. We just completed a study through our planning secretariat. Bastiaan Heemsbergen headed up that study. I don't think it's necessary for us to do another study, because the data won't change very much. But it is important for us to continue to monitor the accessibility levels, and we're doing that in a variety of ways.

I should note two things. Number one, we have put in place an information system in this province which will now allow us to collect information as to where the high school students are, which ones have enrolled, double enrollments, triple enrollments, and what the student numbers are going to be throughout the system. I think we'll continue on that side, and that's the priority for it there.

I want to make a point about the high-tech library, which was raised. Through the Endowment Fund, together with a data system in Minneapolis, I believe, we have just agreed to a \$2.5 million upgrading of the microlabs in all the universities and the three major systems. That \$2.5 million will be high-tech interlibrary sharing and will put us in the forefront of library information systems — again a priority. Don't forget that only three years ago, we had the major Heritage Savings Trust Fund library program, and a vast amount of money was spent on the universities to increase their numbers. We're now doing it on the high-tech side as well.

Mr. Chairman, I think I've handled most of the questions. I'll simply adjourn there and ask for any other comments or views.

MR. R. SPEAKER: I had another question. I thought I should grace the presence of the minister. Mr. Chairman, it's with regard to student loans and scholarships that students win in high school prior to going to university or at university as well. In the calculation of a student loan, any scholarship, prize, or grant is used totally in the calculation of the loan from the government to the student. I've had some students come to me and say, "I worked hard; I put in some extra effort to win that scholarship, and I get no recognition for it in terms of my loan program." Certainly, one of the benefits they have is that they don't have to pay back the sum of money later on; that's certainly there.

MR. JOHNSTON: Right. You answered the question, Ray.

MR. R. SPEAKER: But they're also saying, "I could have had money interest-free for that number of years while I was at university," and maybe it didn't really matter. It's been raised as a concern. I wonder if the minister would

comment on that and maybe reinforce the answer I've just heard.

MR. JOHNSTON: Mr. Chairman, first of all, I apologize for not dealing with the Canadian long-baseline array. For example, last Friday the Minister of Economic Development, the Solicitor General, and I were in Lethbridge meeting with various representatives of the city of Lethbridge to deal with, consider, and further attempt to ensure that the Canadian long-baseline array, if it's built in Canada, is head-officed in Alberta. Obviously, my clear priority and commitment is to ensure that the intellectual centre takes place in Lethbridge, and I think the combination of commitment by the university and by the city itself will in fact ensure that that will take place. Some conflict may remain. There is some other city around that is interested as well.

Members of the city of Lethbridge are apparently travelling to Ottawa today to discuss this issue with Tom Siddon. My colleague the Minister of Economic Development has given our commitment to him as to what we would do if the computing centre were operated here in Alberta. He has been continuously encouraging him to move to make some decision one way or another, because it's a lingering problem. There are a lot of expectations. Unfortunately, those expectations were left by the last government, who did not fulfill those commitments. Now there's a bit of a shed here we have to deal with. [interjection] Federal government, of course. Mr. Siddon is a federal minister.

With respect to students, I think the member did in fact answer the question himself. At least you get the contribution, you know you've done well, you've performed, and you have a measure of fulfillment. And you don't have to borrow the money and pay it back. Surely the member isn't suggesting that we allow the student to borrow money, put it in the bank, and earn interest on it so that he has it at some future date. That would certainly avoid the intention of the program and reduce the amount of money available to those students who do in fact need it. I don't think the member means that. I think he's simply raising on behalf of his constituents what is a reasonable question. If these are resources available, they have to be included in the budget. What we have done in the last two years is to reduce the contribution by the individual himself through summer earnings, simply because of the difficulty with summer jobs for students.

The budget process is flexible and dynamic. Again, as you can see from the numbers and the amount of money we're contributing and investing, we are in favour of the students. We're trying to find ways to accommodate them, and I think we're doing that to a great extent in the province.

MR. HORSMAN: Mr. Chairman, I hesitate to delay other questions of the hon. minister on this matter, but in view of the hour I move that the committee rise, report, and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, it is proposed this evening to reassemble in Committee of Supply for consideration of the estimates of ...

AN HON. MEMBER: Today's Wednesday.

MR. HORSMAN: That's right. I beg your pardon. Today is Wednesday. For tomorrow evening then, I could perhaps

give notice that the Committee of Supply will deal with the Department of Social Services and Community Health.

I move that we call it 5:30.

MR. SPEAKER: Now that we've all gotten over our fright, do the hon. members all agree?

HON. MEMBERS: Agreed.

[At 5:28 p.m., pursuant to Standing Order 4, the House adjourned to Thursday at 2:30 p.m.]

