

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, May 9, 1985 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. TRYNCHY: Mr. Speaker, we have in your gallery today a special group of people. We all know that 1988 will be a special year in Alberta when we'll host the 15th Winter Olympics. This group of gentlemen whom I've worked with for quite a long time is just doing a tremendous job for Alberta and Canada. They are Frank King, chairman of the board; Bill Pratt, general manager; Jerry Joynt, Dan Russell, and Jim Acton. I ask that the House give them a rousing welcome.

head: INTRODUCTION OF BILLS

Bill 271
Retail Business Holidays
Plebiscite Act

MR. MARTIN: Mr. Speaker, I beg leave to introduce Bill 271, the Retail Business Holidays Plebiscite Act.

This Bill would require that in the next provincial general election or the next provincewide plebiscite, whichever first occurs, the following question be put to Alberta's electors: "Do you favour the introduction of legislation to provide that major retail business shall close on either Saturday or Sunday in each week and on statutory holidays?"

[Leave granted; Bill 271 read a first time]

Bill 270
Public Service Opportunity Act

MR. MUSGREAVE: Mr. Speaker, I would like to introduce Bill 270, the Public Service Opportunity Act.

The purpose of this Bill is to provide the opportunity for civil servants to take over government services and operate them for a profit. To do this, the proposed takeover must, first of all, provide the government service for three years at one-half the previous cost, prove that the public service will not create any disadvantage to the public, and finally, guarantee the level of service to the public will be equal to or better than existing services.

[Leave granted; Bill 270 read a first time]

Bill 268
Safe Drinking Water Act

MR. GURNETT: Mr. Speaker, I request leave to introduce a Bill, being the Safe Drinking Water Act.

This Bill relates to the concern for water quality that's general across this province and, besides the statutory

requirement that drinking water be safe, would deal with such matters as the process by which an independent board would draft regulations related to that. It would deal with the actions that would need to be taken in the event that public water supplies were found to be unsafe, and it would form a water advisory council to replace the existing Water Resources Commission, which would be abolished.

[Leave granted; Bill 268 read a first time]

head: TABLING RETURNS AND REPORTS

MR. HORSMAN: Mr. Speaker, I'm filing with the Assembly copies of the correspondence between the Prime Minister of Canada and the Premier of Alberta and between the hon. Minister of Justice and myself with respect to the constitutional amendment respecting Senate reform, a notice of which appears in Votes and Proceedings today. Copies will be made available for all members of the Assembly.

head: INTRODUCTION OF SPECIAL GUESTS

MR. PENGELLY: Mr. Speaker, it's my pleasure today to introduce 38 students from the Salem Christian Academy. They are accompanied by their group leader and principal, Mr. George Loney, and teachers Mrs. Barb Sapzko, Mrs. Madeline Brundage, and Mr. James Wong. They are also accompanied by parents Mr. and Mrs. Doug Bryce and Mr. Doug Sapzko and three staff members, Miss Jeri McPhail, Kevin Unrau, Ed Semph, and their bus driver, Fern Lamoureux. They are seated in the members' gallery. Would you please give them a warm welcome.

MR. CLARK: Mr. Speaker, it's a real pleasure for me today to introduce to you and through you 32 students from grades 8 and 9 from the Hussar school. Hussar happens to be my home town, so I'm especially proud to be able to introduce these fine students. There are also a few relations interspersed in among them. They are accompanied by their teachers, Robert Rudolf and Peggy Rainville. They are seated in the members' gallery, and I would ask them to rise and receive the welcome of the House.

MR. HYNDMAN: Mr. Speaker, today I have the pleasure of introducing a group of very active and young-thinking folks from the Society for the Retired and Semi-Retired. They call themselves the Wiwaxy Wanderers, after a mountain near Lake O'Hara. In addition to making various trips around the city of Edmonton, they are active in hiking at Lake O'Hara and cross-country skiing in Kananaskis Country. There are about 14 of the 30 of them here in the public gallery. Their leader, Mr. Wilfred Johnson, resides in my constituency, which is why I have the privilege of introducing them. I ask that they rise and receive the welcome of the Assembly at this time.

head: ORAL QUESTION PERIOD**Health Care Insurance Payments**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Hospitals and Medical Care. It has to do with the recent annual report. Has the government undertaken a study to indicate why payments from the

Alberta health care insurance plan keep escalating to where 150 doctors, I understand, are now collecting over \$0.5 million from this fund?

MR. RUSSELL: Mr. Speaker, I think some of the charts and statistics in the report show what is happening. Albertans are receiving more and more services each year as the years go by. That's been historic. It's referred to as the rate of utilization. We're all receiving more services, there are more of us, and the unit cost of each service is going up. So we're bound to get the results to which the hon. member refers.

MR. MARTIN: Well, that's a matter of opinion. Let me just go from there. The rate of utilization is up; agreed. From this report it looks like there's about a 7.2 percent increase in the number of practitioners while there was approximately a 1 percent drop in the population.

My question to the minister has to do with the rate of utilization, particularly because we have a 12.5 percent increase. Could the minister indicate if his department has an explanation for this? Is the number of physicians affecting the increase in that rate of utilization?

MR. RUSSELL: I suspect it is, Mr. Speaker, and I suspect the doctors recognize that Alberta is a well-governed province and a good place for them to practise.

MR. MARTIN: It looks like it. They certainly make good money. Perhaps we can have more physicians and more utilization, so we can all pay more. Mr. Speaker, my question is to the government. I ask this in a serious manner to the minister. This is a rapid increase. The minister has talked about his concern about medicare and its escalating cost, but I don't see any concern here. Is the minister not concerned about this growing trend of more physicians and more being taken out of the medicare system?

MR. RUSSELL: Mr. Speaker, I feel I've spoken ad nauseam on the rising costs of health care in the nation. As a nation we have to face that. On the other side of the balance books is a \$35 billion or \$38 billion deficit, so we're getting a lot of these services on borrowed money. People seem to want them, demand them, and are willing to have that kind of financial picture at the end of the year.

I think we have spoken up on many occasions trying to bring home the costs of health care services to our citizens. We're going to need everybody's participation and help if there's going to be any kind of concentrated effort to do something about the cost control of the system. We have been running a test project in Red Deer with respect to issuing statements to people as they leave doctors' offices, so that they are at least aware of the value of the service which they receive. We've also experimented in doing that with hospital visits, so that patients receive statements when they leave the hospital. Those have certain limited effectiveness insofar as cost controls are concerned.

On the positive side is the other thing, Mr. Speaker. Advancing medical technology is opening up more and more by way of cures and keeping people here for many, many years longer than they used to be. I think that is a bill that society as a whole is going to have to recognize. The very success of medical technology means there are more cures for more things and there are more of us staying around here longer to participate in the system.

MR. MARTIN: A supplementary question. We all appreciate that, I'm sure. But to look at it from a different aspect, while physicians are billing more and more out of the medicare system — I notice we have a 12.5 percent increase; it's due to the increase perhaps — we have an 18 percent increase in revenue from premiums last year. My question to the minister: has the government any projections that would indicate that premiums will have to go up in the near future to cover these increasing payments to physicians?

MR. RUSSELL: No, Mr. Speaker. Historically the records show that we try to maintain about a 30 percent contribution from premium revenue toward the cost of the plan. The provincial governments over the years have been putting more and more in. The cash transfers from the federal government as a percentage of the total cost have been rapidly decreasing, and this has been a point of major concern to the provinces. From time to time the health care premium levels are of course assessed. Provinces that don't have health care premiums have to look other places for their revenues, so they adjust gasoline taxes or sales taxes or those things we don't use here. I know of no plans this year to raise the health care premiums.

MR. MARTIN: A supplementary question. "This year"; I said, "In the near future." If we're not prepared to work on it in this end, and more and more is coming out, it's got to come from somewhere. The question I was getting to, though, to go into the rate of utilization again: in view of the amount of money physicians are collecting, is the minister now prepared to review the 1983 study commissioned on Alberta surgical rates? We seem to have a high surgical rate. They cited the whole fee-for-service method of payment as a possible reason for our high surgical rates. Has the minister specifically reviewed, as part of the problem we're facing here, the method of payment, the fee for service?

MR. RUSSELL: Certainly, Mr. Speaker, we're willing to review anything at any time. Without meaning to sound facetious, I do want to point out that reviews of these practice profiles are going on all the time, not only with respect to billing practices but to see if the system is adjusting itself to correspond to financial changes that have been made in it. As members can appreciate, it's a pretty delicate thing. Historically the facts are that as the years go by, Canadians are availing themselves more and more of the services of health care professionals.

MR. MARTIN: We appreciate that they're reviewing. My question following from that to the minister: is there any thought by the government at this time to looking at changes to fee for service as possibly being part of the problem we're facing with escalating medicare costs?

MR. RUSSELL: Mr. Speaker, I'm glad the hon. leader raised that specific item. We have asked the Alberta Medical Association to examine the policies of, one, a sliding overhead component and, two, a capping philosophy. They are of course not anxious to discuss those items, for obvious reasons. I'm interested to note that the B.C. Medical Association this year just recently signed an agreement which involves a capping policy. I think those things are bound to come in in various parts of the country from time to time, but at the present time I couldn't say what methods

would be used here to try to control utilization or expenses. There is a wide variety of options open.

MR. MARTIN: A supplementary question, Mr. Speaker. In going through the reports — I'm sure the minister has — I note that for the second year in a row the largest increase in payments to practitioners has gone to oral surgeons: a 36.5 percent increase in 1984, on top of a 52.6 percent increase in 1983. Could the minister outline whether or not he's been able to determine why such an increase has taken place in this particular practice?

MR. RUSSELL: No, Mr. Speaker, I can't. There's a belief in some quarters that some new techniques and technologies carried out by dental and oral surgeons are bringing relief to symptoms and complaints that used to be treated by other kinds of practitioners. That's one theory. The hon. member is quite right; that is a very dramatic increase in that specialty.

MR. SPEAKER: Might this be the final supplementary in this series.

MR. MARTIN: Yes, Mr. Speaker. Just one other area. In the report I see that the number of applications for payment for medical services not available in Alberta virtually doubled between 1983 and '84. My question about this to the minister: has the minister looked into how many of these instances were infant cardiac cases which had to be flown out of Alberta because we had no unit in the province to deal with such cases?

MR. RUSSELL: No, I haven't looked into it, Mr. Speaker, but I suspect that the hon. leader has identified the major source of that increase. There was a specialty service that was missing for several months and during that time those infants were flown to the Toronto Hospital for Sick Children.

MR. COOK: A supplementary question, Mr. Speaker, on that point. Could the minister also confirm that we have specialists in this province to whom people come from out of province?

MR. RUSSELL: Yes, Mr. Speaker, it's a two-way flow.

MR. COOK: A supplementary question. Could the minister indicate whether or not we're becoming more interdependent in Canada and North American as specialist teams assemble in certain facilities and serve the whole country?

MR. RUSSELL: I think it's fair to say that that is a developing trend, Mr. Speaker. I know there's been consultation among hospitals and medical groups as to how many heart/lung transplant centres there ought to be for the country, as one example. I'm sure some of the other high-priced, exotic specialties are undergoing the same kind of scrutiny.

MR. COOK: A supplementary, Mr. Speaker. Could the minister advise the House as to whether there have been any studies or reports done to suggest that it's reasonable to presume that Alberta should have all of the specialties and exotic surgery facilities here in the province so that no Albertans would have to go outside?

MR. RUSSELL: I don't know of any specific report that's dealt with that, but I think the answer is probably self-evident, Mr. Speaker.

MR. MARTIN: Rollie comes through with some tough ones there.

Edmonton General Hospital

MR. MARTIN: It's my day with the Minister of Hospitals and Medical Care. I'd like to go back into another area that he's been talking about, the Edmonton General hospital. My first question dealing with this area: has the minister been forwarded the petition signed by more than 71,000 people opposing the closure of the active care wings of the General hospital and has he had a chance to review the contents of this petition?

MR. RUSSELL: Yes, I have, Mr. Speaker, and in my view the agreement we reached with the board this week responds to most of the concerns expressed in the petition.

MR. MARTIN: A supplementary question to the minister. Could the minister indicate how he came to this conclusion, in view of statements attributed to people who were organizing the petition? They're not happy.

MR. RUSSELL: There are three aspects to the petition, Mr. Speaker. Number one, I think many of the people signing the petition were not aware of what they were signing. I'm not trying to downgrade in any way the significance of a petition containing that many signatures. But I think it's inevitable, and we know because we've talked to many of them, that many people had very little understanding of what they were signing. Another group who did sign I think were misinformed and were signing under beliefs that certain things were going to happen or about to happen that weren't contemplated by the government. So they were signing on the basis of probably well-meaning but still misinformed information. The third group of persons represented in the petitioners, as far as we can ascertain, were people who were very much concerned about the fact that they were going to lose very close by, across the street, immediate medical attention to emergency situations.

It's on that basis that I say I believe, based on the statistics we have, that 85 or 90 percent of those concerns will be responded to by the agreement that was reached. I use that figure because historically only 15 percent of the emergencies that have turned up at the General have required hospitalization; 85 percent of the persons showing up are treated, released immediately, and not admitted to the hospital. Those kinds of cases will continue to be taken care of. In addition to that, several of the outpatient clinics that have traditionally been there will remain and give that convenience of service to the public. There's going to be a day surgery program with examining rooms, diagnostic facilities, and the three operating rooms. So that kind of thing can happen.

And then, of course, there's going to be, in my view, an incredibly excellent auxiliary and geriatric care centre of 480 beds that will respond to all the needs of the senior citizens, who constitute a very large percentage of the people that were concerned. So when you take the thing in total, I think that as a well thought out, well debated, and considered compromise between ourselves and the board, it is a solution that responds to generally most of the concerns that have been expressed.

MR. MARTIN: Mr. Speaker, I want to make sure I understand clearly what the minister is saying. Is he saying

that the reason the government would not change its policy on this matter, even though 71,000 Albertans signed a petition, is that he felt they were misinformed or didn't understand the petition and that's why the government didn't move on this petition?

MR. RUSSELL: Mr. Speaker, I didn't say that at all. I said that of the people who were informed and understood what was going on, I believe 85 to 90 percent of their concerns have been addressed.

MR. MARTIN: A supplementary question, Mr. Speaker, if I may. I think the minister would agree that the Friends of Edmonton General Hospital committee, the people who organized the petition, understand their own petition. They're saying very clearly that that is not the case. Upon what does the minister base that he now has 85 or 90 percent of the concerns of that petition settled? On what possible information does he have this?

MR. RUSSELL: Mr. Speaker, I've just finished going through the list of programs that are going to stay there, and in talking to many of the petitioners, those are the kinds of things they were asking for. I think it's important to recognize that of the area we're talking about, most of those residents have quicker access to emergency services by ambulance to the Royal Alexandra hospital or the Mackenzie Health Sciences Centre than people living in your typical suburban neighbourhoods. That area of the city is extremely well served by hospital programs, and the programs which are going to stay there I think respond and take away from most of the concerns that were embodied in the petition.

MR. SPEAKER: Might this be the final supplementary by the hon. leader. I'm concerned about meeting even a short list. We've used over a third of the question period time so far.

MR. MARTIN: Thank you, Mr. Speaker. To follow up on this, would the minister have any indication of how the government would react if he was confident in his own mind that all the people who signed this petition weren't misinformed, that they actually knew what they were signing? Would 71,000 people then have caused the government to relook at their particular proposal?

MR. RUSSELL: Mr. Speaker, I don't mean to divert the Assembly's attention to an argument about numbers. I think it's a matter of record that if a problem or a concern is expressed, it doesn't matter if it's brought to the government's attention by way of a letter containing one signature or a petition containing 100,000 signatures. The essence of the problem, the concern, and the response to it are the important things. In my view, the concerns expressed by that petition have essentially been met by the programs we've agreed to, and there was enthusiastic agreement from the board of the General hospital and its medical staff.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. I've been advised that the Royal Alex and Charles Camell hospitals will not be able to accommodate the some 46,000 emergency cases, averaging about 130 per day, that are now looked after in the General until changes are made within those two emergency units. I understand

that's on a six-year program. Could the minister confirm that or clarify those circumstances at the present time?

MR. RUSSELL: Mr. Speaker, I believe we're giving the impression that we're going to be left with one less emergency ward in this city. That is not correct, because of course there's going to be a brand-new, modern emergency department open at the new Mill Woods hospital, which will take a tremendous load away from the University and the Royal Alex emergency wards that are now looking after that whole southeast and Sherwood Park segment of the metropolitan area. So it's not as if somebody has to take an overload; there's merely going to be a redistribution here.

Automobile Insurance

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Consumer and Corporate Affairs is with regard to auto insurance premiums. Back in 1979 the Alberta Human Rights Commission indicated that insurance companies were discriminating on the basis of age and sex relative to premiums. I wonder if the minister could indicate at this time whether the government is committed to assuring Albertans that auto insurance companies are going to revise their rates and classifications to eliminate this discrimination.

MRS. OSTERMAN: Mr. Speaker, the hon. member raises a very important element of automobile insurance, particularly as it affects male drivers under 25. The commitment I have made is to make sure that the public is fully aware of the information I am now in the process of gathering that relates to the new statistical plan the auto industry has in effect as of January of this year.

It must be over two years ago that the superintendents of insurance across Canada asked the auto industry to put together a new plan which would give us a broader array of characteristics, if you will, that one might look at to judge driving risk on, and therefore possibly eliminate some of the classifications presently being used. I think it's well known that I, as minister, am a little unhappy that it has taken the industry so long to bring this information together and put this plan in place, but we certainly intend to utilize it. Automobile insurance obviously can't be turned upside down overnight in terms of putting new classifications together, because we don't know the inherent risk in some of those classifications. But for the information of the hon. member, we'll certainly be looking at that over the next few months, putting together some ideas as a result of our also looking at plans in various other jurisdictions, and asking for actuarial advice on what will happen if those plans are in place.

My final comment, Mr. Speaker, is that if we believe the full cost of automobile insurance is being paid for by the entire public and that cost indeed reflects the risk, then we also know that if some people are to receive a reduced premium, obviously that of some others is bound to rise. I think what we want most of all and what is most important is that it be absolutely fair.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister in light of the comment. Does the minister or the government support the principle that a young driver under the age of 25 is innocent until proven guilty and on that basis pays the same individual premium whether male or female?

MRS. OSTERMAN: Mr. Speaker, I think all hon. members would support the principle that those who are the greatest risk on the road should pay the greatest premiums.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Is the minister saying that on that basis, the present discrimination occurring in terms of male drivers and female drivers under the age of 25 will continue in this province? From that answer I would gather that.

MRS. OSTERMAN: Mr. Speaker, it is premature to say what will continue in terms of what we believe to be fair, because I think there's a tremendous amount of information to be accessed that we haven't had at our disposal before. As I said, there are a number of new characteristics being added to the statistical plan that will hopefully allow us to further refine those categories. I said outside the House, I guess facetiously, that possibly we ought to develop some stats on whether blue-eyed drivers have more accidents than brown-eyed drivers. I don't know what the hon. member is suggesting in terms of what an appropriate plan is, but I hope he has a suggestion that is backed up by actuarial advice, so that we all know we are not bringing in a plan and charging more to drivers who indeed have a good record.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. The plan I'm suggesting is that each individual be judged accordingly. What the minister is saying is that the insurance companies will base premiums on statistical records. My question is: has the minister considered a system based on the individual's driving record, so that one individual is treated the same as any other individual?

MRS. OSTERMAN: Mr. Speaker, that's certainly among the considerations.

MR. R. SPEAKER: A supplementary question. The minister also indicated in her earlier remarks that contact is being made with other provinces of Canada. Can the minister indicate what type of consultation is going on, and will a plan such as the one I'm suggesting or other possibilities that the minister has suggested go into effect after agreement is secured by the other provinces, or will Alberta lead the way in terms of insurance premiums?

MRS. OSTERMAN: Mr. Speaker, I've instructed the Superintendent of Insurance to make contact across the country. They do that on a regular basis, and that's how the requirements of the industry to put together a new statistical plan came about. I have asked the Superintendent of Insurance to speak to the other superintendents to find out what proposals provinces have. Apparently, it's possible that the Charter of Rights, for instance, has a different effect, depending on what type of regulation you have in your province with respect to the insurance that's mandatory. I will follow that up with a request to put this on the agenda of at least the consumer and corporate affairs ministers this fall.

To answer the other part of the hon. member's question, if other provinces do not appear to come to some definition about that, it's certainly my intention that we'll have a full debate here and have our principles and our suggestions on record before a case hits the Supreme Court of this country.

I think all hon. members should be able to make their observations before a court ruling.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of the minister's answers, it seems that we have to wait until this statistical information and evidence and plans are put forward. Our own Alberta Human Rights Commission has said there is discrimination in terms of sex and age. To the minister: is that not adequate information to make a decision at this point in time?

MRS. OSTERMAN: Mr. Speaker, the problem is not with what all hon. members want to see in terms of fairness in automobile insurance; it's how to achieve that fairness. As I've said, I think most people would regard those drivers we believe to be high risks on the road to be the ones that should pay the highest premiums. The difficulty is in putting forward a plan or a grouping of people that will indeed put that into play.

MR. SPEAKER: I'm concerned about the passage of time. We've spent a good deal of time on this topic. If there is time, we can come back to it; otherwise, perhaps tomorrow.

Hazardous Waste Disposal

DR. BUCK: Mr. Speaker, my question to the hon. Minister of the Environment has to do with the Environment Council of Alberta's report. In the report it says that the era of concern for the environment is over, and at the bottom of page 4, Mr. Minister, it says:

Alberta's treatment facility is not only economically sound, it can be a positive attraction for enterprises that unavoidably produce hazardous wastes in their operations, and at present have no location in Canada that can provide an assured safe disposal method.

In light of the fact that we are building a world-scale disposal plant in the Swan Hills area, can the minister indicate to this Assembly what discussions he has had with other ministers in other provinces to assure the people of this province that Alberta will not become the hazardous waste disposal centre of Canada?

MR. BRADLEY: Mr. Speaker, the hon. member has some very interesting introductory remarks to his question. He referred to our development at Swan Hills as being a "world-scale" facility. I'm not sure where he got the impression that the facility was going to be world-scale. The facility is being developed to handle the wastes which are produced within Alberta. The purpose of this whole program from the outset was to develop a system within the province that could handle wastes created within the province. So we'll be setting up a comprehensive, integrated facility. If the hon. member meant by world-scale facility that we would have a facility capable of handling wastes which are created within this province, then we are putting forward a comprehensive, integrated facility to handle wastes within the province. That has been the intent of the program. I think I've responded several times in question period as to what the intent of our special waste management system in the province is. It is to handle wastes generated within Alberta. That is the intention and purpose of the facility.

In terms of discussions with other ministers of the environment across the country, at various meetings when we've discussed the matter of where treatment facilities are, that has been communicated to them. The direction in which

the ministries of the environment across the country have been heading is that each province would handle the wastes generated within their own province. The intent and purpose of the system in Alberta has been to handle Alberta-generated wastes.

DR. BUCK: Mr. Speaker, I want it as clear as I can possibly get it from the minister. Is the minister assuring this Assembly and the people of this province that that facility being built in Swan Hills is to treat wastes in the province of Alberta only? Is that what he is assuring and reassuring us of?

MR. BRADLEY: Mr. Speaker, I don't know how many times I've responded in the House to the question of what the purpose of the facility is. I've responded that it is being developed to handle Alberta-generated wastes. I've also responded that on a need and request basis from another province, if there was a specific need which we may be able to handle in the future, we might consider it. But we are not developing the system to import wastes from other provinces to be handled on a regular basis. It's being developed to handle Alberta-generated wastes only. If there was a specific need which we may be able to respond to, we might look at it at that time. Certainly, the system is being developed at this time to handle Alberta-generated wastes. There is not excess capacity being built into the system to handle other provinces' concerns. We are developing a scaled facility which will be economic to treat wastes generated in the province only.

DR. BUCK: Mr. Speaker, the "need and request" is what bothers me. Can the minister indicate what discussions he has had with industry in the province to see what portion of the costs the industries will bear when the facility comes on stream? Has there been any discussion so that the industries can get geared up to know what their costs and responsibilities will be for the disposal of their hazardous wastes?

MR. BRADLEY: To supplement my previous answers, Mr. Speaker, I think there should be some recognition that over a long period of time Alberta has been exporting certain wastes to facilities outside the province to handle Alberta-generated problems. We should be thankful that we have had the ability to ship certain materials out of this province so that they can be handled environmentally responsibly. Other provinces and states in the United States have taken wastes from this province.

In terms of the cost of treatment, that certainly is something which is being reviewed in terms of the facility which is being put in place. We do not have the treatment costs at this time, because that is something which the Alberta Special Waste Management Corporation is discussing with the proponent in terms of the treatment processes which are going to be put in at the Swan Hills facility to handle the wastes generated in the province. Once the treatment processes have been decided upon and we know what volumes are going to be handled at the plant, we will have a firmer hold on what the figure for treatment costs will be.

DR. BUCK: Mr. Speaker, was the province's taking of the PCB wastes part of this reciprocity that the minister is telling us about?

MR. BRADLEY: Mr. Speaker, I think it's been well-debated in this Legislature and explained as to where we were heading with regard to our legislation. Prior to the enactment of legislation on March 13, we did not have an ability to preclude the continued importation of waste. We moved with that legislation. It's been well documented in this House. We moved with the implementation of that legislation well before the PCB spill in Kenora.

Senate Reform

MR. ANDERSON: Mr. Speaker, my question is to the hon. Minister of Federal and Intergovernmental Affairs. It's further to statements attributed to the federal Minister of Justice wherein he is reported to have said that he opposes an elected Senate for Canada. Has the minister had an opportunity to confirm whether this is the policy of the government of Canada or a personal opinion of Mr. Crosbie?

MR. HORSMAN: Mr. Speaker, I had an opportunity this morning to have a very lively conversation with the hon. Minister of Justice. I should advise that this is one case when you shouldn't believe everything you read in the newspapers, because he assured me in the most colourful language possible, which I won't repeat in the Assembly, that it represents neither his personal views nor the views of the government of Canada.

MR. ANDERSON: Along with other members, Mr. Speaker, I'm pleased to hear that report. Just for clarification, does this mean that it's the understanding of the government of Alberta that the discussions referred to in the preamble to Motion 13 in our Votes and Proceedings will include discussions on all possibilities for Senate reform, including an elected Senate for Canada?

MR. HORSMAN: Mr. Speaker, that is the gist of the correspondence between the Premier and the Prime Minister and between Mr. Crosbie, the Minister of Justice, and myself, which I tabled today. I might add that that was vigorously repeated today by the hon. Minister of Justice in his telephone conversation with me. He wished me to be assured that there is no question that the federal government is approaching the subject of discussion of the Senate with an open mind and is fully prepared to discuss all aspects of the Senate during the course of the ministerial meetings which will be taking place prior to the calling of a full-scale first ministers' conference on the Constitution.

MR. ANDERSON: Mr. Speaker, a supplementary question. Is the minister in a position to indicate when those ministerial meetings might begin?

MR. HORSMAN: No, Mr. Speaker, at this stage I'm not. Without reading into the record the correspondence which I've already tabled, hon. members will be aware that we have most strongly urged the federal government that the continuing committee of ministers on the Constitution to deal with Senate reform be inaugurated or instituted at the earliest possible opportunity. I think it is necessary for the resolution to first pass the House of Commons before such a committee could be established. Certainly, with eight provinces willing to participate in this amendment now before the House of Commons, it would appear that it would be possible to structure a working committee within a very

few weeks or months so that the preparatory work can begin.

Before I sit down, Mr. Speaker, I might add that the hon. Minister of Justice assured me that he is in receipt of the report of the select standing committee of the Alberta Legislature and that that would be one of the most carefully considered documents during the course of the review of this subject.

MR. ANDERSON: Mr. Speaker, a final supplementary to the hon. minister for clarification. Is the minister indicating to the House that he is pushing for the fastest possible schedule of discussions on the issue of Senate reform, so that Canadians can end this century of illegitimacy that's plagued the Canadian Senate?

MR. HORSMAN: Yes, Mr. Speaker, that is the case. In fact, the correspondence will indicate that, and that has been the subject of my discussions with Mr. Crosbie in terms of both the meetings I've held with him and the telephone conversations, including the one most recently held this morning.

Strathmore Housing Project

MR. GURNETT: Mr. Speaker, my question is for the hon. Minister of Housing, and it relates to a comment he made in the Assembly on April 23 with respect to owners of rural and native housing homes in southern Alberta. At that time he said:

The one individual who was inadvertently offered another home has since changed his mind and has decided to stay in the original home as a result of these repairs being made.

My question to the minister is whether he would indicate if, to his knowledge, such an offer was verbally made to all 40 of the Strathmore project homeowners and not just to a single family.

MR. SHABEN: Mr. Speaker, I'm not aware of offers being made to more than that particular individual. That offer was made in writing. I could check to see whether or not any verbal exchanges took place with employees of the corporation and advise the hon. member, but this one made in writing was the one I was aware of.

MR. GURNETT: A supplementary question to the minister, Mr. Speaker. My information indicates that it would be a good idea to check about offers that had been made. To the minister's knowledge, is it the case that the reason this family did not pursue another house was that the conditions set by the department were such that they would have had to settle for a smaller house than the house they originally had in the Strathmore project?

MR. SHABEN: Mr. Speaker, for some time the corporation had under review the specifications and design criteria for houses that could be constructed under the co-operative housing action program. As a result of that review and the determination that the program was designed and lent itself to modest type accommodation, the confirmation of those design specifications was made. So there was a concurrent change in specifications that occurred about that time.

MR. GURNETT: A supplementary question to the minister then, Mr. Speaker. Regarding the department's eventual

offer to actually repair the deficient housing in Strathmore, were the homeowners there who had been lobbying for a couple of years for some kind of repairs or compensation given an ultimatum that they would have to accept the specific repairs offered by the department or receive no compensation at all?

MR. SHABEN: Mr. Speaker, we went into this matter at some length during the study of the estimates of the Department of Housing. I should make it clear, and I think I said on that evening, that there was no legal obligation on the part of the government to undertake very extensive repairs and rebuilding of housing units, because the arrangements were made between a contractor and individual families. However, since there is an involvement of two individuals who formerly worked for the Department of Housing and the matter is now before the courts, I felt that we had a moral obligation to provide very generous assistance to the homeowners by bringing those homes up to the highest possible standard, at a cost to the taxpayers of well in excess of \$400,000 as well as providing the homeowners with a five-year new home warranty on their homes after the repairs are made. I think the offer of the department to the families was most generous.

MR. GURNETT: A supplementary question, Mr. Speaker. It's good to hear that the government accepts at least a moral obligation with regard to the matter and certainly would probably want the people to be as satisfied as possible with the service they receive. My question is whether the minister has undertaken any study of the matter to determine why the homeowners' lists of deficiencies and suggested repairs were not used as the basis for the repairs that have now been authorized by the department.

MR. SHABEN: In order to manage this very difficult problem as fairly as possible, the department retained on a contract a skilled outside contractor, a builder who understands building, to thoroughly inspect every house and compare that inspection with the plans and specifications that the individual families agreed to and authorized him to enter into negotiations with those homeowners to bring those homes up to, at the very least, a standard that was specified in the plans that were developed and agreed to by the homeowners. That's the result of several weeks of work by the consultant and discussions with the individual families.

MR. GURNETT: A supplementary question, Mr. Speaker. Would the minister be willing to table for the Assembly the lists developed by the homeowners of the deficiencies they felt existed in the homes and the lists eventually approved for actual repairs to be made?

MR. SHABEN: Mr. Speaker, I'll consider it. I haven't seen each list, although I would suspect that individual homeowners would attempt to achieve the best possible arrangement in terms of their negotiating with the consultant we hired. My examination of the proposal presented to the homeowners indicated to me that the work was extensive, expensive, generous, and met the specifications of the original house plans.

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

MR. GURNETT: Yes, one final supplementary, Mr. Speaker. Will the minister confirm that all the repairs that will be undertaken on the individual houses will be completed for an individual home at one time and not in an extended, piecemeal way when the contractors are involved there?

MR. SHABEN: Mr. Speaker, our intention is to cause a minimum of inconvenience to the homeowners. If at all possible, all the work will be completed by the end of June — and it is extensive — and the work will be co-ordinated in such a way to limit the inconvenience to the homeowners.

MR. SPEAKER: We've run out of time. I accept the blame for that. I think I recognized the hon. Leader of the Opposition for too many supplementaries this afternoon, but if the Assembly agrees, since I have mentioned the hon. Member for Edmonton Glengarry, with the indulgence of the House perhaps we might deal briefly with his question.

Edmonton City Hall

MR. COOK: Mr. Speaker, I promise to be brief. My question is to the Minister of Labour. A report sent to city council recently suggested that the city hall here in Edmonton is structurally unsound and unsafe. [interjection] I'm not talking about the council chamber. Could the Minister of Labour, who is responsible for the building codes here in the province, assure the Assembly that the city hall in Edmonton is structurally sound?

MR. YOUNG: Mr. Speaker, I'm always concerned that regulations such as the building code and the fire code may be wrongly blamed for some of the work that some people would like to have done on buildings. In this particular case I did have a check made of the report, and I am advised, first of all, that the building is not a poor building in any respect from a life safety point of view. It does, in fact, meet the fire code, with the small exception of one committee room which has recently been constructed in a manner which is a little deficient.

In short, Mr. Speaker, it appears that the reports, which are quite widespread today, were not very accurate reporting and are due to the fact that the building was constructed in 1955, occupied in 1957, met the city building code at the time it was constructed, and as with any building that has met a code, it is not necessary to make changes to meet revisions to the code until such time as a major restructuring or renovation would be undertaken.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister then give approval to Mayor Decore of Edmonton to shake the place as much as he wants?

MR. YOUNG: Mr. Speaker, I can assure the hon. member that we understand that the building was built well over code. If the mayor wishes to jump up and down along with all members of city council, there'll be no problem as far as the stature of the building is concerned.

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. NELSON: Mr. Speaker, it gives me a great deal of pleasure today to introduce to you, and through you to members of the Assembly, 43 energetic grade 6 students from St. Wilfrid elementary school who come from one of the finest communities in Alberta. St. Wilfrid is respected for its high standards of teaching and community effort. Last Monday I met with the students for half an hour or so to discuss some items of interest. With them are teachers Mr. Gorman and Mr. MacDonald, and bus operator Brent. I'd like to ask that they rise and receive the warm welcome of the Assembly.

MR. R. MOORE: Mr. Speaker, it's again a pleasure for me to introduce to you, and through you to members of this Assembly, 31 grades 5 and 6 students from Clive school, situated in the constituency of Lacombe. I can assure the Member for Calgary McCall that this is just as fine an area as that fine area he spoke of a moment ago. They're accompanied by their teachers W.E. Sturgeon and S. Sawyer, and parents S. Anderson, H. Tees, and S. Law. I hope they're seated in the members' gallery. I can't see them up there, but I take it for granted they're there. I ask them to now rise and receive the traditional welcome of this Assembly.

MR. PAHL: Mr. Speaker, in the absence of my colleague the Member for Wetaskiwin-Leduc, it's my pleasure to introduce through you to members of the Assembly 45 grade 6 students from the Leduc East elementary school. They're accompanied by their teacher Mrs. Ward. Knowing the calibre of people in one of our newest cities, I have no hesitation in assuring members that they're equally on par with the other outstanding students introduced here today. I wonder if they'd rise from their places in the members' gallery and receive the welcome of the Assembly.

MR. STEVENS: Mr. Speaker, I don't often have the opportunity to ask you to recognize official representatives of the town of Cochrane, the home of the world famous MacKay's ice cream. In the members' gallery today are council member Wayne Hilland, town manager Martin Schmitke, and momentarily absent is Mayor Ian Brooker. I wonder if the other two gentlemen would rise and receive the welcome of the Assembly.

MR. HORSMAN: Mr. Speaker, I move that motions for return 138 to 142, inclusive, stand and retain their places on the Order Paper.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

215. Moved by Mr. McPherson:

Be it resolved that the Legislative Assembly urge the government to consider establishing a fixed contribution pension plan for new public service employees, so as to minimize the further growth of unfunded liabilities, reassure pensioners, and protect future Alberta taxpayers.

MR. McPHERSON: Mr. Speaker, it's a pleasure for me today to propose Motion 215, which asks the government

to consider mechanisms to reduce or minimize the further growth of the unfunded liability present in the existing public service pension plan, which would reassure pensioners and protect future Alberta taxpayers. In dealing with public service pension plans, indeed any kind of pension plan, all members might recognize that it is a relatively complex area, at least I find it so. I hope I can do justice to some of the comments and ideas I would like to put forth for the consideration of hon. members on what I think is an important subject. In order to do justice to the recommendations behind Motion 215, perhaps it would be helpful to identify the problem that exists or clearly will exist in regard to the growing unfunded liability of the public service pension plan, not just in Alberta but in virtually all jurisdictions in the western world.

Mr. Speaker, the current pension plan sponsored by the government on behalf of its employees is known as a defined pension plan. The essential elements of a defined pension plan are that an employee will receive a known and defined pension benefit derived from a formula based on a percentage of the employee's income, usually the average of his best five years' earnings, times his length of service times a percentage, normally 2 percent in the public service pension plan. In other words, the pension benefit under the defined pension plan is known, it's defined, but the costs of the plan are predicated on an actuarial valuation based on a number of assumptions about as far in the future as it's necessary to predict. Oftentimes those predictions are extended into the future for up to 50 years. Moreover, government in this case bears all the risk and fully guarantees the benefit as well as fully guaranteeing any shortfall that may exist in the cost of the plan.

Perhaps there's little need for me to describe to members the extent of the shortfall that exists. I think most members are well acquainted with the unfunded liability of the public service pension plan. In the 1984 report of the Auditor General, I note that the latest figures available indicate a total unfunded accrued liability of \$2.722 billion at March 31, 1984. It's worth noting here, Mr. Speaker, that the total liability under all the public service pension plans, six I believe, is actually some \$4.876 billion. The pension fund balance, which was established in March 1981 as a direction of this government and was a direct transfer of \$1.1 billion from general revenue to create a pension fund, has now grown to \$2.154 billion from the original transfer. Basically, we have an unfunded liability of \$2.722 billion.

Mr. Speaker, there are a couple of reasons why the unfunded liability continues to grow. I'm not referring to the extent of the funded liability as it is today, but there are a couple of basic, fundamental reasons why that unfunded liability will continue to grow in the future. First, the employer/employee contributions are less than the cost of the long-term accrued benefits. Secondly, no interest is paid on the unfunded liability. This is a key consideration because interest is always factored into the consideration of the cost of any accrued benefit in a pension plan. I should hasten to point out and perhaps raise a caution about any notion that the problem could be completely solved by simply depositing enough money to eliminate or fully fund the pension plan. This measure would basically amount to an exchange of unfunded liability from the pension fund to direct government debt. Some jurisdictions have chosen to do that. Some have chosen the alternative of issuing government securities into the pension fund. However, those securities replace the unfunded liability debt with direct government debt. While this would stem the growth of the

pension liability because governments would then be paying interest on the securities into the pension fund, that measure would obviously increase government debt servicing costs and all the implications therein.

Nonetheless, Mr. Speaker, the growing unfunded liability is an insidious problem, and the real costs will be inflicted on those who pay taxes in the long term; that means our children and our children's children. When pension plans are not adequately funded, the full effect of cost increases will not appear for some considerable time. After the commitment is made, only a small part of the cost is visible today. It's left for future taxpayers to deal with.

Mr. Speaker, a vast, unmeasured, unfunded liability is building up over Canada in the form of uncommitted pensions. Some, like the federal pension plan, are indexed without limit. The Alberta public service pension plan isn't, as you know; thank goodness, in my view. It has been known for some time, certainly since 1966 when the Canada Pension Plan was established, that the contribution rate to the Canada Pension Plan of 3.6 percent of employee benefits would be outstripped by payouts before the year 2000. Inflation has in fact pushed that figure ahead. I don't know where to, but it's certainly a concern for all Canadians.

We don't have near that problem in Alberta because the pension plan is partially funded, and that fund is growing every day. Also the employer/employee contributions have recently been increased in a very fiscally responsible measure by the Provincial Treasurer, so the estimates that I have heard — and they are rough, Mr. Speaker — indicate a concern for Albertans about 40 years down the road when benefits may exceed total contributions and taxpayers will be called upon to fund benefits for future taxpayers through the General Revenue Fund.

How do we extricate ourselves from this looming fiscal concern and protect the viability of our employees' pension plan, as well as protecting future taxpayers? There are a variety of mechanisms, Mr. Speaker. In my view, an answer lies in the essential elements of pension plans in the private sector. An interesting dichotomy exists under the Pension Benefits Act, whereby private pension plans in the private sector must be actuarially funded. They always have to be fully funded. But the government, which imposed the standards, does not itself meet the criteria it establishes for the private sector, from which its own economic strength obviously derives.

The recommendation of this motion, Mr. Speaker, is to establish a money purchase plan or defined contribution plan for new employees entering the civil service. I will be interspersing the words "money purchase plan" and "defined cost plan" throughout my comments today. Basically, they mean the same thing; they are the same thing. The money purchase plan is basically the reverse of a defined benefit plan, under which a cost is known, it's fixed, and the ultimate benefit is variable, depending upon the performance of the fund it has created by employer/employee contributions in the marketplace.

Mr. Speaker, I want to emphasize very clearly that this government meets its commitments. So let there be no mistake; this recommendation deals only with new employees as they enter into the service of the government and does not address any notion of replacing the existing defined benefit plan of the public service with a new defined contribution plan or money purchase plan.

In 1977 the government of Saskatchewan established what is known as the new plan, which is in fact a money purchase plan. There are some interesting comments as to

why the government of Saskatchewan established that plan. One of the comments I found interesting in reading some of the research material in preparation for this motion was that then Premier Blakeney travelled to New York and witnessed the disaster in the city with respect to their pension plans. When he came back to the province of Saskatchewan and investigated the matter, he found there was a considerable unfunded liability in the pension plan, growing at a very alarming rate, and shortly thereafter established the new plan.

I think there are a variety of important and tangible benefits in establishing a money purchase plan. Firstly, by definition, a defined contribution plan is fully funded, so there is no risk that the plan will not be able to meet its obligations. Stories like the Canada Pension Plan, which I've alluded to, and perhaps more dramatically, as I've also alluded to, the debacle of the New York City pension plan can hardly gain any credibility or confidence in defined benefit pension plans, particularly in the public sector. The money purchase plan operates on the basis of a percentage of payroll, usually a contribution of 5 percent for employees and 5 percent for the employer. It is essentially a savings plan, and the growth of that fund is traced directly to the employee. At the time of retirement, which incidentally is made much easier before age 65 under a defined contribution plan, the employee can transfer his or her pension into a life annuity. In that regard, since the funds in an individual's account represent the present value of the employee's pension, there is very little difficulty in arranging for full portability or early retirement, if that is desired, and I happen to think that is a desirable aspect.

On the first point, Mr. Speaker, a new money purchase plan for new employees would virtually truncate any future growth of the unfunded liability in the public service pension plan, but not the established, existing unfunded liability. It would virtually eliminate any future growth to the unfunded liability.

Mr. Speaker, I think the second issue that has to be addressed is: what's in it for the employee? The first thing that comes to mind is that all employees are obviously taxpayers. All employees of the government are citizens and many are parents. Therefore, they have a common interest in eliminating any risk that their pension will not be able to meet its obligations and, moreover, that in meeting those future obligations, we don't overburden future taxpayers. Perhaps of more immediate interest is the fact that there is a large subsidy from existing employees who terminate their employment with the public service to those who retire on pension. Under the existing plan it's been revealed through statistics I recently read that for every employee who retired with full benefits under the public service pension plan, 10 employees never received the full benefits of their pension plan. Because they terminated early, they simply received their own contributions plus interest. I think it's an interesting statistic, Mr. Speaker.

Time doesn't permit me to go into any real detail today, but it's an actuarial reality that young employees who participate in a defined benefit plan actually pay more in contributions than the present value of their accrued benefits — period. There is a considerable amount of cross-subsidization in a defined benefit pension plan. Young employees up to the age of approximately 40 actually contribute into the plan more than is required to pay the cost of their accrued benefit to that time. Indeed, in many, many cases the employer contribution on behalf of employees is not even required to pay the cost of the accrued benefits for

an employee up to a certain age. Employers' matching contributions made on behalf of an employee stay in the fund to pay pensions for those who receive them. In contrast to that, Mr. Speaker, a money purchase plan based on a percentage of payroll guarantees a benefit to everyone who joins the plan, and since the fund in each individual account represents the present value of that member's pension, there is no difficulty in assuring that he or she will receive that benefit pension. Certainly, it provides for full portability. So one consideration is the fact that only about one out of 10 employees of the public service receives full benefits from the pension plan.

Another practical consideration is that because nominal interest rates follow inflation over time and the fund in a money purchase plan attracts nominal interest rates, they preserve the real value of the member's benefit from anticipated inflation. I'd like to offer as a tangible example, Mr. Speaker, a pension comparison between a defined benefit plan and a money purchase plan for a male, age 25, retiring at age 65. For the defined benefit plan I've assumed a starting salary of \$15,000 with salary increases, including promotion, of 6 percent. Under those parameters this individual will receive an annual pension of \$90,897, based on the average of his best five years' salary, times years of service, at 2 percent a year. In comparison, in a money purchase plan the young man would have accumulated \$782,333 in that fund. At today's annuity rates, checked yesterday, that individual could purchase a life annuity with a 15-year guarantee, producing an annual pension of \$100,427. There is quite a difference. If he chose to have that pension indexed at 4 percent compounded each year, which is certainly available, the annual pension at commencement would be \$77,844. So we have a young employee of the provincial government, age 25, who could essentially provide himself with a pension of a little more than \$100,000 a year, or if he wanted to have a pension that was indexed at 4 percent, he could commence benefits at \$77,844 and that would increase on a compounded basis every four years for the rest of his life.

There are some other distinct advantages of money purchase plans. One, simplicity: employees can readily understand the value of their plan at any time; they can receive an annual statement of employer/employee contributions to date, the current rate of return on the total fund, and perhaps even current annuity rates, to determine what their pension would be at any given time. It's certainly very simple and very easy to understand. Secondly, increased understanding of an employee's pension plan would encourage more individual responsibility for retirement planning. Employees would have a proprietary interest in their accounts and, indeed, may wish to have input into the investment decisions. I think that's positive and should be welcomed. Third, since the funds in each individual's account represent the present value of a member's pension, full portability is easily accommodated. Fourth, because a money purchase plan is essentially age neutral, there is no concern by the employer of hiring older employees as compared to younger employees. So the plan, I think, will assist older eligible employees in that regard. At the same time, short-term employees will not be penalized for leaving, which increases employee mobility in the public service, which in turn energizes the public service. I think that's good.

Mr. Speaker, in considering a new money purchase plan for new employees, there is a wide range of benefits to employees and taxpayers. Yes, there are some drawbacks, which will probably be offered in debate by other members.

I look forward to that today. The chief negative in my view — and I think it would be almost irresponsible for me not to mention it — is that under a money purchase plan or a defined cost pension plan the participants bear all the inherent risk associated with accumulating capital for their retirement. But to balance that, I think it's fair to say that we're all part of the economy. In fact, the vast majority of private-sector pension plans are money purchase plans, so why should public-sector plans be any different?

I've also indicated that the marketplace will tend to anticipate the inflation rate over years, so in balance there are certainly good reasons for serious consideration of a money purchase plan which would provide funding directly into a plan allocated specifically for an employee and would accumulate over time. Moreover, I emphasize again, Mr. Speaker, that this motion urges a new plan for new employees only. Obviously, new employees would know the pension guidelines when they started service with the government. I think that is important. I indicated earlier the Saskatchewan plan, established in 1977. It's my understanding that at that time the Saskatchewan government offered a voluntary incentive for existing employees under the defined benefit plan to join the new plan, and they did in fact attract a goodly number of new employees. Apparently, they offered something like the average rate of return over the period of time the employee had been in the public service. They used that average rate of return and paid that to the employees as an incentive of drawing their money from the defined benefit plan over to the new money purchase plan.

Mr. Speaker, the thrust of this motion is to minimize the growth of the unfunded liability in the public service pension. On page 54 of his 1984 report, the Auditor General suggested ways to restrict growth of the unfunded pension liability. The last suggestion directly concerns Motion 215. I'd like to quote from the Auditor General's report:

- (vi) Finally, another way of controlling increasing pension liabilities is by introducing a defined contribution plan sometimes described as a money purchase plan. Under such a plan, retirement benefits are limited to those that can be purchased with the accumulated combined employer and employee pension contributions and income earned thereon. As such, defined contribution plans do not have unfunded liabilities.

Mr. Speaker, I understand that the transfer of the \$1.1 billion in 1981 was arrived at by estimating what the fund would have been had the government retained and invested all the contributions by employers and employees into the plan at that time. That fund has grown to some \$2.153 billion in that short period of time. I think it's worth considering if indeed that existing fund and future contributions and interest would be sufficient actuarially — and of course that would have to be determined — to meet the obligations under the existing public service pension plan. I am simply urging that in order to minimize, hopefully to truncate, the growth of the unfunded liability, the government consider as one measure of doing that establishing a new, fully funded money purchase plan for new employees.

Mr. Speaker, I'm very much looking forward to the comments of my colleagues on this particular motion.

MR. ZIP: Mr. Speaker, I'm pleased to have the opportunity to speak on Motion 215 and wish to congratulate the hon. Member for Red Deer for sponsoring this motion. While it is limited in scope, it is nevertheless a move in the right direction and, as a result, very worth while. While listening

to the very comprehensive discussion of this motion by the hon. Member for Red Deer, I find there isn't much left to say on it. There are, however, a couple of very important general observations I wish to make on pension plans as a whole which were touched on but not entirely covered by the previous speaker.

[Mr. Purdy in the Chair]

The whole question of proper funding of public service pension plans by government and the lack of proper funding of public service pensions seriously cuts down the size of that much needed pool of savings that become available from this source of capital, both to industry and commerce. This, of course, works against lower interest rates and weakens business opportunities across the province and country. It also undermines the incentive to save on the part of the population. Underfunded pension plans are another form of deficit financing that, along with the rest of government borrowing, is inflationary and reduces the return to savers.

As I have previously pointed out in this House, the savers of this country have been subjected to a concerted assault by the interventionist policies of governments across Canada, especially the previous Liberal government in Ottawa. This has brought a wave of overtaxation, new taxes, and mounting public debts that are becoming unmanageable. We do not need to turn them off even further with underfunded pension plans. Mr. Speaker, the saver is the forgotten person in our society. In view of the importance of savings to our economic system, it seems very strange to me that that is so. Nobody seems to question why all the socialist countries of the world run to the capitalist banks for their capital needs. They have destroyed the ability of their own people to save. Let us not fall into the same trap and destroy the ability of our own people to save.

Let us start paying attention to the needs of our savers, whose self-discipline and willingness to work hard and to sacrifice results in savings which must provide a reward to the saver in order to encourage him and others to save more. As I've said before, current inflation rates and taxes leave precious little earnings to savers. I'm surprised that people save at all nowadays. In view of this, and in view of the extent to which people are presently protected by our current system of social security, there seems to be little need to save. At one time people used to save for a rainy day; now the government provides for so many rainy days that the incentive for people to provide for their own rainy day is largely gone. Let us not take away any more reasons for people to save. Let us think where this is leading us.

The final point I wish to make on the importance of fully funded pension plans, Mr. Speaker, relates to the whole question of responsible government, which is a fundamental pillar of our democratic system. Underfunded pension plans invariably, as I said earlier, become part of the future debt obligation that will have to be borne by future taxpayers. As the hon. Member for Red Deer pointed out on a number of occasions in his speech, these taxpayers have not been consulted about their willingness or ability to carry these financial burdens passed on to them by their imprudent fathers. Our forefathers, let us not forget, fought long and hard over the centuries for this all-important principle; it wasn't won in one generation. A fundamental cause of the American revolution was the taxation of Britain's colonies in America without representation in Westminster.

Now this principle, won at such great cost by the martyrs of democracy, sacrificed for democracy, is being lightly cast aside by reckless and irresponsible government spending through a rapidly mounting public debt. Underfunded pension plans form a substantial part of this future obligation.

Mr. Speaker, I urge members of this Assembly to support this excellent motion. Thank you.

MR. MUSGREAVE: Mr. Speaker, I'd like to say a few words about this motion from the hon. Member for Red Deer. Unfortunately, I can't begin to speak in such learned terms as he can on this whole issue of pensions, but I would like to take issue on some things.

Perhaps I didn't understand his debate, but I think it would be most unfair that new public service employees should have to pick up what seems to be a looming debt. In my opinion, they should pick up some of it, but I suggest that the bulk of the people paying pensions should also pick up their fair share of what is, in the mind of the hon. member, a debt that we can't handle. The past attitude of governments has been that these pension plans were not funded for the simple reason that governments would always have the ability to tax, and governments would always remain as governments, and the pension obligations would always be met. If he's really concerned about the increased growth of the deficit, let's increase all the premiums.

Another part of the motion which I have some concern with is "reassure pensioners". As one who gets a pension, I don't have any problems with being reassured about my pension. I have been here 10 years now. I have not received a single letter or one complaint from any of my constituents, and I represent one of the 10 largest constituencies in the province with over 29,000 voters; not one of them has complained that he's concerned that his pension is going to be in trouble. I have had one complaint, one written letter, from a senior official who retired from the city of Calgary, which is under the Alberta pension plan. He was complaining that in his opinion the last increase by Executive Council wasn't large enough.

He mentions protection for future Alberta taxpayers. I must confess, Mr. Speaker, that I get a little concerned when I hear young people like the hon. Member for Red Deer advancing such gloom and doom concerns of people from the private sector. I can appreciate where he comes from. He comes from balanced plans, and I appreciate that. But when you take the United States, which is spending billions of dollars on defence, when we've got a budget deficit running between \$25 billion and \$30 billion a year in Canada, where our debt is more than that of the United States, can he in all honesty say that any member of Parliament or any Legislature in this country is going to say to the pensioners, "Tough luck, we've run out of money"? I doubt it. We saw how quickly our Prime Minister cut the ground out from under Mr. Michael Wilson when he said that we have to look at universal programs such as family allowance and old age pensions. Mr. Wilson was left out in left field all by himself on that one.

I suggest that if the debt is a concern, perhaps they should start charging higher interest rates. I understand that right now the Canada pension moneys are loaned to the provinces at ridiculously low rates of interest, somewhere in the range of 3 and 4 percent. Why don't they loan this money out at higher rates?

Secondly, he mentioned the concern that the Premier of Saskatchewan had with the pension plans in New York City. I think we could also include the city of Montreal, which

is using the police fund pensions, I believe, to meet current expenses. A lot of people like to use New York as an example of mismanagement of moneys. What they don't appreciate is that New York City is still a jumping-off place in America for new Americans such as Hispanics, Puerto Ricans, or black people from agricultural areas. They have to pick up the majority of the burden of social assistance, whereas in Canada this is primarily picked up by the federal, provincial, and city governments. Obviously, if you have concerns to look after people, you have to feed them, and you have a pot of money there, you're going to use it. I think it's only proper that they should.

The other point I would like to make on this issue, Mr. Speaker, is that in those cities that I mentioned, regrettably unions have managed to get very good pensions compared to the private sector. For example, we know our pension is 4 percent per year. When I was at Imperial Oil Resources, it was 1.6 percent per year, less than a third of what ours is. So you can see that the private-sector funds are in better shape because they reflect the economics of the situation.

Today in this country of ours if you arrive at the age of 65 with no money at all and you're married and your wife is 65, you can obtain almost \$1,000 a month. In my opinion, that is a fair amount of money when you figure that they have contributed absolutely nothing to it. Many people who are in that position today worked in companies that had no pension plans, had no ability to put money aside for their old age, or made so little that they needed whatever they could get to keep body and soul together.

In conclusion, Mr. Speaker, I think a society such as ours moves ahead with liabilities, and this happens to be one of the liabilities. It also moves ahead with lots of advantages. When I look around at the education enjoyed by the younger members of this Assembly — they have more money and better communication abilities — frankly, I don't think underfunding of the pension plan is one of our major concerns.

MR. GOGO: Mr. Speaker, I welcome the opportunity to participate in Motion 215. As with many motions and Bills brought forward by the hon. Member for Red Deer, it's not only unique and interesting but seems to present a challenge to the House and the members. He's been attempting in a very real way to remake the health care system of this province, based on some very accurate actuarial methods. Unfortunately, the real world may not exist in here, and he tends to exist in the real world. Many times he's shown us opportunities whereby we as legislators dealing with taxpayers' money probably should apply some common sense. Sometimes members heed and other times they don't. But in the final analysis, I'm sure he has to agree that when you recognize where Alberta is in the Canadian scene, with only 10 percent of its people, with the assets we have — albeit the good Lord may have put them there; they're simply managed by the present government — one has to concede that the system we presently have is really not all that bad.

Mr. Speaker, there's no question that the whole topic of pensions seems to increase in people's minds in a linear fashion based on their age. In other words, chronologically they become more important. When a member or citizen reaches age 50, he then starts to think in those terms based on what benefits he might get. Obviously, it's of very great importance to many Albertans.

Just a moment ago the Member for Calgary McKnight mentioned the system we have in place in the nation. Of

our 10 million or 11 million working Canadians, roughly one-third are organized in the sense that if they don't belong to unions, they certainly belong to associations which are quasi-unions, such as teachers, doctors, dentists, lawyers, et cetera. A great number don't have pensions of any kind but are expected to pick up the tab for many of those who do.

As members are well aware, we have in place the Canada Pension Plan, which is a plan to look after those who did not look after themselves. That was the whole concept back in the '60s, some 20 years ago. We have the old age pension program for those who are fortunate or unfortunate enough — depending on your point of view of the way the country is going — to be alive to 65 to receive it. If they have a pension plan of other sorts, they can of course have that melded into, interwoven, or adopted to another pension plan so that when they reach that magical age of 65, they will not receive the extra benefit of that. In addition, they receive the guaranteed income supplement, which in many cases is equal to the old age pension. Within this province we have the Alberta assured income program. Those who receive the old age pension and the guaranteed supplement get the assured income plan. For those who cannot work because of a disability, there is the AISH program. The latest one, of course, is the widow or widower pension program. So it seems the state has gone a long way in looking after members of society at some very great expense.

When we're talking about the people that I think the Member for Red Deer is talking about, we're really not talking about any of those. We're talking about the primary people who come under the six-plus pension programs in the province of Alberta; that is, the public service pension plan, the public service management pension program, the MLA pension program, the local authorities pension plan, the universities academic pension program, the special forces pension plan, which of course primarily deals with police and perhaps fireman, and the Teachers' Retirement Fund, guaranteed by this province but not administered by the Provincial Treasurer.

The question being put to the members is that perhaps we should "consider establishing a fixed contribution pension plan for new public service employees." I think we should just take a minute, Mr. Speaker, and review the concept of pensions, why they exist. Old age pensions started in Germany before the turn of the century. They continued to pay their pensions even through its great wars. Obviously, pensions are an important element to a lot of people. Traditionally, the public service in Canada had two things that other people didn't have, and this survived depressions. One was tenure or job security and the other was pension. So they've had these almost forever. They had them on a certain formula. Frankly, many of them didn't require contributions by the individual until the last 30 or 40 years.

So pensions are ingrained in people's minds as being extremely important. If we're going to start tinkering or fooling around, we had better be well aware of what the consequences are. I guess the first point is that we should concede that the Alberta government obviously recognized this through the Auditor General, when some three or four years ago the Provincial Treasurer found that extra \$1.1 billion the Member for Red Deer referred to — that's since grown to some \$2.1 billion or \$2.2 billion — in an effort to look after these unfunded liabilities. Mr. Speaker, major steps have been taken. Since then the increase in contributions, which was an option available to the government, was undertaken. I don't know what the projections are over

the five-year term, but presumably with the recommendation of the Provincial Treasurer, they will go a long way toward assisting the unfunded liability. I don't think there's any issue taken on those points when one considers the benefit side. The Member for Red Deer accurately points out that the benefit is quite frankly unknown. You don't really know because you can't project what the salaries will be at a given time.

One can take an example of somebody who commenced as a public service employee in, for the sake of argument, 1950; it is now 35 years later. That person would have contributed at that given rate of between 3 and 5 percent over all those years and accumulated X dollars. If he retires today, he receives, as I understand the formula, 2 percent for each year of service of the highest three or five years. Mr. Speaker, in many cases one could make the argument that in one to two years he could withdraw every penny he put in, and he would then draw that for the rest of his natural life depending on the type of annuity he had chosen; i.e. whether it was single life, spousal, survivor benefit, et cetera.

So the Member for Red Deer makes a very excellent case, because the money purchase program, in its very simple context, is: you put in X percentage of what you earn — generally it's fixed — and it grows at whatever the interest rate is. Hopefully it's realistic and not 4 percent, which the public service now pays. Anybody else trying to do that would be on the front page of the *Journal*. That's the opposite of Sears charging 28.8 percent on consumer debt. However, so be it. I'm sure there's a reason, and future speakers in this debate may well point that out, but it is 4 percent. I think it's based on certain federal legislation that you can only guarantee a given amount under pension legislation nationally.

Mr. Chairman, there's always that tendency to look at the private sector and say: that's the engine of growth; that's what pays the bills; that's where people take their chances. I really don't see the kind of bonuses going to the public sector that go to the private sector. I don't see, for example, the case that existed in 1980-81 when engineering graduates from the University of Calgary had a choice of a Corvette or \$20,000 or two years' payment on their apartments if they would only join a certain company. Now they can't find a job, but that's a different story. I don't know of any civil servant who got that, or if he did, I'm sure it's not public. So the private sector, it seems to me, has ample opportunity to do things the public sector doesn't. One has to be extremely careful when you start fooling around with an established principle.

To quote Saskatchewan — 75 percent of us come from there; it's not a bad idea to sometimes quote Saskatchewan. I frankly don't think one can hold that up as a shining example, particularly as there's no track record yet in the province of Saskatchewan with regard to their new method of contributions. It was only discovered a few years ago that they didn't have contingent liabilities other than the liability of the taxpayer of Saskatchewan to meet future liabilities.

With that in mind, Mr. Chairman, I'm torn between supporting or rejecting the motion of the Member for Red Deer. I have great respect for his knowledge, ability, and the thought he puts into motions like this. The only fear I have is his age: he's not as aged as some members of this House and therefore hasn't had the bruises other members of this House have experienced or faced the real world in terms of reality in this Assembly. So with those comments

I want to close by commending the Member for Red Deer for stimulating debate as to what we should be considering but at the same time would urge some degree of caution: If we move, let's be extremely cautious that we know what we're doing before we move.

Thank you very much.

MR. R. MOORE: Mr. Speaker, it's a pleasure to rise and speak to this motion, which I support very strongly. It's long overdue and is very pressing at this time.

Motion 215 urges the Alberta government to adopt "a fixed contribution pension plan for new public service employees." When you consider that the Auditor General estimated Alberta's public pension unfunded liability to be \$4.1 billion as of March 1984, it's cause for concern. I think the hon. Member for Lethbridge West should consider fiddling around with it when it has that kind of liability sticking out. Somebody should be fiddling around with it, because it needs correcting. When I say unfunded liability, I mean assets minus obligations. It's seriously underfunded, and it should be of prime concern to us and to every Albertan.

Let's compare what we're talking about when we say private sector/public sector pension funds. The private sector must cover all its pension costs. They must be fully funded and self-sustaining, Mr. Speaker. The public-sector pensions are not up to date and rely on government taxation powers. Motion 215 proposes that we draw the line now and eliminate future growth of our unfunded liability. We would continue to recognize commitments made to existing public service contributors. We don't want to alarm the existing participants. We're saying: for new members coming on. I believe some action must be taken, and it must be taken now.

In 1984 the Alberta government increased the employee and employer contributions by 1.25 percent on a phased-in process. That's for the public service and the local authorities pension plans. However, even with that increase our unfunded liability is growing. Why should public-sector plans be treated so vastly different from private-sector plans, Mr. Speaker? We are currently stressing fiscal responsibility in departmental spending. Why not put some fiscal responsibility in the area of public-sector pensions too.

Mr. Speaker, Motion 215 asks us to view public service pensions in a new light. It asks us to implement a plan where contributions are fixed at some percentage of salary, and the benefit varies according to the amount contributed and investment returns on contributions. In effect, public service contributors would be asked to participate in an annuity fund, in simpler terms. Where the ultimate growth rates of a managed fund are unknown, the ultimate contributions are controlled by the employee. That's the important fact. The employee would accumulate funds as he changed jobs. Vesting the benefits would be automatic. A contributor would not be subsidizing someone else's benefits or be saddled with someone else's liabilities.

Saskatchewan adopted a defined contribution plan in 1977, and that has stopped the growth of unfunded liabilities in that province. We've seen it work. We know it will work. Why not here in Alberta? We may be a rich province, but we cannot tolerate or allow this unfunded liability to grow and be paid by future generations, or whatever — through taxation, anyway, in the final analysis.

Mr. Speaker, the reality of the day is that workers are on the move; they're mobile. The population is aging. Something must be done to halt the growth of unfunded liability to accommodate mobile workers. This is a fact of

life. Our workers now are not like they were in years past. They're mobile; they move, and their pension plans can move with them. Motion 215 recognizes this need. It urges us to adopt a plan to control liabilities, introduce individual fiscal responsibility, and increase vesting and portability of pension funds. Mr. Speaker, now is the time we should address this and take positive action.

Mr. Speaker, I move adjournment of the debate.

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

Bill 211

Alberta Economic Council Act

MR. MARTIN: Mr. Speaker, I'd like to make a few remarks in introduction of Bill 211, the Alberta Economic Council Act. A Bill dealing with the Alberta development fund was brought in previously and I saw overwhelming enthusiasm for it from government members, so we will proceed with Bill 211.

Before I get into the Bill, the whole basis of it is to suggest that we need a mechanism or vehicle in this province to make sure that our economy is going to be diversified and that there are going to be opportunities and jobs in the future. It seems to me, especially during the '70s when we happened to have a resource that was needed throughout the world, that recognition that this might not go on forever was just not prevalent in the province, not only with the government but, of course, with many Albertans. We know what we're facing right now: a sort of windfall and then a boom type of economy. I think all of us in this Legislature recognize that it's all right if you can stay with the windfall. That creates certain problems. With all the windfall, the boom and the bust, the recession becomes much more difficult, and of course that's what we faced basically starting in 1981.

We have said, and I think the government recognized it somewhat in their white paper, that we're going to have to do things differently in the future, because we cannot inevitably go into the boom-and-bust psychology, Mr. Speaker. In our white paper we suggested methods different from the government's. It seems we have a disagreement, a different idea of what diversification is. The Premier and I had this discussion the other night in the estimates of his department.

It seems to us, and I've said this before, that in the white paper we backed off even from what the heritage trust fund was originally set up to do. It seems to me that we're more reliant on one industry, oil and gas, than we have been in the past, and the figures and evidence back this up. We pointed out, and I won't bore members here, that other industries have fallen in terms of their relative value to our economy. Industries like manufacturing and agriculture have certainly fallen since the '60s in terms of their output in the gross domestic product. We think we have that potential.

It would be all right if OPEC were to suddenly get their act together, if we can put it that way, and drive up the price of oil. Then for the time being we would probably not be in bad shape in this province. Admittedly, the minister of energy recognizes this. However, it is a guess by all

people and the evidence indicates that it may be going in the other direction.

[Mr. Speaker in the Chair]

The point we make is that for long-term, stable growth we believe we need a plan. That's why we talked about our Alberta development fund. We believe we ought to know where we're going, not do it by ad hocery. If we rely totally on oil and gas and put all our eggs in the one basket, if things go well, that works out well. When things go down, there is a crush.

It seems to me that the government did not have a plan all during the '70s, and they thought things would go on as they started to when OPEC raised the price. We went on that assumption for many, many years. Of course, everybody thought this was going to go on forever. There were a number of reasons why it didn't. I know the members will talk about the national energy program; it certainly had an effect. The breaking up of the cartel had an effect. There were a number of reasons, but the fact remains that we fell then, and fell badly.

Mr. Speaker, as this money rolled in during the '70s, if we had had some idea of how we could best diversify the economy, how we could best bring out industries that would be viable without massive government subsidies, if we were following a plan — going back to what the Premier said, that we had a decade — I suggest that we'd be in better shape right now. The encouraging point about it is that I believe there is still time to work toward a diversified economy.

I compliment the government in this one regard. As I recall, back in the early '70s when people talked about economic planning, a minister of the Crown said in Fort McMurray: "That's not the way we do business here. We don't plan; that's not the Alberta way." But at least the government is now recognizing with their white paper...

MR. SZWENDER: Who said that?

MR. MARTIN: Mr. Getty said that in Fort McMurray.

The government has now recognized that there is a need for a plan. While I may not agree with their total analysis, the fact is that they have brought out an economic plan looking at the next five years. So I'd say that realization is here.

Now, in my ever-helpful way, Mr. Speaker, I'm trying to make that plan even more effective. I've said before that it's all right for us to have ideas and debate ideas in the Legislature; that's what we're here to do. But I suggest there are many, many ideas that we miss because we're not looking at it in the proper way. That's why we see the need for a Bill similar to Bill 211, the Alberta Economic Council Act. It seems to me that there should be some planning besides what the government is doing — an agency that's arm's length from the government to advise the government. I'm well aware that the government has to make the decisions; that's what they are elected to do. But it seems to me that one of the important things in making wise decisions is to have as much input and feed-in from outside the Legislature as possible, to set up an agency that will advise the government.

Mr. Speaker, what I propose is not a radical approach. Something simple like this is fairly common in most industrial countries. Even Conservative governments in other provinces have an Act similar to this. It's a way to help the government

plan; it's that simple. There's no perfection out there in the world, but I would suggest to you, Mr. Speaker, that the governments that seem to be handling tough times the best are the ones that have very comprehensive planning mechanisms involved with them. I use Japan for an example. But we are different. We have to devise our own strategy. I for one, and I think all other members here, don't know precisely what industries would be viable over the long haul; we've never put the study into it. In this province we have a fairly young population, and if we're going to deal with the problems of unemployment and the problems of boom and bust, as I mentioned, it seems to me we're going to have to look at new approaches. I don't think we should be hesitant. I don't think we should be defensive about it. Let's call for help wherever we can to advise us.

Mr. Speaker, I'm not suggesting that this group we're suggesting take over for the government. They're arm's length from government to advise the government. If the government doesn't like what they're advising, they have every right to reject it. Hopefully, some of the things they would come up with would have some merit and would give us some direction as we go through the '80s and into the '90s. We believe not only that such an economic plan is absolutely essential but that, as I said, the task is just too important to be left solely in the hands of the government of the day. We believe the broadest possible participation by the Alberta public is essential to the success of an economic plan designed to benefit all Albertans.

It was for this reason that we proposed the establishment of an economic council of Alberta, comprised of a membership nominated by representative organizations from every sector of the Alberta economy, such as organized business, organized labour, women's groups, native groups, co-operatives, the small business sector, and any other component part of the economy. We're saying that to deal with these problems, we're all going to have to work together. Because the council would be doing important work, we believe it should be provided with a secretariat to enable it to carry out its responsibilities.

Mr. Speaker, to go into the highlights of the Bill itself, the major provisions are basically the following. We are suggesting a 30-member economic council appointed by cabinet. I think that's an important point to make. We think the cabinet should have the authority to eventually okay this, because if they're going to work with government, of course, the government has to have some faith in their abilities. But it should be on the basis of recommendations advanced by the major sectoral groups in the province that I've been talking about: business, agriculture, small business, labour, whatever.

The other highlights in Bill 211:

It shall be the duty of the Council to advise and recommend to the Minister strategies and policies by which Alberta can achieve the highest possible levels of employment and efficient production to bring about a high and consistent rate of economic growth by which all Albertans may share in rising living standards.

Other duties of the council, Mr. Speaker:

It shall be the duty of the Council to prepare an annual evaluation of the Alberta Development Fund.

Or if we want to call it the heritage fund, that's quite all right. But this group should be taking a look at that, because it seems to us that it's still our main vehicle, if you like, for the future.

Mr. Speaker, the other major provision of the Bill that I'd like to bring up is that the day-to-day operations of the

council would be administered by a secretariat composed of three to five senior officers. The other areas the council may go into — of course, it would be up to Executive Council, but we suggest some other areas besides those main ones — are in section 7:

The Council may,

- (a) conduct social or economic studies in any area considered by the Council to be of concern.

We think that's an important area for them to get into. They should

- (b) cause to be published such studies and reports as are prepared by or for the Council;
- (c) co-operate and maintain liaison with the Economic Council of Canada and bodies in other jurisdictions corresponding to the Council

across the country. If necessary, Mr. Speaker, we think they should also

- (d) conduct public hearings into any matter or subject as it may deem necessary for the proper discharge of its duties under this section or under section 6.

They could also

- (e) conduct seminars and conferences for the purpose of creating an awareness and public understanding of provincial social and economic issues.

How many times have we heard government members and cabinet ministers saying that people do not understand the trust fund, where it's coming from, or what its purpose is? It could certainly be in the mandate to conduct these sorts of seminars. It could also

- (f) create such committees as it considers desirable for the proper discharging of its duties;

and on special occasions

- (g) undertake such other duties as are assigned to it by the Lieutenant Governor in Council.

Mr. Speaker, in conclusion, I hope hon. members take a look at some type of planning mechanism. I know planning has been a bad word in the past. I really suggest to members that if we don't know where we're going, if we do not have an economic plan, it's always going to be ad hocery. It's going to be hit and miss and boom and bust. I suggest to hon. members that private companies are always analyzing and always have an economic plan for the next five or 10 years. If private companies do not do that, they probably won't be around, because circumstances change. What we're saying is that the government should have a plan, but they should be getting the best possible advice they can. That's why we're suggesting components from all the component parts of the economy plus the best minds we can get in that secretariat.

Mr. Speaker, we think this Bill has a great deal of merit. If government members have other suggestions to help in the planning mechanism, if they think there's a better way to help plan the future of this province, the economy of this province, I for one am certainly quite prepared to take a look at them. We're looking at one mechanism we believe could have some influence in helping government make the important decisions they're going to have to make in the next few years and helping them make good decisions.

For that reason, Mr. Speaker, I would conclude by saying that rather than calling us socialists and every other thing — because Conservative governments have brought these sorts of things in — rather than going to that level, we debate the merits of the Bill. If there are good alternatives, I for one want to take a look at them.

Thank you, Mr. Speaker.

MR. PURDY: Mr. Speaker, in rising to make a few comments on Bill 211, first of all, I'd like to say that I've studied the Bill and some of the proposals put forth by the Leader of the Opposition, and I'm not too enthusiastic about it. I also listened very carefully to the debate in the Assembly last week on the Alberta development fund, and I didn't see any overflowing support from members on the government side of this Assembly for that particular piece of legislation, which the Leader of the Opposition says is supposed to be a companion Bill to the Bill he is proposing today.

MR. WEISS: Tell us why you don't like it.

MR. PURDY: I'll lead into that.

The member indicates that the Bill is supposed to support the economics of Alberta in the future. In his opening comments he talked about the doom and gloom we have in the province, the boom-or-bust theory we went through in the 1980s. I think most hon. members of the Assembly will agree with me that it had a lot to do with the national energy policy that was invoked upon us. It wasn't very well accepted here and didn't help this particular province.

I would also remind the hon. member and members of the Assembly that the private sector in Alberta is taking the lead in a number of initiatives to get the economy going again. I recall from the event we were at last night with Nova, an Alberta Corporation, the very sincere feeling of the board of directors and the people from Nova. They have real encouragement, and they don't go out with a doom-and-gloom outlook of the economy of Alberta as some other people do. When they showed us their economic outlook, what is taking place and being done by the private sector, it was very exciting. These particular directors and the president, Mr. Blair, are very excited about the endeavours they're going to be taking and which way they're going as an Alberta corporation. I may add that a number of other Alberta corporations are out there doing the same thing. So I don't look at the doom and gloom of what's happening in Alberta right now at all. I think the economy is moving, and because of the free-enterprise system we have in the province, it's going to move ahead as we anticipate.

Mr. Speaker, I look at the Bill itself. As I said earlier, I've looked at some of the sections of it. The hon. Leader of the Opposition, the sponsor of the Bill, indicates that we should have a 30-member council. But at various times he looks at the front bench over there and says a 30-member cabinet is too large. So I wish the member would get his facts straight and his thoughts in the right perspective. The 30-member cabinet has particular responsibilities for various areas of the economy, and I think they would be a lot more efficient than any 30-member council that would have the number of duties the member would like them to have. Of the various duties of the council that he sets forth in his Bill, most are now being done by the government and private industry.

He talks about "strengthening and improving Alberta's extra-provincial financial trade position." I think that's being done very adequately now through various government departments — Economic Development and the Provincial Treasurer, to name only two.

I have a real concern with the particular part of the Bill that says "decreasing foreign participation in ownership, control and management of economic enterprises in Alberta."

I ask you the question, Mr. Speaker: where would we be in Alberta today if we hadn't had foreign investment in this province a number of years ago? The new federal government has now made the commitment to get rid of the Foreign Investment Review Agency, which has been a detriment to investment in the province of Alberta and the Dominion of Canada for some time. When opposition members in this Assembly start talking about decreasing foreign ownership in Alberta, I think that's a very retrograde step. It would be a step back in history.

If you want to see doom and gloom and recessions, don't let the foreign ownership people in here. Then you're going to have real problems. A lot of the oil development and other things happened in Alberta in the '40s and '50s because of the direct involvement of dollars other than our own. I know what the syndrome is anyway; it's that the hon. member doesn't like the multinationals that he talked about a number of times in the Assembly. But the multinationals play a role in this particular province and in Canada.

They also have a section in the Bill which deals with further duties of the council. It says:

conduct social or economic studies in any area considered by the Council to be of concern.

We as a government set up an agency in the province a while ago called the Environment Council of Alberta. That's a group that goes out and conducts its hearings and does a number of other things. Sure, some of the reports are positive, but at times they go out on witch-hunts looking for things that can stir up — it's the best word I can think of right now — various groups. It just doesn't work.

The second one:

cause to be published such studies and reports as are prepared by or for the Council.

I can see a 30-member council working here in Alberta, and Nova or some other corporation comes to them and says, "This is what our plans are." In this particular clause of the Bill, the hon. member's indication is that that information should be public. Well, you've got to have the confidence of those private-sector companies that they'll keep those reports and stuff confidential. We've had a number of debates in this Legislature during motions for returns when the government has turned down requests for information of a confidential nature. I certainly do not support that way.

The other one is:

create such committees as it considers desirable for the proper discharging of its duties.

I can just see a real number of other committees being created. You think we've got a bureaucracy now. If we put something like this in place, we'd have a real bureaucracy.

I'd like to look at some of the things this government has done in the last number of years to diversify the economy in Alberta. We just went through the debate on the estimates of the Premier and the Department of Economic Development, and a number of questions were asked then. The Premier and the ministers of Economic Development and International Trade answered those questions on diversification and what we're doing. We did two very exciting things in 1983: one was Vencap, which has worked quite well; the other one was the small business equity corporation, which is really exciting right now. It was proclaimed in this Legislature in 1984, and it's going to work very well in its particular field.

I now look at the white paper Proposals for an Industrial and Science Strategy for Albertans 1985 to 1990. If hon. members will refer to page 8 of this particular report, you'll see that the white paper includes 24 very positive factors that this government has done from 1971 to 1984. It's kind of exciting when you look at a lot of what has taken place. We said that in 1971 there were only 643,000 employed in Alberta. In May 1984, despite the unemployment situation, we had 1,111,000 people employed. That was about a 72 percent increase in 14 years.

I think we've also diversified a lot in the agricultural industry. When I first came into the Assembly 14 years ago, there was little or no secondary processing of agricultural products. A number of secondary processing plants have been established in various parts of Alberta, and again it has been done with the encouragement of the provincial government but mainly by the private sector getting out there and bringing them in. I recall that at one time potato chips were brought in from eastern Canada; now they're being done here. So many exciting things have been done in the agricultural industry because of diversification of the economy and also our decentralization of various agencies out of the cities of Edmonton and Calgary.

Another one I think is very exciting is the Oil Sands Technology and Research Authority, which is doing a lot of work and has really gone out to assist the private sector in developing the potential for new oil sands mining and in situ projects, heavy oil deposits, and enhanced oil recovery. This particular group has a budget, and they are working with private industry. They are out there helping in diversification, and they certainly don't need an economic council to assist in that particular regard.

The Alberta Energy Company is another exciting one that happened here in Alberta. It has assets of over \$1 billion right now. It has participated in a number of very large Alberta projects — another way the economy was diversified.

I only have to look further at the white paper, Mr. Chairman, and there are pages and pages of major and selected Alberta economic incentives that have taken place from '71 to '84. The first two that come to mind, because I was a member here 14 years ago, are the Agricultural Development Corporation and the Alberta Opportunity Company. Some members say these haven't helped to diversify the economy. Well, they certainly have. The Agricultural Development Corporation has helped to strengthen Alberta's base industry by supporting the agricultural industry. The Alberta Opportunity Company has the same effect, helping to encourage decentralization by emphasizing loans outside the cities of Edmonton and Calgary. Since 1972 the Alberta Opportunity Company has made over 3,000 loans for a total of about \$355 million. That has certainly been exciting.

Another area we looked at in 1972 was the marketing of Alberta products and resources through the International Trade missions and research. The person who is likely absent from this Assembly more than anybody else, the Member for Edmonton Avonmore, is out in the world looking for markets ...

AN. HON. MEMBER: I thought it was Walt Buck.

MR. PURDY: No.

He has done an excellent job. Members have only to look at a number of exciting things that have taken place under the portfolio of the Minister of International Trade. I recall to members the April 15, 1985, debate in *Hansard*,

where the hon. minister pointed out the number of exciting things that have taken place to diversify Alberta's economy by having various companies sell oil equipment, other resource equipment, and manufacturing equipment to people not only in Canada but outside.

We look at an exciting thing that's happening right now. Nova, an Alberta Corporation has a 600-kilometre pipeline to build in China for carrying energy. The Dreco company in Calgary has a contract to sell drilling rigs to China. The list goes on and on, Mr. Speaker. Our trade to India has increased 187 percent over the last year. The value of our products that are now being shipped to India is something in the neighbourhood of \$54 million. Our trade to Indonesia has increased by 73 percent. We're into the Latin American markets and a number of other areas.

As I indicated earlier, in 1973 we established the Alberta Energy Company. It has had an annual growth of 33 percent, so that has to be adding to the economy in various areas. Looking at the farm communities, a lot of money has been put into the major renewal and expansion of irrigation for very good reason. An estimated total of over \$2 million has been spent into 1984.

One very exciting thing that was done in 1975 and carried out in 1976 was an election promise by the Conservative government of the day that we would establish the Alberta Heritage Savings Trust Fund. That was carried out. We had the mandate for that, and we did that. The Alberta Heritage Savings Trust Fund, under its various divisions, is very diversified. Through the capital projects division a lot of money, a total of over \$2.135 billion, was expended in '84; in the Canada investment division, \$1.896 billion; and in the Alberta investment division, \$8.079 million. A lot of these have taken place. Mr. Speaker, the list goes on and on. I think all members of the Assembly are fairly familiar with the proposals under the white paper.

I would like to conclude now by saying that as far as I'm concerned, and I think most members of this Assembly will support me, Bill 211 is not required in this Assembly. I don't think it has worked that well in other jurisdictions where the Bill has been in place. I don't think it's going to fill any void in the marketing or strategies or whatever word I want to use within the economic diversification of the government of Alberta in the various fields it's involved in. I still strongly say, Mr. Speaker, that we have the private sector out there, and it's the private sector that's got to, and they will, lead the economy of Alberta back to a very, very strong recovery. So at this particular time an Alberta economic council is not needed to diversify any economy. It's not going to help us in any way.

MR. KOWALSKI: Mr. Speaker, the debate this afternoon is on Bill 211, the Alberta Economic Council Act, presented and put forward by the hon. Leader of the Opposition. I spent some time the last number of days reading this Bill, listened very attentively this afternoon to the opening debate from the Member for Edmonton Norwood, and heard also the participation of my colleague from Stony Plain. I recall being here the other day when we had a very stimulating debate with respect to Bill 206, the Alberta development Act. I remember listening to the passion that was brought forward by the Member for Lacombe with respect to the whole concept before us.

I want to say at the outset that this is really a very interesting Bill. It allows one to look at several "whereases", then to look at an administrative mechanism, then to look at a series of duties, and then to put question marks beside

a lot of the clauses. First of all, I would like to raise a number of concerns with respect to the specifics of the Bill. I'm glad the Member for Edmonton Norwood is here, because I hope that when we come to the adjourning part of the debate, he will be in a position to provide us with further information on what some of these clauses really mean. I want to congratulate him as well for taking the initiative of putting all this together and having it presented here in the Legislature so that we all have an opportunity to look at it and raise a few questions and perhaps better understand what the meaning is all about.

I particularly would like an explanation — I would ask the member to even make a note of this so that when he has an opportunity to come back later, he might be able to tell us what this is all about. At the beginning of Bill 211, there is a clause:

WHEREAS the process of determining the most efficient and effective means of pursuing such husbanding and management can be best undertaken in a spirit of dispassionate and impartial inquiry and reflection based on the accumulated experience and wisdom of the people of Alberta.

I'm not sure exactly what all that means. But I come to the conclusion that what it really means is that you should have somebody from outside government who would basically look at the economy of Alberta, and because they would be from outside government, they would be dispassionate and impartial. They would then reflect on everything because of their accumulated experience and wisdom. All of this somehow would roll in from this 30-person Alberta economic council.

I have to assume, Mr. Speaker, that the basic purpose for all that is that essentially the member has some concern about Members of the Legislative Assembly fulfilling their duties in looking at the economy of Alberta, reflecting upon it, looking at what happened in the past, and then projecting 10, 20, 30, or 40 years ahead. I've always believed that in a democracy such as the one we have in our province, the people who have in fact been asked by the vast number of people to represent them are those who are elected. It's the ultimate closeness to the people, the ultimate being in touch with the people.

This is where my little dilemma comes in. Time and time again I've heard the Member for Edmonton Norwood basically criticize Executive Council or the Lieutenant Governor in Council for being in too much of a dominant position in terms of being involved in some of these boards, agencies, and commissions. Flip over to page 2, and in section 3(2) it says:

The members of the Council shall be appointed by the Lieutenant Governor in Council.

I've heard the arguments put forward by the Member for Edmonton Norwood recently with respect to another council or board. Basically, he said that the Lieutenant Governor in Council would never be in a dispassionate and impartial position when it looked at something like the Council on Alberta Teaching Standards and that it would not be appropriate that Executive Council, in fact, appoint them. That's one form of clarification that would be important to me, because it really reflects consistency in principle in terms of argument.

The second major concern I have in terms of clarification deals with the duties of the council, both the specific duties outlined in section 6(2) and the further duties outlined in section 7, clauses (a) through (g). As I understand it, we're talking about a full-time bureaucracy. I think this clarification

is important. The Bill points out that the chairman and others would have to be paid. They would be able to do nothing else in life but serve as a full-time chairman and a full-time secretariat to the council.

We've always assumed in our province, Mr. Speaker, that the persons who have best been able to bring new ideas to government and work in consultation with the elected people are those who retain an association or professional involvement with the business or the industry they're in. We've always asked them to participate because they were volunteers. We've always recognized, however, that even a volunteer had to receive some level of assistance in terms of expenses and travel — minor and modest bits of remuneration, no more than replacement costs and for the most part just pocket money, in terms of participating. Most of these individuals have done it because of a strong desire to work for and build the province of Alberta.

That very important concept of the volunteer role in the province of Alberta would, of course, be replaced in terms of some of the principles that are put forward in this Bill. When we start talking about a full-time, completely paid for chairman — in fact, section 9(2) says:

The Chairman and members of the Secretariat shall devote the whole of their working time to the performance of their duties under this Act.

In fact, Mr. Speaker, this would prohibit them even from retaining their involvement in the private sector, the professional world, or the university world — all the brainpower we have. I think it would be almost a catch-22 situation, where on the one hand you want to set up a council to attract the best brains you have from a whole variety of sectors in our province, but then you basically say, "You've got to be here full-time if you want to participate in this particular mechanism." Perhaps that's just an oversight on behalf of the member in drafting the Bill. I'm sure he will have an opportunity to identify that and explain it further to me.

I've always been suspicious of any kind of Bill which says there must be mandatory attendance or that you must have a certain number of meetings. I've always felt, and I know most of my colleagues feel, that when there is a problem, a concern, a need to have a meeting, let's have a meeting. But surely, let's not waste the public money by prescribing that there must be so many meetings per year to discuss — what?

Of course, section 10(1) of the Bill basically dictates that the council has to meet not less than a certain number of times in every year and at least once every number of days. As a former member of the public service, I was often confronted by criticism from people who said members of the public service generally tend to work to the level expected by their superiors for the most part. Others, however, work just to put in time and to get from one meeting to the next. I'm not suggesting at all that a lack of experience on the member's part with respect to the way massive bureaucracy works would have caused him to write section 10(1) the way he did. Surely there must be another interpretation with respect to this.

As the Member for Edmonton Norwood asked all members of the Legislative Assembly who are going to participate in this debate this afternoon to suggest alternatives for improvement, I certainly would like to get involved in the challenge. I have put forward at least half a dozen suggestions in the last number of minutes, and I certainly hope the member will appreciate my efforts to assist him in this regard.

What's really important, Mr. Speaker, is to ask the question — the Member for Edmonton Norwood basically asked in his opening remarks: where are we going? What are we doing? What are our objectives, and how are we dealing with them? I think we have to recognize that when governments look at plans, governments have to take a look at massive objectives of a very, very general approach. I'm not sure that the government in a complex democracy of the type we have today can basically say, "In 10 years from now this is where we're going to be with a specific target." However, if you take an approach of the type taken by this political party and this government back in 1971 to say to the people of Alberta, "This is what we would like to see in our province; this is what we will work toward," and then commit yourself to it, you have targets. Then all members of the society in which you live can evaluate periodically.

One of the targets that is fundamental to the economic policies of this government is that we will have the lowest taxation levels of any jurisdiction or any environment in Canada. In 1971 we certainly did not have that. A second major objective from an economic point of view that this political party and this government put forward in 1971 is that at the same time as we have the lowest taxation level of any jurisdiction in our country, we will also provide to the people of Alberta the highest level of social services of any jurisdiction in the country. Of course, all members will recognize some slogans that were used in a number of political competitions held in recent years — "free enterprise that cares" — to tie those two together.

In Alberta in 1971 we didn't have the highest level of social services to be found in any jurisdiction in Canada, and we certainly did not have the lowest taxation level to be found in any jurisdiction in Canada. Those have been massive targets that we have committed our energies to and work toward. If you allow the citizens in your environment to in fact be the masters of their own destiny in terms of economic affairs, then you will have an environment that will maximize the potential of the greatest number of people in that environment and, secondly, free them from a massive amount of bureaucracy and interference from an all too often interfering senior government, whatever type of government it is and whatever type of issue it is. In essence, if you create an environment in which people make the decisions, you maximize everything from an economic and a social point of view. That is a fundamental target and a fundamental program that we as a political party have had since forming the government in 1971.

At the same time, we have committed massive amounts of public money to ensuring that Albertans have the maximum range of social programs. That gives those citizens who have difficulty a security factor, a security basket or net, in which they can relieve themselves of the ongoing anxiety of wondering where the next meal or paycheque is going to come from and then maximize their energies and efforts in making major contributions to the society in which they live.

Those two master objectives allowed all of a series of programs to have been fulfilled in recent years. It allowed such things as a commitment by this government to remove the gasoline tax, as this government did a number of years ago. That was a signal, as the Premier has indicated in recent speeches in Calgary and other places in the last number of months. Those are simply examples of signals to people from outside Alberta to come to Alberta to invest money. It is also a signal to the people of this province to invest money in this province.

I find it a bit scandalous, Mr. Speaker, to suggest that the economic downturn that occurred in the province of Alberta was somehow an isolated event only in Alberta and didn't happen in British Columbia, Saskatchewan, Manitoba, or any other province in Canada, or for that matter, in the United States of America, Japan, England, France, and Germany. I could go on and give you the geography of the world, but that would simply be a filibuster approach and I want to talk about important things.

What's really important to recognize is that we are not isolated. For an individual to stand up and say we've got to set up an Alberta economic council because, dam it, we've just mismanaged this economy since 1971 and if we'd been really good managers we'd have known that in 1980 — when was that notorious day on which those Liberals and NDPers got together in Ottawa and raped Canada, at least the oil-producing provinces, of their benefit to maximize their potential? That thing called the national energy program. We didn't know that, Mr. Speaker, in 1971. An Alberta economic council, which would have an overpriced chairman working on a full-time basis which wouldn't even allow him to be retained by the private sector any more, certainly would not be in any position until he's gained any knowledge; he'd be too busy filling in expense accounts and forms and what have you.

Mr. Speaker, I think what's really important is that we not become insular. Let's not simply say that because there has been a downturn — really, when you take a look at the history of that downturn, many people will argue that there were many positives attached to it. I recall just about anybody I ever met in the years 1976, 1977, 1978, 1979, and 1980 saying, "This can't go on forever." I never met anybody who said, "We can't go up like this forever." Yet we all knew that. We're all rather mature. There were some who looked at the situation and said, "That's right, this can't go on forever," and took an individual responsibility to look after their economic affairs in a certain way, while others did not. They rolled with the moss as it was going up. All of a sudden the equilibrium just stopped a bit, the economy started to go the other way, and they really rolled backwards the other way. For some there are benefits in the longer term in terms of rising levels of expectations and responsibilities, which a lot of people of Alberta are going to learn from and remember from in the years to come.

Mr. Speaker, after following through on the two major commitments I talked about a littler earlier — one, to have the lowest level of taxation in Canada in this province and, secondly, to provide the greatest range of social services — I think all members would best be reminded periodically to take a look at the white paper *Proposals for an Industrial and Science Strategy for Albertans 1985 to 1990*. Take a look at the graph which lists a number of major and selected Alberta economic initiatives from 1971 to 1984. The Member for Stony Plain alluded to just a couple of them. There is page after page of initiatives dealing with diversification and decentralization. A little community like Barhead has benefitted by the attraction of the Alberta Correspondence School as a result of that particular policy. Over a hundred communities in the province of Alberta have benefitted from a decentralization and diversification program. We do have a plan.

In coming to a conclusion with respect to the Bill put forward by the Member for Edmonton Norwood, there should be at least several tests before we commit ourselves to a number of public dollars with respect to this. The first

one is: is there an identified need for an economic council? I'm not convinced there is. I think it's basically a duplication. Perhaps that is the second reason for regretfully having to say that I cannot support the gentleman. The third point might be to look at what this council might do in competition with other sectors. Certainly, it would compete with others. And the accountability — do we need another bureaucracy running off into the wilds, marching up and down the foothills of Alberta, camping in the Rockies, periodically visiting the prairies, the wetlands, and the forested areas, and coming back and saying, "This is what we have to do"? I think not.

However, I want to congratulate the member for taking the initiative, for providing all members of the Assembly an opportunity today to once again talk about the good things that have happened in this province. Unfortunately, I must tell him that I am simply not in a position to support him at this time.

[Two members rose]

MR. SPEAKER: Order please. We have two members who wish to have the floor. Under the circumstances I think I should recognize the hon. Member for Spirit River-Fairview.

MR. GURNETT: Thank you, Mr. Speaker. I'd like to rise and encourage members here to give serious consideration to the Bill that's before us today, the Bill that would establish an Alberta economic council. Before I go into refocussing ourselves a little bit on the real heart of the Bill, which is the need for it and some of the very valuable things it would accomplish, I'd like to take a few minutes to respond to some of the matters that have been raised in the past few minutes by previous speakers and that I think to a certain extent cause us to lose sight of what benefits the council really could have for this province.

One very serious issue raised related to foreign ownership in the province of Alberta. When we think about it, we should be aware of the real situation regarding foreign ownership. Alberta has the highest level of foreign ownership of any province in this country, and there is no question that it has an economic impact on the province. In 1981, just to take one sample year, 55.7 percent of the income of nonfinancial industries in this province left the province to foreign investors — over half the total income. In the mining industry, which includes the oil and gas industry, an astonishing 79.5 percent of the income earned went to foreign investors. There's no question that there is a negative effect on the province in that particular area. Just to think about it logically, it should be obvious that if foreign-owned companies and corporations are going to put money into the province in the sense of investment, we're going to have to expect that that's going to be followed up by some outflow of dividends to those people and a resulting loss of capital for this province.

According to the Alberta Bureau of Statistics, those outflows over the years between 1971 and 1982 amounted to \$16 billion. In 1982 alone they totalled \$3.2 billion. In comparison, during the 1960s the total outflow was \$1.7 billion. So there was a definite outflow of capital from this province in pretty astonishing proportions.

There are some other things about foreign-owned corporations that we should also be aware of when we think about having a welcome mat out for them in this province. One of those is that very often foreign corporations will not purchase either technology or equipment locally. They

won't buy in this province; instead, they'll purchase from either parent companies or subsidiary companies somewhere else. There's a negative impact on Alberta's economy because of that situation. There's also a negative impact because of the fact that foreign corporations have a proven record of spending less on research and development than our own domestic and provincially based firms. So in all those areas I think we've got to recognize that there are some dangers attached to our being too ready to encourage foreign ownership.

The hon. Member for Barrhead talked about his apprehension about another bureaucracy, and there's a great deal that could be said there, Mr. Speaker. I suggest that the Alberta economic council would certainly not do the kinds of things he's apprehensive about. In fact, the membership of the council itself would be volunteers, whom he spoke in favour of. There would be a relatively small staff of employees. That's a model that exists in other areas in this province. I think of the Northern Alberta Development Council, for example, where the council members are volunteers but there are some full-time staff as well. So it's not an unforeseen thing. I think there are many other bureaucracies in this province that could be trimmed down or cleaned up. I won't go into detail mentioning those. But some people have questioned 83 MLAs, for example.

Those are some areas I think we need to look at seriously and then focus instead on the very good case that can be made for the benefits of the Alberta economic council: what it would do in this province to end the ad hoc, day-by-day way that we've approached economic development; to gradually encourage our moving away from an emphasis on megaprojects, on the exploitation of our nonrenewable resources, and from a faith in self-regulating activities by the private sector, and instead move us to a broader approach to economic development in this province.

I think all of us here agree, Mr. Speaker, that there is a need for ongoing planning. This is simply a device whereby that planning could be done in an efficient and forward-looking way. It would be a possibility that would allow us to be more responsive than we have been in the past to changing circumstances before emergencies arise rather than trying to deal with them when we have an economic crisis of some sort on our hands. It would also allow comprehensive attention to both the problems that could exist economically and the potential that this province has, to give us a wide-angle perspective, if you like, rather than what happens when the job is being done in an isolated way by a wide range of organizations. There's no question of the need for a council such as this. While the government would still be governing, I think it's something that could provide useful input to making sure that the decisions made by this group here are the best possible decisions.

I'd like to review some of the very good tasks that the economic council would become involved in and clarify some of the things that have been said, but I don't think we have time to look seriously at that. So I move that we adjourn debate, Mr. Speaker, and I look forward to a chance to pursue this another day.

MR. SPEAKER: Do the members agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. FJORDBOTEN: Mr. Speaker, it is proposed that when the members reassemble this evening, they do so in

Committee of Supply for the purpose of consideration of the estimates of Social Services and Community Health. I therefore move that the Assembly stand adjourned until the Committee of Supply rises and reports.

MR. SPEAKER: Do the members agree?

HON. MEMBERS: Agreed.

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

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

head: COMMITTEE OF SUPPLY

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Could the Committee of Supply please come to order. Before we proceed to the regular business for the evening, would the committee agree that the hon. Minister of Consumer and Corporate Affairs might make an introduction?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MRS. OSTERMAN: Mr. Chairman, it's indeed a pleasure for me tonight to do what I have done on a number of other occasions, as other members have also had the honour of doing, and that's introduce the Forum for Young Albertans. We have 38 young people with us tonight. They're seated in the Speaker's gallery and the members' gallery.

I'd like to make a few comments if I could. The executive director is Linda Ciurysek. I think many of us have gotten to know Linda over the course of quite a few years. It's been some seven years that she's been looking after and shepherding a number of young people. I think she was one of the young people when she started, but she is now just a little bit older. We won't say anything more about that except to say, Linda, from all the members in the House who know you're going on to further studies and a law career — we won't say where she's contemplating going except that it's in central Canada, and she'd better call home a lot. The air down there is different from here, so we'll want to keep in touch with her.

She is assisted by some fine young people. I say that particularly because a couple of them are from my constituency and have been with the forum for several years. Brian Tittmore, a young fellow from the Banff-Cochrane area, two young people I know very well, Greg McNally and Darlene Strauss, also Michael Connolly, Cameron Laux, and Angie Debogorski, and a young lady who was drawn to my attention tonight by the deputy chairman of committees. I don't know whether Shelley Wagner is going to like this or not; she may not want to recognize a connection, but I believe the MLA for Stony Plain is her uncle. Am I right about that?

MR. PURDY: That's right.

MRS. OSTERMAN: I would like all these very splendiferous young people to rise and receive the warm welcome of the House.

MR. CHAIRMAN: And now to the more serious business.

**Department of
Social Services and Community Health**

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

DR. WEBBER: Mr. Chairman, Mr. Chairperson — whatever we are to call you these days — it's my pleasure tonight to make a couple of remarks, simply to say that in this year's budget of \$1.28 billion we have a 6 percent increase over the previous year. The major portion of the increase is related to votes 2 and 5; vote 2 because of the 5.9 percent in the social allowance area. With the increased caseloads we've had in the past year, our prognostications were such that we would need more money this year to handle that vote. Also, in vote 5, benefits and income support, there is a 19 percent increase with the widows' pensions and pensions for the handicapped. This increase is related primarily to the federal old age security and the guaranteed income supplement increases. However, I want to point out that there was a significant decrease of 6.3 percent in vote 1, departmental support services. This comes about, certainly, as a result of exercising restraint.

Mr. Chairman, there are many, many fine programs in this department, as the hon. Member for Barrhead outlined to the Legislature so eloquently this afternoon. I will not make any further remarks at this time other than to welcome comments and questions about the variety of programs we have. The Alcoholism and Drug Abuse Commission chairman is the hon. Member for Lethbridge West, and I ask if he would want to make some comments at this time.

MR. GOGO: Mr. Chairman, I welcome the opportunity of spending a few minutes outlining the role of AADAC, the dollars we're requesting and, hopefully, the justification of why we would like the committee to pass them.

First of all, Mr. Chairman, as members are well aware, Alberta is really second to nobody in terms of alcohol consumption in the country. We manage to consume some 2,200 hopper cars of booze every year. Lining them all up, they stretch some 38 miles. So we do our share, and you can't have that kind of consumption without difficulties and problems.

Last year AADAC treated some 17,000 people, which I think indicates a policy of government, which funds AADAC, of recognizing that when people have problems, there should be somebody standing by to help. It's very interesting, though, that instead of the traditional problem of the so-called alcoholic, the average age is now 35, which is not only very interesting but is very worrisome when you consider that some eight out of 10 people with problems have alcohol problems; others have drug problems. It is interesting to note that the RCMP have just reported that the use of cocaine is continuing to climb; it goes up about 50 percent a year. That's something that for many years only the affluent could handle. Now, obviously, other people have access to cocaine.

Mr. Chairman, we're very proud that AADAC, in addition, helps out some 40,000 people a year throughout the province through some 30 private agencies, volunteer

agencies, which are nonprofit in nature, which indicates really that the role of the volunteer is alive and well. From Lethbridge through to High Level we have volunteer groups who are prepared to play their part in dealing with problems, whether it's inpatient treatment or outpatient treatment or simply becoming involved in various other roles.

The most topical issue, obviously, is the matter of the impaired driver. The other day the Minister of Transportation tabled with his ministerial statement the tragic number of accidents each year on our highways, resulting in over one person every day of the year being killed, and about half of those involve the use of alcohol.

So AADAC has taken some steps. I remind members of the committee that AADAC is not a control agency or a regulatory body. They're an agency of government that has this very primary responsibility of education, prevention, and treatment. It is a very proud day for us today to announce the establishment of the countermeasures impaired drivers' committee. For many years, everybody has had an idea what to do with impaired drivers. Some people say lock them up, others say take their car, others say educate them, others say, "Hey, drunk, get off the road". We're very proud that we've been able to pull together a group of very knowledgeable people, all of them in their own way doing things to reduce impaired driving. We're pleased that we've been able to get the private sector involved through the Alberta Motor Association, People Against Impaired Drivers, as well as citizens, along with the various departments. I'm sure members of the committee, as well as I, look forward to seeing just what this committee can do in terms of resolving this very tragic and unnecessary business of the consequences of impaired driving.

Probably, Mr. Chairman, the best claim to fame with AADAC and its prevention efforts, its primary mandate, is the success it's had with young people. Members are probably well aware; they receive each month this issue of developments we send out. This being International Youth Year, it obviously has special significance. In talking to the members of the Forum for Young Albertans tonight, I didn't meet one who was unaware of either AADAC or the fact that — Minister Trynchy should be very proud — this is the International Youth Year in the province of Alberta as well as in the United Nations.

Mr. Chairman, the prevention campaign is, obviously, the most exciting thing that's happened in years. Members of the committee are aware that something has been achieved that's never been achieved in the western world before. That is, the ever-escalating problem of beverage alcohol consumption by teenagers has not only slowed down, plateaued, but has been reversed. The latest information we have is that it has decreased by some 7 percent in this province, much to the chagrin and bother of some of the people who make and sell the stuff. Finally, students are able not only to think for themselves but to make their own decisions. I think we should all be very proud of not only what our young people are doing in making their own decisions but the very positive effect it's got to have in terms of involvement with the criminal justice system and, in later years, the health care system.

In addition, Mr. Chairman, AADAC has been very busy throughout the province. In the '84-85 budget year we were in some 207 schools and involved with some 30,000 young people. In addition, there are 65 projects that primarily deal with parents or adults within the community. It's interesting to note that the Armed Forces of Canada, who, it's no secret, have their problems with their clubs, bars, and other

things, also have an incidence of impaired driving. I'm just informed that they're using the AADAC material on the Canadian bases in Europe with regard to prevention, not only for themselves but for their children. So it shows that, again, an agency of the government of Alberta has led the way, not only in Canada but in other parts of the world.

For the first time in Canada's history, Mr. Chairman, this fall the world conference on alcohol and addiction will be held not only in Canada but in Alberta. Edmonton really didn't have the capacity when this was arranged, because the Convention Centre wasn't finished, so it's going to be held in Calgary. It's going to be not only a precedent for this province and Calgary but indeed a benchmark for AADAC, because it was AADAC that got this world conference here. There will be 88 countries represented, 1,200 to 1,500 people. For those who think in economic terms, obviously, there will be big spenders, which should make the Calgary Chamber of Commerce happy. I think it's a real breakthrough, and it's certainly a credit to the staff of AADAC, who were able to attract this world conference here. A local fellow, who was at middle-management level when this started, is the conference secretary. It has opened everybody's eyes to the capability of what we have in young management in terms of the civil service of this province.

Mr. Chairman, AADAC doesn't operate either alone or with its chairman. Of course, we have 11 dedicated citizens who serve on that board. They're from throughout Alberta, generally nominated by members of this Assembly. I want to assure members of the committee that they can indeed be proud of the type of people who take the time to serve in determining the policy that AADAC should implement through the province.

Two final comments, Mr. Chairman. We often don't give credit where credit is due. We in this province are very fortunate to have a movement like Alcoholics Anonymous, and Al-Ateen and Al-Anon, that deal with the spouses and children of alcoholics. Here in Edmonton alone there are some 110 meetings a week dealing with Alcoholics Anonymous. I truly think there are many miracles that come out of there. We at AADAC are very proud to have a close relationship with Alcoholics Anonymous who, by tradition, don't accept government funding. They prefer to go it alone, but they work very closely with AADAC and its agencies in helping relieve some of the misery associated with alcohol.

Obviously, nothing would work at AADAC, Mr. Chairman, unless you had proper staff. We have some very dedicated staff. We're proud we have an executive director, named Jan Skirrow, who devotes a tremendous amount of time. I suppose it's normal procedure that one should attempt to recognize the staff that work for them, but I think Mr. Skirrow has dedicated the last few years to see that AADAC has a worldwide reputation.

In closing, Mr. Chairman, I make the comment that AADAC has justified its existence. It's established, by far, the highest budget in the country, with 400 staff. It's achieved goals that many people thought were impossible 10 years ago. They've achieved those, frankly, not on their own. They've achieved those goals by working within communities throughout Alberta, working with allied people such as Solicitor General, Attorney General, Minister of Hospitals and Medical Care, and others. But in the final analysis, I think we should all remember that as citizens we are responsible for our province and our communities. So AADAC rates as a very high priority establishing programs within

the communities, because that's not only where democracy began but that's where democracy will end, and the problems associated with alcohol and drug abuse will be resolved, in the final analysis, within the community.

Mr. Chairman, with those comments I welcome any questions members have with regard to the estimates. Thank you.

MR. MARTIN: Mr. Chairman, the minister was very short, but I assure him I'm going to give him lots of opportunity to answer questions. Before I do that, I would like to make a few comments on AADAC, because people in this Assembly know I'm always positive and like to bring good suggestions forward. They're not always accepted but in the spirit that they're given.

I would like to say about AADAC — and I've mentioned this from time to time, but I think it's worth repeating here for the record. Before, when I had a real job, as counsellor at Salisbury high school, I had occasion to use AADAC in many different ways. Certainly I found the pamphlets good, and I'll come to that. But I could send people to Edmonton. I remember a case when a student was having difficulty dealing with alcoholism with the parents and not knowing what to do. The counselling services worked out very well there. I can say that the three or four times I had students involved with counselling at AADAC, in each case the counsellors did an excellent job, and I hope they're aware of that. I, for one, used the service and was very pleased with what was happening down there.

I've also said, about the advertising, that advertising never works with young people when we exaggerate it, as we tend to do as adults, about drug usage generally. As a result they don't listen. But the most recent advertising we've had in the last couple of years has been excellent. I think that may have a bearing on the 7 percent. I hope it does. Regardless, from my experience the advertising makes a lot of sense. It's not preachy. It doesn't exaggerate. It makes a case about a different life-style, and I think that's a much more important way to go than some of the scare tactics that were used in the past that didn't work. I would conclude about AADAC — I don't have any specific questions — by saying that I think our money is well spent in that area.

Mr. Chairman, if I may turn to some other areas, where I may not be quite as complimentary. The minister will admit that it's a wide-ranging department and that there are a lot of areas to cover. What I've attempted to do, rather than stand up and make an hour's speech and bore everybody, is go into a couple of areas, ask some questions, and then follow up in other areas if necessary. It gives other members a chance to get in.

The two areas I'd like to start with, Mr. Chairman, have to do with the battered women's program. For some time the minister has been voicing a commitment to providing services to battered women and family violence, especially in northern Alberta. As I recall, the minister granted Lac La Biche roughly \$87,100 for a battered women's program, but there was a lot of confusion about where the money went and what it was supposed to be used for. I know that the minister is well aware of the controversy. It seems to me from some of the public pronouncements from the minister that he wasn't sure where that money went. I expect the minister has had some months to tell us precisely what's happened with that \$87,100 grant to Lac La Biche. It seems to me that one of the confusions of the person that got the money — as I understand it, she was saying

that it was to look at research and study. Other people were wanting action, I guess, because there is a problem going on right now. I ask the minister to tell us what services are available, where that \$87,100 went, the nature of the problem in northern Alberta, and what people can look forward to in terms of a women's shelter. I think the minister would agree that there is a need for it, Mr. Chairman.

I'd like to talk about it generally. In the Edmonton area, Mr. Chairman, it seems it has to do — we can get into this philosophical debate — with the economy. I've mentioned to the Premier from time to time that there is much evidence that when unemployment is high and we're in recession, social factors — there's a breakdown. I'm told that there's a demand in terms of women's shelters, especially in the Edmonton area, that they can't handle the number of people coming in. It may be a sign of the times, unfortunately, but the fact is that if the government can't do anything about the economy, to put the employed back to work, then the minister's department has to pick up what happens as a result of that. I'd much rather have people working. Then the minister's department wouldn't need all the money it has. I think we could agree on that. It's a matter of how we go about it.

The fact remains that in our major cities, in this city and in Calgary, and in Alberta generally we have tremendously high unemployment. It breaks down into a number of areas that I'm going to talk about. Certainly, there's been a run on the women's shelters. We see that the women's shelters in the Edmonton area have been faced with a zero percent funding increase, which is really a cutback, if I may say so, because inflation isn't as high, but there still is some inflation in the cities. For example, WIN House, the shelter in Edmonton, has received no increase in funding. At the same time, it's turning away an average of 12 families every month for lack of room. This figure doesn't even include childless women who have been battered. I ask the minister: if this is the case, what is happening to those families? It takes a lot of courage for a woman, if we know anything about the battered-woman syndrome, to go to those shelters to begin with. It's traumatic enough. If they look for some protection there and can't get it because they're full, what happens to them? Obviously, they go back into the situation that they were trying to escape from. The minister can shake his head, but I know specific people have been involved in that situation and who have come in and told me this. I don't think the minister would say that they're lying. It's happened to them. The other shelter, in Sherwood Park, is underfunded. The irony here is that although it has been given approval for 25 beds, it has room for more beds but doesn't have the funding to provide the room.

The general question out of all this is that, rather than excuses or whatever, we acknowledge that there is a problem. If we don't acknowledge it, I guess we're never going to do anything about it. But I would say to the minister: in this time of recession and stress, on families especially and on women: how is the minister able to justify why critical services which are in such great demand, such as women's shelters, received a zero percent increase this year? As I said, if we're not going to deal with the unemployment factor and we're going to have these stresses on people, then we have to pick it up somewhere along the line.

The other area I want to spend some time on, having to deal with unemployment and social allowances — the minister would be disappointed, I'm sure, if I didn't — has

to do with the fastest growing industry in Alberta, food banks, although I'll admit that it's gone down 15 percent, and I'm glad to see that, but I'll come to that. Mr. Chairman, I noticed, and the minister alluded to this in vote 2 when he said there was almost a 6 percent increase. I suggest that this is a necessity because we have such high unemployment in the city. When the Treasurer talks about recovery, the minister's department is showing us a different picture. If we're in a recovery, this vote would certainly go down because it has to do with the ... Everything's well in Alberta. That's just typical of this government's attitude.

But let me take a look at the food banks. Every time we raise it, the minister says that everybody else's study is wrong. But there is a more recent one, and I'd like the minister to comment on it. I'll come to the one that was done on the food banks here in Edmonton, but I'm sure the minister is familiar with a paper recently released by Professor Graham Riches, who is with the social work department at the University of Regina. He put out a paper entitled Feeding Canada's Poor: The Rise of Food Banks and the Collapse of the Public Safety Net. Basically, Mr. Chairman, the thesis of the paper, without going into any great detail — and I'd like the minister's comments on it. I'm sure he disagrees with it, but I'd be interested in his justifications. He gives a general overview of the food banks across Canada since 1981. Dr. Riches believes that the growth of food banks, and I think I've made a similar point here, is a reflection of the government releasing its responsibilities onto the private sector. I don't think the minister will disagree with that, because I've heard the minister talk about the volunteers and how great it was that there were volunteers involved in the food banks.

Sure, it's great that there are volunteers, that people care for the hungry. But the point that's been made to us by churches and other people who are involved in it is that it's not a business they wanted to get in. It was a business they felt was sort of thrust upon them. Dr. Riches goes on to call this a form of legitimizing poverty. He says that because the majority of food bank recipients are on social assistance or unemployment insurance, social services needs to increase services to these people. He goes on to say, Mr. Chairman, that social services is increasingly relying on volunteerism and is using volunteerism as a crutch. He says what we find is the proliferation of well-meaning middle-class people doing government work. He's talking not only about Alberta, but he has some comments about food banks across the country. His point is that because governments have gotten preoccupied with cutting back in social services and trying to cut here and there, they've thrown this onto the volunteer market and that these people are doing jobs they shouldn't be doing. He especially points this out in a recession.

I would ask for the minister's comments. First of all, to be fair, has the minister read that particular report? He's probably just heard about it through the media. There was a conference here just a couple of weeks ago. Anyhow, I'd like comments on my analysis of what he said. If the minister wants to read it, I can certainly get a copy over to him. I think he'd find it interesting reading.

To bring that down to the specifics here in Alberta, because it was talking generally, the minister has said many, many times that there is no connection between food bank demand and social assistance rates and points to the fact that in January, when an increase in assistance was announced, food bank demand increased as well. The point is that the

minister did, and we thank him for that. There was a small increase in December. If it had no bearing on it, why was there a decrease in the food bank after that? The minister knows that the food banks are disagreeing with him. Mr. Gerard Kennedy sees a connection between the food bank demand and social assistance, and he's talked about it. Mr. Kennedy believes that the demand in January had been skewed. Although increases in social assistance were announced in January, cheques to recipients were not received until February. Taking away seasonal adjustments and other factors, Mr. Kennedy found a decrease of 10 to 15 percent in food bank demand.

The point he's drawing from this, Mr. Minister, is that there is a correlation between social assistance rates and food bank demand. If the minister rejects that, then we have nowhere to go. Certainly, most of the people in the food banks, the people who are dealing with them, say that there is a direct correlation.

The minister is aware of one of the documents that was brought out, the food bank report. They made that very clear. When I questioned the minister in the House, he still denied it. Basically I got the feeling that he thought the report was a bit unscientific, like most other reports that might be critical of his department.

I would like to go into the recommendations that they made. I know the minister has had time, and we have a little more time in the estimates. They made seven recommendations, Mr. Chairman. Because I think they went to a lot of trouble and wanted some action on these, I'd like to see where the minister is with those seven recommendations. If we did it, it would perhaps clear it up. The minister says there is no relationship to the food bank demand and how much money people are getting. They say there is. So their recommendation 1 seems to make good sense:

That Alberta Social Services and Community Health immediately undertake a comprehensive cost of living study to ascertain objective level of adequate support. I ask the minister if he has had time to study that recommendation and what he has to say about it at this particular time.

Recommendation 2:

That Alberta Social Services and Community Health work with community groups to establish an ongoing and effective consultative mechanism for input on both policies and practices from groups with substantial experience or expertise in income security matters. I ask the minister what his reply is to recommendation 2.

Recommendation 3:

That basic needs be protected from excessive departmental "recovery" so that clients' income levels are maintained. Further, clients should be notified of amounts and reasons for recoveries ... Would the minister update us on what's happening there?

I won't bother going through all seven, Mr. Chairman. I'm sure the minister has them in front of him. I would sincerely ask him if he could go through and see what his department's reply is to those seven recommendations.

The other area I am especially interested in, though, was in those seven — recommendation 4, the single employables. We could spend some time on that, because we're told that that's one of the main groups that is availing itself of the food bank, if I could put it that way. The whole idea of the two months is just not enough, in their opinion. Are there some policy changes contemplated specifically in that area?

One other area, Mr. Chairman, has to do with the clothing allowance. Along with the increases to social assistance in January, the minister announced that clothing allowance eligibility will be extended to employable people. I believe it was in the same announcement. Unfortunately, we have received reports where neither recipients nor their social workers are aware of this particular benefit. My question to the minister is: has that been updated? That was a fairly recent complaint that we had. Would the minister assure us that he will initiate efforts to inform the social workers in his department of this particular benefit and that, in the case of benefits announced in the future, the people in his department will be well aware of them.

As I said, there are a number of other areas I want to cover during the minister's estimates, Mr. Chairman. But I think it gets disjointed, and perhaps I'll forget all the questions I asked if I go into too many. So I'll sit down and wait for the minister's reply.

MR. PURDY: Mr. Chairman, I have a couple of questions for the minister and a couple of comments to make. One concern I have in the constituency is funding Rehoboth, which is a home for the mentally and physically handicapped. At this time I'd like to thank the minister for his intervention in the particular problem they had and the moneys that were made available. I'm sure all Edmonton MLAs had a number of concerns and letters from the organization, because they have people who sit on the board of directors from various parts of Alberta. The minister was kind enough to assist them with a \$75,000 grant to pick up some of their financial difficulties.

Just a bit of history on it. Rehoboth owns a farm southwest of Stony Plain which encompasses about 40 acres. They have accommodation for eight adults on the farm. There is some group-home work being carried out along with a greenhouse and a kind of woodworking factory and maintenance area. It has gone very well as far as I'm concerned. The people who have been involved in it — private individuals, churches, and so on — have contributed very substantially to this along with the provincial government.

They also operate a group home in the town of Stony Plain, and this is the concern I have. Before the minister was able to make the grant available, it was thought that the group home in Stony Plain might have to shut down for lack of funds, which turned out to be about \$75,000, and send the four or five individuals living in the group home back to Deerhome in Red Deer. Deerhome costs between \$40,000 and \$50,000 just to house a person, so we were looking at an expenditure of about \$200,000 to \$250,000. So the grant that was made available certainly assisted them.

But I'm making a pitch right now. I know that the directors and Mr. Mulder, the executive director of Rehoboth, is actively working with the minister's department, so hopefully we'll have ongoing funding in place so we can keep this much needed facility operating on an ongoing base. As I say, the home certainly serves the physically and mentally handicapped for that area, and my congratulations to them for a job well done. Also, thanks to the minister for the concern he has shown toward the problems they had.

My other concern is more of a personal thing with AADAC. I recall that about three months ago my daughter sent a letter to the chairman of the Alcoholism and Drug Abuse Commission. She was a bit upset. Lisa is 15 years old, has a mind of her own, and sent a letter to the minister:

"Why are the TV ads and the ads coming out in the papers and everything depicting youth as the ones who are having the problems?" She thought in her own mind that for some reason AADAC thought the only ones in the province who were having alcohol and drug problems were youth. So she took pen in hand and wrote the chairman a very strong letter, I thought, and she got an answer back answering some of her concerns.

The other concern I had with AADAC, and I've shared it with the chairman, was the waste of money, as far as I was concerned, in some of the rural papers. I could pick up the local Stony Plain paper or the Spruce Grove *Grove Examiner* and find two three-quarter page ads paid by AADAC in one paper. I pointed it out to the chairman, and I see that has now ceased. I think one ad is all we need in the rural papers. I don't think we have to be subsidizing all the rural papers by placing two ads in each edition each week. So I'm glad to see that the chairman has cleaned that up and is saving some of his advertising budget for better programs, I think. If he wants to run some more on TV, I think the ads are good there. But all in all, I think AADAC is doing an excellent job. The Leader of the Opposition pointed that out, and I don't have to repeat what he has said.

Thank you, Mr. Chairman.

MR. PAPROSKI: First of all, Mr. Chairman, I want to congratulate the Minister of Social Services and Community Health for his initiatives that he has put forward to help people in Alberta. The numerous people programs offer financial assistance and support services to Albertans who require it. The minister's portfolio, in my estimation, is one of the most controversial and most difficult to maintain. To answer "why" to that, of course, would be because of the fact that his department has to deal with thousands and thousands of people on a daily basis — thousands of people who are so different in their needs, their wants, and their requirements. It is a daily difficult task, I'm sure, to deal with all the many problems the citizens are experiencing in this province.

I congratulate the minister on his desire to always better programs, to show flexibility and creativity in working out new programs. I know that flexibility has been there on many occasions in my constituency when individuals have approached me, and through the appeal process that is available to citizens, changes have occurred and indeed extra funds and emergency funds have been granted to citizens.

Mr. Chairman, the only caution flag I would raise with the minister is to please move very, very slowly when we talk about some new directions in the Social Services and Community Health area. So much communication is necessary, as far as I'm concerned, when new ideas are implemented in working with people in need and working with people who are caring, cautious individuals providing those professional services.

I have only one question to the minister, and it is on the lips of many Edmontonians. It deals with the report that came from Edmonton's Food Bank entitled *Hunger* in our City. I would like to know if the minister could provide us with some information with respect to the recommendations that were in that particular report.

Mr. Chairman, I also want to congratulate the hon. Member for Lethbridge West for his continued excellent chairmanship of the Alberta Alcoholism and Drug Abuse Commission. The commission has continued to be a leader in North American in prevention, treatment, and education

in the areas of alcoholism and drug abuse. I say to the chairman: keep up the super programs, keep up the tremendous media commercials, and keep up the sharing of your people and the services provided through AADAC.

I have three specific questions to the chairman of AADAC. First of all, they deal with 11.2.9 in the supplementary information, element details, the day counselling unit. I'm concerned that it's indicated there is a 7.7 percent reduction. I really question that reduction. Secondly, 11.4.3 deals with the impaired drivers' course, and there's a reduction of 12.6 percent in that program. My question is why, why, why? I believe both of these programs are super, and I don't understand those particular cutbacks. Hopefully, there can be an explanation there.

Finally, to the chairman of AADAC, it deals with a news release that arrived on my desk today dealing with the establishment of a permanent impaired driving counter-measures co-ordinating committee. It's my understanding that this committee will be comprised of a number of people from various provincial departments as well as from the People Against Impaired Drivers, the Alberta Motor Association, and private citizens. Although there's somewhat of a bare bones sketch as to what that particular organization will do, I would appreciate if the chairman of AADAC would expand on this. I think it's a super idea, at least what I see in print. It's about time that we put people together who are very, very concerned about the issue of impaired driving. Finally we have private citizens, people who are extensively involved through PAID, people in Transportation, and people in the Solicitor General's department who will, hopefully, meet on a regular basis. I just hope they have some teeth. I hope they can give the chairman and the various ministers who are directly related to this area some very, very positive direction. Thank you, Mr. Chairman.

MR. WOO: First of all, Mr. Chairman, I'd like to extend my sincere thanks to the minister for a difficult job well done, and through him to the staff in his office, department, regional offices, and particularly those at the community level. Too often many of us do not stop to think for a moment about the people who are stationed at the community level and who provide a very important service to our constituents. I think a lot of people don't appreciate the fact that the problems they deal with produce, by their very nature, a great amount of stress on the personnel within the department. Quite frankly, I'm surprised the burnout rate isn't greater than it is.

Having said that, Mr. Chairman, I want to address three specific issues. The first one is regarding the palliative care program. I know that in the past, the minister has provided a generous amount of funding to extend the service through the local offices and fieldwork in that particular area. I do not see any specific reference to it in this budget, but I would appreciate if the minister could provide information to the committee as to whether that program is being continued, if additional funds have been added to it, and if it will be an ongoing program.

The second area I briefly want to speak to, Mr. Chairman, is with regard to the AADAC program. In that respect I also want to extend my congratulations to the hon. Member for Lethbridge West, who I think is not only dedicated to the job and believes in what he's doing but does an excellent one. I do not see any specific reference in the votes to a facility for Sherwood Park. I'm wondering if the minister might give some indication as to whether or not there might

be an opportunity to consider the establishment of an AADAC unit for the county of Strathcona.

The third area is of a much broader nature. It has some reference to family counselling services. I'm wondering if the minister's future budgets will consider enhancement of family services in terms of psychiatric and psychological expertise. I say that, Mr. Chairman, in that many of the family units in our society today are facing some very tremendous and complex problems. From the preventative point of view, if such services were available, I think they would be a great step in the right direction. Certainly, at the same time that sort of service should be extended into and co-ordinated through our school systems, in view of the high suicide rates among our young people.

Those are the only three areas I have at the moment, Mr. Chairman. I await the minister's response.

MR. BATIUK: Mr. Chairman, I'd like to make just a few comments. But first of all, looking at the minister's budget of \$1.28 billion, that's bigger than the entire budget of the province when I was first elected as an MLA. I can see a lot of money is being put in, so no doubt there are many programs there that are very beneficial.

About 10 years ago, Mr. Chairman, I had the opportunity to serve on the Hospital Visitors Committee. This committee was designed specially to go through the province and view the health care facilities and accommodation for senior citizens, and make recommendations for improvements. One area that concerned me very much was Deerhome in Red Deer. I had a thorough view of the place; it actually took almost a whole day to go through the facilities. They were getting exceptionally good care. What really impressed me was that the matron was able to remember every patient by the first name, and there were over 1,700 of them. However, it was brought to my attention that the matron saw that there were some patients there from my area and, whether the parents were forgetting about their children, the visitations were getting fewer and fewer. But when I look back, some of the parents were already in their 80s. They were not able to drive. So I think a very good program was initiated, and that is the group homes, to bring and retain these patients closer to their homes, to their families, and at the same time, not only does it make it so much easier but it seems it's much easier to rehabilitate these patients.

In my area there are several group homes, and I think they're just superb. They're looked after well, and volunteerism that there is in the area is looking after ...

Another area I'm very much impressed with is the One Hundred and Ten Workshop. These young people spend, I guess, five days a week — I just don't know what hours they do, but they really feel proud of the work they're doing. It's really surprising, the number of things — the lawn furniture they make, decorations; they have a collection for used paper. I think this is another area that gives these young people something to do. As I say, they seem to be very proud of their work.

Another area I am very happy for and is the citizens' appeal committee. I know when I was first elected and for a number of years, that was one of the biggest problems — people, whether it was with welfare or things affiliated with it, used to take up a lot of my time. Now, with this citizens' appeal committee, which is very effective, if I get one or two calls per year regarding payments, that's the most. As I say, this committee is doing a very effective job, and I'm glad their decisions are final. I don't think

even the minister ever tries to reverse them. I'm very happy with that.

I must also say that I appreciate the help I got from the minister's office over the past. I know it's a tedious portfolio that he has, but one person especially, is the minister's director of social services, used to be an executive assistant at one time, and I viewed him as one of the best executive assistants in this Legislature. I'm quite happy that you have a good staff and they're willing to give any assistance.

I might say that I'm very happy with the chairman of AADAC. His initiatives and so forth ... I think he's doing a very good job. On the other hand, it's unfortunate that there are some programs, or whatever you'd want to call them, that just work in contradiction, that just hurt the work he does. There seems to be encouragement for more drinking and so forth. I've always felt that if there aren't enough liquor outlets in this province at present, then I'd like to see where they are.

With these few words, I would like the minister to respond whether he has anything in mind to enhance these programs. I know there is a need and a demand for expansion of these group homes. I am hoping the minister will be able to comment.

Thank you, Mr. Chairman.

MR. SHRAKE: Mr. Chairman, I'd like to thank the minister first of all for his good spirit, for having a good open mind and a willingness to meet with groups and organizations, and his capacity for Steinhager. He seems to have been willing to try to work with the group and find a solution for their problem. That was good. His previous executive assistant has been a lot of help to me through the last two years. I phoned him with little problems. They may be little problems in a way. But if one of our citizens out there has a big problem, he usually came through with a solution, found a way to help, assist, in the little bit of suffering or agony for one of our citizens. I won't take your time and tell you each and every little case, but frankly, some of them were pretty sad.

I have only two points I want to make. The first one is regarding food banks. Our socialist friend here would like to see you get more heavily involved. Of course, the food banks are doing a good job. In fact, almost 14 percent of all the food in Canada spoils. It's an interesting little statistic. People are starving in the world, and 14 percent of all our food spoils. Here we have an organization that's come along and started getting some of this surplus food, getting donations from the stores and so on — no government assistance. They did a good job. For years and years churches worked with the poor and were able to get food, clothing, assistance for the poor. They did a good job. Slowly but surely the government took over. Here we have an organization — the churches are back working with the poor. Mr. Minister, please don't go and take a few million dollars and hire a bunch of bureaucrats and get all the proper forms into order and put the food bank out of business. Mr. Chairman, I hope our minister does not go in there. Just give them the tools to do the job, because they're doing a good job. Don't get your bureaucrats in there. I think they're doing a good job on their own. If you just assist a bit, you've done well. That's my one little point I'd like to make with you.

The other one is regarding what used to be called preventive social services. I always wondered why we called it preventive social services. You had the senior citizens'

drop-in centres, and I wondered if we were going to prevent our seniors from getting into trouble or something. I see you've changed the name to FCSS, family and community social services ... [interjection] Sorry, one of the members said I was wrong. If she says it's wrong, I think it's wrong. Actually, the number of organizations in Calgary that are looked after, the senior citizen groups — I'll just name you a few. There is Forest Lawn senior citizens, Silver Threads in Inglewood, the Ramsay seniors, the Victoria Park pioneers, the Ogden seniors. These are just the groups in my constituency. Then there are the Confederation Park-Bowness golden age club, Kerby Centre, Shaganappi, Shouldice, and there are about another 25 I didn't mention. These are drop-in centres where the seniors can go and meet other seniors. It gets them out of their homes. They have dances. It gives them an opportunity to dress up, to be presentable, to keep their mental wits about them. We've actually had a lot of these senior citizen groups where one senior would meet another, and they get married. They add a little spice to their life. That's been good. There are thousands of seniors taking part in the senior citizen groups in the city of Calgary that are funded by FCSS.

We have the Boys' and Girls' Club. There are hundreds and hundreds of kids that get programs. They get to go to camps. They get the kiddies off the streets, which is good. You get Uncles at Large, and I think there's also an Aunts at Large at this point. They work with our young people, give them a model role of an adult to maybe try to copy. It helps them through their life, and that's good. Then we've got day care centres, basically in every part of the city. There are three in my constituency, and that's good. A lot of the single parents, a lot of whom are mothers, are working. They would not be able to work and hold the job if they did not have this day care centre to take their children to. They've done a good job there; that's good. The single parents would basically be on social assistance, they'd lose their dignity, they'd get in the rut of staying home, living off the government, and that would not be good. You've also got the birth control information centre. A lot of people will go to that service before they will go to a government agency as such or even to their parents. It's good there's a place for them to go and get advice.

There's aid for the suicide, the battered women, the Indian Friendship Centre for our native Indians who are living in the city. There's a lot good there to assist those people. For our new Canadians we've got immigrant settlement. For the people who arrive here who are bewildered in this new area, it's good there's an organization to help find them a home, get them settled, give them advice on how to get a job, and just give them some friendship. We've got family counselling, the Catholic family services bureau, which works very hard and has done a lot of good, kept a lot of families from breaking up, ending up where the kids have lost the dad — he's off and the mother has the extra difficulties, the loss of income, disruption.

You've got Meals on Wheels, which brings meals to a lot of those who are disabled, sick, or elderly. It gives them a good decent meal, a wholesome meal, and even provides them with somebody coming to the house to see that they're okay, and that's good. You've got your home care. There again, for some of the disabled, elderly, sick, or single-parent families who can't look after the home for one reason or another, there is this service. It's wonderful; it's good. Your Victorian Order of Nurses goes around looking after some of the sick, the elderly, the disabled.

It's been a good program. I hope the dispute with them is resolved. I know it's not yours. I know you tried last year. You've got group homes for the handicapped. You've got a dozen different agencies I didn't mention here, and they've been good programs.

Two years ago the funding seemed to be adequate. Due to the difficult financial position the province came into, we froze the funding. The only point I want to make on this is that I would like very much, Mr. Chairman, if our minister would review it and see if it's time to maybe put in a few extra dollars. There's been some good things done with the money that was put into the FCSS program in the city of Calgary. In fact, a lot of people who are underprivileged and less fortunate than you and I have gained benefit from it, and that was good. I know that our minister of finance is here, and he's listening to this. He would probably agree to give you additional funding if you so needed it for the city of Calgary. [interjections] Our Provincial Treasurer, I know, would give you additional funding if it was needed and you requested it. Those are the two points I wanted to make.

MRS. CRIPPS: I just want to tell the Member for Calgary Millican that when I say he's wrong, he's wrong. It's family and community support services. The only reason I know is that I was on a committee with a number of other members who reviewed it, and everybody held their breath for fear that we'd report something they didn't like and change the program in a way that wasn't acceptable. I spent quite a bit of time working on that.

MR. SHRAKE: Mr. Chairman, on a point of order. I did mention that if the hon. member did say I was wrong, I knew I was wrong and she was right.

MRS. CRIPPS: I didn't mean for you to hear it anyway.

I'd like to compliment the minister and his department on an excellent job. They react to the needs of the constituents in record time. In fact, I honestly don't know how they maintain such a friendly, responsive attitude, because every time we phone them we've got a complaint or an urgent problem that needed answering yesterday. It has to be a very difficult job.

I've got two questions, Mr. Chairman. The first is the AISH program. My question relates to a matter of policy. Every once in a while we have someone who will fall through the cracks. It seems to me that we should have, as a matter of policy, a mechanism to get them back out. I'll give you an example. I have a blind person in my constituency who is also deaf. He needed a new hearing aid. He's on the AISH program. If anybody wants to close their eyes and cover their ears and try to walk around, it's almost impossible. If you're blind, your hearing is part of your balance. He can't get a hearing aid under the AISH program. If he goes into the social services program and switches back, then he can get a hearing aid. Quite frankly, I think it's ridiculous to have to do all that book work and transfer from one program to another for a month to get something like that which is absolutely necessary. I hope the minister will look at it as a matter of policy and try to see if we can't have some mechanism where those kinds of situations can be looked at.

I have another question, and it has to do with the social service allowance. Again, I'll be fairly specific. I'd like to know what would happen if an elderly widow with two young children were to lose her home. She's going to;

there's no question about it. She can't pay for it. If she gets a small life insurance policy, is there a program whereby she can buy a smaller home, so they have a permanent residence? Or does she have to use all that insurance before she would be able to go back on social services? That's all she has. There's probably a way around it, but again, it's a matter of policy. It seems to me it's in our best interests for her to have a home, if she can get a modest home, and not pay rent until she's old enough to go on widows' allowance, which is only five years. Just the same, it's five extra years of rent. It seems to me the more economical route in the longer run would be to allow her to do that, if it's possible. I don't know whether it is or not.

I'd like to compliment the chairman of AADAC. As he knows, drunken driving has been one of my major concerns. We don't agree on an effective method. He didn't like mine. If I remember rightly, he called it draconian. In any case, I believe that any effort that can be made to change or curtail the carnage on our highways by drunken drivers is one that we all will support. It has to become publicly unacceptable to drink and drive, and I believe this program will help.

The other program I'd like to comment on is the program directed at young people. I think it's excellent. It makes abstinence, or at least moderation, acceptable, and encourages young people to be true to themselves and think for themselves. Again, before that can happen it has to become publicly acceptable for young people to act with moderation and not drink if they really don't want to. So I think the program is excellent, and I'd like to compliment the member on it.

[Mr. Purdy in the Chair]

MR. GURNETT: Mr. Chairman, there are a couple of areas I'd like to spend a few minutes on and have the minister respond to later. One of them relates to single men's hostels, particular the Single Men's Hostel in Edmonton and the kinds of things that happen there. As I've talked with unemployed men in Edmonton, there's a great deal of apprehension about the point you arrive at when your unemployment insurance runs out and, as a single man, you are going to be involved with social assistance and potentially with the Single Men's Hostel. In many cases it seems like men are quite worried about that prospect in their future.

In talking with one particular man, it seems to me that there are some grounds for that concern. Let me tell you a little bit about what one person shared with us about what's involved with the Single Men's Hostel and the kinds of things that confront a person there. This man indicated that although the centre doesn't open until 8 o'clock in the morning, not uncommonly men are gathering there by 6 o'clock in the morning. The reason for that is that apparently only 90 cases a day can be handled at the facility. Since there are a great many more than 90 men who are in need of the services, those who aren't in the first 90 are going to end up either turned away or maybe given an appointment to come back at some later date. So people start arriving very early. This particular man talked about one incident where he arrived there on Thursday morning by the time he finally got through the lineup on the Monday. He was finally given an appointment to see a social worker on the Thursday. So there seems to be a pretty long waiting list and a lot of delays.

First of all, I wonder whether the minister is aware of the kind of situation that exists there and whether he has plans he can share with us to do things that would alleviate that situation. The government as a whole could, I'm sure, alleviate it by doing something significant about unemployment. But given the present circumstances, is there a possibility of a larger building for the facility or maybe more counsellors and more social workers who could be there to assist the men who show up there in the mornings? I would be interested in what kinds of actions could be taken to improve that situation.

This man indicated that once you're inside the hostel, if you're one of the people who manages that, there's a fairly small, poorly ventilated room that you wait in for a chance to see one of the counsellors. The counsellor then takes the information to determine whether or not you are actually eligible for any benefits. Then you have to wait to see a social worker as well. This particular man who was in touch with my office indicated that on one occasion when he arrived there, he didn't have a certificate from the Unemployment Insurance Commission indicating he wasn't receiving UI benefits any longer, so he had to walk back to the Unemployment Insurance Commission office and get that statement and walk back with it to the hostel, even though apparently he had presented a document four weeks before, indicating he was no longer eligible or receiving UI. Obviously, in four weeks he hadn't been able to do anything to suddenly become eligible.

I guess another question I'd have for the minister about what's happening at the hostel simply relates to whether there's any exploration to reduce the amount of red tape, the amount of bureaucracy and paper work that takes place there before men are able to actually access some real assistance, and whether these people are ending up having to go through a lot of confusion and frustration that they don't see as having any necessary connection with the reason they're actually there, which is that they need some help.

This man was an interesting person, because I thought he provided a good contrast to the frequent stereotyped image we have. So often you hear people talk about those that are unemployed and those that are receiving social assistance as "welfare bums", and phrases like that. If any number of the men are like this man, it seems that the people who are lining up at the Single Men's Hostel really don't want to be there. This man didn't take that step until he'd sold everything he possibly could to avoid social assistance, and he was doing his best to try to get some upgrading. Apparently that's not untypical of a lot of the men that are there. They're not people who want to be in that state, Mr. Chairman. They're people who are stuck there, if you like.

Maybe a closing question to the minister about the Single Men's Hostel would simply be: I wonder if he could share a little bit about what contact he's had with the clients of the place. Has he had opportunity to talk to some of these people and to actually have some sharing with them at first hand about how they feel about the situations they find themselves in and the kinds of alternatives they see to what faces them through the Single Men's Hostel.

Related not directly to the Single Men's Hostel but to the case of people that are on social assistance, I also had an interesting contact that came from my own constituency this week. Maybe the minister could also provide a little more detail about social assistance as it's available in rural areas. This was a man who is a single parent with two children and indicated that he's required, to keep up his

social assistance, to show evidence of having applied for about 15 jobs a month. That may not be an unreasonable expectation for single people in the city; but my question to the minister is whether or not the department has looked at whether that's realistic for people in, as in this case, a small rural community that's some distance from large towns, let alone cities. He's having to look at things like a babysitter and automobile expenses on the very limited social assistance he receives. So my question would be: what are the expectations for those who are receiving social assistance in rural areas? What are they expected to do? How are the standards for people in rural areas set? Do we simply transpose what's required in an urban setting, or is there some special consideration to what can be done to deal with people in situations like this man is in.

I'd like to also take a minute, Mr. Chairman, to talk with the minister a bit about the discussion we had a week and a half or so ago that's continued to trouble me since. It relates to the question period when we discussed the issue of social assistance at Little Buffalo. The key question I was asking that day was whether the minister had any intention of offering an apology to the band at Little Buffalo in view of the fact that in the circumstances here in the Assembly, he was able to fairly widely make known a figure of about one-third of the band members being on social assistance, and in fact very quickly the federal Indian Affairs people indicated that that information was inaccurate and that the band's figure of 90 percent was really a much more accurate figure.

On April 29 when we talked about this in question period, the minister agreed there had been some confusion and that the one-third figure was based on looking at cases rather than numbers of actual people. But then as we talked in those questions, the Minister responsible for Native Affairs indicated that the different ideas about what the population of the band is mean that maybe the figure was seriously in doubt and that the federal Indian Affairs figure of 90 percent was maybe not a fair figure, although that's the figure the federal Department of Indian Affairs and Northern Development uses. When I asked the minister about it, he indicated that he didn't see there was any basis to apologize to the band there.

First of all, my concern is about the 90 percent and the one-third figure. Even if we were allowing for some error and somehow the status, nonstatus, and Metis population were considered, I don't know quite how we can cover the difference between one-third and 90 percent; in other words, if the one-third was one-third of the families or one-third of the people involved with cases, how many people that actually involves and how the translation is made between cases and people, and whether the one-third, as the minister used the figure, would come close to 90 percent of the federal population figure of 182. I realize the mathematics are getting a little convoluted. But my concern is basically that if the number is anywhere near the number of 90 percent that the federal department is using and there's not a reasonable way to justify the difference between one-third, 33 percent, and 90 percent whether the minister doesn't then owe some apology because of the fact that his ability to give a figure here can gain a very wide audience compared to what the band is able to do to indicate that they disagree with those figures and to get out word about a figure that's much higher. That's an area that does concern me.

In that same question sequence we had, I also asked the minister about the possibility of closer liaison between his department and the band so that figures, at least related

to nonstatus and Metis people, could be accurately available. I wonder whether there's been any progress in that particular area. My underlying concern in raising the whole issue about this high figure is that although at the time the minister said the figures were not out of line with similar communities and that it wasn't anything too unusual, we are still faced with the fact that the figure has grown dramatically in a short number of years. Until things started happening there that radically changed the traditional way of life of the people living in the Little Buffalo area, they did have a figure of people on social assistance somewhere in the range of 10 percent. So that rapid increase certainly seems to me to indicate that damage has been done to the people trying to live a certain way there.

I wonder what efforts are being made not just to make sure that our figures are accurate but to see that something can be done about that — whether the minister is concerned, for example, that a figure that high for a group of people, for a community, translates into some active lobbying with the Minister responsible for Native Affairs to see that we have a real land settlement there soon so that something can happen for those people.

I'm worried that an impression is being created, especially in places like Edmonton, that are far away from Little Buffalo and have little firsthand knowledge of what's happening, that the people there are basically dishonest and don't have any serious problems. My comment to the minister, and I'd be interested in his response, is that we need to go out of our way and perhaps do a little more to be sure that those kinds of impressions aren't created. If the use of figures that have any kind of reasonable doubt about them creates impressions of dishonesty or of there not really being any problem in the area, we should have some responsibility to avoid that situation.

After talking about some areas of concern and posing some questions that trouble me, I'd also like to take a couple of minutes in closing to make a couple of comments about AADAC and ask one question. In view of the discussion we had in looking at the estimates for Hospitals and Medical Care in the recent past and all the talk at that time about preventive health, I'm interested in whether or not there is any high priority being placed by AADAC on making a real priority about dealing with tobacco smoking, tobacco usage. I know that AADAC has had materials related to tobacco use available for some time and has a particularly good new teachers' guide, that's just come available, but I wonder on the scale of things whether it has an increasing priority with the group and what future there may be for funding that will deal particularly with that area.

I'd also like to pass on a compliment to AADAC for its willingness to be innovative, to spend a little money to encourage community projects. This year I've had some contact, through a friend who teaches in Fairview, with a project where AADAC made a little bit of money available to a high school drama group in Fairview. Without needing a lot of experts and expensive help, these people were able to put together a play that they took around to other schools. Instead of it being professional actors, it was peers of the students who were actually seeing the play. I know that when they performed at the school I was at at the time, it was a very effective morning and a lot of good discussion for my students came from the presentation of that play. I certainly am pleased to see that the department, and AADAC particularly, is willing to find funds for those kinds of projects. I encourage that kind of freeing up of

some dollars for ideas that originate in communities and that pay off some real benefits fairly quickly in communities. I hope any kind of proposal like that that comes to the department, or specifically to AADAC, is given every possible chance to get some support.

Thank you, Mr. Chairman.

DR. CARTER: Mr. Chairman, a few comments with respect to the minister and his department and the estimates. First, I want to say quite sincerely a word of thanks to the minister and to his deputy and, through them, to the department for the co-operation I have experienced as chairman of the Social Care Facilities Review Committee. I know that the whole department has a tremendous challenge — I guess one should really phrase it as a tremendous number of challenges — as they carry out their onerous responsibilities in dealing in terms of the people issues in the province. It's one department that really does have that complete, personal interface with persons, seeing them as persons and not as statistics or as ciphers. Again, I want to underline my personal appreciation and that of the Social Care Facilities Review Committee to the minister, to his deputy, and through them to the department.

For just a moment I'd like to give thanks to the people who work on the Social Care Facilities Review Committee. I hope the members of the House will bear with me as I mention these individuals by name, because they put in a tremendous amount of time and tremendous numbers of miles as they travel through the province visiting almost 1,400 different types of facilities. In particular, I would like to mention my retiring vice-chairman, Jim Faulkner of Edmonton, who has had an outstanding record of service in the province in a number of areas. He will be sorely missed when he retires on June 8 from the committee. I would mention, of course, my colleague in the Legislature Alan Hyland, the MLA for Cypress, who has brought a number of interesting talents to the life of the committee and, I know, has experienced a lot of growth in terms of the various facilities he has visited throughout the province, and Glenna Bell of St. Albert, Jackie Moore of Calgary, Rita Nyback of Camrose, Doreen Orman of Calgary, Esther Rankin of St. Albert, Carol Wilmot of Calgary, former MLA in the Assembly George Wolstenholme of Nanton, and Susan Zukowsky of St. Paul, together with Ute Davies of Calgary.

Mr. Chairman, in 1984 the group made 780 visits, and as of May 6 this year they've already made 258 visits. Since the inception of the committee in 1980 they've made 2,760 visits to the various facilities throughout this province, so they know the high quality of care that is there in terms of these various types of facilities throughout the province. On other occasions various members of the committee have travelled to other provinces so that we have a comparative basis on which to ascertain the quality of programming and the quality of physical standards in the province. We realize that in nearly every case the facilities in Alberta are the best in the country.

The various types of facilities visited are the overnight accommodation for the Alcoholism and Drug Abuse Commission, child care institutions, child welfare resources, day centre centres throughout the province, family day homes, some foster homes, group homes of four beds and over, single men's hostels, as well as facilities for battered women and children, services for the handicapped institutions, and vocational rehabilitation centres. On that point I'd like to say that in the last month the Member for Cypress and I

visited two sheltered workshops in Medicine Hat. It was an interesting experience to go back into those facilities. I hadn't been to those two particular workshops for about two years. In one workshop in particular it's interesting to note that there has indeed been a turnaround in the economy, because there are more job contracts available to the persons working in those workshops, so they are being much more employed in terms of their time line. It was also very interesting in the Medicine Hat workshop to be greeted by a childhood friend of mine who has Down's syndrome, who is now about 30 years of age. I must admit that when you go into a facility like that and see someone from your past, who then runs up to you and hugs you fiercely, you realize how indebted you are and how indebted we all are to the volunteers as well as the paid personnel in this province who carry on such dedicated delivery of service to these persons.

I wonder if the minister would briefly comment with respect to the developments and the time line at Baker Centre. I know that he and his officials have dealt with the Baker Centre and have worked closely there in terms of trying to put in place better standards of care with respect to those residents who are there. I'm sure all members of the Assembly, especially those from the Calgary area, would be interested in comments as to the construction time lines of Baker Centre.

Finally, Mr. Chairman, through you to the minister and to his department and in effect to all Albertans, I want to say how much most of us understand the pressures that are upon you and your personnel. We also realize that because of caseloads and the number of people who come to you and to the people in the department, how easy it is to feel as if you're absolutely alone and to have feelings of burnout, whether they're front-line workers or people working in the upper echelons of the administration of the department. Nevertheless, I really do believe that the department can indeed be complimented in a very sincere fashion for the degree of evidence of concern, the evidence of sensitivity, and above all the evidence of caring for people. After all, of all the departments in government your department probably is the one that most has to deal on that very intimate personal interface with people — to repeat myself dealing with people, not dealing with statistics.

MR. HYLAND: Mr. Chairman, a few brief comments on the Department of Social Services and Community Health. First I would like to talk about the Alfred Egan centre, which is an addition to the Bow Island hospital and is going to be officially opened tomorrow. It's an area where there will be 25 clients from Baker Centre moved to Bow Island — people who have been in Baker for a number of years and whose home was or whose parents are from the southern part of the province. They'll be moved to this new facility. The facility contains 25 beds for clients and five relief beds. It is indeed an impressive facility. It's built in clusters around a central living room, with three single bedrooms around each cluster and one double bedroom — a far cry from the facility as it now exists in Baker. I'm sure it's second to none anywhere in the world in the treatment that these clients and young, medically sensitive people will receive. It's something we can be justly proud of. At some short time in the future there's to be the same type of facility open at Fort Macleod as well.

Mr. Chairman, we have heard other members thank the minister and the senior departmental staff for assistance they've had in the past year. I would like to say the same

thing, but I would like to add the co-operation that I've had from the regional office in Coaldale and the district office in Medicine Hat. There are some super administrative people running those offices, and they're really bringing what we desire to have in decentralization. They're bringing the feeling and the decision-making that's made in those regions down to the people level, made by the people who are actively aware of what's going on in their areas.

A quick comment about day care, Mr. Chairman. I've been in day cares this year in Medicine Hat, Taber, Lethbridge, Calgary, Edmonton; I think that's most of them. We have something to be justly proud of. We have some really good private day cares out there. We have some really good public day cares. Needless to say, there are some that aren't quite as good as others, and as a committee we've discussed that with the minister. We have day cares that we should be proud of. We have people working in many of those day cares who just do a super job. We've heard comments in this Legislature about the state of day cares in this province, and I can assure members that those comments are false and misleading, because they don't indicate the majority of the day cares that exist in Alberta.

Also, a few brief comments about group homes. I've been in group homes in many of the same places I've been in day cares, and most of the group homes in this province are second to none. The clients receive the best care possible. The staff work hard to make it a homelike atmosphere, and they should be commended for that. The amount of money that we spend in these homes, when you add up all the numbers, is tremendous. I've had discussion with the minister before about whether we really get a dollar's worth of value out of these homes. Are they really accomplishing what they're intended to accomplish? Perhaps we should consider that. Sometimes I think it's too easy for the parents to let the child they have a problem with go and let him become a ward of the court or of the province. That child is taken to a centre where people try to help him and help them solve their problem. Various group homes and centres, such as William Roper Hull Home, try to have programs that work with the parents, and they can't get the co-operation of the parents to assist these kids.

Mr. Chairman, it seems that the one place you hit people nowadays where they really pay attention is in their pocketbooks. If these people had to pay a portion of the costs to keep their child, either in cash money or in time served with their child or working with other children, they would indeed take a better interest and would co-operate in solving that child's problem. As it exists now, that child may have good people working with him and they may solve the problem he has. Then he is put back into the home atmosphere, and he's soon back out on the street or back into the home, with the same problem.

Mr. Chairman, I think that covers the comments I'd like to make.

MRS. KOPER: Mr. Chairman, I'd first like to thank the minister and his department for their attitude, the responsiveness they have for problems I have in serving the people that I do in Calgary Foothills, and for their understanding in trying to help people, because no problem is ignored, no problem is too small. I really appreciate each one of you and your response to the queries I bring to you. I think you make a difference to our lives.

Mr. Minister, I have five questions. The first one is in regard to food banks. It seems to be a very different scene in Calgary. In Calgary we have many of the same problems,

but somehow there seems to be a difference in the delivery of services. It is very difficult for me, as a Calgary member, to understand why there is such a problem here in Edmonton. I wonder if there is any significant difference in the distribution of food that could be related.

The second question I have is regarding the delivery of programs. Mr. Chairman, has there been a significant shift to privatization and contracting with community agencies? If so, has that helped in reducing costs to any extent?

A third point, that I find is always of interest to people in Calgary, is regarding the handicapped and the services in Calgary. There are many excellent vocational programs but often a shortage of jobs for the handicapped in our community. My question is regarding the presence of any factors in the community that are actively looking for jobs and on-the-job training in our communities in Alberta.

My fourth question. Last year, a significant change to your department was introduced in the new Child Welfare Act and the new Public Health Act. Both of these Acts were designed to streamline the delivery of services over which they hold legislation. I wonder if there is any significant decrease in costs in the introduction of these two Bills.

My last question. There seems to be quite an increase in vote 10.6, day care. I wonder if that is due to an increase in the demand for the services, an increase in the number of places available in Alberta, or is it just increased costs?

Last of all, AADAC. I think we have something to be proud of there — in all of the world, actually. I know there are signs that the efforts are paying off in terms of decreased use of alcohol among young people. I wonder if there are any signs at all of the positive kind of attitude that's so evident in all the commercials. Is there any way that is measured? Are you getting a lot of feedback, Mr. Minister, in that regard?

I'm very impressed with the work of the department. I think a lot has happened in the short time I've been involved. Thank you.

MR. ZIP: Mr. Chairman, I wish to briefly enter the discussion of the estimates of the Department of Social Services and Community Health and make a few comments. First of all, I wish to extend my sincerest congratulations to the hon. minister on the competence he displays in handling a most difficult department. I also must congratulate the chairman of the Alberta Alcoholism and Drug Abuse Commission, the hon. Member for Lethbridge West, for the effective and imaginative way he handles a program that is very important to the people of Alberta. I notice he's not even listening to me, but that's okay.

The Renfrew Recovery Centre for people with alcohol and drug problems is located in the Mountain View constituency. I was most impressed with the facility following a visit to it late last fall. I couldn't help but notice the marked increase in its effectiveness as compared to the time I first visited it shortly after it opened its doors many years before following the conversion from a Safeway Store, which I also remember very well from the time it was first built. I keenly feel the need for continuing education on the dangers of alcohol abuse and particularly the need to impress on the young the very limited amount of alcohol that can be consumed safely. Those impairment tables prepared by AADAC should be framed and placed in the kitchen of every home in Alberta. I think this is an excellent way to express how little alcohol it takes to impair us. I

think the way you've gone on TV and radio, the electronic media, to get this message across is excellent.

I differ with the hon. Member for Drayton Valley, my excellent seatmate whom I respect a great deal, on her draconian solutions to the alcohol problem. My view is that harsh laws alone will not solve the problem of alcohol. It makes people aware of the penalty surrounding abuse of alcohol but doesn't give them the will to stop drinking.

MRS. CRIPPS: I just want to take the weapon away.

MR. ZIP: I remember very well that a good neighbour of mine many years ago was told by the doctor that if he drank another bottle of Scotch, he'd be going to the cemetery instead of the hospital. That night he drank two bottles of Scotch. Needless to say, he was dead the day after. This has been proven by countless examples, such as I just cited, that we have all witnessed across this province. There has to be a change of heart, a renewal within the individual to a cleaner life-style that Alcoholics Anonymous and, I noticed, that AADAC is emphasizing more and more, that will really turn people's attitudes around and get that change of heart working so we will see greater and greater moderation in this province with respect to alcohol consumption. Keep up your good work, AADAC. I notice the very, very capable members in the gallery. I wish to congratulate them for their devotion and dedication to a very, very worthwhile cause.

Coming back briefly to social services, I have few complaints with regard to the department. Any time a problem has been referred to me by any of my constituents, I have found the members of his department, in both Calgary and his office, responsive and helpful, and we've been able to satisfactorily clear up most of the problems that have arisen, except with some of the renegade cases that you can't help no matter what you do.

I have run into difficulties with the Calgary rehabilitation society, whose facilities are located in Calgary Mountain View constituency. I wish the minister would comment on it. My feeling is that the problem seems to centre on the amount of funding the society expects out of the government. I understand, and that's the message I get, that they want 100 percent funding. I firmly believe that it's difficult to give 100 percent funding when other groups in the province are making great efforts to get funding themselves. We can't be discouraging people from being volunteers and from raising money on social needs that the taxpayer and government alone can't provide. There's a limit to what we can provide.

So with this I will close and wish the minister well in his future work. Thank you, Mr. Chairman.

MR. R. SPEAKER: Mr. Chairman, to the minister. There are six different areas I would like to comment on and have the minister give some response. The first one is the concept of privatization. As I listen to what the government is doing, I see them using the word privatization, first of all, as a rather political word rather than the actual implementation of what is happening being privatization. Normally when you privatize something, that means private capital is used to operate that particular institution. But as I listen, what I hear is that the government is going to totally fund some project or some part of the department that in turn is administered by what is considered to be a private group of individuals or private interest group of some kind. So I'd appreciate the minister defining that to a greater extent.

Some of the objectives I see established for that program came at a meeting of social workers on March 26, 1985, where Dr. Kinkaide was talking and said that the department had, as privatization purposes, the revitalization of community involvement in social services. That's a nice objective, a good objective, but if all we're doing is contracting with a private group of people that need jobs or would like to look after some service and possibly even make a profit on it, I'm not so sure we're involving the community anymore. Maybe we haven't accomplished anything because we laid off people to compensate for this particular group. So I'd appreciate it if the minister would clarify where he really feels we are privatizing in the more true sense, where private dollars are being contributed to our social conscience in the province, that volunteers are actually getting involved and contributing without being enticed by public dollars. If that kind of thing is happening, where you have private individuals, private companies, private savings, being invested in social objectives, fine; that's privatization. But if it's not that, then I think the minister is just creating a hoax across this province in terms of the word privatization.

It certainly sounds nice at a Conservative convention, but in reality I wonder whether it's any different from just an extension of the public purse into the hands of some other people that are maybe positively using the funds and maybe not so positively; maybe not accomplishing some of the ends that actually could be worked, that could be done through the department. Where we have professional people at the present time and have given responsibility, decentralizing not only some of the decision-making but the dollars in that department, we could come up with the same quality of service in this province and eliminate some of the political patronage that exists between the regional offices and the central office here in Edmonton. I would have to say to the minister that I haven't heard of his appointing any at this time. He has inherited those persons in the department from the former minister. Now the minister has to live with them, which is very unfortunate. That kind of in-between administration that goes on in the department is creating a lot of red tape and a lot of delay in delivering the services of the department. If we continue this middle- and upper-management expansion to the neglect of the regional responsibilities, I think the department is going in the wrong direction. I'd appreciate the minister commenting on that, and we can discuss that in greater detail once the minister has commented.

The second item is with regard to a letter I received from the Fort McMurray Unity House, where the people there are providing a service for wife battering and have found themselves in difficulty carrying out some of their purposes in terms of their shelter. First of all, in terms of operating funds they say that in 1984 the funds for operating shelters were frozen at the 1983 level and that at the present time the freeze resulted in a critical cash shortage which almost resulted in their having to close their shelter for two months in 1984. I'm not sure if the circumstances have changed in 1985.

In addition to the freeze on operating funds, the letter goes on to point out that there's also been a freeze on capital funding and that this has impacted them. They want to know that in this current budget there will be support and assistance for their service to battered women in that particular area.

The third item is a letter I've received from a lady in Calgary who participated in what is called the equal opportunity program, where persons are trained to take on job

responsibility. One of the concerns she has is that she has gone through the experience, and she comments:

I feel that I've been used and psychologically harassed. I think I am only one of many women who have experienced these job-creation programs in much the same way as I. Are you aware of the limitations of these programs? It seems to me that there must be one further step governments can take to ensure that those who wish to work will have that opportunity.

What concerns her is that in a number of the employment programs initiated by the Minister of Manpower for young people who graduate from university, all those jobs are taken by those persons. Here is someone who has been trained through the department and needs extra assistance to get onto the job, and she's continually frustrated because she is crowded out of the job market. I wonder if the minister has had that kind of problem brought to his attention.

The fourth area is with regard to the new Child Welfare Act. I wonder if the minister could indicate whether all the sections of the Act are in effect and are being utilized at the present time or whether some of the sections have not been declared in effect as such.

The other area is with regard to the cuts in the department. I understand that of late, those people whose employment will be terminated have been notified. I wonder if the minister could classify who those persons are through the department. Is it in upper management, middle management? I note from earlier comments of the minister that those are to be middle management, as I read my notes, but that the people at the front line, the social worker establishment, will not be affected. I'd appreciate if the minister could clarify what has happened and who those specific people are.

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

DR. WEBBER: Mr. Chairman, I appreciate the comments of all members of the Assembly. A good many topics were covered, and a number of questions were raised. I'll do my best to respond to those at this time.

I, too, want to acknowledge that I appreciate working with a fine group of people in my office and department. I know the number of calls that come in, the mail that comes in; it does put a tremendous load on them. All of them maintain good spirits, and it's a pleasure working with them.

I also feel very good about the fact that we now have in place two deputy ministers, Michael Ozerkevich in Social Services and Bob Orford with Community Health. The whole process, from advertising to finally selecting these individuals, took some time, but in my view we have two excellent deputy ministers in place and look forward to the fine work they are doing and will be doing in the future.

I can't overlook the correspondence unit in our department, who are not located in this particular building but are over in the department and are part of my office. They respond to letters that are sent to them, direct them through the department, and back to our office. They do a tremendous yeoman's job.

Thanks also to others, such as the chairman of AADAC for the good working relationship I have with him and the fine work, which has been acknowledged throughout the course of the evening, that he and his group of people are doing; the Social Care Facilities Review Committee, with the Member for Calgary Egmont as chairman and the

Member for Cypress as a member of that committee and I also acknowledge Mr. Jim Faulkner, the vice-chairman, and the fine work that he's done, and wish him well in his retirement when he leaves; the health and social services committee of caucus, chaired by the Member for Calgary Foothills, who is also my M.L.A. In addition, comments were made tonight by several members about appeal and advisory committees across this province that are involved in listening to social allowance appeals, appeals dealing with AISH, widows' pension, and others. Those appeal bodies are a final decision body. It's very good to have these bodies in place that can address the local concerns, and they consist of local people from those areas.

Mr. Chairman, a number of questions were raised around the area of family violence. Family violence has publicly become a well-recognized problem throughout North America. Just recently I returned from a provincial ministers' meeting where family violence was the item on the agenda for the entire day. It was very useful to find out what other provinces are doing and other ideas from across the country, as to how they are dealing with the victims of family violence and the perpetrators of family violence.

I think the single thing that was most important in our discussions was the emphasis on the importance of the family and the integrity of the family and trying to keep the family unit together. In the advertising that has taken place across the country by different provinces, we put an emphasis on making people aware of child abuse, spousal abuse and, to a lesser degree, elder abuse. However, with the several ads we now have on television, which refer people to the local health units for further questions related to nurturing good family relationships, the approach taken is one of being positive, promoting loving and caring within families. I think what we need to do across this country is to put a greater emphasis on the good things that relate to family life rather than totally looking at the negative aspects, with all the abuse and concern that we sometimes hear about. When we meet again, I think we'll be discussing ways in which we can work together on a national basis, to see if we can't do more to promote the family in this country.

Family violence has many components. There is spousal abuse, and references were made to women's shelters. We have 12 women's shelters in the province now. Reference was made to one particular one here in Edmonton where 12 families over a certain time period — I've forgotten what the time period was — were turned away. A concern was raised in Calgary not too long ago, along the same line. What happens to these people? The impression was left that they're suddenly turned out into the cold; there's no place to go. That, in fact, is not the case at all. If the shelters are filled and there's no room for them, the people are referred to Emergency Social Services. Often they're put up in a motel or a hotel for the night. Usually, they're able to get them into the shelter the following day. So I don't think we have a situation whereby people are turned out into the cold or turned back into the battering situations from which they came because there is no room in the shelters. Certainly, it fluctuates. Sometimes the shelters have a lower accommodation rate or they may not be as full as they are on other days.

Before we make a commitment to fund women's shelters to a larger degree than we have in this province, I think we need to develop a plan as to how we're going to deal with family violence. We can't afford to put battered women's shelters in every community in this province. The

proposal we had in northeast Alberta, that's been referred to earlier tonight, and the \$87,000 grant that was provided to them — the concept was a good one, in my view, a concept whereby people in the communities were assisting to look after victims of family violence in homes called safe homes. A network was put together whereby people could be helped over a short term locally and then maybe could move into a shelter at a farther distance away. They also were talking about establishing, and I believe involved themselves in, treatment programs for the perpetrators of family abuse. That particular program was poorly managed and failed. However, in both the northeast and northwest regions the regional directors and their people are developing proposals to deal with this concept, to see if we can't carry out the intent of that program in the rural areas.

Also, we established in the department the position of the office of the prevention of family violence. The chairman, Katrine McKenzie, is chairing an interdepartmental committee to try to develop a plan for dealing with family violence. Hopefully they'll have their proposals to me by the summer.

One could talk for a considerable time on this whole area of family violence, but I think I have responded to the questions which were raised here. Before I leave that, there was a question related to what happened to the \$87,000. We are attempting to audit the books of the group that was involved. However, the books are not available and the person who was responsible for the program is no longer in this province. We are following up as best we can as to how to deal with that. But I think that one shouldn't put too much emphasis on the failure of a trial project, as that was. The concept was good, and we can learn the lessons we received from that particular operation, go on from there, and see if we can develop good, positive programs in the same area and in other areas as well.

Going on from there to the social allowance area, vote 2, some general comments were made about the economy and the unemployment rate and the related numbers of social allowance recipients we have. Certainly, there is a very high correlation between the unemployment rate and the numbers of people who come onto social allowance. One comment was made by the Leader of the Opposition that if we are in a period of recovery, why haven't the numbers come down in the social allowance area? If he thought about it for a few moments he would realize that there is a lag in a situation like that between a turnaround in the economy and the numbers on social allowance starting to decline. It's because generally those people who first enter into the labour force are those who are off social allowance and are more skilled. So there always is a lag between an economic recovery time period and any decline in the total numbers of people on social allowance.

Reference was made to food banks in Edmonton, Calgary, and elsewhere in this province. It seems as though the food banks in the Edmonton area do get more publicity than the food banks in the city of Calgary. I think it's partly related to the philosophy of certain people who are involved. In most places people recognize that when we are serving the needs of people, the responsibilities do not always fall on the government. There has to be a team effort between the government and the community and families. The people who are providing the food bank services are generally volunteers and providing a very valuable service and feel good about doing that. However, there are some who think that food banks exist because government hasn't fulfilled its responsibility. Generally those individuals have a different

philosophy and have greater expectations of what government should be doing than what this government does and than what I think. I think there is a role for the volunteers in the community and for ourselves to be involved as well. But having said that, I think it's important that we work closely together to try to see that we are all fulfilling our responsibilities and providing the services that are needed.

With regard to the recommendations from Edmonton's Food Bank group, there were six of them. I will be responding to those recommendations in detail to the organizations. Before I mention those recommendations, the hon. Leader of the Opposition raised a question just a few days ago in question period about whether or not I had seen a report put out by Edmonton's Food Bank. Unfortunately, I thought that I hadn't seen that report. As a matter of fact, there was no report; there was a two-page news release. The news release hadn't been sent to my office, so I believe his expectations were beyond what was reasonable.

He also mentioned — I believe he said it today; I'd have to check *Hansard* — that there was a decline in the total usage of the food bank over the first three months of the year. I find the release a little confusing in that regard, because they say on the very first line that Edmonton's Food Bank "distributed a record amount of food to the city's disadvantaged in the first quarter of 1985 ...". They go on from there. I don't see how they had a decline if in those first three months they had a record amount of food distributed. I find that difficult to comprehend.

However, I will be responding to the recommendations they have presented to me. With regard to the first recommendation, that we undertake a comprehensive cost of living study, I could indicate this evening that we've repeatedly said that we don't believe a comprehensive study would serve any really useful purpose at this time, in view of the fact that we had significant increases in social allowance rates just before Christmas, particularly for food and clothing, for children, and in larger families in particular. However, we did invite the food bank to provide us with any information they thought might be useful so that we could examine the benefit levels from time to time. Certainly, we continue to examine the benefit levels on an ongoing basis.

The second recommendation relates to establishing ongoing, effective consultation mechanisms. We certainly agree with that, and meetings are taking place between the food bank personnel and our regional office officials. I believe they had a meeting just this week to discuss some of the concerns that exist. I think that by working together, trying to provide the proper information to the social allowance clients, to the people who come to the food bank outlets, we will be able to do our respective jobs better.

Recommendation 3 says that basic needs need to be protected from excessive departmental recovery. We have certainly taken that recommendation under advisement and are examining it. However, on the one hand, it's difficult to be too lenient, because abuses then take place. It's a balance between trying to recover moneys that may have been received in an improper way, to just writing it off and forgetting about it, which of course would tend to encourage misuse of funding. But we are considering those recommendations.

With regard to single employables, they suggest that single employables receive benefits on the same basis as others with respect to access to, and the duration of, assistance. They think it's indefensible that we treat single

employables differently from others. I think it's very defensible. Single people are much more flexible in their ability to move from one place to another, and the benefits we provide to them are the highest in the country for single people. If they are running into difficulties, there are a number of alternatives they can look at to try to adjust to the situation they find themselves in.

With regard to recommendation 5, that positive incentives be built into policy which allow clients to exercise greater responsibility and choice, and they specifically would like to see a negative rent differential, we are giving some thought to that particular recommendation. However, at first thought I can't really agree with it. It strikes me as a recommendation whereby if you return moneys that they might save by moving to lower priced accommodation we could be accused, in the case of someone who may have an alcohol problem, of driving him into a very, very poor accommodation so that the poor chap would have more money for alcohol. Certainly it's a recommendation we are looking at, but not one that I think has much promise of being accepted.

Recommendation 6, to improve and clarify policies and procedures, certainly we are doing that. That's the purpose of the meetings between the regional director of the city of Edmonton and Edmonton's Food Bank people.

Recommendation 7 relates to monitoring our activities. We certainly think it's important that we monitor the expenditure areas, which are useful indexes of need. One of the difficulties we have is that the needs are different from one part of the province to another. In Fort McMurray, for example, rent is higher than what the rent might be in Medicine Hat. Also, utility costs are higher in the north country than in the city of Medicine Hat, where fuel costs are not as high as in most places. We have to be looking for a way where we can be more flexible in dealing with the social allowance needs of our clients.

Certainly it is my intention in the next short while to visit some of the agencies that are involved in providing the food bank services in the city of Edmonton, to see if we can't get a better feel for what some of the difficulties might be.

One thing I'd like to mention, Mr. Chairman, before we adjourn for the evening, is that one of my real concerns relates to those social allowance recipients who have been on social allowance for an extended time period. Fortunately for those new people who come on social allowance, after nine months we have 83 percent of them off social allowance and back, hopefully, in the job market. However, for those who are on for extended periods of time, it seems to be more difficult to have them come off social allowance. There's a variety of reasons for that, of course: because of the discouragement of not being able to find work, or

whatever. But that is one group of people on our caseloads that, as I mentioned, I'm very concerned about and would like to try to find a resolution of the problem.

We are looking at a job finding group that we could establish in the different communities, where we could have those social allowance recipients who have been on social allowance for eight or nine months or more come in and be put through a particular course where they're shown how to fill out resumes and how to make phone calls to prospective employers. I visited a program of this nature in British Columbia not too long ago. They find that in a three-week time period, they can place approximately 70 percent of their people into job situations. It's not them placing them into the job situations. These individuals actually find the jobs themselves. These sessions they have are more motivational building kinds of sessions, where they are made to feel good about themselves and that they have something to offer. The success has been excellent. We have put notices in the newspapers in the province for proposals to come in with that particular kind of approach, and the response has been excellent. We are now reviewing those particular proposals to see if we can initiate some trial situations in the urban areas and maybe in one smaller centre in the province.

Mr. Chairman, in view of the fact that the notes I've taken during the course of the questions total eight pages, and I'm now just at the bottom of page 1, possibly I could suggest that we call it an evening.

MR. HYNDMAN: I move the committee rise, report progress, and request leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: 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. HYNDMAN: Mr. Speaker, on behalf of the hon. House leader, it is his intention tomorrow to propose in Committee of Supply a review of the estimates of the Department of the Solicitor General and, depending on progress, to then go back to the Treasury Department.

[At 10:23 p.m., on motion, the House adjourned to Friday at 10 a.m.]