

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Tuesday, July 8, 1986 2:30 p.m.**

Date: 86/07/08

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

**PRAYERS**

[Mr. Speaker in the Chair]

MR. CHUMIR: On a point of order, Mr. Speaker. I would like to request that the hon. minister of hospitals withdraw his statement in question period yesterday that I was entirely mistaken in my preamble, in view of the fact that I have the documents in my hand showing that there has in fact been a delay in the proposed schedule for designating hospitals.

MR. M. MOORE: On the point of order, Mr. Speaker. I'd be more than happy to debate with the hon. member whether, in fact, he was entirely mistaken. I also have several documents in my hand that would indicate that he was mistaken and would be happy to provide them to the Legislature.

MR. CHUMIR: Presumably we will debate in room 312 after the question period, Mr. Speaker.

MR. SPEAKER: Thank you. I hope you both will enjoy coffee shortly after the afternoon proceeds from question period. If we could continue with the business of the House, please.

**head: INTRODUCTION OF VISITORS**

MR. HORSMAN: Mr. Speaker, I am pleased to introduce in your gallery today the distinguished ambassador from Argentina to Canada, His Excellency and Mrs. Pulit. I would ask that they rise and receive the warm welcome of the Assembly.

Mr. Speaker, I regret that I had indicated that His Excellency's wife was present with him, and that was not the case.

I would, however, like to introduce another distinguished visitor in your gallery as well, the distinguished Member of Parliament for Athabasca, Jack Shields, who is chairman of the Alberta caucus of the Members of Parliament, all of whose members are of the same party.

**head: TABLING RETURNS AND REPORTS**

MR. CRAWFORD: Mr. Speaker, I'd like to table the annual report of the Department of Municipal Affairs.

**head: INTRODUCTION OF SPECIAL GUESTS**

DR. WEST: Mr. Speaker, I'd like to introduce to you, and through you to the members of the Assembly, Mr. Don Whittaker, chairman of the board of governors of Lakeland College, headquartered in Vermilion. The recent growth of

this campus and college is a credit to Don's tremendous work as chairman and is much appreciated. I would ask Don, who is seated in the members' gallery, to stand and receive the warm welcome of this House.

MISS McCOY: Mr. Speaker, it is a great pleasure for me today to introduce to you, and through you to members of the Assembly, a person who has been important to me all of my life, my brother. With him in the members' gallery you will see a vision of Alberta's great future, my niece Andrea McCoy and my nephew Darrin McCoy. I would ask them to rise and receive the warm welcome of the Assembly.

MR. HYLAND: Mr. Speaker, I'd like to introduce a constituent of mine to the Assembly, Cathy Kienzle from Bow Island, who is accompanied by her father, Allan Eng. It is a little difficult for me to introduce Mr. Eng, except that I ran against him in 1975 in the constituency of Cypress. I don't know if I scared him or what, but he moved to Edmonton after that and became president of the NDP. If the Legislature would welcome Mr. Eng and his daughter Cathy.

**head: ORAL QUESTION PERIOD****Petrochemical Industry**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Premier. It flows from yesterday, when he said that gas deregulation won't hurt our petrochemical industry because of our assured supply and proximity to feedstocks. Could the Premier indicate why the government supports gas deregulation — that is, abolishing the Alberta border price — when it is clear that the cheaper transportation cost advantage of moving Alberta gas to Alberta's petrochemical plants would not compensate for the prohibitive cost of moving our processed product to central Canadian and American markets?

MR. GETTY: As I said yesterday, there are two main advantages that the petrochemical industry has in Alberta. One is that they are situated close to assured supply, supply that is assured through the Energy Resources Conservation Board and the industrial development permits. Secondly, I said it was because we had low price for the feedstock, natural gas, and that we would make sure that both of those conditions continued. Mr. Speaker, that is the policy of the government, and that will happen.

MR. MARTIN: That's very nice, Mr. Speaker. I can't see how you can have it both ways, with deregulation and also the advantages. But just to flow from that, under deregulation the provincial government would not be allowed to withhold gas feedstocks from any central Canadian buyer. My question is to the Premier: given that, what has led the Premier to conclude that our industry will have any particular advantage compared to the central Canadian industry?

MR. GETTY: Mr. Speaker, the hon. Leader of the Opposition is incorrect. We can withhold gas because we have in both our legislation and our leases the right to withhold gas, and we would do it if necessary. As I said earlier in the House, though, it has always been our policy position that having first ensured that all foreseeable needs for

Albertans are taken care of, we are then prepared to allow exports out of our province to other parts of Canada. Secondly, if all the foreseeable needs for Canadians are taken care of, we co-operate with the federal government and allow exports out of our country to other nations. That, through our legislation and our leases, will allow us to provide assured supply on a long-term basis to industries within this province.

MR. MARTIN: A supplementary question, Mr. Speaker. That has been the case. But under deregulation gas producers can make their own arrangements with any company they want anywhere in Canada; that's my understanding. How can we still have those same controls the Premier is talking about under those circumstances?

MR. GETTY: Because, Mr. Speaker, we must approve a gas removal permit from the province. That gas removal permit is within the control of the provincial government, having been approved by the ERCB. They cannot even allow it; they must recommend it to the cabinet, and the cabinet must then approve it. I can remember the years 1971, '72, '73, and '74, when we refused to allow additional gas to leave the province until we felt we were getting adequate prices for it. In those days that pressure paid off. We did get adequate prices, at which time we then allowed it to be removed.

MR. MARTIN: A supplementary question. I might point out, Mr. Speaker, that that happened in a regulated market. But the question to the Premier: has the Premier consulted with gas producers to see what plans are in place to dump deregulated gas with large buyers in central Canada and whether or not that will in fact give an extra price advantage to the central Canadian industry?

MR. GETTY: First, Mr. Speaker, the original statement of the Leader of the Opposition was not correct in this third supplementary. That was not in a period of regulated prices. It was a period before we brought in gas regulation. It was a period in which we had recommendations from the conservation board that we had gas that was surplus. We refused to allow that gas to leave the province until we received prices for it that we felt were fair value. It had nothing to do with price regulation. It was our belief that you are wasting a resource when you sell it below value.

As far as whether companies in eastern Canada will have an ability to outcompete companies in Alberta, we say no, they will not.

MR. TAYLOR: Supplemental, Mr. Speaker, to the Premier. Am I to understand the Premier to say that he is going to use the fact that the gas companies have to have a surplus before it can be exported, to force down the price so that the gas companies, in order to get a market, have to supply the petrochemical industry?

MR. GETTY: That's not necessarily at all what I was saying. The Member for Westlock-Sturgeon should know, Mr. Speaker, that there has not been within the province a fixed price for gas. We did not pass any legislation that provided for fixing prices for gas within Alberta. There was an anomaly in the original arrangement struck with the petrochemical industry when they were starting up in this province, but they had to buy from shippers who had already

paid a regulated price. Therefore, they were forced to pay the regulated price. That is being changed.

Some time ago — I wasn't here in the House — the government moved to assist the petrochemical industry on a short-term basis to allow a subsidy that would allow them to actually get their supplies at market price. In the future they will be able to get them at market price, and I believe that in Alberta we will have the lowest prices as input for petrochemical industries anywhere in Canada.

#### U.S. Bomber Testing

MR. MARTIN: I would like to direct the second question to the Minister of Federal and Intergovernmental Affairs.

Mr. Speaker, information has come to light today indicating that the Canadian government has agreed to allow the United States Air Force to do low-level flight testing of heavy bombers and fighter bombers over northern Alberta next year. Has the Alberta government been consulted by the federal government on this matter, and if so, what is the position of the Alberta government on this low-level testing?

MR. HORSMAN: Mr. Speaker, the Leader of the Opposition and I have both read the same story in the *Calgary Herald*. I have requested the information from the Department of National Defence relative to the decision which has been taken.

I point out to the Assembly that national defence is a federal matter. But in the case of any testing of a major nature which takes place in Canada, the federal government has consulted with the provinces directly involved. We will, as we have in the past, be assured that the federal government in maintaining its obligations under either NATO or NORAD will advise the province relative to the time, place, and nature of military testing which may take place in this province. We have always received assurances that all precautionary measures are taken. We have always in the past received reports on the events as they have transpired. I expect that will be the case in the future.

I would point out as well that it is anticipated that these tests will take place at some considerable time in the future. We expect that the Department of National Defence will co-operate once again with our government in a thorough and effective manner.

MR. MARTIN: A supplementary question. I wasn't sure whether they'd been consulted or not by that answer. But apparently, northern Albertans are again going to be used as guinea pigs by the United States Air Force. My question is simple: is the leader of the Alberta government — why are we prepared to support this type of testing over our borders?

MR. HORSMAN: The hon. Leader of the Opposition's indignation level seems to be rising, but the fact of the matter is that it is a federal issue. The Department of National Defence is responsible for the defence of Canada. We have an agreement which was signed by the government of Canada under the then-leadership of Prime Minister Trudeau, the most recent renewal, I understand, of the NATO agreement. We respect the federal government's responsibility in that regard.

I go on to point out that there are many examples of testing of weapons within Canada. In Alberta the British army training unit tests tanks. Thousands of British troops

are flown into Alberta every year by the Royal Air Force. Thousands of German troops are flown into Manitoba every year to test weapons there, and I do not recall ever hearing the government of Manitoba object to that particular training exercise. We've been urged always to follow that example by the opposition, Mr. Speaker, and we will do that in this particular case.

MR. MARTIN: The traditional red herring, Mr. Speaker. Surely even this minister would recognize that there is a difference between bringing people in in trucks and having B-52 bombers flying at low levels. I'm sure he's aware of that. But to come back to his responsibility here, my question is: what assurance has the government received that these huge planes will in no way endanger public safety or the environment in northern Alberta?

MR. HORSMAN: Mr. Speaker, since the hon. Leader of the Opposition prefaced his remarks with a comment about bringing people into Canada in trucks, I would remind the hon. member that the testing that is done is with live weapons in Manitoba and in Alberta.

In the case that has been mentioned, I should point out as well that the Strategic Air Command has been flying over Alberta and other parts of Canada for many years. That will be the case in the future, and I for one am grateful that we have the United States of America to defend us. I welcome as well the participation of the British army and the Federal Republic of Germany in their defence efforts to protect Canada, since in many ways we are unable to protect ourselves, thanks to the attitude of some people in this country.

MR. MARTIN: Mr. Speaker, I almost expected him to start singing the national anthem of the United States as he was going through.

My question is this, though: apparently a United States Air Force document requests a Canadian study on the potential environmental impacts of low level flights. Clearly they see some problem for environmental problems. Is the Alberta government concerned about these same problems, seeing that the testing will be over Alberta, or is the government content to continue to let Albertans be used as guinea pigs?

MR. HORSMAN: As was the case with the issue of cruise missile testing, Mr. Speaker, environmental impact studies were requested and obtained and made public, and I expect that the same procedures will apply in this particular case. We will certainly ask that of the Department of National Defence, and the new minister, Mr. Beatty, no doubt will reply in due course. In any event, I would rather sing the *The Star-Spangled Banner* than the *Internationale*.

MR. TAYLOR: A supplementary, Mr. Speaker, to the party opposite's chief plumber. I would like to ask him if the assurances for the safety of northern Albertans he has received are the same assurances he received before the last two crashes of the cruise missile?

MR. HORSMAN: In neither case was any property damage done either to the property of Alberta ... [interjections]. They can dish it out, but they can't take it. That's very interesting. I'm very interested to see such thin-skinned members. The answer is yes, Mr. Speaker.

### Premiers' Conference

MR. TAYLOR: Mr. Speaker, I'd like to ask a question through you to the hon. Premier. In view of the tremendous loss of jobs in our oil industry and a possible near collapse of grain prices, as chairman of this year's premiers' conference scheduled here for August 11 and 12, will the Premier reveal to the members of the Legislature what items he has put on the agenda which address Alberta's economic concerns?

MR. GETTY: Mr. Speaker, as chairman of the conference it is important that I go through the process of speaking to each of the various governments coming and make sure their needs and wishes are incorporated into the agenda and then work that in with Alberta's. I believe we will shortly be able to table for the members of the Legislature the agenda for that conference. Hopefully they will agree with me that the agenda allows the opportunity to discuss all of the matters he raised.

MR. TAYLOR: Mr. Speaker, to the Premier. That is good news indeed, but can he promise that among the items they list will be energy, agriculture, and free trade: three items that are very crucial for Alberta?

MR. GETTY: Mr. Speaker, I would give the assurance that the agenda will be styled in a way that will allow full discussion of all of those matters.

MR. TAYLOR: Mr. Speaker, can the Premier assure the Legislature that he will not allow the constitutional concerns, as is rumoured now, to dominate the conference at the expense of western economic concerns?

MR. GETTY: Yes, Mr. Speaker.

MR. TAYLOR: Mr. Speaker, to the Premier. Will the federal/provincial system of equalization grants, whereby Alberta now doesn't receive one penny, be on the agenda?

MR. GETTY: As I said earlier, it would not be in a specific notation, but the agenda will be styled in a way which will allow the discussion of those matters.

DR. BUCK: Mr. Speaker, to the hon. Premier. I asked the question on the business transfer tax, and the Premier indicated that that would be a topic for discussion. Can the Premier assure us that when we're looking at taxation, one of the main topics will be the business transfer tax?

MR. GETTY: Mr. Speaker, I don't recall making the commitment that it would be on the agenda. It may be raised within the broad agenda items which we will be discussing. I'm not sure if the hon. member was in the House when the Provincial Treasurer dealt with this matter in a little more detail. He mentioned that it had been raised with him in a meeting of provincial treasurers and the Minister of Finance, and that a paper would be distributed throughout Canada later this year giving the details of the federal government's thinking with regard to that tax. However, it will not be a specific item on our agenda, but the agenda is being prepared in a way that would allow the ability to raise that matter.

MR. MARTIN: Dealing with free trade, Mr. Speaker, will there be a preliminary report — I know it's to come later

— some idea from Mr. Reisman about what's been put on the table in terms of his talks, the free trade talks?

MR. GETTY: I would not expect that from Mr. Reisman, Mr. Speaker, because this is not a federal/provincial meeting. This is just the 10 premiers' meeting, and while trade will be one of the matters on the agenda, I do not anticipate that we'd invite Mr. Reisman to this one.

#### **Toxic Waste Disposal Plant**

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of the Environment. I'd like to ask whether the minister or the Alberta Special Waste Management Corporation in discussions with Bow Valley Resources have determined the economic rates to be charged by the Swan Hills plant for the disposal of various wastes?

MR. KOWALSKI: Mr. Speaker, the principles for a proposed agreement that were made public in March 1986 talked about several types of rates that would be incorporated into the whole structure. One of the difficulties that exists right now is an attempt to quantify the amount of waste that would find its home in Swan Hills. The hon. member realizes that one of the provisions that exists under the objectives of the Alberta Special Waste Management Corporation will allow a generator of waste to neutralize waste on site. We have no idea at this point in time exactly how many firms in the province of Alberta might take that initiative, as opposed to how many firms in total would want to send the waste to Swan Hills for neutralization. Until we get a handle on that, it would be difficult to really determine what the cost factor would be for a pound or a tonne or whatever amount of waste that would be going there.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. The minister in his response the other day indicated that all that was necessary to finalize the agreement was dotting the i's and crossing the t's. My question to the minister is: under those circumstances how can an agreement be finalized when the rates to be charged and the guarantee of rate of return to the company can't be determined at this time?

MR. KOWALSKI: Mr. Speaker, the questions raised today had to do with the rates that would be charged in terms of the transportation of waste. The discussion we had several days ago had to deal with the rate of return from the investment with respect to the plant. They're two separate items.

MR. R. SPEAKER: A supplementary question to the minister, Mr. Speaker, in light of what he just said. Can the minister indicate when the final agreement may be signed? Are we closer to that agreement at this time, or is that sometime later into the fall? I ask the question in light of the fact that the proposed opening date of the plant was in 1986.

MR. KOWALSKI: I'm not aware, Mr. Speaker, that the proposed opening date of the plant was ever in 1986. I participated in the announcement several years ago with the then-Minister of the Environment, and the time and date we always used was 1987. But in terms of dealing with the agreement that is currently being reviewed by myself,

as each day goes on I get closer to feeling more comfortable with my understanding and knowledge of it, and I would certainly hope that given the next several months, by the conclusion of this session we will have it wrapped up.

DR. BUCK: Mr. Speaker, a supplementary question to the minister.

MR. SPEAKER: I'm sorry, but I understand that it should be given by your leader. Does he wish to ... I recognize the member for Edmonton Meadowlark.

MR. MITCHELL: Mr. Speaker, it's clear that the economics of the Swan Hills waste management plant could involve importing dangerous goods, hazardous wastes, from across this country into this province. The minister several weeks ago in the House said that he had put a moratorium on that. Could you please assure the House that "moratorium" means "never"?

MR. KOWALSKI: Mr. Speaker, there is a moratorium currently in place with respect to the importation of special wastes from other jurisdictions in the province of Alberta. "Never" is one of those words that is rather finite. I have no idea what government there may be in the province of Alberta in the year 2030 or 2040 or 2050, and I certainly could not make a commitment in 1986 for the type of government or the direction it would want to provide to the people of Alberta at that time.

MR. YOUNIE: In view of the present economically non-viable position just outlined, can the minister guarantee that Alberta will never become, in our desire to make it viable, the site of environmentally unsound businesses and that his government will never consider the importing of wastes from other provinces?

MR. KOWALSKI: To the latter part of the question: that's certainly our intent, Mr. Speaker. I think it's important in responding to the Member for Edmonton Glengarry that he should appreciate that the commitment of the government that I am a member of is to improving and cleaning up the environment in the province of Alberta. Should it be necessary for us to take steps and initiatives to in fact subsidize the transportation of those deplorable wastes that are located in some parts of Alberta to Swan Hills, it may be necessary for us to do that. If the hon. member would then argue that that would make the plant uneconomic, I would suggest to him that we're on the basis of an excellent debate. Our objective, our purpose for being, is to improve the quality of the environment in this province, and we are determined to do that.

#### **Meat Packers' Strikes**

MR. FISCHER: Mr. Speaker, my question is to the Attorney General. In regard to the labour disputes at Fletcher's and Gainers and the violence along the picket lines, I and the constituency of Wainwright are deeply concerned with the safety of the public on both sides of this dispute. Could the minister advise if there have been any criminal charges laid?

MR. HORSMAN: Mr. Speaker, there have been a number of criminal charges laid in connection with both disputes mentioned in the question. I think it important, though, to

point out that the number of criminal charges that have been laid is relatively small compared to those complaints that have been laid against individuals for breach of the civil injunction against picketing. I think it useful to point out that fewer than 10 percent of the total number of complaints are in fact of a criminal nature, judged by the police authorities as being violations of the Criminal Code of Canada.

I think in the case of Fletcher's there were only six criminal charges laid, and as members are no doubt aware, 127 civil complaints under the injunction were dealt with in the Court of Queen's Bench yesterday. I think just over 400 offences of the injunction have been complained about by Gainers. Of those none have yet been adjudicated by the courts, and only 30 are repeat offenders, in the view of the owner of the property. So yes, criminal charges have been laid, but in the total context of the number of complaints they are relatively few in number.

MR. FISCHER: A supplementary then. Have many repeat offenders been charged with a criminal offence?

MR. HORSMAN: With respect to the criminal offences, Mr. Speaker, I am not aware — and I can take that question on notice — of people being charged repeatedly with criminal offences, although there may be some individuals who as a result of their conduct may have been charged with more than one offence arising from the same occurrence. But I repeat that it is important to make the very real distinction between a charge under the Criminal Code and a complaint made as a result of an alleged violation of a civil injunction. In that respect, as I have indicated, the number of criminal offences are few.

MR. MARTIN: To get to the real problems of this dispute, the Premier said that he is reviewing the labour laws. We were told that at the start of the session. Could he update us now and tell us if this has gone any further? When might we expect some approach to reviewing the labour laws?

MR. GETTY: Shortly, Mr. Speaker.

#### **Mental Health Care**

REV. ROBERTS: Mr. Speaker, I would first like to congratulate the Minister of Hospitals and Medical Care for his announcement last Friday to finally begin the redevelopments of the Alberta Hospital, Ponoka. But such announcements alone continue a disturbing trend that far more health care dollars are spent on institutions than on community-based hospitals and care. Given this imbalance in the amounts of spending, is the minister carefully consulting with the Minister of Community and Occupational Health to provide comprehensive mental health care in this province?

MR. M. MOORE: Mr. Speaker, it's always a challenge for our society to provide the kind of health care for mental patients that the hon. member suggests. As I said yesterday in the question period, there needs to be a good balance between institutional care, between the involuntary patients in places like Ponoka and the Alberta Hospital here in Edmonton, and in community-based hospitals, in treatment in their own communities. So I have no argument whatsoever with the hon. member's suggestion that our society, our community, our government ought to continue moving in

the direction that has been pointed out by my predecessor and by others in the field of mental health, toward community-based services treating people in their homes with their friends and families. That's by far the best route to go.

REV. ROBERTS: Given that, however, currently in the province there is nearly a 50 percent rate of rehospitalization of mental health patients, what more specific programs can the government be doing to alleviate this high rate of rehospitalization?

MR. M. MOORE: The hon. minister responsible for community health may wish to supplement my answer, but I believe we have been moving in a very positive way in terms of providing health care in this province to mentally ill people, which will see that rate reduced substantially. When I was in Ponoka last Friday, I was given to understand by the executive director of that hospital and his staff that the length of time that people are hospitalized at the hospital has decreased dramatically over the past few years. Also, the incidence of people returning to be hospitalized a second time has decreased, so I think we're making good progress. It may be that there's other information that the hon. minister responsible for community health could provide.

MR. DINNING: Mr. Speaker, amongst the various services mental health patients are treated to in this province, whether through hospitals, extended care centres, community or community outreach programs, we are attempting, as the minister has suggested, to deliver a comprehensive system of mental health care. As the minister has mentioned and as statistics show, we are one of the leaders in this country in that field. The commitment is there, and we will continue to deliver that, continue to do our very best to upgrade that. That's the commitment we can make.

REV. ROBERTS: Let's get specific, Mr. Minister of Community and Occupational Health. What specific programs have you got in place to address the glaring lack of adequate housing for ex-psychiatric patients who are otherwise dumped downtown around Boyle Street? What are you doing about housing for them?

MR. DINNING: Mr. Speaker, following a carefully planned discharge from all of our institutions, those people are returned to the community where they are most comfortable. They're in the familiar and comfortable surroundings, hopefully, of their own homes, and that is where those kinds of activities take place. When a patient leaves a health facility — whether it's Alberta Hospital, Ponoka or Alberta Hospital, Edmonton, or any other facility — the services that that patient wishes to take up are of his or her own choosing. It then becomes the right of the patient to decide the kind of care he wants. Whether they return to other places is an option to them, but the services are there within the community for them.

REV. ROBERTS: Certainly the state of the art in the whole area was the review of the Mental Health Act by the Drewry commission. When is the minister who is responsible finally going to bring forward some legislation based on the recommendations of Drewry to amend the Mental Health Act as it should be amended?

MR. M. MOORE: First of all, Mr. Speaker, there is a great deal that can and has been done with respect to new

directions in mental health care arising from the Drewry report that doesn't require legislation. In fact, most of the recommendations with respect to the care of mentally ill do not necessarily require legislation.

I should say that we presently are considering a draft Bill with respect to a new Mental Health Act. It's my hope, depending on how long this session lasts, that we might table it during the course of this session or perhaps this fall at least. It would be our intention to have public discussions on the Bill after it has received first reading and probably pass it at another session of the Legislature.

I personally don't believe that it's so urgent to have a new Mental Health Act in Alberta that we ought to proceed with it without everyone's having an opportunity to pass judgment on the contents of what we propose. I would hope to have that here either some time during this session or during the fall session of the Legislature.

MR. HYLAND: Mr. Speaker, could the minister of community health inform the House of the number of group homes involved in providing service to patients released from any of the facilities that handle people with mental health problems? In addition, could the minister also inform the House how many applications are before the department by either individuals or community-based groups asking to provide additional services?

MR. TAYLOR: Surprise, surprise.

MR. DINNING: Are you surprised? I'd have to take the latter part of the question as notice, Mr. Speaker, but I can tell hon. members that there is any number of facilities in addition to Alberta Hospital, Edmonton and Ponoka. We have in this province in Camrose, Claresholm, and Raymond some 550 beds, facilities for 550 patients that are in need of those services. As well, through some number of programs we provide over 600 residential spaces and some 500 day program spaces for those patients in need of the service.

As for the second part of the question, Mr. Speaker, I'd like to take that as notice.

MR. CHUMIR: This will be easy, Mr. Speaker, after that hot potato. To either of the ministers: does the government have any concrete plans to improve the treatment of the mentally ill in community facilities, or are they going to leave the schedule to local institutions, as they apparently plan to do in the case of hospitals' making the decisions with respect to treatment of those who are involuntarily committed?

MR. M. MOORE: Mr. Speaker, the hon. member does not have a copy — I guess he does have a copy; maybe he hasn't referred to it — of what has now been approved as a policy with respect to the designation of active treatment hospitals throughout this province for the treatment of involuntary patients. I should add that there is a good number of hospitals in our province that have been for some time treating voluntary patients in the field of mental health and doing a very adequate job and have psychiatric wards and services and personnel that are doing that.

While I'm on my feet, Mr. Speaker, I could clear up the mystery surrounding the hon. member's confusion about the policy with respect to the designation of certain hospitals, by simply saying this. I will provide copies of it for the Assembly later on. About April 1985 a draft policy with respect to the designation of active treatment in hospital

facilities in Alberta was released by the department for discussion purposes. It had certain schedules outlined in it with respect to the designation of hospitals. Hospitals and health care professionals were asked to comment upon that draft policy. They did so over the course of the next several months, and that finally resulted in a revised draft that was forwarded to my predecessor, the Minister of Hospitals and Medical Care, and approved as government policy earlier this year. The results of the review were a substantial number of changes from the original draft until the final policy was approved by the minister.

In summary, Mr. Speaker, there has been no change whatever in the government's time line with respect to the designation of active treatment hospitals for the reception of involuntary patients. The member happened to have in his possession a draft policy statement that didn't have attached to it a letter clearly indicating that it was a draft, which went to all health care institutions involved.

MR. SPEAKER: The Chair understands that this information is going to be tabled with the House.

MR. MARTIN: On a point of order, we are having discussions about precisely this matter. I resent it when the minister tries to get it in at the end of the question over something we've been trying to work out among House leaders.

MR. SPEAKER: The Chair concurs.

MRS. HEWES: Mr. Speaker, to the Minister of Hospitals and Medical Care on the same subject. Will the minister be acting on the recommendation of the Drewry report to provide both legal and non-legal advocacy services for involuntary mental patients?

MR. M. MOORE: Mr. Speaker, that's a matter that I would be fully prepared to discuss when we've had an opportunity to complete our review of the draft of the Mental Health Act and table it in the Legislature. I think that's an important part of the whole question of how we handle involuntary patients, but I would prefer to, first of all, make our government's position known on that through the tabling of a new Mental Health Act.

MRS. HEWES: Mr. Speaker, I suggest it needn't wait for that, and it's pretty important to do now.

A supplementary, Mr. Speaker, to the minister of occupational health. Children's welfare is now in the jurisdiction of Social Services, and mental health is in your jurisdiction, I understand, Mr. Minister. I would like to know from you if it includes mental health treatment and care of children and what steps you will take to ensure that children who are in a child welfare jurisdiction have access to mental health services.

MRS. OSTERMAN: Mr. Speaker, I believe it to be more appropriate for this minister to answer the question, because the Child Welfare Act is under the Department of Social Services and that includes looking after the mental health areas as may be appropriate for children who are in our care. There will be a working relationship with the Department of Community and Occupational Health, that the other hon. minister is responsible for.

The number of beds we will require, possibly in institutions or homes operated by the other department, will

probably be looked after on a contract basis, with a certain amount of expertise provided by the other department. Those types of negotiations will go on and will be handled in the best interests of the children, depending what part of the province we're speaking of.

MRS. HEWES: Mr. Speaker, to the Minister of Social Services. Do I understand then that all children's mental health services will remain in your jurisdiction?

MRS. OSTERMAN: Yes, Mr. Speaker, in terms of responsibility.

MRS. HEWES: Mr. Speaker, a final supplementary to the Minister of Hospitals and Medical Care. Will the minister be recommending to the Legislature that the Ombudsman's jurisdiction be extended to include all institutions designated now or in the future to treat involuntary mental patients?

MR. M. MOORE: Mr. Speaker, that again is a subject that's presently under discussion, and the hon. member would have to await our completion of the review of a new Mental Health Act and the tabling of that in the Legislature.

#### Securities Commission

MR. McEACHERN: Mr. Speaker, my question is to the Minister of Consumer and Corporate Affairs. The Alberta Securities Commission has granted yet another extension to North West Trust and Heritage Savings Trust to file their financial statements. Could the minister confirm that this will be absolutely the final extension to be granted?

MISS McCOY: Mr. Speaker, I had occasion on an earlier day to speak about the jurisdiction of the Alberta Securities Commission. Let me reiterate that it is a quasi-judicial, independent tribunal which deals with matters that are brought before it on a case-by-case basis. The member opposite is misleading the Assembly by the very nature of his question.

MR. McEACHERN: A supplementary, Mr. Speaker. Surely the minister needs to take some responsibility for the Securities Commission. Would the minister at least indicate what possible reasons there are for these extensions, because it is creating quite a lot of concern in the community?

MISS McCOY: Mr. Speaker, I would like to refer the member opposite to the public record, which is to say, a decision of the Securities Commission.

MR. McEACHERN: A supplementary, Mr. Speaker. If the Consumer and Corporate Affairs Minister...

MR. SPEAKER: Excuse me. The Chair reminds the hon. member that indeed we have enough references here about semi-judicial boards that the member is in some danger. The Chair would recognize another supplementary on this issue, but it must be carefully crafted.

MR. MARTIN: On a point of order, Mr. Speaker, that Securities Commission — we've had much debate with the previous minister. It clearly falls under her jurisdiction. Whether she uses it as a quasi-legal thing or not, it's still responsible to that minister.

MR. SPEAKER: On the point of order, the Chair will take it under consideration. The Chair would remind the member who raised the point of order that this is the 21st Legislature not the 20th. But I will take it under consideration.

MR. McEACHERN: A supplementary, Mr. Speaker. It is in a slightly different line. If this minister can't answer the question, perhaps the Treasurer would like to try this one.

MR. SPEAKER: Perhaps you could ask the question.

MR. McEACHERN: Yes. Can the minister indicate what financial commitments the Alberta government or the Treasury Branches have to North West Trust beyond the Treasury Branch's guarantee of \$85 million in shares?

MR. JOHNSTON: Mr. Speaker, the matter of commercial agreements between any private corporation or public corporation trading in the Treasury Branches is a matter of private information, and I'm not about to reveal the commercial transactions which take place between the Treasury Branches and any corporation in Alberta.

MR. McEACHERN: A supplementary, Mr. Speaker. So we will take it that the total commitment of the government is \$85 million. After all, it is taxpayers' dollars and the taxpayers should know how much the commitment is.

MR. SPEAKER: Excuse me, hon. member. Again I ask you that when we come to supplementary questions, it's one question. It has no preamble. It's the main question that carries the preamble of one or two or three carefully crafted sentences with comment. But when we get to the supplementaries, it's the bare bones question, please.

MR. MARTIN: Mr. Speaker, on a point of order, if I may. You allowed the minister to sneak around in answer to the hon. member's question over here, and there was no intervention by the Chair. One extra preamble on the opposition side and you're interjecting. I think there has to be fairness here.

MR. SPEAKER: With due respect to the hon. Leader of the Opposition, if you care to check *Hansard*, you'll see that that is skewing a little bit what indeed happened this afternoon. I would think that the hon. member would also take into consideration that the Chair made the request of the minister to file the documents. When the hon. Leader of the Opposition then also made a similar comment, the Chair said, "I concur" with the comments made by your side. That's an entirely differently thing than what you have just said.

If the House would like me to jump in much more rapidly, I'll do it to everyone starting tomorrow. It will also include the Leader of the Opposition.

MR. McEACHERN: What evidence does the minister have that the commitment of taxpayers' moneys involved with North West Trust and Heritage trust will not end up following the route of the millions of dollars that were given away in the failed bailout of the Canadian Commercial Bank?

MR. MITCHELL: Mr. Speaker, if you're going to start jumping in, could you please start after this question.

Since the minister is not responsible, as she has established, for the brokerage industry in this province, could

she please tell the House who is responsible for the brokerage industry policy and its role in the co-ordinated financial strategy for this province?

MISS McCOY: Mr. Speaker, again the members opposite are not understanding the nature of the legislation that has been set up in this province and is working very well. Again I refer them to the *Statutes of Alberta*.

MR. SPEAKER: Might we revert briefly to the introduction of guests?

HON. MEMBERS: Agreed.

#### head: **INTRODUCTION OF SPECIAL GUESTS** (reversion)

MR. ALGER: Seated in the members' gallery are two young women that literally control and rule my life. I'm proud to introduce to you and to all members of the Assembly my constituency secretary, Lottie Germaniuk, and my Edmonton secretary, Barbara Jones. I'd better hurry up. They're leaving to beat the dickens. I would ask them to rise and receive the warm welcome of the House.

### **ORDERS OF THE DAY**

#### head: **WRITTEN QUESTIONS**

148. Mr. McEachern asked the government the following question:

- (1) What were both the original estimated cost and the estimated cost to completion of every capital project receiving funding from the capital projects division of the Alberta Heritage Savings Trust Fund at March 31, 1986?
- (2) What were the actual operating costs to March 31, 1986, of every capital project funded by the capital projects division of the Alberta Heritage Savings Trust Fund?
- (3) What were the estimated annual operating costs for 1984-85 and 1985-86 for every capital project funded by the capital projects division of the Alberta Heritage Savings Trust Fund?

MR. HORSMAN: Mr. Speaker, with regard to Question 148, I wish to advise that the government is not prepared to accept the question. I would point out, however, that it would be useful if the hon. Member for Edmonton Kingsway were to resubmit the question by way of a notice of motion for a return. The Provincial Treasurer would be pleased to assist in providing some suggestions on how to provide the information and is prepared to do so and to be very helpful in the process.

#### head: **MOTIONS FOR RETURNS**

145. Mr. Hawkesworth moved that an order of the Assembly do issue for a return showing:

A list of all grants or certificates of corporate investment — as those terms are meant in part 4 of the Small Business Equity Corporations Act, chapter S-13.5, Statutes of Alberta 1984 — approved under the small business equity program

from the program's inception to March 31, 1986, itemizing for each grant or certificate of corporate investment, where known:

- (1) the name or names of the person or persons to whom the grant or certificate of corporate investment was issued;
- (2) the nature of the business in respect of which the grant or certificate of corporate investment was issued;
- (3) the amount of the grant or certificate of corporate investment; and
- (4) the date on which the grant or certificate of corporate investment was issued.

MR. HAWKESWORTH: Mr. Speaker, is it an appropriate time to open debate and make a few comments as to the purpose for putting this motion on the Order Paper?

MR. SPEAKER: Just the motion, I think. Thank you.

MR. SHABEN: Mr. Speaker, I'd like to propose an amendment to Motion for a Return 145 as follows. I believe copies of the amendment have been circulated to all members of the Assembly. I'd like to propose that we strike out clause (1) and substitute for clause (1) "the names of all registered small business equity corporations" and also strike out clause (2).

Mr. Speaker, the amended motion for a return would then provide members of the Assembly with extensive information with respect to the small business equity corporations but would be consistent in terms of the policy of the government to retain confidentiality of commercial transactions. Therefore, I would urge all members to support the amended motion.

MR. SPEAKER: The Chair requests the indulgence of the House. I've had supplementary information given to me. I was wrong when I spoke earlier to the mover. He indeed can speak to his motion prior to the amendments being made. If there are comments the mover would like to make in that respect, then we may then come back to the minister.

HON. MEMBERS: Agreed.

MR. HAWKESWORTH: Thank you, Mr. Speaker.

As members who have been here previously know, this motion was made at a previous Legislature. In order to accommodate some of the objections raised at that time, a slightly reworded motion has been put forward on the Order Paper. I would like to say, however, that because of a lot of public interest in the whole matter of small business and the equity corporations and how this public support for this program is being used, this information would be very important in order to help us in the Legislature on both sides of the House to review this particular program. Because after all, our most fundamental duty as legislators is to help maintain control and review over the public purse, to evaluate its effectiveness in meeting the objectives and the policies to which it's being put. But effective review and evaluation can only be done and exercised on the basis of knowledge of proposed and past expenditures, Mr. Speaker. So in order for this Legislature to be able to judge the effectiveness of the SBEC program, I think it should be allowed to know the information sought in the motion for a return. Without that information we can't judge the program as to its effectiveness, we cannot exercise effective control over the proportion of the public purse devoted to that program, and



by the same token, if we see deficiencies and see the urge for some changes or improvements, then we're not in a position to be able to make constructive and effective proposals for change and reform.

Mr. Speaker, that's why I am making the motion for a return. It has four parts, as enumerated. I will now turn the floor over to the hon. member opposite to make an amendment.

MR. SHABEN: Mr. Speaker, as the hon. member indicated, a similar motion was brought before the House earlier, and the House declined to accept the motion. I am urging in a similar fashion, although we have provided some amendments that provide significant information to all the members of the Assembly. Also, in the estimates of the Department of Economic Development and Trade, I earlier outlined the number of investments and the dollars in terms of the investments. We're also prepared to provide further information to the Assembly as to the sectoral investments made, in terms of whether the dollars are invested in agriculture or a service industry or a variety of other sectors of the economy, and also geographically.

But it has historically been the policy of the government that where matters are of a commercially confidential nature, they should remain that way, particularly as they relate to business dealings of individuals. There is simply no question that a full accounting of the expenditures of the government is made available through the Auditor General and by way of Public Accounts, so I'm at a loss to understand that angle of the concern. We are prepared to make the necessary information available according to the amendments and would therefore urge members of the Assembly to support the amendment.

MR. MITCHELL: I would like to speak against the amendment to the motion. I believe we are seeing a continuing evolution of lack of information being brought to this Legislature. I see it time and time again in the debate on the estimates. I see that we do not necessarily get the kind of information that we need to make proper decisions about these important policies and about the important expenditure of Albertans' money.

In this case the motion is rendered useless if we do not know where that money is going. There are critical criteria in this program that have to be evaluated. One is the nature of the investment. Two is the status of the company. As an Alberta company, 75 percent of its salaries and wages are to be paid to Albertans. We have to know that if we can evaluate it. I become particularly concerned about this kind of amendment when I see what happened to the Alberta stock savings plan and what would have happened if this Legislature had not been able to evaluate the application of criteria under that program. In many respects, when Albertans are putting 30 percent of an investment into a company, that company becomes a public firm. Therefore, what it does becomes the domain of the public. Many, many companies in this private sector, as you know, report readily under regulation as public companies. These qualify to that extent as a public company, and we should have that information.

Finally, I am not accepting that you can absolve de facto, unilaterally, the responsibility of this Legislature to review expenditures by this government by saying that it's the responsibility of Public Accounts or that it's the responsibility of the Auditor. If you look at the Public Accounts report for 1984-85 — and I've just done that — there are

a tremendous number of numbered companies. That renders that information all but useless, because you can't readily tell what kind of company it is, you can't readily see who the principals are, and you can't understand where in fact that money is going. My concern is that this move to amend this motion is going to erode the effectiveness of this Legislature to evaluate this program properly.

MR. MARTIN: Mr. Speaker, we tried to go from the last time, when the minister over there was in charge, and take in some of the criteria they said at the time to try to get this information. Now we come back, and they're going to allow us the names of all registered small businesses. That's fine; fair enough.

But we want to strike out clause (2). There's not really much point for this motion if we take out clause (2). Clause (2) is: "the nature of the business in respect of which the grant or certificate of corporate investment was issued." The minister says that because of commercial confidentiality, we can't do this. We're not asking for every business deal they've ever made. We want to know what type of business they're in, because the government told us that one of the reasons they brought in this Bill is that it would lead toward diversification. How do we know, if we can't even tell what we're investing in?

It's been pointed out before by the hon. Member for Edmonton Meadowlark that we don't even know where the diversification is occurring. We don't know what games are being played with this. The potential for taxpayers' dollars being abused is immense. There has already been speculation, as the minister is well aware, about that. Surely it's the business of this Legislature to find out where the tax dollars are going and not to hide behind confidentiality of a particular business. If that particular business doesn't want to do business with taxpayers' dollars, then we are not interested in it. But we have a responsibility here.

We are told that at least in theory the Legislature controls the purse strings; by that it means tax dollars. Now we find out that by deleting this we can't. We have no way of finding out the type of business. How do we judge whether this is successful or not, Mr. Speaker, without having clause (2) in there? It seems to me, especially now — and the hon. Treasurer would be well aware that there has been all sorts of talk, whether it's right or wrong, about abuse of the system. Surely this minister would want to put that to rest if it's not happening. We're told, "What a wonderful system." But it keeps coming up time and time again that people may be making dollars on it without investing in any Alberta business. Is that true or not? We don't know, but if we had access to this type of information, we could make an intelligent decision in the Legislature.

I for one am not satisfied that we're always hiding behind some sort of commercial confidentiality when we're dealing with Alberta taxpayers' dollars. That's our responsibility, Mr. Speaker, not a private business.

MR. HAWKESWORTH: May I speak to the amendment, Mr. Speaker? Having opened debate on the motion, I believe I have an opportunity to speak to the debate.

MR. SPEAKER: Yes.

MR. HAWKESWORTH: Thank you, Mr. Speaker. I'd like to echo some of the comments made by the hon. Member for Edmonton Norwood, the hon. Leader of the Opposition. What clause (2) is getting at is, as it states quite clearly,

"the nature of the business" of the corporation receiving a benefit under this particular program. For those members who don't have in front of them regulations under this Act setting up the small business equity corporations, they're from the *Alberta Gazette* of August 15, 1984, the small business equity corporations regulation. In those regulations a number of criteria are outlined as to how this program ought to be administered and the general kinds of information required from corporations seeking to benefit and participate under this particular program.

There are regulations such as

a statement that the corporation, by its articles, restricts its business to assisting in the development of small business by

- (i) providing capital ...
- (ii) providing ... managerial expertise ...

It goes on to note a requirement of stating for the purposes of those administering this program

the general investment policies of the corporation.

Further:

any other information that may be relevant to an investor so as to enable him to make an informed decision.

As well, for the purposes of another section of the Act:

a corporation is not a small business in which an eligible investment may be made if

- (a) it is engaged in oil and gas drilling, production or exploration by virtue of its being a holder of a disposition under the *Mines and Minerals Act* or of its having otherwise acquired the right to the oil or gas or the right to work it, or
- (b) it has
  - (i) issued shares or debt obligations, or
  - (ii) granted a right under a scientific research financing contract.

Again, Mr. Speaker, the regulations pertain to the nature of the business. Further in these regulations:

For the purposes of section 11(2)(c)(iv) of the Act, an investment by a small business equity corporation ... is not an eligible investment if the small business uses the investments for the ...

- (a) repayment of a loan ...
- (b) repayment of a debt ...
- (c) payment of dividends,
- (d) investments other than investments that are incidental and ancillary to the principal objects of the small business ...

Again, Mr. Speaker, the regulations speak of the nature of the business receiving program funds under this Act. Again, I quote from section 6 of the *Alberta Gazette* of August 15, 1984, administration regulation:

For the purposes of section 28 of the Act, a person to whom that section applies shall keep records and books of account in a form, and that contain the information, that will enable the determination of

- (a) eligibility for a grant or certificate ...
- (b) the amount of a grant or certificate of corporate investment to which a person is entitled,
- (c) the status under the Act and the regulations of the business affairs and operations ...

MR. SPEAKER: Excuse me, hon. member. If you'd like to speak to it, please do so. I hope you're at almost the very end of quoting from the regulations. The Chair is very concerned that we're eating further and further into private members' time in the course of the day; that is the only concern.

MR. HAWKESWORTH: Thank you, Mr. Speaker. The point I'm making is that consistently throughout these regulations, the nature of the business is dealt with and spelled out very, very clearly. I recognize that very few members have the regulations in front of them. The point I want to make by quoting from it is to indicate the extent to which the regulations deal with the nature of the business. My question is this: why would we require information for a prospective investor as part of the regulations when we would not ask for it as information to be provided to the members of this House for the purposes of being able to evaluate and review this particular program? After all, by the way this program is structured, the public is a participant. In a sense the public is an investor in this program by virtue of the way the Small Business Equity Corporations Act and the regulations are set out.

In order for us to determine whether a corporation qualifies for support from the public purse, we as legislators need to be able to review the operation of the way these regulations are being interpreted and administered. In order to evaluate the effectiveness of that program, we have to be able to understand the way the regulations are being administered. Are we financing real estate flips in this province which add nothing to the employment of people in the province? Despite the regulations, are we for some reason financing or assisting the financing of oil field service and drilling companies? Or, as the program was initially set out to do, are we helping people get into retail development and transportation? Are they helping to diversify the economy? Are they actually doing work that's creating jobs in Alberta for Albertans? Or are we putting all these public funds into empty corporate shells that are doing nothing other than being traded on the Alberta Stock Exchange, the Toronto Stock Exchange, or who knows what stock exchanges?

That is why we need to have some notion in this House as to the nature of the businesses, in a general way, that are participating under this program. We don't need to know each and every deal that they've conducted, but I think this House has the right to the information asked for under clause 2 of the motion for a return.

MR. SCHUMACHER: Mr. Speaker, the motion presented in this session is really no different from the motion that was turned down in the last session. There are a few changes of words, but there's no change in what is being asked for. This matter was discussed before. Since that time I think it's also of interest to note that Ontario, governed under the New Democratic Party/Liberal coalition, does have a small business development corporation Act which is very similar to this legislation. The same questions have been asked in that House, and the same answer has been given by the government. So there is a precedent here for my friends on the other side — it depends where you're sitting — as to what attitude you're going to take. Nevertheless, we have a situation where there is a valid point for confidentiality.

In the tax situation, the term "tax expenditures" arises more and more, because businesses are involved in receiving benefits through our tax programs. We don't treat those things as public information, and I believe the investment plans should not be disclosed in detail or else you're going to impair the effectiveness of these companies. The minister has pointed out that information is available as to what sectors of the economy are being affected and benefit by this program, as well as the geographic distribution around the province.

The hon. Member for Calgary Mountain View has access to the regulations. If he feels the regulations themselves are not proper to protect the public purse, then he should make some suggestions on how those regulations should be improved. I would suggest that the regulations as they are presently proposed and in operation are having the effect of stimulating investment in Alberta corporations and that the money spent under this program is effective.

Hon. members, you know that a lot of the information asked for can be readily obtained by making searches of the corporate registry. If you want to know the names of the shareholders of these companies for which certificates have been issued, you can go to the corporate registry and get the names of those shareholders, [interjections] Why do we have to spend more money on clerical staff if it is not necessary and it's available to the general public if they wish it? Why do we have a corporate registry if nobody wants to use it? It's there for you to look at, and if you don't want to look at it, that's too bad, in my view.

MR. HERON: Mr. Speaker, I cannot in good conscience support this motion and, accordingly, I then urge the hon. members to support the amendment.

Mr. Speaker, I liked the example given by the hon. Member for Drumheller when he spoke of the confidentiality between the income tax department and the government and the necessity for it. I also heard a pretty good example in question period today when our Provincial Treasurer made a statement to the effect that he could not divulge any client of the provincial Treasury Branch. I also understand but have no appreciation for the socialistic point of view which controls business to the point of expropriation and eventual destruction.

The small business equity legislation foresaw the need for public disclosure details. Subsections (1) and (2) of section 4 set up a corporations registry to be maintained by the minister which lists all small business equity corporations registered under the Act. This register is open for public inspection during normal office hours. The department of economic development is aware of each investment and ensures that the regulations are met. As well, information on any Alberta corporation can be obtained from the corporate registry. This registry does provide information on who the directors and shareholders are. These two registries are sufficient disclosure.

Providing any other information creates a number of problems, not the least of which is that the incentives or investments are commercial confidential. It is not acceptable that investors, large or small, have the size of the investments they are making known publicly. It could have consequences on other business dealings, and it could cause investors to not participate in the program. That's the destruction part of my example.

In dealing with the same question in May of 1985, Mr. Adair said that he and his department would be willing to provide general information; that is, the number of registrations, the geographical location, the sectors investments are made in, and aggregate funding invested by both the private sector and government. More specific information — amount, date of grant, and nature of business — is not appropriate disclosure.

To recapitulate, I have listed some of the difficulties and problems which may arise if we provide the names and amounts of individuals and corporations who received incentives under the small business equity corporations program. A disclosure system provided by the corporate registry

is already in existence. Many of the original shareholders who received an incentive may not currently be shareholders, as they may have sold their shares.

Over 250 individual shareholders who have invested in Churchill, the public SBEC, will have their names made public, which will be a major surprise and embarrassment to the brokerage firms. All transactions with brokerage firms are on a confidential basis, and our disclosure will create a mockery of this. Advance notice has not been given to any shareholders of small business equity corporations informing them that their names and the amount of the incentive, if they received an incentive, would be made public. If we follow with the intent of this motion, we're backing up and changing the rules.

MR. SPEAKER: Hon. member, I hesitate to interrupt you, but if I have interrupted the previous members about excessive reading of material, the same applies to you.

MR. HERON: Thank you, sir. The Small Business Equity Corporations Act recognizes only the public register. Information on who received the incentives is available in the supplementary information to the public accounts. It is my recommendation that the public disclosure of the Small Business Equity Corporations Act be governed by its legislation.

MS BARRETT: Mr. Speaker . . .

MR. SPEAKER: The Chair does indeed recognize the Member for Edmonton Kingsway.

SOME HON. MEMBERS: Highlands.

MS BARRETT: Mr. Speaker, I am from Edmonton Highlands. It's adjacent but not quite the same.

I, too, have to make some comments about this amendment as moved by the minister of economic development. Despite the fact that the Member for Stony Plain can read prepared statements very well, I have to point out to that member and the member who had the floor previous to that, the Member for Drumheller, that our caucus members so far in this debate are not talking about the minister's motion to strike reference to the names of the individuals receiving the benefits of SBECs, and we're not objecting to the minister's moving that the names of all registered small business equity corporations instead be replaced. If the members were listening, what they would hear is that we are objecting to the removal of information that would come from this motion were it allowed to go through as printed, which would tell us what the money is being used for. I only rise for a moment, just to point this out.

As a matter of fact, a lot of this information, once we have access to the names of the companies that are benefitting from the provisions of this Act, can be ferreted out. It may take years, but it can be ferreted out. There are a lot of resourceful people around here. Our point is that it's not going to be able to be done very quickly, and it's not going to be able to be done in such a way that at a current time we can actually debate the merits of the program and whether or not it's working in terms of the provisions of the regulations; in other words, its goals.

The point is this: if the government is willing to allow us to know which companies are getting the benefits of the Act — and the minister's amendment wouldn't defeat the purpose of the motion in this respect — then we don't

understand why we can't know what the money was supposed to be used for, Mr. Speaker. That's all we want to know. Is it being used for the purpose for which it was intended? Is it effective? If we're going to get the names of the companies anyway, why not tell us this part?

MR. FOX: Mr. Speaker, I appreciate your concern that this discussion is cutting into time allotted to Motions Other Than Government Motions, but we, on most of this side of the House anyway, feel that this is a very important principle here. As we see it, if this amendment were passed, it would erode two very important principles. The first principle is the need that we as duly elected members of this Legislature have to be well informed so that we can make the best decisions possible for the people that elected us to be here. The second is the right of taxpayers to know just how their money is being spent. It's a basic right. It's a democratic society, and I'm very concerned by what's achieved by passing this amendment and deleting the clauses that we have in here. I think it's very important that governments not only do the right thing but be seen to be doing the right thing. Public perception is something very important here.

I submit to you, Mr. Speaker, that over the past number of years there has been a growing credibility gap on the part of this government because of secrecy and unwillingness to divulge important information about the transactions that they get involved with. It comes as a surprise to me that a government who received only slightly more than one out of every two votes in the last election would not be more concerned with opening up the public files to the taxpayers for scrutiny.

MR. CHUMIR: Mr. Speaker, just some brief comments here. It is my submission that this is a scandalously inappropriate denial of information which will be recognized as such by the people of Alberta. I would like to comment specifically on the suggestion of the hon. Member for Drumheller that this is akin to a matter of taxes which should remain confidential and private. I would note that when we're dealing with the matter of taxes and major tax expenditures, a case can in fact be made that when matters of that nature are at issue, there should be some disclosure. I think the members will be aware of the disclosure of certain income tax benefits which were given in respect of the acquisition of Gulf Canada recently, and I believe all members would agree that there is a tremendous public interest in being aware of that. However, that question of the tax is academic in this case, because we're dealing not with a tax but a grant.

Might I ask the hon. minister in this instance what the public would say if the government were to provide a grant to Syncrude corporation and indicate that the nature of the grant would be disclosed in due course, if ever — in other words, if they refused to disclose the purpose of such a grant. Moneys and grants are given by this government in significant amounts on a regular basis. We've had announcements of grants for a magnesium plant recently and for other purposes. When we have grants here, the only difference is that the grants are not large and they're being given on a systematic basis pursuant to a broad program. Nevertheless, it's a grant of public moneys. In this instance the purpose of the grant and the business of the company is at the heart of the program. It's one of the conditions of the program. Let us be clear that this is merely a request for the general nature of the business to be provided and not specific trade secrets.

I fail to see, Mr. Speaker, why this is any more private a matter than the fact that a given individual was in receipt of a grant. The refusal to provide this information and my submission raises implications and suspicions that the government is hiding something. I believe that is an implication that will be drawn very clearly by members of the public, and rightfully so.

MR. ADAIR: Mr. Speaker, the hon. Member for Vegreville mentioned something about getting to know the facts. In speaking in support of the amendment, maybe I might take a moment to just outline part of the intent of the program. I don't want to go into all of it because I could take all afternoon to do that for you.

When the program was initially struck, in providing the best information to all of the public of Alberta, we provided information that led to the steps necessary to, one, create a small business equity corporation and, two, after creating that small business equity corporation, provide proof that you have deposited within a lending institution of your choice a sum of money, a minimum of which must be \$100,000 and a maximum of which could be \$5 million if it were a private or small business equity corporation or \$10 million if it were public, like the Churchill group. After that proof was in place, that started to trigger the mechanisms that would provide the 30 percent incentive to the shareholders. If there was one and if the minimum amount was \$100,000, he or she would get \$30,000. If there were 10, they would get three and the likes of that. If they were a corporation, they would get a certificate of corporate investment. The private individuals would get the grant. Of course, there's one step that I should place in there first: the SBEC must place the 30 percent factor in the bank in a jointly held trust account to ensure that those investments would be made. Once that occurred, the payment would then take place.

The decisions by the small business equity corporations are the private-sector decisions as to where they invest and what they invest, within the terms of what is already public. A document that has been out for who knows how long lays out the steps for eligible businesses, ineligible businesses, the lending of money, rental income from real property, mortgages and other dead instruments, the selling of insurance and real estate, the purchase and sale of shares, commodities traded on a stock exchange, or any combination of these activities. In addition, businesses engaged in oil and gas exploration, drilling, and production are not eligible — and not eligible is underlined — nor were they from day one. Nor was the ability to invest in the purchase of what was called the SRTCs, scientific research tax credit shares. There was pressure out there for us to include that, but we did not.

Having said that, within the Act itself are those mechanisms that would cover something that, if it were to occur, would be what you might call other than the intent. There's a spirit of intent clause in there that says that if you don't invest in that particular business as you stated for us you would, you have two options. One, pay back that 30 percent — and there may have been a portion of it held in that jointly held trust account, because they may not have invested all of it; they were only required to invest 40 percent in the first year and 70 percent in the second year. If they invested a percentage above those, they were eligible, they were legitimate, and they were on their way. If for some reason a difference of opinion occurred between the two businesses — the small business equity corporation that had

made the investment of only 49 percent and the business they had invested in — and they then separated, that small business equity corporation had the opportunity within a given time to reinvest for a period of up to seven years.

So those particular plans and steps, I guess you could say, are public and are in place right now for us to ensure that the terms and conditions of the small business equity corporation program are in fact met. Again, there is strength within the Act under the spirit of intent clause to go after — if that's the right term — someone who for other reasons decides not to try and return it, if that should be the case. To my knowledge there have been none of those to this point of time, although I've been away from the program for a little while. But in the same sense, with the creation of these private-sector pools of money, the best investments by the private sector — because that really was the intent of the program: to create private-sector pools of money out there that they would invest, and we would provide the incentive. So we are only providing the incentive, and the private sector, on its own, under the terms and conditions of this particular program, is making the decisions. As long as they meet the terms and conditions of that program, they have done what has been requested.

As the hon. minister said, we can provide the names of the companies. You can go over there and find out that company number 12345678 — that's one too many numbers — has these principals. You can obtain that. But as far as we're concerned, the intent was that if you are going to make those kinds of investment decisions, you have to be able to operate within the true spirit of the private sector. That's the intent and that was one of the reasons we turned it down before. We said that that is basically the private sector decision, not ours; we provide the incentive.

Mr. Speaker, I strongly support the amendment and urge our members to do the same.

MR. McEACHERN: Just very quickly before I go. I don't understand why you don't accept the scratching of the second amendment. We've accepted the first amendment. The second amendment would just give us the information that the legislation actually did those things it was meant to do. That's really all, Mr. Speaker.

MR. TAYLOR: Mr. Speaker, to the minister. I have very little to add, because the points made by my acquaintances — I hesitate to say friends — on the left and the free-enterprise characters across the wall there were quite to the point, and they're there.

I want to mention that surely he must know that the small business equity corporations are being bought and sold. In other words, what we're getting is groups of people putting these things together with no idea of doing anything except making money reselling them quickly. In effect the new set of shareholders are only going to get a 15 percent write-off because the first people pocketed 15 [percent]. In other words, they're selling it. You're being made fools of. I don't know how to stop it entirely, but I think we can go a long way in that direction if they have to specify what business they're in in the Act here or when they register. Right now they say, "Here's a nice little package, fellows. I just happened to get it. I have a friend up in Edmonton who got it through, and if you've got \$.5 million or \$1 million left, we'll split the 30 percent write-off and you can go do what you like." The point is that the fact that you can go and do what you like is being used as a selling mechanism and to convert and get around your

tax write-offs, just like you've done in some other areas like small business and the other share things. I agree that when the government starts tampering, it's maybe always difficult. Even the smartest people in the world — and certainly nobody's ever accused the government of being that — are going to be taken advantage of at times. I'm just suggesting that right now you're being taken advantage of by these things being peddled again. One of the things I said is that you're not making them say what they're going to do for Alberta, what the main objective is.

MR. YOUNIE: Mr. Speaker, I think it was outlined exactly why that amendment must be defeated; that is, the government likes to tell us they always do everything very well and they in fact never make mistakes. Our purpose is to scrutinize what they do and see if they have made mistakes.

In terms of the operation of the program, our need for this information is to see whether or not they have in fact interpreted correctly the regulations that were just quoted. When they say, "That's close enough to the intent and spirit of the program, so we won't go after them," we on this side would like to look very carefully at whether that decision was modified by their admiration for this wonderful free-enterprise company or in fact by the spirit and intent of the program. We would like to look at the information carefully from our point of view and say, "We think you made a mistake and you haven't interpreted the program carefully."

In terms of confidentiality, I think a company that wants to operate only in the free-enterprise realm should bloody well do it. Operate only in the free-enterprise realm, and don't come and take the public money. If you're going to do that, accept that we will know what you did with the money. I think as members it is our right to know that, and we have every right to oppose this amendment and ask that.

Another point. When we said we wanted to know this, the Member for St. Albert started saying, "Oh, these socialists; they always want to know these things" — the Member for Stony Plain, excuse me; I am sure the member wouldn't appreciate it. The member said we're socialists for wanting this information. Perhaps I would have to agree that socialists do like to look at what government does and see if it's done honestly, openly, and carefully. I make no bones about that. We want the information to see if in fact the government has been doing things properly, and the intent of the motion seems to be to make sure we can't make that judgment carefully without many long months of ferreting through information instead of getting it quickly and simply from the minister involved.

MR. PIQUETTE: I also speak out against the amendment. I don't want to repeat all that's been said in terms of the reasons for it, but just to bring back the government promise during the election campaign, I believe it was the Premier who indicated that he is striving to have a much more open government in this sitting of the House. Here we have a very legitimate need for the opposition parties to know information to make sure we are able to form a professional judgment if we're going to be looking at the financial return on the taxpayers' money invested in private corporations.

We have a stonewalling effect here. We are not allowed to have this information before the House. In terms of a lot of the documentation the government tables, if we're going to make it difficult for parliamentarians to be able to get information out and discuss this professionally among

ourselves in the House, where is open government? Open government must come about with the government willing to disclose everything aboveboard. If the decision was right to begin with, why not have the legislation permitting the full disclosure of information to this House?

MR. SPEAKER: Is there a call for the question on the amendment?

HON. MEMBERS: Question.

MR. HAWKESWORTH: On a point of order, Mr. Speaker. I would just like to ask whether it's possible to put the amendment in two parts.

MR. SPEAKER: It's my understanding that the amendment as proposed and circulated has its own basic integrity. I suppose, though, there could indeed be a subamendment to the amendment.

HON. MEMBERS: Question.

MR. WRIGHT: On a point of order, Mr. Speaker. Will the mover of the amendment not agree — I'm sure he would have unanimous consent if he did — that there are two separable parts. There is an amendment to the first subclause and an amendment to the second.

HON. MEMBERS: Question.

MR. SPEAKER: The mover of the amendment has indicated in the negative.

Question on the amendment as circulated. All those in favour of the amendment please signify by saying aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed please signify by saying no.

SOME HON. MEMBERS: No.

MR. SPEAKER: We have a call for a division.

[The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Fischer	Nelson
Ady	Getty	Oldring
Alger	Gogo	Orman
Anderson	Heron	Osterman
Betkowski	Horsman	Payne
Bogle	Hyland	Pengelly
Bradley	Isley	Reid
Brassard	Johnston	Rostad
Campbell	Jonson	Russell
Cassin	Koper	Schumacher
Clegg	Kowalski	Shaben
Crawford	Kroeger	Shrake
Day	McCoy	Sparrow
Dinning	Mirosh	Stewart
Downey	M. Moore	Weiss
Drobot	Musgreave	West
Elliott	Musgrove	Zarusky

Elzinga

Against the motion:

Barrett	Martin	Wright
Ewasiuk	McEachern	Younie
Fox	Mjolsness	Hewes
Gibeault	Piquette	Mitchell
Hawkesworth	Roberts	Taylor
Laing	Sigurdson	

Totals: Ayes — 52 Noes — 17

[Motion on amendment carried]

MR. SPEAKER: Does the mover of the original motion wish to conclude debate on the original motion? The Member for Calgary McCall.

MR. NELSON: Mr. Speaker, I would just like to rise briefly to speak to the amended motion. First of all, in examining the motion with the amendment ...

MR. SPEAKER: Excuse me, hon. member. I'd like to check with the Assembly. Is there excessive noise coming from the gallery behind me?

MR. ADAIR: There's only one up there.

MR. SPEAKER: Thank you. The Chair apologizes to the lone member up there. Perhaps it was the doors swinging out in other areas that I was hearing, and I apologize. The Member for Calgary McCall.

MR. NELSON: Thank you, Mr. Speaker. The noise was from elsewhere in the House, I think.

Mr. Speaker, in examining the amended motion, as the amendment has now passed, it is my feeling that the information as amended that is being requested and that will be supported by the members is quite sufficient for all members to be able to function with.

Mr. Speaker, it's interesting, and it has already been mentioned, that there is available through the public registry the names of corporations and their principals. I as a small businessperson, or for that matter a businessperson who may have control over a large corporation, certainly would object to having the rules changed in midstream, those that I have participated in under legislation and regulations that are available. The hon. minister from Peace River who rose, spoke, and gave in detail some of the areas that were placed into the regulations prior to the program being developed certainly outlined that area very well. I'm sure that all members who did listen will recognize the ability to obtain the information requested, if they wish to do so.

Mr. Speaker, it's interesting to watch the activity and, as has already been mentioned, the similar types of legislation and regulations that have been passed throughout the country, especially in Ontario, where we have an NDP-run province. Even though it's a coalition of two socialist groups, it's certainly being run by the NDP. It seems that many people don't wish to see the economy expanded in this province. I am not one of those people, and I'm sure the members of the government are not either. Mr. Speaker, if businesspeople are going to be continually put down, continually asked to provide certain information that affects their business and is certainly after the fact, they're going to have trouble investing. There's no question about that, as I for one

would not want to invest in a social state that some propose we do.

MR. WRIGHT: A point of order, Mr. Speaker. The hon. member appears to be speaking on the amendment, which has been passed.

MR. SPEAKER: If the Blues are checked, the hon. member did commence his comments by saying he was speaking in regard to the motion as amended.

MR. WRIGHT: Yes, that's true. But it's not so.

MR. SPEAKER: Please sit down. All of us will listen with great care and attention.

MR. WRIGHT: That's what I've been doing.

MR. NELSON: Mr. Speaker, I will continue, as I have done, to speak to the amended motion and identify some of those things that I have been dealing with. In dealing with that again, it should be noted for our hon. member's ears near the end of the row there that all these areas that I've been discussing certainly are relevant to the particular motion that has been suggested by the Member for Calgary Mountain View.

As has been identified by the Member for Peace River, the department is in fact keeping a registry of all business equity corporations, so the members here — and I'm speaking rather slowly so that we all may understand — may obtain that information from that registry. That registry is also open to public scrutiny. If you wish to deal further with that, certainly through the Department of Consumer and Corporate Affairs you are able to obtain other information relevant to principles involved in any corporation you feel has some difficulty. I don't see the opposition asking for moneys that are paid to other recipients of funds such as those that are paying income tax, social service recipients, and so on and so forth, because we could possibly even ask what those moneys are being used for. However, I'm sure we all recognize that people's lives have to be given some secrecy, which is not the term I would prefer to use, but for want of a better one at the present time ... We have to honour some people's ability to do the right thing.

Mr. Speaker, I would suggest to the hon. members opposite that if they wish to make some changes, rather than do so midstream, maybe they should offer some positive changes through legislative means, either by motion or by a Bill to ask for legislation being changed to meet their perceived ends. I use the term "perceived" because it is my view that as the amendment has already been passed, the information that is available to all members will suffice all their needs, whatever they might be.

Thank you, Mr. Speaker.

MR. SPEAKER: Before the Chair recognizes the Member for Calgary Mountain View summing up, the Chair would like to make one brief comment with regard to the phrase "members opposite." The last speaker has indeed made some comments which I believe were directed at opposition members, but he managed to deal with the whole government. Perhaps the Member for Calgary Mountain View could now indeed sum up.

MR. HAWKESWORTH: Thank you, Mr. Speaker. As one of the opposite members, I'd like to say that as far as our

members are concerned, we're prepared to support the motion as amended. I think we've put everyone on public record as to their position on this particular issue.

We've registered our strong opposition to the gutting of this motion. But some light is better than no light at all. A candle, even if it's weak, provides some illumination, even if it would have been more valuable perhaps to have had a 100-watt bulb burning instead on this particular program. To coin a phrase, it's better to light a candle than curse the government.

Mr. Speaker, we believe that what this debate has done, among other things, is convince us of the important need for a freedom of information Act. I would refer hon. members to the fact that our leader, the hon. Leader of the Opposition, has put on notice Bill 225, the Freedom of Information and Personal Privacy Act. I think the debate today underscores the crying need for that particular piece of legislation. We would be prepared to co-operate in getting further information on this important program by agreeing to support the motion as amended.

Thank you.

[Motion as amended carried]

#### head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

206. Moved by Mr. Hyland:

Be it resolved that the Legislative Assembly encourage the government to direct the Alberta Government Telephones Commission to consider filing with the Public Utilities Board regulations prohibiting the use of telephone solicitations for commercial purposes.

MR. HYLAND: I was beginning to wonder if I was going to be able to speak on this motion this afternoon.

Mr. Speaker, as no such regulations exist in this province, I have brought forward this motion because of some calls from people and some discussions with people relating to solicitations by, firstly, groups from outside the province and groups inside the province, commercial groups that are phoning and, more so, those using automatic dialing equipment and computer dialing equipment that, as of some time last year, was outlawed. People still have the fear that there may be systems of that nature being used. The motion is brought forward expressing their concerns and also expressing the concerns of people that receive calls from so-called supersalesmen on the other end, trying to sell them any number of products. Those people who have less knowledge of the product buy the product over the phone without actually seeing the salespeople and find out later that what they had been led to believe over the phone really wasn't what they'd purchased. Thus they are upset and disappointed in the product they thought they had, because the description was much better than the product they ended up with.

As I said, Mr. Speaker, there are no regulations in the province governing such solicitation, except that of the use of automatic dialing equipment which was passed in the fall of last year, prohibiting the use of that equipment in those telephone solicitations. I have had some suggestions from various people in the public and other members of this Assembly that when I attempted to cast the net to stop commercial use of the phone and exploitation, I cast the net too wide in using the open term "commercial purposes."

Mr. Speaker, being from a rural area, I well know that the telephone is a very important tool in the operation of any farm or agribusiness, and it is not meant to prohibit the use of the telephone for those purposes when it's a one-on-one conversation. When you're attempting to purchase a tractor or a truck or look for parts, you can make a few phone calls and cover a large area in a short time, rather than having to drive a couple of hundred miles in some cases looking for a piece to keep a machine going. The motion is meant, as I've said previously, when it's a rotary type system or a system where people receive many calls on motions. To them it's very important, and to some people it's also considered an invasion of their privacy.

There's also the other side of the argument that it's the Big Brother government coming in to tell people how their lives can be lived. I don't think that's the case in the group that I really meant to get at in the motion. At least it's giving the person some time away from the telephone ringing all the time and somebody trying to sell you something.

Mr. Speaker, I should say — and I don't think I covered it when I talked about the automatic dialing equipment — that there were also limitations on hours, which helped considerably. That was passed last year: limiting the hours for which these calls could go on and limiting it to certain times, so that people weren't receiving the calls all day and night, in the late at night and early in the morning type of situation.

I can well understand how some people would feel, as all members of this Assembly, I'm sure, have people phoning them late at night and early in the morning. Once you become a member of the Assembly, your number is public and people phone you when they feel like phoning you — sometimes it's late at night after they've taken a little libation — and solve the problems. They want you to know about them. Or they've created more problems. We're subject to that, I guess. It doesn't mean to say that everybody should be subject to many, many calls later in the day.

Mr. Speaker, there are a lot of ways that it could be changed. There could be alternatives established. One could be restricted hours, as we have to some extent now, where the calls could be made only at a certain time of the day and early evening. The other could be the promotion of don't-call lists. You could phone in and get your name on a list that you don't want to be bothered. That might take a lot of people to accomplish, Mr. Speaker, and I don't know — though with today's modern times and modern computers, I don't think it would take too many people to accomplish such a list that would be available.

As I said, Mr. Speaker, the intent of the motion is not to get at those who are using a person-to-person type of — for example, if you want to buy a car or a tractor or whatever, the salesman phoning on a personal basis, one on one. It's meant to get at those that are involved in selling through a bank of phones to get people to buy something.

I can well understand that I'll be subject to criticism in that it's restricting the smaller operator in his ability to approach and contact the public. He doesn't have the amount of money available to him for advertising in various media that the larger firms do. But, Mr. Speaker, the one counter I would make to that is that, at least in my experience, when you're dealing one on one with somebody and attempting to sell them something or buy something from them, you're far better off and you have a lot better feeling between the person you're purchasing from when he's standing right in front of you and making his pitch to you

and he has to look you in the eye and convince you that the product he's distributing is a good product and you should buy his product.

Mr. Speaker, I think that's about all I would like to say on the motion. I would like to hear the debate of other members and hear their views on the motion.

Thank you.

MR. YOUNIE: Mr. Speaker, I find it unusual that we have a Conservative wanting to severely restrict the free use of a communication device for business, and one of our more numerous socialist ones to in fact prevent that infringement on the free use of that communication device. I find myself having very serious reservations about the motion and what it seems to be aimed at.

Number one would be the problem of judging who will decide whether or not what is being done is a commercial transaction. As a simple example, about a year ago my campaign manager was phoned three times in a week to see if he wanted to buy a Conservative membership to go to the leadership convention. Of course, he turned down that commercial proposition quite quickly, thankfully.

I don't know how the government is going to enforce such a law. Who listens in to the telephone conversations to see if they are in fact commercial? Who adjudicates? If in fact we leave it up to the person who is offended to lodge a complaint, then who gets to be on the board that listens to the complaints? The whole thing becomes horribly unworkable. I think the much referred to law against machines doing the phoning is quite acceptable. When we start saying what I am allowed to have in mind and have as my purpose when I pick up the phone, that is a rather scary concept to work with for the government trying to restrict that.

So I couldn't be more strong in my opposition to the whole concept behind it, which is a very serious infringement on the free right to use a telephone. I would point out to the member that I do not have to listen to a high-powered salesman for five or 10 minutes before I say a polite no thank you or a very rude and profane no thank you, if I wish, and hang up the phone on him. In fact, I've gotten into the habit of doing that for many types of solicitations that come to my home.

I could accept the idea of saying that you have to do it during normal business hours from nine in the morning to six at night perhaps. That is not difficult. But saying that you just can't use the telephone for commercial purposes or solicitations I find a frightening and virtually unworkable proposition. So I would urge defeat of the motion.

MR. ADY: Mr. Speaker, I'd like to make some comments on Motion 206. In view of the previous speaker. I almost find myself forced to reverse my position. However, I'll stay with it.

*Hansard* bears record that similar Bills have been put forth and debated in this Legislature several times. In reviewing *Hansard*, I would recommend as required reading the issue of April 22, 1976, when Mr. Batiuk told his famous story about the sow and the wheelbarrow. I'd recommend that all of you take time to dig it out and read it, but I won't relate it here. I believe that it only fits Mr. Batiuk.

As near as I can determine, there is no such prohibitory legislation in any of the provinces in Canada. There's little doubt that unsolicited phone calls can be a nuisance. We all get calls selling everything from magazines to financial advice to burial plots that allow us to pay now and die



later. Then there are those who are conducting surveys, and these can be time-consuming and bothersome. The person who works shiftwork really resents unsolicited phone calls. If that person is to get any sleep during the day, he must make some arrangements to stop all the calls during his sleep time, so unsolicited phone calls wouldn't really make any difference to him. But if we're going to prohibit unsolicited phone calls on our private phones, as an aside to that, perhaps we have to consider stopping door-to-door salesmen, and if we're going to do that then we have to prohibit them from using our public roads and streets in getting to our residences. It's not that much more absurd, and I don't think we want to go that far.

I think we have to recognize that telephone solicitation can be beneficial. I know of a man who had a plan to merchandise a high-volume product. He hired two people to do phone solicitation because he didn't have enough capital to do it any other way. Well, it proved to be a good plan and a good product. His little company generated some revenue and it grew. Two years later he had an assembly plant, a retail store selling a much expanded line and employing 25 people, with gross sales in excess of \$3 million. So there's the other side of the coin.

I think we have to be concerned about the summer jobs that that type of solicitation can provide. We all know of the university students who sometimes can't find other work but are able to find work in that field. We have to be concerned about the wife who wants a part-time job, and this will provide it. It will allow her to stay at home and spend time with her children, avoid the use of day care centres which we have to subsidize so heavily. She can spend that valuable quality time with her family.

We really can't afford to curtail any economic effort on the part of Albertans, I don't believe, in this economic climate when they're out there trying to find a way to provide for their families. Perhaps there's enough benefit to our economy to offset the inconvenience that unsolicited telephone calls put upon our lives. Although enforcing legislation prohibiting solicitation by phone would be difficult, legislation prohibiting it would surely lessen it because most people are law abiding. And if we had legislation prohibiting it, I believe most people would abide by it, and most companies are also honest and they would abide by it. But in the final analysis, I'm afraid I have to take the position of being opposed to the motion.

Thank you.

MR. MUSGREAVE: Mr. Speaker, I'd like to make a few comments with regard to this motion. I would point out to the hon. member from Cypress that the Progressive Conservative Party in the last election did run under our Premier a campaign of less government. I suggest to him that to me this does not indicate less government, but more. He mentions the fact that some supersalesman may use the telephone system to encourage people to buy products that they wouldn't otherwise buy. I suggest to him that it would be a poor businessman that would hire a salesman that was not a supersalesman. Why waste money on a poor one? And selling over the telephone does give small businesspeople an opportunity to maybe cut down on their selling expenses. As has been indicated, for commercial purposes this could be a lifeline for many people. But as some members have already pointed out, there are other uses that are just as annoying. Political parties, for example, getting out the vote. What about charitable organizations who canvass on behalf of circuses and chocolate bars and chocolate-coated nuts?

As the hon. Member for Cardston pointed out, personal surveys can be annoying. But going back to the motion, the member said:

Be it resolved that the Legislative Assembly encourage the government to direct the Alberta Government Telephones Commission to consider filing with the Public Utilities Board regulations prohibiting the use of telephone solicitations for commercial purposes.

He says that this is not a Big Brother motion, but I just urge the member to look at what the motion says. It says that the Legislative Assembly should "encourage", and it should "direct" AGT to file "with the Public Utilities Board regulations prohibiting the use of telephone solicitations." I ask the members here: if that isn't Big Brother telling the ordinary citizen what to do, I don't know what is.

People have the power in their hands to deal with this situation. All they have to do is hang up. It's that simple; just hang up. Or if you're just too polite, listen as long as you want, then say thank you, and then hang up. But really, you can hang up. I agree with the Member for Edmonton Glengarry; who is going to listen in? Think of the bureaucracy. I'm not that worried about machines being able to dial numbers from Toronto or New York or wherever, trying to sell me magazines and heaven knows what. I think we have got to realize that more and more machines are becoming an integral part of our life. Many of us now use automatic bank tellers. At first we were probably nervous about them, but now I think you'll find that if you run down to the bank and pick up some money on Sunday night, it's a very convenient way of doing business. Granted, I'd rather deal with a teller in a bank — it's nice to have the human touch — but the banking machines work very well.

In conclusion, Mr. Speaker, I'll say I'm opposed to the motion for several reasons. First of all, it's an invasion of privacy. It is a Big Brother approach. It could need a horde of eavesdroppers to police it, and it is government interference, and we have enough of this.

MR. SHRAKE: Mr. Speaker, somebody has got to stand up here for our Member for Cypress-Redcliff. Actually, this is not a new problem. We're just getting into it now, and we'll have a lot more of it before we get through in a few years from now. I'm sure some of our members here will probably have a little different view on this matter of the right to do anything anywhere, even coming into your home through your telephone. B.C. telephones experienced this problem a lot more heavily and a lot earlier than we did, but it's coming here. And I agree, a corporation — a company — has a right to promote their product. I would never dispute that. They ran into this argument down in the States many years ago and they said, "Well, we have the right to put billboards along the roads." So you approach Grand Canyon; you approach the Black Hills of South Dakota. The beautiful landscape and the scenery was all cluttered with billboards, so finally they said, "Your right to promote your product interferes with our right to see the scenery." So they regulated it, and this is the way things sometimes happen in the old big city there.

As we got into Alberta here, it was not a problem before. If it's not a problem, I think your government usually figures "If it's not broke, don't fix it." But it's starting to get broke now. Some people have to pay extra to Alberta Government Telephones. It costs you extra if you want an unlisted phone number, but they only want calls coming into their home that are people they wish to

speak to. Often, if a person works nights and he's sleeping days, if he does get up to answer the telephone he wants to get up because he knows it's a member of his family. And he should have that right, shouldn't he? I wouldn't deny it to him. But he now even has the unlisted phone number. They've got the old phoning machines. When it starts out — say we use the 427. It goes 427-0001, 427-0002, and on through. And even though you have an unlisted phone number, that mechanical machine is going to ring your telephone. It will ring it until you answer it, if you're in the bathtub or whatever.

With the carpet cleaning — I'm getting my furnace vents cleaned out — I've had so many phone calls, my sympathy rose a little bit for the Member for Cypress-Redcliff. I've got a device for the advertisements on television. If I'm watching television, I hit this button; it turns the sound off. I don't have to listen to a ruddy commercial on television. If I don't like the radio commercials, I can turn the radio off. And if I don't want to read the advertisements in the newspaper, I can read the articles and skip the advertising. But when my phone rings, I must answer it. It could be an emergency. It could be a family problem or it could be a constituent. Of course I don't want to miss getting a phone call from my constituents, so I answer the thing. I don't mind the constituents, relatives, and friends, but I really don't like it when that lady asked me for the fifth time if I want my carpets cleaned one more time.

I have no objections to small business promoting products, but I don't like it when they've hired 12 girls in this firm and they will take on contract and have them phone every citizen in the city of Calgary or Edmonton or wherever and badger and bother them. Somewhere down the way we will have to address this, but I think perhaps right now it's a little premature. The problem is not bad enough, and the citizens haven't gotten stirred up. They're not protesting around the Legislature, so perhaps we had best leave this one alone.

But along the same vein, AGT does have a monopoly. There's no question about that. You can buy a phone from ET but only if you live in Edmonton. The average person has gone to this company and got their phone there because that's the only place they can go to buy a telephone. They buy it with the understanding, whether it's in the contract or not, that when they buy this telephone they will be able to pick up their phone and dial out and reach other people who have similar telephones and maybe even phone long-distance. That was the agreement that they had in their minds. We have now reached the point though — maybe a little off the topic, but bear with me — where the kiddies can come in, phone to New York or wherever this thing is on one of these old Zenith 900 numbers and listen to sex messages. The mother and the father have no knowledge of this until the end of the month — I guess you can buy all kinds of goods, tapes and all these things, and they're automatically billed on your telephone. Then you begin to wonder: well, wait a minute; these people that bought this telephone only wanted to make phone calls, not buy sex messages, products, and so on. And you don't have to sign your name. This I think is a problem that is probably more pressing than telephone soliciting for selling of goods, and it's one that should be addressed.

I really believe that unless when you bought your telephone and you signed — "I will take anything that's charged against this thing, whether it's buying a new TV, records, all these odds and things, K-tel, mechanical things that chop up onions, or whatever." Unless the owner of

the phone has signed, they should not be liable for this type of bill. But no. Any one of the kids — the three year old, if he can speak well enough — can phone up and order all these things. Because of the monopoly, ACT tells the homeowner: "If you don't pay you lose your phone." A phone is a very valuable instrument. "And we aren't even going to negotiate on all those goods and things that some kid bought on your phone that you didn't want."

That is a little item that in the future I would hope our minister would take up with AGT and make the arrangements. Be good to the old subscribers on the telephones because you have a captive set of customers there. You have a monopoly, and when you have a monopoly you have an obligation to those people a little beyond. They should say, "Okay, you can sign this form if you want to be allowed to charge all this garbage on your telephone or if you just want straight phone calls." That is one I would be happy to see the minister take up with ACT and see if they can't get that type of arrangement.

Other than that, Mr. Speaker, I think perhaps this motion is a little premature, but I'm glad you brought it up because I got some discussion going. We can bring out a few of the problems that are out there.

MR. R. MOORE: Just a couple of comments, Mr. Speaker. Some of the previous speakers mentioned that a lot of legitimate business is done over the phone, and I agree wholeheartedly. I do not know how AGT can distinguish between a legitimate business and nuisance business. I have to oppose this motion on that basis.

Another point is: to regulate such a piece of legislation means that telephones have to be monitored. Mr. Speaker, I don't want my telephone monitored. I don't think anybody in this House wants their telephone monitored. I want it to be a private instrument between me and whoever is on the other end.

Finally, Mr. Speaker, I don't think it's a good piece of legislation to come in when there is a more powerful way to control it in the hands of the public. It's a fact that they can hang up the minute they don't want to listen to it. Individual choice is far stronger than any piece of legislation we can bring in or discuss in this House.

MRS. MIROSH: Mr. Speaker. I agree with my colleagues about nuisance phone calls, especially my colleague from Calgary Millican. They are a nuisance, Mr. Shrake, but I do know that there are a lot of people that do depend on a telephone for business. In Calgary there are several handicapped individuals who definitely need this service. They sell light bulbs, and they have become very independent as a result of their telephone solicitation. I also feel that if you remove this, it is removing people's livelihood. I think if people quit buying the product that is being solicited on the telephone it would remove these nuisance calls, but obviously people do like this or else they wouldn't be buying.

It is something that gives people freedom of their rights. This government is always pushing for small business and freedom of people's rights, and I don't think we should be infringing on human rights.

Unfortunately, I have to agree with our member from the NDP with regard to selling ... [interjection] I know, he's groaning beside me here. But we do sell memberships and we do solicit our constituents. I think this would infringe on our own rights. I don't like to stand here and go against my colleague, but I really do not agree with this motion.

I feel that telephone solicitation should continue, and if you don't like it, all you have to do is say very politely that you're not interested in the product and say goodbye. That's all you have to do. People will soon not call you, and there will be lists made up. If they keep calling you all the time and you keep saying no, they won't call you anymore.

I'd like to say that I do not agree with this motion.

MR. GOGO: Mr. Speaker, I'm very intrigued at the motivation by the hon. Member for Cypress-Redcliff. There was a man who served longer in this House than anybody else, the former Member for Drumheller. He had a similar Bill on the books. It wasn't a resolution, but it was a similar Bill. There was a lot of merit at that time. I just wonder in looking at the motion whether for some reason the printers didn't completely print the resolution, because as I recall — and I have some sympathy for the member. I can't support it the way it is. If the member would amend it, I don't know anybody in their right mind in this House that wants to get a phone call at half past four in the morning.

I can just hear it now, Mr. Speaker. They'd march into this House demanding that AGT withdraw equipment. Here they are all opposing the hon. member who's trying to make life civilized for some of us. So let's take a minute and understand the motivation. Is it because of his twins? Is it because the member has twins and has a long history of walking the floor and getting those phone calls at three and four in the morning from a rotary automatic system telling him to buy a membership in a certain unnamed political party?

We went through a phase here in recent times when it was fashionable to join political parties. Many of those solicitations were by telephone. We'd be ashamed really if we carried the motion and did away with that and none of us were here to succeed ourselves the next time round. We should be very, very cautious. Mr. Speaker, the telephone obviously is a marvellous instrument and it serves us in so many ways. How else can we be advised that we're going to be disconnected if they don't phone us? Have you ever noticed that they tend to do this not during working hours? They tend to do it during Dynasty or the ball game or, in the case of Highwood, the football game. They tend to do it at those odd hours. It's a little bit like Chargex, Visa, and these credit organizations who have difficulties and then hire people on commission, of course, to put the screws to you to get that last ounce of blood out when for some unknown reason, not your fault, you failed to pay a bill.

Well, it's the same with the telephone. I recall that we had a bit of a misunderstanding a year ago in Edmonton with AGT-ET, because at my place we got several bills, all purporting that I owed them different sums of money. They had the habit of phoning in the late hours demanding that I send a long-distance toll to one company and the regular charge to another company. At that time I would strongly have supported this member's resolution, because I viewed it as an invasion of privacy, having people phone me at odd hours for messages I don't like.

The member for Pincher Creek is well aware of this: an oldtimer of 75 or 80 years, a bachelor that lived north of Cowley. That's out in the foothills country. People were obviously having difficulty reaching him. The Mounties showed up at his place and inquired as to how he was. He appeared to be fine — a little cranky with arthritis because of his age and its being February. It seemed that

they inquired about his telephone, and he said that it was fine, he was on a party line. That's something that's soon to be in the past, as you know, in Alberta. We're going to put a first-class line in every home. The one Mountie went over to the phone, said "Can I use your phone?" and rang up and got through to town, the police detachment, and had a conversation and hung up. The oldtimer said, "What are you doing?" He said, "Well, I just wanted to use your phone." The Mountie waited and nothing happened. He phoned again to Pincher Creek, and apparently the message at the other end was: "Yes, we phoned you; didn't your phone ring?" I guess the Mountie said no, so he said to the oldtimer, "Well, there's obviously something wrong with your phone because people keep trying to call you and it doesn't ring." He said: "It shouldn't ring. I took the bells out. I pay for the phone and it's for my use, not for other people."

Well, hon. member, there's a lot of merit in that. I don't know whether any of us have investigated it as an alternative to the resolution, although I suppose we'd end up in Fort Saskatchewan, based on the comments of the member from Millican, if we took the bells out of the phone. Surely that's an option. Nowadays they make it so you plug it in and plug it out. I suppose that's another option.

I'm very sympathetic to the hon. member, and if he would care to make an amendment: following the period between the hours of such and such and such and such or after the hour of 1 a.m. — I frankly would be very supportive.

I don't like to say anything nasty about AGT, because it's like the liquor store, you know. They've got the only action in town and they read *Hansard*, so one has to be very careful. I mean, I don't have privy to an Edmonton phone where I live in Lethbridge.

I would very much like to give serious thought to the point that the hon. Member for Cypress-Redcliff has raised; that is, when you pay for a service, do you have to be harassed to death simply because someone else is paying the same amount of money for the service? So if somehow he could move an amendment, Mr. Speaker, to say "between the hours of 2 a.m. and 6 a.m.," I think I'd be in a strong position to support him.

MR. NELSON: Mr. Speaker, it's interesting to see a motion of this nature on the Order Paper and to listen to the comments of the hon. Member for Lethbridge West. I always enjoy his comments. They're usually very candid, and there's some humour and some other little ditties in them that certainly keep our interest perked up.

I too have had some concerns raised to me over the years about telephone solicitations and especially those that are really orchestrated through a machine, albeit a computer, wherein people pick up their phone and there's a message given, a very standard one. I guess when some people get two, three, four, or five of these on any given day, it can be a little upsetting and maybe even suggested as being a nuisance.

However, at the same time, as has already been indicated, many of these solicitations are made by people that have started a small business and have hired a number of people, young people maybe, that require some form of income. Certainly that has to be given some consideration. We do have in Alberta a lot of inventive people, and one way to sell those products is through telephone solicitation, door-to-door. Of course, most people don't like going door to

door to sell products. Unless that's your makeup and you're a special type of person who has a very thick skin, it's a very difficult task. However, the telephone solicitation with a prepared message in front of you is not only much easier but certainly one that is in most cases acceptable.

Mr. Speaker, Alberta has a tremendous number of inventors. I was talking to a chap recently who was indicating to me the numbers in relation to inventors of a similar nature throughout North America, and Alberta and western Canada shine above all the rest in North America. Of course, that is an issue for another debate which may be coming before the Legislature in the future.

There are, of course, many ways of dealing with telephone solicitations. First of all, you can indicate to those people or the machines or whatever is calling you that you're not interested and that you don't wish them to call or participate in what they're discussing and certainly hang up very quickly. As has already been indicated by a previous speaker, we can be rude and hang up the phone in any event, but certainly that doesn't win you any friends or influence any person.

Another way, of course, is to get an unlisted or an unpublished phone, although a machine plugged in properly can still get your phone ringing if people use the telephone book, as many do. They can't really obtain your phone number, and that goes for people not wishing to have phone calls after 12 o'clock or 1 o'clock at night. Before 8 o'clock in the morning you can do the same thing.

The comment was made about banging on doors. That certainly is similar to an unsolicited phone call. Put a note on the door that you don't want to be disturbed, and I'm sure that would be given some consideration by a person coming to your door.

I've already indicated that there is job creativity in having people set up companies or these types of businesses, and there's nothing wrong with job creativity, especially in this climate that we have today. It's also interesting that if the telephone solicitation was an unsuccessful venture, why would it be continued? Obviously, there has to be a return on an investment for people who are making these calls or making them on behalf of someone who is paying the bill. If there was no return on the investment, then obviously people would not continue with these types of businesses, nor would the investor continue to pay good moneys for this type of solicitation to buy their products.

Also, where charitable organizations are involved, and certainly the one or two that come to mind which I have often had calls from are the people who are asking you to buy tickets for a circus for handicapped people or school-children or whatever — it's a manner in which a volunteer organization can quickly get to the most people without having a great number of manpower to do the job. As we all know, obtaining voluntary workers is sometimes very difficult. Of course, in that case it does assist these people in their volunteer efforts. Nobody wants to discourage volunteers in this province, or anywhere else for that matter. So canvassing for charitable organizations by telephone and soliciting people's assistance is certainly one way of selling goods and services or trying to get a donation to that organization.

It's interesting, Mr. Speaker, that in trying to prohibit the telephone solicitations on a commercial basis, as this motion tries to do, I support the thought in that where people feel they're being unduly solicited for different things, they too have some rights to operate their phone. However, we have to put responsibility onto the person who operates

the phone. I know that in my home, my phone is mine. If I choose to answer it, I will do so. If it wants to ring off the hook when I don't feel like answering it, I will not answer the phone. You can unplug it, take it off the wall, or do whatever you want. You don't have to answer your phone. That's your domain.

Mr. Speaker, it's certainly an interesting thought that has been proposed by the member. To suggest, as one member has, how do you speak to your constituents is kind of a silly comment to make, and I'm sure the member didn't really want to address it. It slipped out. I certainly don't think any member is going to ignore calls from constituents. Certainly if they're at a reasonable hour, they're going to be able to catch you and you're going to respond. I know all hon. members respond to their constituents' concerns in the appropriate manner and time that's necessary to do so.

Mr. Speaker, considering the time and the few comments I wish to continue with, I beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree with the motion?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed, if any? Carried.

MR. HORSMAN: Mr. Speaker, it's proposed this evening to deal in Committee of Supply once again with the estimates of the Department of Advanced Education. I would therefore move that when the members reassemble this evening at 8 o'clock, they do so in Committee of Supply and that the Assembly stand adjourned until such time as the Committee of Supply rises and reports.

MR. SPEAKER: Having heard the motion by the hon. Deputy Government House Leader that when the members reconvene at 8 p.m. this evening they will be in Committee of Supply, does the Assembly agree?

HON. MEMBERS: Agreed.

[The House recessed at 5:25 p.m.]

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

#### head: COMMITTEE OF SUPPLY

[Mr. Gogo in the Chair]

#### Department of Advanced Education

MR. CHAIRMAN: Members of the committee, last committee day on Advanced Education, which was June 26, at the wish of the committee we retained a list of members who had comments and questions to the Hon. Dave Russell. We've maintained that list.

MR. STEWART: First of all, Mr. Chairman, I'd like to congratulate the minister as he assumes this new portfolio. I know him to be a person with a sincere interest in and dedication to postsecondary education, and I certainly wish him well, as I'm sure all members do.

I'm pleased that the last time these estimates were before this committee the minister set forth a bit of the record of past Progressive Conservative governments in this area. I think that record shows a solid commitment to the youth and adult students and to creating opportunities within the province for a wide variety of educational pursuits.

Mr. Chairman, I will keep my comments brief, but firstly, I must say that I do share the concern as expressed by a number of members with respect to the funding formula for operating grants. The across-the-board increases of a given percentage merely perpetuate the built-in inequities that are there, and those inequities do exist. I also join the chorus of concern from various Calgary MLAs regarding the very real discrepancies between those postsecondary institutions in Edmonton and in Calgary. I think it's time that those inequities were addressed, because the longer they remain with the type of funding formula we have with mere increases on last year's funding, those inequities will automatically increase.

I would also like to comment with respect to Mount Royal College in particular. I do so because I have some familiarity with that college, having served on its board for a term of six years, and I have a real interest in the development of that particular institution. But I comment with respect to that institution primarily from the standpoint of illustrating two or three points that I would like to leave with the committee and the minister.

Mount Royal College, as we're all aware, is a college with a long history of performance in the postsecondary educational field. Last year it celebrated its 75th anniversary, and it's currently in the midst of a very significant expansion to its facilities and its plant to expand its enrollment potential to 7,500 full-time equivalent students. I believe the expansion will be in the neighbourhood of \$60 million, so it's a very significant time for Mount Royal College. Over the period of that expansion the college and its board have experienced a number of difficulties, primarily relating to the bankruptcy of its architect and all of the ancillary problems that went along with that.

During this year Mount Royal College will expand by approximately 20,000 to 25,000 square metres, and they will go on stream. It's an institution in transition, and the basis of funding must address the particular circumstances of the institution. I think that's the point I would like to get at, because I don't feel that just tinkering with the pre-existing pigeonholes of funding categories is sufficient to address the needs of an institution that is in that sort of transition process. I would cite a few examples. As mentioned, in this next year 20,000 to 25,000 square metres will become part of the operational portion of that college. The arts wing will come on stream shortly, student services will be expanding into their premises, and the community and health section will also be going ahead, all phased in. While the funding has apparently been provided for insofar as the physical plant costs associated with that expansion — for example, the matter of utilities, heat, and light — no funding relates to the actual operational day-to-day costs of utilizing the new space as the college increases in size and goes about its business with increased instructional capacity.

Secondly, as an example at Mount Royal College again, within the next year its enrollment will increase by nearly 25 percent from about 4,000 full-time equivalent to 5,000 full-time equivalent. However, as I understand, the supplement for enrollment that has been provided looks backward. It merely looks at last year and applies a given percentage

increase. It doesn't address the real circumstances of that enrollment growth. No funding appears to be provided as well for extension of the instructional services to other areas within the city of Calgary, in accordance with the mandate of that institution. No funding has likewise been allocated for administrative costs that are associated with certain programs that college carries on, namely the continuing education, conservatory, and youth development programs which are basically self-supporting otherwise, on a user basis. But the core administration costs that go to the very heart of the college itself are not taken care of. Of course, these get larger every year those programs increase.

I think it's worthy to note that the conservatory of music and speech has established a national reputation in its area, and the continuing education and extension department is likewise a very thriving portion of Mount Royal College.

All of this is merely to point out, Mr. Chairman, that the real urgency is for a complete review of our funding formulas. I think certain principles in which that should be set are that the funding formula must be forward-looking and not merely an add-on percentage to last year with some ad hoccking. It must bear a relationship to the mandate of the particular institution. I think it must be responsive to the government policy as to the direction of the various areas of postsecondary education and the priorities that are established. It must take into account the changing scene, not just with respect to new program requirements but with respect to the new ways of delivering educational services. It must demonstrate our commitment to educational development of our very important human resource, namely that of our children and students.

I'm not necessarily advocating a greater aggregate number of dollars for postsecondary institutions. What I am advocating is a reallocation that is based on sound and realistic principles and circumstances and that, as I said before, is forward-looking and not backward, with the overall objective that we would receive much more effective use of our public funding and an even higher standard of educational services throughout our province.

Thank you, Mr. Chairman.

MR. DAY: Mr. Chairman, just a few very brief comments. First, on behalf of the Member for Lethbridge West, I'd like to extend special appreciation and thanks to Mr. Hemmingway, the executive director of the Students Finance Board, for his co-operation and also that of his staff in helping with inquiries of students, especially in the area of student loans, and a particular vote of thanks from the constituency secretary, Mrs. Carol Giesbrecht, for all the assistance that was given to her. It was much appreciated.

Just some general comments in this area. The first night we discussed this, Mr. Chairman, there was a degree of criticism coming from members opposite — some of the members opposite; excuse me, other members. [interjections] Just testing you fellas to see if you were awake. I'm glad to see you're with us tonight. I always enjoy your very special attention when I address the House. I think the minister is to be commended for being able to maintain an incredibly high quality in this department and yet still reconcile the constraints that come with some very real economic factors that we're facing, not just for being able to maintain a high quality of existing infrastructure but in the area of human resources, faculty, staff, resources, and ongoing program development in this department. The highest degree of commendation for dealing with economic

restraints and yet continuing to see good advancements in this department.

Also in spite of possible economic factors, we're still seeing an increasingly higher degree of student financial assistance. In 1982 and '83 we saw some \$29 million in this area. In '84 and '85 we see it increased to \$42 million in the area of student financial assistance. That's tremendous. I know the students in the Red Deer area who are able to avail themselves of this are grateful for it.

We've again seen another budget increase this year. The criticism came up the other night about the lack of long-range planning, and that left me somewhat in awe that members could even bring that up as a criticism. I just recently had the privilege of being invited to attend a 10-year planning meeting. The University of Alberta sent it.

I might refer any members to this government's white paper on an industrial and science strategy. Outlined in that paper are some overall policy statements talking about long-range planning, all the way to 1990 and beyond. So we're encouraged to see long-range planning being an integral part of this department.

Red Deer College is most pleased to be receiving and have received attention from the department. It is tremendous to see the growth and expansion and the effect that has had on the community of Red Deer, where students are able to stay in their home area and continue with quality advanced education. Again, the student financing there and assistance in that area has been a tremendous help.

If I could just comment to the minister on a challenge, to which I know he and his department are responding. If there is a challenge, it would certainly be working with the Department of Education in equipping students coming out of the secondary system to meet the very real demands and rigors of an advanced technological age. I would encourage the minister and members of his department to work as closely as possible with the Department of Education in looking at the secondary level and students planning to move on to the postsecondary area to really be equipped to deal with the challenges and the competitive nature of our international trade situations. I believe we're faced with not just challenging but exciting areas ahead. I know the department will continue to apply themselves in this area.

Thank you, Mr. Chairman.

MR. SHRAKE: Mr. Chairman, I'd just like to make a couple of brief comments. The first one is about the funding that was provided by Advanced Education to AVC, Alberta Vocational Centre in the city of Calgary, and to the rest of the province regarding ESL. For those of you who don't know, that's English as a Second Language, which is not very important to most people unless they can't speak English. Quite a few of our new Canadians did experience the problem of not being able to speak English, and if they'd been here over one year, they could not get into an ESL course anywhere.

When they first told me that, I didn't believe them, but after working with the Minister of Advanced Education, we found out that what they said was true. They couldn't get into the University of Alberta or the University of Calgary. They couldn't get into Mount Royal College because they couldn't speak English and couldn't pass the entrance exams, so they couldn't take those courses. The only thing left was AVC, which is funded by Advanced Education. The federal government bought up all the seats available for the newly arriving Canadians, so the ones who had been here over a year couldn't get in. Thanks to the minister, they

cranked up an extra program. I received a petition for the first time in my life. When I read the petition, with all its huge list of names, it was thanking me and the government for the job they'd done.

The other thing I would like to comment on is that I'm glad to see we finally got the old College of Art down in Calgary with their own mandate and their own charter, so they won't be sending us any more little petitions and badgering us with wanting to break off from SAIT.

Mr. Minister, the only thing I really want to emphasize is that I hope in this coming year we can keep up the funding. Dr. Speckeen down there at AVC has done a good job, and he needs the backup. But he can't do it unless he has money in the budget. They just rented some new facilities in Amoco's Rocky Mountain Plaza. We are going to teach all the new Canadians in Calgary to speak English well so they can get out and participate in this good life of ours. Please don't cut any of the funding to AVC, sir.

MR. R. MOORE: Mr. Chairman, we're all aware of the excellent performance of the minister in his last portfolio. We look forward to the same type of performance in the portfolio he has now taken over. I know the citizens of Alberta who are aspiring for higher education will be well served under the stewardship of the present minister. I can assure you that at the end of the year when the opposition reviews his performance, there will be no area for criticism, even if they have to use their imagination like they have in the past.

I'm very pleased, Mr. Chairman, to see that two well-deserving colleges got increased financial assistance. The two I refer to are the Canadian Union College and King's College. I think that increase in funding is a recognition of the excellent job they're doing and that their students are turning out to be citizens of this country. It's a recognition by this government that they are doing a job and will continue to do the job, and I'm very pleased to see that extra funding in there.

However, I have one question to ask the minister. I see a big increase in the service element on just about every vote. It's a tremendous increase in the service element, and I wonder why we have that dramatic jump in that area, which I consider an unproductive area. I would like to see us hold the service element and increase the financial flow to Canadian Union College or King's College. Perhaps the minister can explain why we have this increase in that area. That's my only concern, Mr. Chairman.

MR. BRASSARD: Mr. Chairman, I'd like to compliment the minister on what I consider to be a very comprehensive and responsible consideration of Advanced Education and also on the calibre of advanced education we have come to expect here in Alberta. Specifically, I note the increase of 7.7 percent in operating allowances to Olds College. As you are well aware, this college contributes so significantly to agriculture as a whole and particularly to our province specifically.

There is one area of this institution which I feel I must mention, Mr. Minister, and that is the residence. It is currently in a very poor condition, and a detailed report has already been forwarded to your office for your consideration. For a number of years, this particular residence fell under the jurisdiction of Public Works. Maintenance was kept to an absolute minimum during that time, and we are paying for it today.

You may be aware that this residence is the only dormitory-style residence left in Alberta's postsecondary system. Its condition reflects a number of health and safety concerns, which I'd be pleased to acquaint you with in detail. For a number of years now this college has been borrowing from capital budgets to try and fund some improvements in the residence. Normally, one would expect the residence complex to fund its own repairs and maintenance from its students' fees. However, in view of its previous history of neglect, Mr. Minister, it has been impossible to even stay abreast of the problems, in spite of the fact that our residence rates are already the highest in the province. We urgently require an extraordinary grant to deal with an immediate resolution of our residence problems.

We have also established a development plan which provides a systematic approach to upgrading and enlarging the accommodations, as well as providing modern and larger capacity for training in the plant, water, and soil sciences.

Once again, Mr. Minister, I congratulate you on a very responsive budget, and I look forward to discussing the needs which I have outlined to you at your convenience.

MR. GIBEAULT: Mr. Chairman, before we go into some further debate, we raised a number of issues in the first kick at the Advanced Education department estimates. We would be interested in hearing the minister's responses to the issues and questions we raised at that time, if he'd be willing to do so, before we proceed with further debate.

MR. CHAIRMAN: If you'd resume your seat, hon. member, that is in the hands of the minister. Mr. Minister, do you want to respond to the question? I guess it's a point of order. For your information, we have eight hon. members wishing to speak in response to your opening comments.

MR. RUSSELL: Perhaps it would be helpful, Mr. Chairman, if the eight remaining members don't mind me getting up at this time. I'd be glad to deal with some of the major issues that were raised during the last time we discussed these estimates, if that would be helpful. I was hoping to deal with everybody's questions at one time in order to try and save time, but the list seems to be fairly lengthy.

I hope all hon. members now understand, and I have explained to them the confusion that was evident that first night when a lot of new members went through not only documents that were new to them but also an update document because of the fact that we had two budgets and government reorganization in the intervening period between the time when the two budgets were brought down. Advanced Education is one of the departments that remained the same during both budget presentations, so it doesn't matter which document members work from. It became obvious after several members spoke that there was a great deal of confusion due to the fact that I believe most members had not recognized that the capital grants that used to be included in the votes to the various institutions have now been taken out. They are going to be part of that capital fund, so that describes the puzzling array of percentage increases.

I can confirm that every institution in the province is getting a minimum 4 percent increase, and I think we dealt with that at the last meeting. Many of the members referred to that, and I think that point probably deals with a number of those concerns.

The second thing that seemed to come up most often was the fact that there's an apparent disparity between some

of the institutions, primarily NAIT and SAIT and the University of Calgary and the University of Alberta, and between those two cities. It's a complex problem, because I recognize the lobbies that have been presented to many of the members that have spoken on behalf of those institutions. In the time I've had since assuming this portfolio, I've tried to get some understanding of it, and it's not going to be a simple or easy one to deal with. I hope hon. members realize that it's not just a matter of saying institution X gets so many thousand dollars per student and institution Y gets a different amount of dollars per student and the facilities are therefore perhaps being treated unfairly. I think there is validity to the premise put forward that by simply adding a 4 percent increase to the basic operating grant in the event there are inequities merely exaggerates them and carries them on.

During the intervening months between now and the presentation of next year's fiscal budget, I hope to have that problem resolved. I'm not sure there is a problem, but it looks like there might be one. My predecessor left me a fairly thick file on it, and to the extent that I've been able to discuss the problem, it's possible there are some inequities existing. If there are, we want to remove them. It's that simple. I think it's premature to jump to a conclusion by using easy arithmetic and saying there are inequities.

The complexities arise because of the programs that have been approved, the unit costs of those programs, the space which they take up, and the support services that are there. When you look at that aspect of it, it reminds me a little bit of the way we approached our budgeting in hospitals. It wasn't simply on a per bed or per patient basis. It was on approved programs and the number of staffing and support services it took to provide those programs throughout the year. It takes a while to develop those figures with some kind of accuracy. So I hope I've dealt with the problem of inequities. It's possible that they exist. It's a complex problem, and it's one that if there are inequities, I hope that will be resolved by the time the next budget is brought down.

The other issue that several members mentioned was the fact that there seemed to be a high percentage of man-years rather than permanent positions. That's due to a number of factors, primarily because some of the public-administered institutions, like the Alberta Vocational Centres, have part-time people working in them because of the nature of their programs and the nature of the work they do. There are a few other positions that are there because of sudden bulges in enrollments, and part-time people were taken on. I see nothing wrong with that. It would be very nice if we could entirely eliminate the man-year positions and get them all into permanent positions. I understand my predecessor had made an attempt to have those man-year positions converted into permanent positions. That's a very difficult thing to do at a time when the government is trying to reduce the number of permanent positions. So the question is then put: are those temporary employees losing out on benefits? The advice I have is that in the majority of cases they're not, because depending on the hours of work they put in, they do meet the requirements of applying for those permanent benefits and participating in pension programs, holiday plans, and those kinds of things if they make that decision.

I was pleased to hear some of the members talk about the English language programs being delivered, particularly in Calgary and Edmonton, because I think the service that has been given is invaluable. Those people, primarily new Canadians and immigrants to the country without any lan-

guage skills, have very quickly developed a working understanding of the English language, and I think that's a very basic, short-term but nonetheless very valuable contribution to make to the development of our society.

I was a little alarmed — and I can understand it — at the appetite that many MLAs, speaking on behalf of their constituency institutions, have for new capital projects and new capital funding. In my introductory remarks I tried to make the point of going over the history of our financial position, the budgeting that has occurred, the management styles that have been in place, and the fact that we are here today with our particular economy looking at a roughly \$2.5 billion deficit in the current fiscal year. So with that in mind, I really don't think it's a year to make a strong pitch for new or expensive capital projects. We're committed in our budget to maintaining programs and services, but I'm sure there are many others in the room like myself who went to university in army huts. I'm not suggesting we do that again, but if some capital projects are not able to proceed all at once, I don't really think great harm will be done to the educational programs that are delivered in those buildings.

There are a number of other smaller miscellaneous points that were brought up and a question about the reserve accounts held by some of the institutions. I think those can be explained in detail merely by looking at the annual reports of those institutions and particularly the footnotes thereto. If that doesn't answer your questions, we'd be pleased to try and answer any outstanding questions you still have.

I believe it was the hon. Member for Edmonton Centre who talked about the dearth of training for gerontologists. That same problem is one which plagued me, or bothered me anyway, during my term in the hospitals portfolio. There's no doubt in the world that the major health problem facing us as we approach the turn of the century is going to be the care of the aged and the chronically ill. The demographics are there. We know it's happening. We know those specialists are needed. The money, the job opportunities, and the training places are there for them, and yet our young people entering the medical profession don't as yet seem interested in entering that specialty field. So it's a frustrating thing. It's similar in a way to psychiatry. The same situation is there in that field. The money, the positions, the opportunity for a good job, many patients, and the ability to deliver good services are there, and yet the positions can't be filled. So it's frustrating, and it's one that not only legislators in this Assembly but legislators across Canada in other Assemblies as well are going to have to deal with.

I think that pretty well deals with the major points that were brought up. There were some very specific points about special institutions. I have some editorial comments I want to make before the votes are called, but I'll stop there, Mr. Chairman, and let the other eight members continue.

MR. GIBEAULT: Mr. Chairman, I don't know if a couple of the items here are considered to be miscellaneous or editorial comments by the minister, but I'll mention them again because I'd like to have a response to them. We mentioned them in the first round of our debate. One of the items was that in the estimates it's clear that private colleges in the province were getting a preferred funding increase over public colleges, and it would be interesting for us to know if that represents some sort of philosophical

commitment or change on the part of the government. Why is it that the private colleges in the province are looking at getting a significantly larger increase in their funding level as opposed to the public colleges?

Another item we mentioned last time which was not addressed in the minister's comments just now was the question of student finance. We mentioned the issue that concerns many people, university students in particular, and that is the sliding scale of remission. It's the feeling of many that this discourages or is an impediment to the four-year programs offered at the universities in comparison with the two-year programs offered at the technical institutes or colleges. As we mentioned before, the student unions of all the universities got together and submitted a proposal of having a straight remission rate of 45 percent rather than having the sliding scale that penalizes those who are in the institutions for a longer period of time. There again, I'd specifically like to ask if the minister is taking a look at that particular recommendation that was made to his predecessor.

There are some other issues I think we need to examine as well in terms of the estimates for the Advanced Education department, Mr. Chairman. To start with, one that I would say was certainly a progressive initiative is the endowment fund. I see in the estimates that there are provisions for an enhancement of that, and I think that's a positive sign, although I have some questions about that. One is that having recently met with some of the representatives from the board of governors of Lakeland College, they indicated to us that there has recently been a change in that only cash contributions from community sources are going to be matched 100 percent from the endowment fund and not in-kind contributions, such as land or other items that may be contributed to the colleges and facilities. Those other items may only be matched at a 50 percent rate. The concern was brought to my attention that this is perhaps seen as a reduction in the commitment the government has to this endowment program. I'd like the minister to clarify for us if that is in fact the case. If so, why was it seen that in-kind contributions should be matched at only a 50 percent level rather than the 100 percent level for cash contributions?

Another item we mentioned last time, Mr. Chairman, which I don't believe has been properly addressed, is the question of funding stability on a long-term basis for the various postsecondary institutions of the province. We approve a budget on an annual basis and, as we mentioned in the past, none of the successful corporations the government pointedly likes to refer to time after time operates on a one-year-at-a-time basis. They all operate on a three-year, five-year plan basis, and that's an important element for success and growth. We think the same kind of approach to planning for the future should apply to the postsecondary institutions of the province. I think the institutions would certainly welcome some kind of commitment on the part of the government to just such a multiyear funding formula of some sort to give them some basis for planning for the future.

To take a look at the question of student finance again for a moment, there are a couple of items. I mentioned the fluctuating remission rate, which we think is discriminatory against the four-year programs and beyond. Another item the minister might be able to comment on is that we've looked at recent programs for the benefit of the farmers and the small businesspeople of our province where they have credit at a 9 percent rate. We have indicated



that is a step in the right direction, if perhaps not at the level it should be in terms of the interest rate. But from the point of view of advanced education, we wonder why students should not be able to also benefit from that kind of 9 percent fixed interest rate when they consolidate their loans and start repaying them. We can appreciate that farmers and small businessmen in the province are looking at some difficult economic circumstances. Certainly when they get out of school, many students are having difficulty finding employment in the first place, and those who do are looking at working at some of the lowest wages around. We feel an interest rate that is available to the farmers and businesspeople of the province should be available to new students as an encouragement and incentive to get themselves established.

In addition to that, there are some concerns that have been brought to my attention in terms of student finance. With the very serious economic difficulties we have in the province, so many of them are coming out of the institutions not being able to find work very quickly. After looking at the six-month grace period from their graduation date, many of them are in a situation where they're not in a position to repay their loans or to undertake a repayment schedule. We wonder if there is some reason why the Canada student loan is apparently available for consideration of a deferred repayment, but my information from some students is that the Alberta student loan is apparently not receptive to a deferral on the same basis for those who are suffering from difficulties in locating employment related to their studies. I'd appreciate clarification on that point from the minister as well.

In terms of student finance, we're again looking at the question of tuition fees. We're concerned that tuition fees are continuing to escalate on a consistent basis. If only the minimum wage in this province, which is what most students have to work at for the most part in terms of summer and part-time jobs, would escalate on the same basis. But as we've mentioned before, it hasn't been increased in this province for four years, yet the tuition fees and other costs that students have to pay are continuing to escalate on a regular basis. It's a concern we have.

I can even remember not too long ago looking at \$400 tuition for the Bachelor of Arts program at the U of A, and now the tuition fees are substantially beyond that. We have concerns that if this continues, we're going to have an aggravated situation even worse than it already is, and university education is going to be restricted to those who are of independently wealthy means. So I'd like to know from the minister if he has any concern. At what level are tuition fee increases going to be too much or of some concern? They've increased 3 percent again this year, and as I've said, the income that students are looking at for the most part has not increased.

Another area we want to take a look at is in terms of the benefit programs for those employees who are engaged on a sessional basis in the postsecondary institutions. It was the minister's understanding that these people are entitled to the full benefit package. I want the minister to know that employees who teach English as a Second Language at Grant MacEwan college are not entitled to pension or any other benefits whatsoever. They are a second-class group of employees, and I'm sure the minister would agree with us that there is no justification for having two levels of employees in our postsecondary institutions. We would like to know if there cannot be some kind of initiative, leadership, and directive from the minister in co-operation

with the institutions to make sure they are in a position when they engage people on a sessional basis — and there may be some programs which require that arrangement — that at a minimum those employees are entitled to have the same benefit package that is offered to the permanent employees of the institution concerned.

Another element we mentioned last time and which was not addressed in the minister's remarks is the question of some of the institutions, Athabasca University in particular. It's an institution that is looking at very substantial increases in its enrollment, and we don't think the 4 percent increase in the grant is going to be nearly adequate for the kind of enrollment that institution is going to be facing, not only this year but in the future, because more and more students are looking at trying to work. They're either shift workers or trying to advance their own career while they're continuing their jobs. They're people who have domestic responsibilities and can't go out to the regular institutional programs. I think this area is going to require more consideration in terms of a flexible funding formula, not only for the immediate term but for the longer term. So I'd like to have some kind of assurance that the minister is giving this some consideration and that institutions which have a very different approach to learning — a new and flexible approach to meet the needs of many learners that are not being met now — will in fact be supported in a way that will allow them to do this.

In another area that we want to have some comment on in terms of the estimates for the Advanced Education department, we recently introduced a Bill, the University of the Peace Act. We don't see any reference to that in the estimates. We have some concern about that. For example, in southern Alberta we have the University of Lethbridge, which is serving needs in addition to the Lethbridge Community College. We think the citizens of northern Alberta have been shortchanged in this regard. While we have the Grande Prairie Regional College doing an excellent job in the programs it is offering, we are concerned that we should be looking at providing the same kind of degree-granting institutional facility in that area for the citizens of the north part of the province.

There are a lot of creative ways that could be done. It could perhaps be looked at as a sister institution to the University of Alberta. We could have the University of Alberta campuses in the Grande Prairie region until it matures. We could have an institution that also looks at concentrating on the areas in the northern part of the province that lend themselves to some specialty. I'm particularly talking about the forestry area. We have great forestry resources in the north part of the province. We also have a large part of our native population located in the northern part of the province, and that would be another area where a University of the Peace kind of institution could show some leadership and some initiatives.

We'd also like to see this kind of institution focussing on the kind of new distance-learning alternatives that have been pioneered in Alberta by Athabasca University. We think there's a whole area there that could be explored and expanded. The needs that are being met by Athabasca University are in our view basically just the tip of the iceberg. There's a whole area of the province that could benefit from that kind of educational opportunity. So as I said, we don't see that as being in any way detracting from the good work that is being offered by the Grande Prairie college. But just as we have the situation in southern Alberta with the University of Lethbridge, we think it is important

that the people of northern Alberta see that they have the same kind of opportunity as those people in southern Alberta for their young people, and those who are perhaps not so young, to upgrade their educational requirements, particularly as it gets to a degree-granting situation.

There's another area we mentioned in our concerns about the Advanced Education department at the last opportunity which has not yet been responded to to our satisfaction. That is the question of Grande Prairie college again. I mentioned that earlier. During the campaign we noticed that Mr. Getty made some kind of vague promise about money for expansion there, and it has yet to materialize. We don't know how much money is going to be allocated and when it will be available, and it is extremely difficult for the college to plan for the expansion that is desperately needed there without this kind of commitment from the government.

I don't know if the Member for Grande Prairie is working on the minister, but I certainly haven't heard any comment from that quarter. In the absence of comments from that area, we are certainly concerned about the people in the Grande Prairie area, and we hope the minister is going to be able to give some solid commitment to honour the commitment made by the Premier during the last campaign in that regard.

Another area we want to mention, Mr. Chairman, adult vocational training; that is, academic upgrading for adults who have left school and now want to improve their education. This is a very important area. It addresses the learning needs of people whose needs are not being met by the institutional framework of other areas. This has been a very, very significant part of the total educational component in various parts of the province. We know that a number of the colleges, again particularly in the north, have done some excellent work in that area, but because of funding restrictions, they've had to reduce some of the adult vocational training opportunities that have been available. That is certainly an area we'd like the minister to ensure that the funding for adult vocational training will continue. As I said, it is meeting the needs of people, like mothers with little children and people who have difficulty travelling any distance to other learning centres, which are not being easily met by the status quo institutions, shall we say. The adult vocational training in various parts of the province has offered these facilities in convenient locations around the province. It's an important program, and we are concerned that it has had to be retracted in some areas because of funding difficulties.

One of the other things which concerns us that I come back to in terms of the universities, Mr. Chairman, is the differential fee that is in effect for international students. International students are looking at a situation where they have to pay 50 percent more in terms of their tuition fees which, as I mentioned before, are already substantial even for Canadian students. It seems to me that this is sending a conflicting message to foreign students. On the one hand, both the provincial and federal governments have programs of international assistance. As we previously mentioned, in the case of Alberta it's certainly an assistance program that is far in advance of what other provinces are offering. On the other hand, when the international students come here for training, we're looking at charging them 50 percent more than Canadian students. It seems to me that's a very conflicting kind of signal to send.

I would suggest that for the money that is involved and for the value that is obtained for Canadians for both the students and the larger community here in terms of the

cultural enrichment of having foreign students, the government should give some very serious consideration if they're going to have tuition fees at all to simply having one flat rate for whatever particular faculty it may be, whether they're Canadian students or foreign students.

Mr. Chairman, for the time being, I'll conclude my comments.

MR. SIGURDSON: Mr. Chairman, I just want to raise a couple of comments tonight. I hope the Minister of Advanced Education will be able to advise me as to whether or not I'm even in the right area of program development. That's in either your department or in the area of tourism. I know we're increasing the budget quite dramatically in the area of tourism and hoping to have a major increase in the role of that department. In the postsecondary calendars I've not seen too much in the way of tourism development, under either hotel management or motel management, which could certainly be included in some of the community college levels. I don't see too many programs being offered. I think it's an important program to try and look at if we're going to develop a tourism industry. Again, I don't know if that's within your department, but I hope to get an answer anyway.

The other area I'd like to focus on is that we seem to have a particular interest in saying that we in Alberta do an awful lot for students or that we want to have an awful lot of student involvement from all around the province. One area that seems to be particularly lacking is in the minister's advisory boards — the student affairs committees, just for an example. We have a heavy concentration of representation from the two major centres of Calgary and Edmonton, and we have the occasional person from either Olds College, Lakeland, or Fairview College, but we don't seem to have any degree of rural representation on these advisory boards. I think it might be an idea that we ought to look at changing or building policies that ensure that colleges from rural communities have representation on these boards.

In the area of student representation on boards, we again note that in some institutions we have a very high level of student representation, but in colleges we don't have very long-serving terms for students. At technical institutions we have two students out of 14 members on their boards. At universities we have two students plus a graduate student plus two alumni members out of 18 members. But in colleges we only have a single member on a board of 11 members. What we usually find at the college level is that a person gets out of high school or goes back into the education field, and they're brand new to academic education. They're coming back only to find that they're on a board, and they feel pretty much isolated. I would like to suggest that perhaps what we ought to be looking at is having two members on. As colleges usually offer two-year programs, perhaps they ought to be on for two years but not running concurrently, so they could each share a year on and gain some valuable experience before the other one takes off.

I want to look at remission as well, because there is an inequity that college students enjoy over their university counterparts. At the college level, normally a two-year program, a college student receives 50 percent remission on any loans that are made in the first year. In the second year they receive a 40 percent rate. Now, if you average that out, you get 45 percent. If you go to a university program in the third and fourth years and you take out student loans at that point, the remission rate is but 25

percent. So there's an incredible difference between 50 percent in the first year and 25 percent in the third year.

What's even more amazing is that at the university level, if you're in your third year and you apply for a student loan for the first time, your remission level at that point is 25 percent. So you've lost the advantage of having 50 percent remission in the first year and 40 percent in the second year. That averages out over a four-year program to about 35 percent. So it's really a disincentive for university education.

University students have also asked that the government ought to consider having a flat remission rate of some 45 percent, and that's applied across the board. Some might say that it's going to cost a little more money, but because we're paying an interest rate on a given amount of money, surely by raising the amount that would not have to be paid back we are in fact lessening the amount of interest that would have to be paid on the total. So there could be a saving. [interjection] That's okay, I had trouble with your budget, Dick.

The last area I want to focus on is an area of government awards, scholarships, and things like that. In the last little while we saw an award created for student leadership, and that is the Charles Noble Award.

For members who may not be aware of Charles Noble, he was a farmer and a businessmen who lived in the Claresholm area and had quite a career. He was quite a leader. The government named an award after him for student leadership. If you are a student leader, you might get a Charles Noble award. What do you get if you get the Charles Noble award? You have the opportunity to further your education. Do they give you a little more money? No, they don't do that. Do they offer to subsidize your books? No, they don't do that. You get a plaque to hang on the wall that says you are a good student leader. That's not too bad. In a couple of years, if you don't like it on the wall, you could always use it as a coffee cup holder or something.

Then there's the other end of it, that I think is important as well. There are the athletic scholarships and the Jimmie Condon Athletic Scholarship. This may be Tories in training or something, because if you're an athlete the next role you may have is to jump into the Tory Party. But in the athletic area you get a \$1,000 scholarship. Surely to goodness we ought to be looking at some of the student leadership and giving it the rewards that are its due and maybe taking some of it away from the athletic scholarships.

MS MJOLSNESS: Mr. Chairman, I have a couple of comments to make this evening in the area of advanced education.

The first area of concern to me is that many of the colleges in the province are having increasing difficulty simply maintaining a lot of the programs they have offered in the past because the amount of funding allocations to the colleges is just a little bit more than inflation. There has been talk in many of the colleges of limiting enrollments this year in order to maintain the quality of programs they've been able to offer in the past. I think it's important that some guarantee be given to these colleges that sufficient funding will be allocated to them in case enrollment does increase so they can provide some flexibility in offering these programs.

The mandate of a lot of the colleges, if not most of them, would be first of all to maintain open admission to the colleges for all students. Of course, another mandate

would be to maintain universality so that people have access to those particular institutions and also offer the options that have previously been available to people in those institutions.

In view of the fact that the cost of delivering services has gone up and that the funding allocation is simply a little bit above the inflation rates, in terms of the Athabasca University offices in Calgary and Edmonton we see that they had to cut back in the hours that they operate in these two particular cities. They also find themselves providing less services to the students using their institutions. For example, the offices in Edmonton and Calgary provide tutoring services to students, and they hold seminars as well as exams in their offices. In the past they've been able to open a couple of times in the evenings. With the apparent meagre increase in funding, they have found they've had to cut back on the hours they can open their offices. This is presenting some problems in maintaining the services that were formerly available to the students.

I would appreciate it if the minister could explain how these colleges can maintain the quality of programs they've been able to offer in the past in view of the fact that they're facing enrollment increases. We should be able to give them some guarantee — they should have some flexibility — if they have sufficient funding.

The other area I have some concern about is the fact that many of the colleges have been given money to build on to their facilities. We see that they've been able to do this but that in fact they have not been given sufficient funding allocations to operate those new facilities that have been built. I know, as we all do, that when we build something on to a college, for example, it's very impressive to the public. That's what the public can see and focus on. But I can assure you that it's a lot less impressive to the professionals and students using those facilities when there is not sufficient funding to operate and utilize them.

MR. RUSSELL: What are the examples of where that's happening?

MS MJOLSNESS: Red Deer College, for example: the theatre that was built there.

As a result of not having moneys to operate the new facilities in these colleges, what they find happening is that a lot of times they have to take money allocated in their budget for other areas and other programs and use it to operate these particular facilities that have been built. As a result, many times they may jeopardize other programs in their colleges.

I think that what we need is a strong commitment on the part of the government to provide adequate funding to these new facilities that are being built so that these colleges can be ensured full utilization of them. Perhaps the minister can indicate whether or not there will be funding allocated to operate those new facilities.

Thank you.

MR. PENGELLY: Mr. Chairman, may I congratulate the minister on his appointment as Deputy Premier and Minister of Advanced Education. I'm most confident that this Assembly will continue to benefit greatly from his wisdom and experience.

Mr. Chairman, I would also like to publicly thank the members of the department, particularly Henry Kolesar and Robert Hemmingway, for their able assistance and most

kind co-operation in assisting constituents who have needed help and guidance.

The only concern expressed to me on several occasions involved scholarships and approved loans. Mr. Chairman, is not the practice of deducting the scholarships from student loans an unfairness and a disincentive?

Thank you.

MR. FOX: Mr. Chairman, I'd like to make a few comments and a question or two of the Minister of Advanced Education. We do have an institute of higher learning in the Vegreville constituency. It's the Lakeland regional college, a college that has experienced fairly dramatic growth over the last few years and has done some really positive work in the Vegreville area and in a number of constituencies, including Vermilion-Viking, Lloydminster, St. Paul, Bonnyville, and Wainwright. It's a regional college with several campuses and programs operating in various parts of northeastern Alberta. In fact, it's an interprovincial college, because there is activity on the Saskatchewan side as well, in Lloydminster.

The focus of the college activities is tending more and more toward academic upgrading. I'm encouraged by the 7.4 percent increase in funding for the institution and would like to encourage the minister to keep working toward increased funding for it because I think it's addressing a need, as is all advanced education. In a time when the economy is slumping and unemployment is a problem, there is a desire on the part of people to seek greater education and in fact equip themselves better for the job market and the challenges that lie ahead. I think that's the goal of advanced education. We need to recognize that perhaps overall a more generous commitment to the department could have been made. Perhaps we can look at that next year in terms of our objective, to try to provide people with the very important training and the resources needed to go out into the job market and try to bring down the jobless rate.

I do have a couple of questions regarding the way funding comes through for these facilities. Perhaps the minister could enlighten me on it. As I understand it, there is a dollar-for-dollar sort of endowment fund that the government has to match funds that are raised within the communities to put toward special projects or facilities associated with these community colleges. I understand it has recently been reduced to a 50 cents to the dollar commitment from the endowment fund if the contribution of the community is in the form of land or a fixed asset rather than moneys raised and moneys matched. I understand there is a problem with trying to match land contributions on a dollar-for-dollar basis, because the value of land is such an arbitrary thing, especially when the economy is slumping. I know that there are cases in the region Lakeland College operates where the communities are willing to donate some land and perhaps in some cases some buildings. It would be a big help to the overall development of the Lakeland College program if the endowment fund would give them a dollar-for-dollar grant rather than just the 50 cents on the dollar program that's in place now.

I hope we get into further discussion about the overall thrust of advanced education. I'm thinking particularly of universities where still a fairly significant portion of the costs are contributed by the students. I really feel that in Alberta we still have a system where people from well-to-do backgrounds have a greater opportunity to go forward and receive advanced education, and I think that because we believe in competition, believe in people surviving on

their own initiative to a degree, we should try to structure our education system more and more to be based on performance rather than personal resources. I think we have a system now that does favour people whose parents perhaps have more to offer them. There are some bright and capable people who perhaps miss out on further education opportunities because they've gone out into the job market early to try to provide for their own means and perhaps help supplement the family income.

Those are two or three brief comments and concerns, Mr. Chairman. I may have more later.

Thank you for the opportunity.

DR. WEST: Mr. Chairman, congratulations to the minister on his new direction.

I would like to say that my comments are going to be very, very positive, because I live in Vermilion. The core facility of Lakeland College is there. As the hon. Member for Vegreville has stated, it is a regional and interprovincial college. The intent of the extended funding to programming by this government at this time is an excellent example of how they prioritize education in this budget. The funding to Lakeland at this time has been much appreciated in the fact that the administration building at the college that was undergoing renovations burned down a little while ago. It had great historical value, since it was built in 1928. This government has seen fit to allow the progress of this reconstruction by putting forth \$5.5 million at this time for the main construction of the administration offices, a lecture theatre for 450, and a cafeteria and kitchen seating 250. It also has a learning resource centre, counselling offices, and student services. This is very much appreciated at this time.

I want to go back into the history of the college so that a few might know a little more about Lakeland College. It was a test farm station in 1911 and in 1913 became the Vermilion School of Agriculture. It stayed open during the next few years, except in 1918 and 1919 when it was closed due to an outbreak of Spanish influenza in this province.

In 1923 there was a crop failure, and the college had to be closed at that time. During the war from 1941 to '45 it was a training centre for a Canadian women's corps. Perhaps there are a lot of individuals here that made trips to Vermilion during those years and can remember it very well. In 1963 it became the Vermilion Agriculture and Vocational college, showing a directional change.

In 1970 the Department of Advanced Education took over Vermilion College and from then on it developed as an interprovincial college. One of the questions I would ask the minister at this time is what type of funding the government of Saskatchewan applies to the upkeep or maintenance or programming in the Lakeland College and regional areas and what future considerations the interprovincial relationship holds for that type of funding.

After it became an interprovincial college in '74, in 1975 we took on the regional mandate, which the hon. Member for Vegreville expanded upon. As such it supplies education from the core facility in Vermilion to the outlying areas. One of the questions I have — and I don't want to carry on in great detail — is a concern of the dilution effect of regionalizing and going away from the centre-core facility. I'm afraid it may have a thinning-out effect from the main core as far as costs go, dilution of the students, and the inability to provide quality education as we get farther from the centre facility. Has the minister any plans to review the concept of regional colleges and their mandates in the

future, assessing the interprovincial relationships that now exist at Lakeland College?

Outside of that, I must give a plus again. Getting down to the postsecondary endowment fund that the hon. Member for Vegreville was asking about, I can clarify a little bit an existing situation in Vermilion. Six hundred thousand dollars has been put up by the endowment fund. We much appreciate that. It's a great program in which the town of Vermilion put up \$300,000 toward a pool facility. The Vermilion aquatic and fitness society — that is, the citizens are raising \$300,000, and the endowment fund puts up the remaining \$600,000 to give us a first-rate pool and sports complex, an excellent program involving all levels of municipal government, this government, and the citizens of Alberta. I wish that that continues.

Outside of that, this year we're very grateful for a million dollars toward the development of the farm. We have excellent developments in our building structures on the farm to date, and this million dollars is to develop the farm itself in fencing, road building, machinery storage, different renovations of old buildings, and general upgrading of the farm itself. It is a first-rate agricultural college, and this continued input will ensure that in the years to come. So I endorse the efforts of this department, and I look forward to many years ahead of developing this great college, Lakeland, in my constituency.

Thank you.

MS LAING: Mr. Chairman, I would like to address the issue of community schools. I have a community school in my constituency. It is a beautiful school, used a great deal by the constituents and in fact a source of pride to the constituency. I recognize that community schools fall under the jurisdiction of three other ministries, but because I feel it's a very important concept, I would like to address it under this ministry as well. My understanding is that community schools first came into being, were first chartered, in 1980, that they had great support from the community as well as from the teachers in these schools, and that they continued to be chartered until 1983 when there were funding restraints.

MR. CHAIRMAN: Order please. I hate to interrupt the hon. member. Is the hon. member talking about community schools which are under the Department of Education and not Advanced Education?

MS LAING: They're also under the Department of Advanced Education under an interdepartmental committee.

MR. CHAIRMAN: Thank you.

MS LAING: There have been no new charters given since 1983 in spite of the strong support from communities and educators for these schools. I understand that ...

MR. WEISS: On a point of order, Mr. Chairman. As a member listening to the learned member of the opposition, I'm not familiar with what she's referring to, and I'd like to be part of it as well, because I thought community schools were under the Department of Education. I'd like it to be pointed out so I could be part of this interesting dialogue as well.

MR. CHAIRMAN: Thank you, Mr. Minister. It may be appropriate if the Minister of Advanced Education would

comment about the reference to community schools and interdepartmental committees.

MR. RUSSELL: Because we are a committee studying estimates, Mr. Chairman, I think it would be proper to reserve those remarks for the department in which the estimates are. It's true that the department is involved in an interdepartmental committee, but we have no financial commitment. If we follow that thesis through, I would be defending Olympics budgeting, and it goes on and on.

MR. CHAIRMAN: Anybody want to speak on the Olympics? Member for Edmonton Avonmore, would you like to carry on regarding Advanced Education?

MS LAING: I was just addressing the issue of community schools at this time. Thank you.

MR. WRIGHT: Mr. Chairman, with the very greatest respect to the minister, I am certainly very disappointed in the replies he made to remarks that were made in my speech on June 26. I listened very carefully to his replies. I don't think they addressed one of my concerns, some of which were of considerable importance, others, naturally, of less importance. It is particularly important in my constituency because it does contain the largest educational institution in the province, the University of Alberta.

My first two or three questions were of importance to that institution, as indeed to other universities in Alberta. If I can remind the hon. minister of what I was asking: first, the perennial problem of the budgeting for the universities being on an annual basis but the universities having to chart their course at least by every five years; so the request was for a five-year funding span committed by the government, or at least a three-year funding span. I recognize that there are difficulties about them, Mr. Chairman, but the minister made no answer, I'm sorry to say.

Second, the timing problem, which is that the budget comes out — I said this last time; I just want to remind the minister — in the spring of the year. This year of course it's much later. But the university, of course, has to have its annual budget in well before the province's budget comes in. Yet the province provides 80 percent of the funds. So again, Mr. Chairman, I must earnestly ask the minister to address these points.

Then there is the wish of the university that it move to a higher proportion of graduate students to meet the changing needs of society in which a higher level of expert education is necessary in order to take advantage of the post-chip society, as I called it, and in particular the wish of the University of Alberta and doubtless the other universities in the province to move to a proportion of graduate students at 20 percent of the whole. I am sure the department has been considering these amongst other matters, and I would very much like the minister to respond to that request.

He made no reference to the request that I and others made to reconsider the 50 percent difference for the tuition fees charged for foreign students in view of the position of the university itself as enunciated by Wilfred Allan, director of international student affairs at the university, who pointed out that as far as he can see, in view of this difference in cost, which is now at an absolute level — that's important — the best students are going to countries where there are scholarships, fee waiver programs, and opportunities of employment such as the United States, and

we get the wealthy rather than the well-qualified in consequence.

I did ask last time about the difference that we on this side have averred to this evening in the remission rates between colleges and universities, and again we had no reply on that.

At a more local level, Mr. Chairman, I spent some time on June 26 on Fairview College, asking from the department for some encouragement reflected in the budget or at least a statement that it is reflected in the budget. Because it's certainly not obvious how the good work that's been done at Fairview College and in particular the building of the major recreation complex at that college, which is in a critical stage ...

I also made some reference to the idea that the time had come to consider a university for the Peace River area, not simply the upgrading to university status of the college at Grande Prairie but a university for the Peace area, much as we have a university in Lethbridge now as well as Lethbridge College.

Lastly, Mr. Chairman, on the question of answers to the concerns raised earlier, I referred to the Premier's personal guarantee of capital funding for the \$39 million expansion at Grande Prairie Regional College. The president was anxious for a \$5 million commitment this year — in fact, in July of this year, I think — so that construction could start next April. My question was: how about that? Again, no answer.

One remaining point that I didn't speak about last time is that academic upgrading for adults who have left school and now want to improve their education is very important in this increasingly technological world at a time of high employment and so on. Could the minister tell us what in his view and his department's view is the status of adult vocational training programs currently and the funding for it? Would it be available in larger amounts so that more locations can offer it, places where family members, mothers with small children and so on who might have trouble travelling to larger centres, can attend classes?

Thank you, Mr. Chairman.

REV. ROBERTS: I just have a few brief comments which relate to Advanced Education but in the area of education of health and medical students. I thought I'd save some of these questions for when the estimates for hospitals and health are up, but they do pertain to advanced education, and I thought I'd ask them as well. With the minister's previous incarnation having been the minister for that department, I might be able to eliminate some questions I have.

The primary one relates to something that has been brought to my attention by several people in the administration of hospitals and medical care. Why is the medical education service component, a whopping \$27 million spent on advanced education — that is, the teaching and training of doctors — in the Department of Hospitals and Medical Care and not in his Department of Advanced Education? It seems to me that the teaching of lawyers does not fall under the Attorney General's department. The teaching of teachers does not fall under Education. All the professional facilities should rightly fall under the Department of Advanced Education, except this one glaringly does not. There have been various reasons purposed as to why it does not. I'd like to have the minister's response to that, if he could. I'm not sure if it's just some bureaucratic way of doing things or not. It reminds me of the seven last words of the church, which are, "We've always done it that way

before." I hope those aren't the seven last words of the department in terms of why this is so.

I'm wondering as well in terms of the huge over-runs in the costs of teaching hospitals — whether some of that has gotten away because the constraints, as the hon. Minister of Advanced Education has already suggested, we need to undergo in terms of our economy these days are not being applied to the costs and spending in health education. Does he, for instance, know what it costs to educate a doctor in the system, and are such costs beyond what his funding formula would allow for? Besides which, Dave, I thought it would allow you to have \$27 million more in your department, and then you could be over the \$1 billion mark. So if you want to empire build, please answer those questions.

Oddly enough, what does appear in Advanced Education in terms of health education is the education of nurses. I'm wondering why they have been singled out as members of the health care team to be under the separate administration. Certainly in my constituency of Edmonton Centre the Royal Alexandra hospital has a hospital-based nursing education program — one where I got a lot of votes, thank you very much, and was pleased that they decided to go with a New Democrat.

Nonetheless, some of the chronic complaints I've heard in terms of their program is that there is a great lack in the funding of their library system, which raises for me another question: in the entire discussion to date I don't recall anything having been said about funding allocations for libraries and for research facilities such as libraries. Those of us that have had graduate school or postgraduate school experiences know that the institutions are only as good as their libraries and that more often than not the libraries fall far short of the first-class research that graduate students need to be able to do, particularly nursing students. Are they getting a second-class education here in terms of what's fully available in the teaching of medicine, and is their library funding up to snuff in terms of what is available to them in the furnishings and equipment replacement? I'm not sure where it falls, but that sounds to be where it is.

Although, as the minister has said, we are in a time of constraints, I think one of the first times I've heard the government talk about finally having to grapple with the downturn in the economy and that we can't go on spending in capital ways — I would remind him that our investment in education, whether it is in libraries or in the enabling of students to teach themselves, is a capital investment of the first order and must not be curtailed drastically.

Thank you, Mr. Chairman.

MR. HAWKESWORTH: Mr. Chairman, there are a number of points I'd like to address this evening. First of all, I'd like to make a couple of comments on the answers provided by the hon. minister earlier this evening, a commitment that they would resolve the issue of the compounding factor as it relates to different base budgets in the comparison between SAIT and NAIT and between the University of Calgary and the University of Alberta. He also indicated that there may be some inequities; Although he did not state that there were any inequities, he intends to look at it and perhaps wait a year before any announcement might be expected one way or the other on the points raised by myself and other members from Calgary ridings.

I'd like to make two suggestions on that. I look at this budget, and I don't know to what extent the service elements have been committed already as far as spending in this

particular Fiscal year or whether they are being held by the minister to be used in applying to various items within the budget. That hasn't been fully explained. Someone earlier this evening addressed a concern that the increase in the service elements was very high indeed. If there is a particular role that the department is looking at, perhaps those funds would be some source of addressing these inequities in this year's budget. Why not use some of the funds contained in those service elements? For example, universities — operating: we see that the growth over the previous Fiscal year is somewhere close to 500 percent. There is \$5 million contained in that line in the budget. Perhaps some of those funds, if they've not yet been committed and spent, might be able to be used to rectify some of the differences in funding between universities. The same might be said for the technical institutes; here again, a 54 percent increase in the service element on that line of the budget.

The other much more important thing, however, is that budget guidelines no doubt are presently being prepared for the next Fiscal year's budget. If these institutions received an undertaking in the budget guidelines presently being presented that these issues that have been raised in the last year about inequities in funding formula, inequities that have historical relationships going back several years — if they could be given the assurance that in the next budget year with the guidelines presently being prepared this issue is going to be addressed, I'm sure those institutions would feel content that the issues they have raised with their MLAs are being properly addressed, if not in this fiscal year in the next fiscal year. Perhaps they would be quite willing to accept a phase-in over the next two or three fiscal years in order to restore some historical relationships, particularly as they affect NAIT and SAIT.

The other point the minister made about this appetite for new capital funding: I am not aware in any of the documents that have been provided that the money being provided in this year's budget for capital construction grants — I've not seen a listing of the projects on which those funds are being spent. That no doubt is available somewhere, and if that could be provided — it doesn't necessarily have to be as part of the minister's comments in address to the Assembly, but if that information is readily available, that could be circulated or somehow provided to members of the Assembly. That would be an important piece of information.

When asking the question about the reserve accounts as they are being held by institutions all over this province, my question related to whether this department has a policy on how institutions ought to be using those reserve accounts — are they expected to play any particular kind of role in the development of an institution, in funding a new program, in contributing toward the capital construction costs of various facilities? — whether the interest from those reserve accounts is to be used in any particular way within the institution. The reason I raise this point is because this goes to the heart of one of SAIT's arguments about the historical discrepancy they are presently experiencing vis-a-vis NAIT, in that the reserve account they have been allowed to accumulate is very small in comparison to that accumulated by NAIT. Therefore, the interest earned each and every year by that institution is less than that earned by NAIT simply because those two reserve accounts are apparently different. The bigger the reserve account, of course, the bigger the interest income.

We come back to the point made earlier about a compounding factor wherein you give a straight percentage

increase to an institution with a small budget. The increase is smaller than the same percentage increase given to another institution with a larger base budget. In this instance the smaller the reserve account, the smaller the interest earnings; the bigger the reserve account, the bigger the interest income. That also provides greater flexibility and opportunities to that particular individual institution.

I also asked on June 26, Mr. Chairman, for an explanation as to why the Alberta Vocational Centre in Edmonton is receiving a 6.1 percent increase compared to the AVC in Calgary receiving only a 2.2 percent increase. If I was given an answer this evening, I must confess it passed me by.

I also asked at that time about the matter of the long-term respective roles of the universities in Calgary and Edmonton — they're not the only two universities in the province — whether there was any comment he might like to make in this estimates debate on the proposals of the University of Alberta vis-a-vis its long-term plans and the long-term role statement for that institution and whether that would in any way have an effect on the long-term role statement for the University of Calgary or, for that matter, any of the other universities within this province.

I think those are important issues. I'm sure the department considers those very carefully. Whether in fact it states its position on those issues, I can't say. I know that in terms of funding, which is the ultimate policy document — the estimates and the budget that are approved by the Legislature and by the government are the ultimate policy documents — sometimes policy is not always stated explicitly, and it's hard sometimes to understand on what basis dollar amounts are provided to one institution over and against another, the rationale and the policies that lead up to those kinds of decisions being made. If the minister would do it, I would like very, very much to hear his opinion or the opinion of his department or the government on the long-term roles of the University of Calgary and the University of Alberta here in Edmonton.

To me the business of disparity between the University of Calgary and the University of Alberta is what has brought this point to the forefront. In 1984-85 the University of Alberta received grants worth \$7,480 per student. The University of Calgary, however, received only \$6,290 per student. According to the statistics provided by the University of Calgary, University of Alberta enrollment climbed 15 percent between 1976 and 1983 and their funding increased 82 percent. In those same years the University of Calgary enrollment increased 46 percent, but the money they received from the provincial government increased only 52 percent. Funding is done year-to-year with no adjustments for the faster growth in student population at the University of Calgary, and this is where the \$2.5 million less in per-student grants discrepancy occurs. I might also note that the University of Calgary has 3,400 students more than they have room for, using provincial government space guidelines.

One of the justifications made for this discrepancy is that the University of Alberta is educating more expensive students. The programs they offer are more expensive: dentistry is one example that was provided. Apparently there are also more graduate students at the University of Alberta according to the justification for these disparities. If over the long run it's expected that the University of Alberta is going to specialize in the area of graduate education or in certain kinds of research and high-technology education, my question is whether that is going to be reflected in the

budgets that institution receives over the years. And if the University of Calgary is going to be relegated to a role of general entrance undergraduate programs with very little research and very few high-technology programs, then of course that role is going to have an effect on the number of dollars they receive from the provincial government. So I think these requests from the institutions to have the provincial government review their respective roles and give some indication of its support or lack of support for those are important for the public to hear, and I think they are important for a discussion within the academic community within the province of Alberta.

Mr. Chairman, the matter of the discrepancy with SAIT is one that I think in particular underscores the importance that our institutions in this province play in the area of economic development for the province. It was interesting that a number of institutions in Calgary have provided this brochure called *Education in Calgary: A Spectrum of Excellence*. It was prepared by the Calgary Board of Education, the Calgary Catholic Board of Education, Alberta Vocational Centre, SAIT, Mount Royal College, and the University of Calgary. It made some very interesting points. The number of people in Calgary over 15 years of age with postsecondary education is 50 percent. It's one of the very highest of those with a postsecondary education of cities in the entire country. That's a very high percentage of well-qualified, skilled, and knowledgeable people for a work force in that particular city. Edmonton is not very far behind at 45.3 percent. The people of this province are very highly qualified, highly skilled, and knowledgeable, which gives this province, I believe, a unique advantage in terms of economic development, in terms of encouraging business growth, in terms of bringing some of the high-technology industries, in terms of medical/biological research.

I think the matter of SAIT underscores how important long-term funding and a high quality of funding are for that particular institution. For example, one of their high priorities in the coming year is the area of hospitality and tourism. They want to develop those programs. With additional funding they'll be able to do it. Engineering, research, energy resources, medical and biotechnology, computer technology, hardware and software, communication arts: all of these are areas in which there is a very high priority for the spending of additional funds to this institution. They also have a particular small business and entrepreneurship program for development at that institution. Mr. Chairman, all of these are priorities that this government has identified as being important to the province of Alberta. I think that for the long-term development in this province it would be folly for us to restrict and constrict the funding that is provided to these institutions, because by not being able to develop, enhance, and increase these particular programs, it's going to have a long-term effect in this province.

SAIT has not made its case on the basis of some rivalry with another institution in the province of Alberta. They're doing it because they have been at the forefront of technological education in North America and western Canada for many, many years, and they want to maintain that competitive edge. They want to maintain being at the forefront. I think this government would be well advised to take a look at the long-term funding of SAIT, to look at the discrepancy that occurred in their funding when SAIT became a board-governed institution, to sit down with the board of governors of that institution and explain to them why that discrepancy has occurred. Those people have been asking for three years for a simple explanation as to why

this discrepancy has occurred and asked that that discrepancy be rectified in order that it be able to develop and enhance these very, very important programs which they offer at their institution.

We'd be well-advised, Mr. Chairman, for the minister to meet with them and to provide that explanation. I would have hoped he could have provided it to the Assembly this evening. I'm not sure why it's still not forthcoming, but I don't believe that having had three years to give an answer, it's completely acceptable for him to say, "We'll look at it." We've been asking them to look at it for three years. If at least there is a commitment to rectify that inequity and that discrepancy, I applaud it. But I do believe that an explanation ought to be forthcoming.

The last institution I would like to make reference to briefly this evening, Mr. Chairman, is that of the Alberta College of Art in Calgary. That is another of the provincially funded institutions in Calgary Mountain View. The College of Art has one classroom; it's a 200-seat lecture hall. The college was apparently given funds last year to begin the construction of an office and a classroom wing. But this year the funds to complete it were not forthcoming.

One of the problems this college has is a serious ventilation problem. The Department of Advanced Education gave the college \$200,000 last year to rectify it, but they discovered that the cost to repair their existing system would be \$600,000. There's a problem there, a \$400,000 problem. So far they've heard nothing about more money for these repairs, and until they do and until they can get that problem rectified, it's going to be a serious health problem. We think most of these problems occur in industrial plants, but there are dangerous and toxic fumes emanating from the sculpture and painting areas within that institution and they're being circulated throughout the building. So I would like some indication from the minister when they will be able to give Alberta College of Art an indication that the \$600,000 they need for those ventilation repairs is going to be provided to them so they can solve that particular problem.

It seems the department has felt that granting Alberta College of Art autonomy last year would end all their problems. In fact, although this college appreciates the fact that it's now independent — and it's going to provide them with the direction and the independence and the self-determination they need to make of it a first-class institution of which every person in this province can well be proud — it has so far had a hard slog in making it. Operating grants have not reflected the increased budgetary demands of replacing an administrative infrastructure that was supplied when it was part of the Southern Alberta Institute of Technology. Personnel services, comptrollers' office, student services: all of these were at one time part of the overall administrative structure of SAIT. Now that it is an independent, self-governing, separate college and institution, it's going to have to build up those particular administrative functions in order to do those jobs well. For this reason they are going to also need the sympathy — sympathy as translated in the form of adequate funding — in order to help them develop in those particular areas where there are those shortfalls.

Mr. Chairman, as you and many members of this House know, I am one who has a background and has come from a family of educators. It's not necessary to convince me that the Advanced Education department is one in which we are investing in the future of this province. We're investing in young people. We're investing in people who are motivated to go back to develop their skills, to develop



their knowledge, to develop their expertise so that they can better serve the people of this province and the community in which they live. For too long we have looked at many of these programs and said: "They are a cost; they are a drain on the tax dollars; they are taking away the funds of people of the province." On the contrary, Mr. Chairman, the money that is provided to these institutions, to this department, is an investment in the future of this province. I would urge this government in setting its priorities to continue to keep the universities, colleges, vocational centres, and technical institutions of this province at the top and the most envied institutions in this country. Because it is an investment; it will pay dividends to the people of this province, and it's going to develop us for the future.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Do you have a point of order?

MR. WRIGHT: Could I with the indulgence of the Assembly just ask a procedural question of the minister, namely: could the minister assure us that before the time allotted for debate of these estimates runs out, he will do his best to answer the questions which I know many hon. members are very anxious to have an answer to?

MR. CHAIRMAN: If that's a question to the minister he should respond, but the Chair would make an observation. It's very difficult to respond when 31 people have made major speeches in this House on that department. However, that's up to the minister, to make the judgment about the response.

MR. WRIGHT: I don't necessarily mean tonight, Mr. Chairman.

MR. CHAIRMAN: That properly is a question to the Government House Leader, before we rise, by your house leader, I think.

MR. EWASIUK: Mr. Chairman, I rise because I'm envious. I'm envious because I've heard comments from a variety of representatives here today speak about secondary institutions in their communities, colleges, universities, and so on. I guess as an Albertan I can take satisfaction in that. While I think that we can take satisfaction that we have those institutions spotted around the province, obviously there are a number of problems alluded to tonight.

I also have a disappointment as a member from northeast Edmonton. Several years ago Grant MacEwan Community College came to the city of Edmonton with the proposal to develop a campus in northeast Edmonton. We were delighted. I particularly was pleased that finally the province was going to give us some kind of facility other than a penal institution and the city, of course, continuing to give us the landfill sites. However, that decision was changed by the board of governors of Grant MacEwan, and they decided to relocate, as I understand, in downtown Edmonton. That may have pleased the mayor a great deal, but certainly it did not please me or the residents in northeast Edmonton.

The need for that college still exists in that area. The potential development of a community college in downtown Edmonton is something that I'm not sure — is it going to take place, and how long before it takes place? The potential site for the college is nowhere near to being available for a number of years. In the meantime we have a [inaudible] for education that's not being fulfilled. As alluded to earlier,

the people not only are young people but are shift workers, people who have gone to work and now want to renew their education, upgrade their education levels. Grant MacEwan filled that bill for them.

The Cromdale campus that exists at the present time is totally inadequate. The capacity was exceeded many years ago. In fact, the whole environment of that particular institution is less than desirable. Therefore, my question to the minister is: are there other plans to develop a new Grant MacEwan Community College in northeast Edmonton or in north Edmonton for that matter? I think it's long overdue. There's a void in that part of the community, which would encompass Sherwood Park, Fort Saskatchewan, and all the communities to the north and northeast. We have the LRT from downtown, which would make it very accessible. The roadways are there for those that would be travelling in from across the province or across the city. I think it's an excellent location. I don't think the downtown facility is going to be ready for a long time. I certainly urge the minister, if in fact Grant MacEwan is proposing another campus in the city of Edmonton, to give serious consideration to the northeast.

Thank you.

MR. McEACHERN: Mr. Chairman. I have a number of specific concerns and a few questions for the minister. We had quite a time the last time Advanced Education was up for debate sorting out this 4 percent business. I am Treasury critic, so of course I get quite concerned when it's very difficult to follow the numbers. I would like to ask the minister to perhaps prevail upon the Treasurer next time around to try to keep the numbers for last year that are recorded in the book comparable to the numbers for this year so that we can make a fair comparison, so that we're not saying that 2.7 percent isn't 2.7 percent; it's really 4 percent except that you've put something else in there. I wanted to raise that again and suggest that perhaps it could be made just a little easier to follow next time around.

Another concern I raised — and you partially answered it, but I think it's worth coming back to — is the number of man-years compared to the number of permanent jobs. I pointed out last time that something like 43.4 percent of the man-year authorizations seem to be temporary contracts or contracted out. While you say that that's not a problem, I don't really quite believe that. I think there are a lot of people on part-time contracts — I know it happens in other departments; I know it has happened at the University of Alberta — teachers, professors, people who have temporary contracts who do not get full benefits, who do not feel part of the normal world. They don't know when they might be terminated. Their contracts might be terminated, and they may have to go elsewhere to look for a job. They live, some of them, year to year on that kind of basis. It must be very unsettling. If we treat people as well educated as university professors that way in our society, think what it must be like for people down at the lower end of the scale who are always in and out of employment, on welfare, on unemployment insurance and not sure whether they qualify or not.

I do not think that we in our society really consider the part-time workers, and this department seems to be one of the worst. I recognize that some of the jobs may be that way just by the nature of the job, that you need so many English as a Second Language teachers or whatever temporarily and you may not need them six months later. But I don't think that's the case in a lot of those jobs; 43.4

percent on temporary or other than permanent contracts is not a way to treat people in any department, whether it's Advanced Education or any other.

The minister said something about there being no harm in taking an education in old buildings. I would know something of that; I started my first three years of schooling in a log school, and the next few years weren't all that much different. I was born in a log house as well. Abe Lincoln had nothing on me except that he had a beard and became President of the United States. I would not quarrel that sometimes the facility might be less than adequate and you can still get a good education, but we do see quite a lot of overcrowding: within the last year or two situations like 140 students in classrooms at the U of A that are supposed to hold 115; labs that have 40 people in them instead of 28, which is meant to be the maximum for those labs; students using computers at 3 o'clock in the morning. We do have some problems. We also have some very good things going on as well; I will try to give credit where credit is due. But there are difficulties and some problems that need to be brought up.

Certainly for a teacher I know the difficulty is trying to teach large classes. I talked to somebody the other day who said that she was trying to teach 350 students in one class. That doesn't make any sense for any subject at the University of Alberta.

You mentioned the education for a second language program; someone else raised it. One of my very good friends is a fairly new immigrant into the country, driven out of Afghanistan as a matter of fact by the Russians when they moved in. The woman of the pair was delayed at least six months getting into an English as a Second Language program. If I remember right, it was a little longer than that. So sometimes we don't offer enough immediate help to the people that need to learn the language. So there is another area of concern that the minister should address.

One of the things I was trying to sort out in this education budget thing and looking back at the Speech from the Throne, because it was the only place I could ... It's all very well to do the supply and the amount of money we're spending, but sometimes you like to know where it comes from too. I wanted to ask the minister about the postsecondary money that comes from the federal government. According to the numbers I see in front of me on page 34 of the Budget Address, the federal government will send \$203,000 for postsecondary education. That is an estimate of what they will send for this fiscal year. Last year you budgeted \$194 million, but the forecast when this paper was produced was \$206 million.

If I remember right, the Premier assured us that the change in transfer of payments from the federal government was merely going to be a cutback in the increases. I guess that's true, if you look at the estimate. But would one not adjust the estimate according to the best guess for what's going to happen this time and therefore should really compare it to what was forecasted — in other words, what will become actual fairly quickly, or would be by now, I suppose? Therefore, there is a real cutback of \$3 million, what you're planning this year compared to what we supposedly got last year, if that number proves to be true.

The other thing that's a little hard to tell — I've been looking at the student loan annual statements for '84 and '85 which have been tabled recently and trying to understand and relate numbers back and forth to the budget and from this book and the two annual statements. I'm wondering if that \$203 million includes the student loans coming from

the government of Canada? Perhaps the minister could answer that.

In looking at the annual statement for '85 on page 6, there are some summary statistics for a lot of the expenditures on student loans and guarantees and scholarships and that sort of thing, and there are a few questions I want to ask the minister. Of course, it's hard to break down from out of the supply the breakdown that is anticipated for '86-87 out of this, but nonetheless, I think what has happened recently might well be the pattern for last year and for the coming year, so I have a couple of questions from that.

The remissions payments between '84 and '85 went up 174 percent. I wonder if the minister could enlighten us as to whether that was because more students defaulted on their loans or whether the government merely decided to offer a better deal to the students. I'm not complaining when I'm asking this question; it's just for factual knowledge.

Another particular aspect that has caught my attention: the fellowships and scholarships went up 18 percent, whereas the interest payments on guaranteed loans went down by .03 percent. I wonder if those two numbers, the one going up and the other going down, don't bear out to some extent the philosophical question I raised last time about whether or not we are inadvertently or otherwise moving more and more into a system where we reward the few very capable students in terms of being able to move on into postsecondary education institutions but are not necessarily quite as concerned as we might be about the average students that have trouble struggling along and therefore only qualify for a grant or a loan. It's a consideration I think we should look at.

On pages 10 and 11 of the same booklet, the 1985 students board financial statement, I found some interesting numbers. The value of the Canada student loan assistance went up dramatically, some 32 percent in 1985 over 1984. But at the same time, the provincial guaranteed student loan assistance, which is one of the main programs of the Alberta government, went down from \$36 million to \$31.9 million. Sometimes I think that when the government talks a lot about the fact that they're number one in this and number one in that in terms of the number of dollars they give and, rightly so, are proud if it ... In education one of the things you don't very often hear, for instance, is that the federal government actually picks up some of the tab. In this case they seem to have been picking up about half the tab for student assistance. The \$108 million seems to represent that, according to the 1985 statement on a page a little further along, which I will get to. That big increase in 1985 over 1984 from the Canadian student loan assistance would appear to have given the government of Alberta the opportunity to drop their commitment. I wondered if that's the case or if I'm not reading it quite right. I certainly would appreciate a comment or two from the minister on that.

On page 17 of that same booklet I noticed that the 1985 federal commitment of \$108 million that I mentioned a minute ago is 30 percent up from the 1984 commitment of \$82.6 million, yet the overall money that went through the hands of the Students Finance Board was only up 20 percent. Since the Alberta government put up the other half of the commitment, their share must have only gone up about 10 percent, which brings me to another number I was looking at. I have a question on this. I'm certainly not complaining particularly.

In the estimates, in the second booklet, the Government Estimates Element Details from the working papers, I see

that the total vote for financial assistance to students is up 8.9 percent. I was trying to establish something in looking at the '84-85 statistics from those two annual reports. In fact, it was a bit of an anomaly. In '84 there seemed to be quite a large increase in the amount of money going to students in almost every program, in fact a much bigger percentage increase than there was in the increase in number of students, which would say that you're giving each student a lot more money, I guess. However, that trend was reversed in '85, so I wouldn't necessarily assume that that trend continues, which is what I was going to ask the minister. My question to the minister on this 8.9 percent increase for this year: is that going to the same number of students or more students? Of course, it's hard to tell from the estimates. Perhaps you could enlighten us a little bit on that subject.

While we're talking about Advanced Education, I wanted to mention to the Assembly here that there is an education for peace conference going on in the city all this week. It raised the idea in my mind and is something that I think that the minister might consider in terms of advanced education throughout the province. Perhaps we should be thinking in terms of courses at some of our colleges and universities on education for peace. After all, the other day I heard some professors speaking, and he claimed to be the most knowledgeable professor. His specialty was the studying of terrorism. So I wondered if we couldn't also have some professors studying and talking about peace, not only at the ordinary schools, as these teachers are talking about, but also at the postsecondary educational level.

Another direction in which I think we should move in our society — I've not seen very much encouragement in terms of the kinds of curriculum you see around the province — we should have more courses on the role and history of labour unions in this country. We have our departments of commerce, but we don't even have courses describing the history of working people and the labour union movement in the western world, or at least not enough, in my view.

I want to reiterate my general concern that I expressed earlier about the postsecondary educational institutions. If we are not careful, we will find ourselves more and more catering to the elite. That's partly because it's easier for professors to say, "If we restrict access by some academic standard, it's easier for me to teach, because all the students will learn much easier, much better." I've been a teacher, I know what that's like. I agree that it would be easier, but I would also say that it's not a good thing if we move

in that direction. It's important that we try to educate 100 percent of the population, not the top 10 or 15 or 20, so we must fight that trend or that desire to save costs and cut out the less than average ability students and move to a more and more elitist system.

We must also be careful that we don't consider post-secondary education the prerogative of young students coming out of grade 12. It's important that we consider postsecondary educational institutions as adult educational institutions for all ages of people. We're moving into a highly technological society that is changing rapidly, and you cannot just educate people that are coming out of high school and say, "Okay, that's it."

While raising that issue I would like to compliment the government on their University of Athabasca. The distance learning concept, I think, is a tremendous move in the right direction to make it easier for adults to retrain. I support that move and think it's a very good one. Those are my comments, Mr. Chairman.

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. GOGO: 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, does the Assembly agree?

HON. MEMBERS: Agreed

MR. SPEAKER: So ordered.

MR. CRAWFORD: Mr. Speaker, the Assembly tomorrow will be in Committee of Supply with the estimates of the Environment department. I should also mention at this time that the schedule of Committee of Supply departments we would propose for Thursday and Friday is a reversal of what I proposed before — the first reversal this government has ever undertaken. That would be on Thursday night the estimates of Executive Council and on Friday forestry.

[At 10:25 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]

