

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, July 16, 1986 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. GETTY: Mr. Speaker, as most members of the Assembly would know, this year Mr. Ed Lukowich and his rink comprised of Neil Houston, John Ferguson, and Brent Syme represented Alberta and won the 1986 world curling championships after winning the Canadian curling championships. That was a significant achievement by a group of talented Albertans and one that deserves our recognition.

I'd also like to point out an interesting fact. That is that Ed is unique. I understand he is the only person to have been a member of a rink to win the Canadian junior curling championship, the Canadian men's curling championship, and the world men's curling championship. No one else has won all three.

All members of the rink are unable to be here today, but Ed and his wife Judy, who is also a fine curler, are in your gallery, Mr. Speaker. I would ask him and Judy to rise and be recognized by this Assembly.

head: TABLING RETURNS AND REPORTS

MR. ISLEY: Mr. Speaker, I would like to file a statement today to enable members to more clearly understand the manifest on Executive Council air travel that I filed in the Legislature on Monday, July 14.

Please allow me to make very clear that the manifest actually accounts for the movement of the aircraft from its place of origin to its ultimate destination. The primary passenger, or for that matter other passengers, may not have been on the aircraft for the entire flight. For example, Mr. Speaker, the trip which was made by the former Minister of Transportation, Mr. Moore, on April 27, 1985, which listed the plane as having travelled from Edmonton to Grande Prairie to Calgary, back to Grande Prairie, and returned to Edmonton, reflects the air movement of the plane, not of the minister. The minister actually flew by Time Air commercial flight from Edmonton to Grande Prairie on Friday, April 26, then flew by government aircraft from Grande Prairie to Calgary and returned on April 27, and finally returned to Edmonton from Grande Prairie on a Time Air commercial flight on Sunday, April 28.

Further, Mr. Speaker, some unfortunate errors in the filed document have been discovered. One I would like to correct today is a trip reported on June 21, 1985, which lists Mr. John Chomiak as the primary passenger on an Edmonton to Grande Cache flight. I have now confirmed that the hon. Tom Chambers, then Minister of Public Works, Supply and Services, was the primary passenger on that flight. Mr. Chomiak accompanied the official group in his role as a consultant on the Grande Cache project. Mr.

Speaker, I will file in the near future an addendum to the manifest correcting any errors.

Thank you.

head: INTRODUCTION OF SPECIAL GUESTS

MR. DAY: Mr. Speaker, I'd like to introduce to you, and through you to the House, Mr. Dave Pimm. Mr. Pimm will be representing Red Deer North in Ottawa this fall at Carleton University. I'd like him to rise and receive the warm welcome of this House.

head: ORAL QUESTION PERIOD

Government Purchasing Policies

MR. MARTIN: Mr. Speaker, in the absence of the chairman of the Alberta Research Council. I believe I will direct the questions to the minister of economic development. They follow my questions of yesterday regarding local procurement. It appears that the Alberta Research Council has entered into a \$2.5 million U.S. partnership with Hydrocarbon Research Inc. of New Jersey and the Electronic Power Research Institute of California to develop a coal processing system for heavy oil and coal.

Flowing from that, my question is: can the minister assure the Assembly that the ARC made every effort to involve Albertans or to see if we had this research capability before going to the United States?

MR. YOUNG: Mr. Speaker. I can advise the Assembly that this research proposition is part of a much larger research project. While I cannot confirm all the hon. member's questions today, if he has others. I'd be pleased to take them under advice and to check for him.

MR. MARTIN: Yes. I happen to have a couple of other ones I'd like to ask. Apparently, Mr. Speaker, the University of Calgary engineering department is involved in the development of two-phase pipelines. My question is: did the Research Council approach the University of Calgary to see if they might be interested in undertaking this research?

MR. YOUNG: Mr. Speaker. I am pleased to advise hon. members that there is an interdepartmental committee and an interagency committee which overview research. While I can't answer the specific question. I will certainly be able to check and report back. But based upon the existence of such a committee. I would assume that had in fact been done.

MR. ISLEY: Mr. Speaker, if I might supplement the response of the hon. minister to the hon. leader, since the hon. leader made reference to his question of yesterday on local procurement and which I have now had the opportunity to investigate. Let me say first of all that the tender document in question was not a tender document of Public Works, Supply and Services.

MR. SPEAKER: Sorry, hon. minister. Nice try. The Leader of the Opposition.

MR. MARTIN: Thank you. We'll come back, Ernie.

Flowing from this, Mr. Speaker, under the terms of this development agreement with these American firms, who will own the technology developed through this publicly funded deal, and who will earn the money from its commercial application?

MR. YOUNG: Mr. Speaker, the Alberta Research Council is involved in many, many different research projects, and I would be happy to provide details on any one of what I am sure are several hundred different projects if hon. members would give me some notice to do so. The kind of detail being requested today is not the kind of detail I have at my fingertips, but I would certainly be pleased to oblige any hon. member.

MR. MARTIN: Mr. Speaker, I see that the chairman of the council came in. But to come back to general principles, perhaps to the minister of economic development. Would he now issue a set of guidelines or principles dealing with government and Crown corporations re an Alberta procurement policy?

MR. SHABEN: Mr. Speaker, earlier this week and I believe last week in question period we discussed the policy of the government with respect to procurement policies. With respect to the government, I had outlined that within Canada we don't implement any provincial preference. But there are certain encouragements provided to Crown agencies in terms of the specifying of contracts, because there is always a range of suppliers that can meet certain requirements under contracts that are advertised. We do encourage and outline for Crown agencies and government with respect to the guidelines we'd like them to follow.

The question of whether or not we would implement a provincial preference or have preferences with our neighbours across the United States is one that is the subject of our bilateral trade discussions and one that is clearly important in terms of our trading relationships with the United States. It's important that we trade. All of us are aware that Alberta has a huge export surplus in terms of our trade with the United States. As a matter of fact, our trade with the United States in 1985 was in excess of \$12 billion worth of exports. We would expect that there would be opportunities for Americans to trade with Canadians as well, but we do assure that all things being equal, Albertans receive the first preference.

MR. YOUNG: Mr. Speaker, I'd like to supplement the answer my colleague has given by pointing out that I believe it was in 1980 that there was special instruction provided from the Premier of the day encouraging every opportunity to sourcing locally. I believe that was reiterated in 1983. I believe the current Premier reissued or re-emphasized such a policy again in December 1985 or January 1986. I'm not exactly sure of the date.

I would go further, Mr. Speaker, and say that pursuant to a motion by the hon. Member for Calgary North Hill earlier in this Assembly, the Department of Technology, Research and Telecommunications is working on a policy which would remove some of the risk and provide some assistance to persons charged with the responsibility for purchasing in government and in agencies of government on a first purchase to try to source as much material as we can in Alberta.

Finally, Mr. Speaker, reverting to the hon. member's second question, I would add that there is a great deal of

proprietary information that can be gained at relatively little cost by joint venturing and sharing with research bodies elsewhere. That is a practice of the Research Council.

MR. TAYLOR: A supplementary to the minister of technology, Mr. Speaker. Could he undertake to inform some of the Crown corporations that two-phase pipelines have been studied and worked on since the early days of the Mackenzie Valley were over 10 years ago, and there's a great deal of technology in Alberta? As a matter of fact, Alberta's the leader. There's no need to be going around and around the country looking for more advice on that particular subject.

MR. YOUNG: Mr. Speaker, I'm happy to receive the representation, and I'm pleased the hon. member of the Liberals has made the same information available to the hon. leader of the New Democrats, whose allegation it is we're discussing.

Energy Industry Assistance

MR. MARTIN: I didn't know it was an allegation. I just thought it was a friendly question.

Mr. Speaker, I'd like to direct my second set of allegations to the hon. Premier. The Premier's relationship with his good kissing cousins in Ottawa seems to be a bit on the rocks. I want to ask him: what strong, firm protest has the Premier sent to the Prime Minister about the prospects of a \$1 billion federal loan guarantee to Mobil for Hibernia, following the federal government backing away from their agreement to provide \$780 million in loan guarantees for the Husky upgrader?

MR. GETTY: Mr. Speaker, I would have no objection at all to the federal government doing something to assist the Newfoundland area. If they can, I think they should. I think the real meat to the question is if they do something there whether or not they should also assist in our province to the greatest extent possible.

Mr. Speaker, I'd just like to make one other point about the question, and that is that it's highly speculative. It is true that there are discussions going on between the federal government and developers in the Hibernia field offshore. However, those discussions are just that: going on. I've asked our Minister of Energy to pursue the details of the matter to the fullest extent possible, and it may be possible that we can provide additional information to the House in the future. For our part, Mr. Speaker, we will work as hard as we possibly can through every avenue available to us to make sure that Albertans receive the assistance they need when they are now in trouble in our energy industry.

MR. MARTIN: A supplementary question, Mr. Speaker. The Prime Minister says there's only a limited amount of money, and they've backed off the one, and they're prepared to look at the other. I would think the Premier would be much more concerned about this and not quite as laid back. Is the Premier saying at this particular time that he's not concerned about this? I might point out that this is approximately the same amount of money as we're trying to get on the PGRT. Is this not a concern of this government at this time?

MR. GETTY: Mr. Speaker, how in the world could he get that out of my answer? I didn't say we weren't concerned

about it. He should maybe read *Hansard* tomorrow. I said the people of Newfoundland deserve certain assistance from the federal government, and I would not try and talk them out of helping the people of Newfoundland. Our responsibility is here with the people of Alberta, and we believe there should be federal assistance to what is a problem for a national industry, the energy industry. We are doing a great deal ourselves, and we are urging the federal government, through every channel available to us, to also participate in assistance to our energy industry when it needs that help. I think we've made a great deal of progress. I believe we'll make a great deal more.

As I said yesterday, we've been able to negotiate the total elimination — except for a portion of the PGRT — of the national energy program, which was foisted on this government through the support of both the Liberals and the NDP. Mr. Speaker, we are trying to remove the remainder of it, but that isn't enough. We will also continue to work for additional assistance, which I feel is necessary to our industry.

MR. MARTIN: A supplementary question, Mr. Speaker. Perhaps the Premier could take some negotiation lessons from Brian Peckford. He brought up the national energy program, and I'd like to ask the Premier this: has he communicated any concern about the similarity of this proposal to provisions of the national energy program which diverted investment and activity out of the western sedimentary basin to the frontiers and offshore?

MR. GETTY: As I said before, Mr. Speaker, our concern is that we receive the assistance that is required for our industry, for the people of Alberta, for economic activity, for jobs in this province, and for developing our resources. That is what we will be working towards.

MR. MARTIN: That's all very nice. We seem to be working backwards at this point. I understand the Premier is getting together tomorrow with his good friends from Alberta, our Alberta MPs. My question to the Premier is: is he going to suggest in the strongest possible language to the Alberta MPs that they better start representing Alberta or there will be new MPs after the next election?

MR. GETTY: Mr. Speaker, we are meeting tomorrow with the Members of Parliament from Alberta, and the agenda will allow a full discussion of a wide variety of matters affecting Alberta. We both serve the same constituents. It's my judgment that those Alberta MPs have, through many years in opposition and now in government, served this province very well. There are additional things we feel should be done, and they are working along with us to have those things happen. I think it's clear that the support those MPs have received from the people of Alberta indicates the work they've been doing, and they are not electing any members opposite.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier. It is with regards to the position and what has happened to the engineering on the Husky upgrader. At the present time, where are we at? Secondly, are there any target dates established by which negotiations should be continued or Firmed up with the federal government relative to the Husky upgrader?

MR. GETTY: Mr. Speaker, the Husky upgrader is proceeding through a phase that was necessary before there

could be actual construction. That phase has been financed by the Saskatchewan government, the Alberta government, and the federal government, plus the company involved, Husky. That work, which will lead to a decision point for construction, should be completed sometime early in 1987. The best estimates are that it would be somewhere around March or April 1987, assuming that all the work is completed on time. At that time, we would join together in a final decision on construction, which I and most Albertans would very much like to see happen.

MR. TAYLOR: A supplementary to the Premier, Mr. Speaker. Back to the topic of the \$1 billion guarantee to Hibernia, would the Premier undertake to take to that love-in they're holding tomorrow with their federal counterparts the fact that \$1 billion spent in western Canada in the conventional oil industry will create 25,000 to 30,000 jobs, whereas \$1 billion offshore is only to create 10,000 jobs?

MR. GETTY: As I said, Mr. Speaker, the agenda will provide the ability to discuss a whole range of matters. But I'm going to come back to the basis of the questions, and that is that they are merely dealing in a speculative matter. While it's something that is speculated in the media, and I understand the desire to react to that, the total dollars and the manner in which it might be provided is completely up for discussion and is therefore not in any way something that is agreed on. However, I come back to what I said earlier. We will insist that the people of Alberta receive the assistance they require in this time when assistance is needed due to the instability of international oil prices.

Rural Private Telephone Lines

MR. TAYLOR: Mr. Speaker, this is also to the Premier. It concerns the last election when amongst the many goodies promised by the Premier were private telephone lines to rural Albertans. Is the government intending to use old or obsolete electromagnetic equipment to set up the rural private lines, rather than the versatile fibre optic, or to intentionally use the excess supply of the old electromagnetic equipment you have in your warehouses?

MR. GETTY: Mr. Speaker, I'm sure the hon. member would want us to use the best technology available for the task, and we will. My colleague the Minister of Technology, Research and Telecommunications may well want to provide additional detail to the Member for Westlock-Sturgeon.

MR. TAYLOR: I don't want to use up my supplemental to get a supplemental. He's usually so quick on his feet, Mr. Speaker. To the minister: is it the intention to use electromagnetic or fibre-optic equipment to provide private telephone lines to rural subscribers?

MR. YOUNG: Mr. Speaker, the upgrading of the individual line service has to be viewed in several different components. One element of it is the modernization of switching equipment in the different localities and the connections between that switching equipment. It is the intention of Alberta Government Telephones to use fibre optics where it is cost efficient and quality effective in that process. I do not believe the nature of the economies in fibre optics today would lend itself to the subscriber loop portion of the individual line service connection.

Mr. Speaker, if the hon. member of the Liberals has more detailed questions, I'd be pleased to try to answer them for him this afternoon.

MR. TAYLOR: Mr. Speaker, this time I'll go directly to the fountain without the danger of losing my supplementary. I'm sure the minister is quite aware that fibre optic can do much more than electromagnetic and that he has a surplus of old-fashioned electromagnetic on hand that he is now foisting on the farmers. But I'd like to ask him: has he come up with a planned cost per rural subscriber for the privatization of the rural subscribers' line?

MR. YOUNG: Quite obviously, Mr. Speaker, there are estimates of the cost of the individual line service. Obviously, those cost estimates vary depending upon the distance between the subscriber and the switching station. It is quite clear at this point, based upon existing technology, that the service which can and will be provided in rural Alberta will be equal to or maybe even better than some parts of the urban system because it will have been built at a more recent time. To suggest that that should be by way of fibre optics on single line connections is not, according to any information I have seen, a cost-effective approach for that portion of the loop.

MR. TAYLOR: Mr. Speaker, to the minister. The way you move around makes Nijinsky look like he had flat feet. But can the minister confirm that the future expansion of telecommunications equipment will be very limited in rural areas due to the electromagnetic equipment which constrains expansion?

MR. YOUNG: Mr. Speaker, I cannot confirm any such notion as the hon. leader is advancing.

MR. GIBEAULT: A supplementary question, Mr. Speaker. After having ignored the telecommunication requirements of rural Alberta for so many years, can the minister now tell us when this Assembly will in fact be informed as to when rural telephone subscribers will have the single line service that was recently promised?

MR. YOUNG: Mr. Speaker, in his allegation the hon. member has demonstrated his lack of understanding of telecommunications in the rest of Canada and, for that matter, the United States. In fact, on average Alberta's rural communities and rural subscribers have a fewer number of subscribers per telephone loop than anyplace else in Canada.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. It's with regards to the rate structure. Has the minister established a rate structure for the privatization of these telephones in rural Alberta? If so, could it be tabled? Relative to the rate structure, could the minister also indicate whether the rate structure will vary from one area of the province to another?

MR. YOUNG: Mr. Speaker, the commitment made was that the rate structure, if by that is meant the connection and the insulation of the individual line service, would be the same for all rural lines. That rate structure will of course be subject to the approval of the Public Utilities Board. If it turns out that we can improve upon the proposed structure suggested during the election, that will be done.

Grain Transportation

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Agriculture, and it's relative to concerns I've heard in the last couple of days from farmers in terms of congestion at the elevators in the province of Alberta. This congestion is relative to the July 30 deadline for quotas from the Canadian Wheat Board. Has the minister talked to the Wheat Board in the last couple of days? If so, is there some way of alleviating this problem?

MR. ELZINGA: Yes, Mr. Speaker, in excess of a week ago we had communicated the concerns that were raised in this Chamber to the federal minister. I also took the liberty to further telex him yesterday indicating our deep concern about the congestion at the elevator level. We received a response from his office today indicating that they are examining the possibility, and they hope to come forward with a response to our telex, in which we indicated in a very forceful way our hopes that they would extend the time period in which farmers could deliver to the elevators.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister, and it's with regards to number 1 and number 2 hard wheat durum and so on that cannot be delivered because the quota deadline was three or four days ago. Has the minister made representation with regards to that aspect of quotas, so they could be reopened and farmers could deliver that wheat which is on farms at the present time?

MR. ELZINGA: Mr. Speaker, we made representations in a very general sense so that areas, such as the hon. Member for Little Bow raised, would involve themselves in the general discussions we have had with the Canadian Wheat Board and with the minister's office so that we could alleviate concerns.

I should also share with the hon. member that the Wheat Board was under the impression that they could accommodate all grains coming in this last week. But their estimates were low on what was deliverable, and for that reason I understand they are giving consideration to possibly extending the deadline date.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could he indicate what that extension would be? Are we talking about a one-week extension or a two-week extension with regards to the quota?

MR. ELZINGA: Mr. Speaker, that's a decision that will have to come from the federal level. We're hopeful the extension will allow the opportunity for farmers to deliver whatever grains they have on stock and that they wish to deliver. I couldn't give the hon. member a definite answer in regard to that, because that is a federal level decision.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could he indicate whether inquiries at this point should be made directly to the minister's office with regards to this concern, or is the Canadian Wheat Board going to work through the rural elevators of Alberta to give the farmers notification, which they haven't done at the present time?

MR. ELZINGA: Mr. Speaker, in fairness to the Canadian Wheat Board, they won't be able to give any indication

until they hear and are directed to extend that time period. In response to the first part of the hon. member's question, I'm more than happy to relay whatever information is relayed to us and again leave him with the assurance that we are going to continue to make strong representations to our federal counterparts to offset this very legitimate concern.

MR. FOX: A supplementary to the minister, Mr. Speaker. Will the hon. minister undertake to request a review of the way in which grain cars are allocated, given the fact that the farmers' paying the railways more to move their grain has not provided them with better service?

MR. ELZINGA: Mr. Speaker, that's an area we're more than happy to look into in view of the representations received from the hon. member. It just might be that my hon. colleague the minister of economic development might wish to supplement it.

MR. SHABEN: Mr. Speaker, earlier when it became evident to us that there was a lack of availability of hopper cars, particularly in some areas of the province, we made representations and were able to speed up the availability of cars and were assured that the cars would be made available.

MR. TAYLOR: A supplementary to the Minister of Agriculture. Could he assure the House that the question of extending the deadline for deliveries will be on the agenda for this love-in tomorrow so that he can maybe move his category from hopeful to possible?

MR. ELZINGA: Mr. Speaker, I'm more than happy to raise that concern with my federal counterparts, as I have already done and will continue to do, until we hopefully have a resolution to this problem.

I should also mention to the hon. member, as I mentioned to him quite some time ago, if he has individual farmers that are concerned, they can make representations on a personal basis to the Canadian Wheat Board and have their personal quota extended, in the event they do make those personal representations. I hope he is relaying that to the individuals within his rural area and within his responsibility.

Alberta Mortgage and Housing Corporation

MR. STEWART: Mr. Speaker, my question is to the minister of housing. Several owners of apartments under the core housing incentive program and the modest apartment program have found themselves with negative equity and accumulating arrears and are concerned about the position of the Alberta Mortgage and Housing Corporation in respect to that situation. My question is: can the minister assure the owners that the corporation will proceed with its offer to restructure those loans?

MR. CRAWFORD: Mr. Speaker, that is in process at the present time. I believe the offer was first made in March to CHIP and MAP borrowers. The acceptance rate was fairly well taken up by the borrowers. Some borrowers had other concerns, and what happened then was that the corporation . . . As a matter of fact, a meeting of the board within the last two weeks has detailed further consideration in respect to the same problem. The corporation is working on some refinements of the original offer made in March and has extended deadlines for acceptance into September.

MR. STEWART: A supplementary to the minister, Mr. Speaker. Has he met with the representatives of the association of owners with respect to those terms? If not, do you intend to do so?

MR. CRAWFORD: Mr. Speaker, through the president and a subcommittee of the board, the corporation has met with proponents of the owners association. I had one meeting scheduled, which the owners association representative wasn't able to attend, and I would be more than willing to meet with that delegation. The meetings I have had have been with individual owners.

MR. STEWART: A supplementary to the minister, Mr. Speaker. Will the owners who previously accepted the first offer receive the benefit of any final offer, notwithstanding the fact that they executed that first offer?

MR. CRAWFORD: Mr. Speaker, I believe the way it was done was that an offer and acceptance by way of exchange of correspondence was the first request from the corporation to the owners, and a number of them did indeed accept. The situation would be that given the extension of the deadline, any changed proposals would also be available up until that time to the ones that had previously accepted.

MR. HAWKESWORTH: A supplementary to the minister. In the Big Springs subdivision in Airdrie there are well over 200 properties owned by AMHC. I understand that only 20 to 25 percent of those properties are presently occupied. My question is whether AMHC is prepared to dispose of these homes in an orderly manner over a period of several months, even if it has to sell them at a loss, or is it the policy of AMHC to hold onto these vacant homes indefinitely?

MR. CRAWFORD: Mr. Speaker, I think the hon. member is talking about single-family dwellings, and I don't mind responding as to the provincewide policy for the corporation.

The policy is that homes that come into the ownership of the corporation, usually as a result of the negative equity situation, people giving them up, or by foreclosure, are held. In some cases they are rented, when that can be. Indeed, in the larger centres, some of them have been converted to community housing. The overall plan as to sale, though, is that they would be put onto the market in a very spread out and long-term way so as not to destroy the market in areas where the corporation would have a lot of houses.

MR. CHUMIR: A supplementary, Mr. Speaker. I was wondering whether the minister might tell the House what the amount of the losses incurred by Alberta Mortgage and Housing Corporation would be, both absolutely and in terms of the percentage of the loans made by that corporation over the last five years? If he doesn't have those figures at hand, might he table them in the House at the earliest opportunity?

MR. SPEAKER: The Chair would draw the attention to the hon. member that such a detail, especially with respect to a five-year period, is properly a question for the Order Paper.

Government Members' Investments

MR. SIGURDSON: My question is directed to the Premier. It has been revealed that the general contractor for the Artnam Developments Ltd. condominium, which is jointly owned by many current and former members of the Executive Council in government, was appointed to the board of the Alberta Mortgage and Housing Corporation by a minister with a share in the building company. What plan does the Premier have to issue new guidelines to prevent appointments of individuals who are directly involved in business relationships with ministers of the Crown to crucial government positions?

MR. GETTY: Mr. Speaker, I've talked to the members of the government who are involved in the business transaction regarding the building of a condominium development. My review indicates that it is a normal business transaction where members have invested — at some risk I must admit, and I guess they were intending they might hopefully participate in this investment and then each end up obtaining a condominium for their investment. But my review was that that was a normal business transaction, not in any way involving them in their responsibilities as ministers of the Crown.

The second matter I checked into was the fact that the contractor involved was in fact a member of the board of the Alberta Home Mortgage Corporation. I checked into this several days ago. The Home Mortgage Corporation was not in any way involved in this project. We are pleased that a knowledgeable person is prepared to serve the province. It's certainly not an appointment in that respect. It is somebody who accepts a responsibility to serve the province and provide knowledge at some considerable cost, usually to themselves. That person does provide that service to the province by serving as a member of the board of the Home Mortgage Corporation.

Obviously, when someone serves like that, they're not expected to give up their normal business. As a matter of fact, it's expected that they would stay in their own business. That person has done that and I understand provides a good service as a contractor, and in no way is there any conflict with his responsibilities to the Alberta Home Mortgage Corporation.

MR. SIGURDSON: It would appear, Mr. Speaker, that Peter Pocklington went after the wrong pork board. Is the Premier saying then that it is of no concern to him or this government when individuals are involved in direct business or financial relationships with ministers that are at the same time on Crown corporation boards?

MR. GETTY: Mr. Speaker, I took some considerable time to answer the member's question. He then asked me what I said. I think he ought to read *Hansard* and get his answer.

MR. SIGURDSON: A second supplementary. Has the Premier determined whether or not ministers holding shares in this enterprise should have those shares administered by a trust?

MR. GETTY: Mr. Speaker, I dealt with that in the first part of my question. If they're going to have their supplementals written out, they should listen to the answer in case the supplemental isn't needed. [interjections] Mr. Speaker, these two parties in Ottawa are making a disgrace of the

House of Commons. I hope they aren't going to try and do it here in this Legislature.

One other thing, Mr. Speaker, I didn't say earlier in my answer was that the members involved had filed the notice of their interest with the Legislative Assembly.

MR. SIGURDSON: Mr. Speaker, I listened to the answers, and I'm sorry; I didn't get that out of it. However, to the minister responsible for housing. A large group of developers has been urging the government to change its arrangement with regard to the CHIP and MAP programs, which were discussed earlier. Is the minister able to assure the Assembly that none of the members of the Alberta Mortgage and Housing Corporation are personally involved in those programs?

MR. CRAWFORD: Mr. Speaker, in the hundreds of projects that the Alberta Mortgage and Housing Corporation has been involved in, I wouldn't know whether or not some person who has been or is now a member of the board would be involved. At the time they would be involved with the board, I would think they would not be involved in borrowing from the corporation.

I guess the only other thing to be said about it is that lending programs are decided by objective criteria in the sense of the program, the program parameters and limitations that might be on it, and the value of the security. As to individual board members, Mr. Speaker, I don't have that knowledge at hand.

MR. TAYLOR: A supplemental, Mr. Speaker, to the Premier, although he may want to pass it on. With regard to the CHIP program, the loan interest for contractors borrowing from the CHIP program was reduced just before the election from 8.75 percent to 6 percent. What justification does he have for asking the farmers of this province to put up 9 percent, when the CHIP program was reduced to 6 percent, apparently to many cronies and other contractors?

MR. SPEAKER: Sorry, hon. member. The supplementary question is not really supplemental.

MR. TAYLOR: It is to the CHIP, Mr. Speaker.

MR. SPEAKER: I'm sorry, hon. member, it is not. The original question was with respect to conflict of interest or of that general flavour.

Sanitary Landfill Sites

DR. BUCK: Mr. Speaker, my question is to the Minister of the Environment. This has to do with the monitoring of what materials go into sanitary landfill sites. Can the minister indicate what monitoring system is in place at the site to make sure that, say, undesirable or hazardous chemicals are not dumped into these sanitary landfill sites, the Clover Bar site, as an example?

MR. KOWALSKI: Mr. Speaker, there's no jurisdiction for Alberta Environment with respect to sanitary landfill sites in the province of Alberta. Responsibility for that rests with my colleague the minister of community health.

DR. BUCK: Mr. Speaker, then to the . . .

MR. SPEAKER: Sorry, hon. member. The time for question period has expired. I would ask the Assembly: might we finish the set of questions with respect to . . .

MR. TAYLOR: A point of order, Mr. Speaker.

MR. SPEAKER: First the point of order.

Government Members' Investments
(continued)

MR. TAYLOR: I understand, Mr. Speaker, that a point of order is always referred to the end of the question period. What I wanted to get back to was the CHIP question. It is very closely involved with the conflict of interest, because the conflict of interest involves a question of the minister. As the member asked, it was on the conflict of interest of ownership of the cabinet ministers involved in a condo tied to town here and that the individual involved in building was on the board of the Alberta Mortgage and Housing Corporation. It was the Alberta Mortgage and Housing Corporation that reduced interest charges to the contractors about the same time as conflicts had taken place. He knows full well what I'm talking about, if he reads any papers.

MR. SPEAKER: Please take a seat, hon. member. I have taken your point of order. I'm afraid I'm still of the opinion that your supplementary question really is not totally germane to the topic.

Is the House prepared to finish the set of questions which have been introduced by the Member for Clover Bar?

HON. MEMBERS: Agreed.

Sanitary Landfill Sites
(continued)

DR. BUCK: Mr. Speaker, my question is to the Minister of Community and Occupational Health. This has to do with monitoring of what materials go into sanitary landfill sites. Can the minister indicate what monitoring is in place to make sure that undesirable materials are not dumped into those sanitary landfill sites?

MR. DINNING: Mr. Speaker, that issue and all other matters relating to public health become the responsibility of the 27 public health units located in 27 regions around the province. But I know that matter and all matters of public health are being looked at and carefully monitored by public health officers on a day-to-day basis.

DR. BUCK: Mr. Speaker, then to the minister. Can he indicate what system is in place to make sure there's no leaching of materials from the sanitary landfill sites into, say, adjacent bodies of water, such as the North Saskatchewan River in the case of the Clover Bar sanitary landfill?

MR. DINNING: Mr. Speaker, I don't have the details of that at hand. I could take the question as notice and come back to the hon. member with an answer.

DR. BUCK: My last supplementary then, Mr. Speaker, to the minister, so he can get this information also. What monitoring system is in place at summer resorts to make sure there's no leaching of, say, outdoor toilets into the recreational body of water? Can the minister bring that information back to the Assembly also?

MR. DINNING: Yes, Mr. Speaker, I can. If the hon. member can convince his colleague about three to the left.

I could bring that back after question period is completed tomorrow.

MR. YOUNIE: To the Minister of the Environment. In view of the fact that new research is indicating how dangerous landfill sites can be in terms of chemical pollution, is the minister planning on bringing regulations before the government that will control very dangerous pollutants being put into landfill sites and the leaching of those pollutants?

MR. KOWALSKI: Mr. Speaker, I would ask the Member for Edmonton Glengarry to kindly identify his bibliography of research for me. My understanding is really not quite the same. In fact, it would be my pleasure, perhaps not on Monday, July 21, but perhaps Monday, July 28, to file with the Legislative Assembly a review recently undertaken on scads of landfills in the province of Alberta which suggests quite the opposite.

MR. SPEAKER: The time for question period has been extended today by five minutes. We have left six members waiting in the on-deck circle.

MR. GETTY: Mr. Speaker, I understand question period has taken a little longer today. On July 9, I promised to respond to the Member for Little Bow regarding a question he asked me. I understand the sensitivity of certain members regarding providing this information even after having promised it, so I'm in your hands as to how I might do it.

MR. SPEAKER: Do we have unanimous consent for the Premier to give additional information to the House?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed, if any, please say no.

MR. GETTY: I appreciate the opportunity.

MR. TAYLOR: Now you owe me one.

MR. GETTY: Okay, one more bathroom. How's that?

Natural Gas Sales

MR. GETTY: Mr. Speaker, on July 9, the hon. Member for Little Bow asked a question regarding the growth of sales of Alberta natural gas to Quebec. I didn't have those figures at my fingertips and promised to report back to him. I'd just like to provide the information as follows. Alberta sales of natural gas to Quebec have grown in the last several years. As a matter of fact, they have more than doubled in the last 10 years, going from 77.9 billion cubic feet in 1975 to 163.5 billion cubic feet in 1985. The growth of the market has been a result of incentive pricing and also the pipeline expansions, providing this ability to take the gas to greater and greater areas of Quebec. That's the information that was requested.

ORDERS OF THE DAY

head: **COMMITTEE OF SUPPLY**

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Would the committee come to order, please. The department to discuss today has been designated by the Official Opposition.

Department of Social Services

MR. CHAIRMAN: The minister is the Hon. Connie Osterman. Madam Minister, would you have some comments to make in opening your estimates?

MRS. OSTERMAN: Yes, Mr. Chairman, I would. I welcome the opportunity to, for the first time, carry in committee the estimates of the Department of Social Services. I wish at this time to acknowledge the work of my predecessor, the now Minister of Energy, Hon. Neil Webber. I have to admit that before filling another's shoes, one can always have a feeling that you would know precisely what to do if you had a certain responsibility. As always, when you step into those shoes, the real world descends. In this case, as we set about reviewing the budget and programs that encompass approximately \$1.1 billion and close to 6,000 man-years that will be needed for staffing to deliver the department's myriad programs, I am sure serious thought will be devoted to critical comments, questions and, yes, I hope also constructive suggestions.

Mr. Chairman, I have already addressed major areas of priority in my remarks of June 18 in response to the Speech from the Throne, but I want to reiterate the comments I made at that time relating to the fine team at Alberta Social Services. I am more convinced than ever about the importance of their work, particularly those who interface directly with families in need. The staff at Social Services and I and members of this Assembly all face the challenge of maintaining the social safety net with the firm reality of the finite resources of the public purse as a backdrop to our deliberations, and deliberate we must.

Mr. Chairman, I'm now going to address the various votes and in each case point out some of the higher percentages of change and also reference the man-year component. The documentation for this budget has been prepared by a dedicated group of people, and I would like to thank them for their extra hours of effort, especially in the past few weeks. As we start through the estimates, our first overview is of a \$1,059,703,514 budget with some 5,701.6 man-years, which of course include permanent and temporary positions. There are three components that influence the numbers, and you will find the three themes of increased accountability through productivity, transfer of resources to the community, and a change from grants to contracts threaded through most of the votes.

Mr. Chairman, if hon. members have their main estimates book as a reference and turn to vote 1 on page 327, I'd like to make a couple of points. One I'm sure absolutely leaps out at everyone, and that's 1.0.3. I have a 99.9 percent deputy minister, not a 100 percent deputy minister. There is an explanation. We're not talking about new people here; we're talking about people reporting in a new capacity to the deputy minister, with the establishment of a management services productivity branch. That's a very important initiative.

Mr. Chairman, the other area I think I should touch upon is 1.0.14, which is management information and systems services. That involves a major expenditure in electronic data processing. Of course, we believe that will precipitate a great deal of administrative efficiency. So in summing up that particular vote, we are looking at a total amount that is up to some degree, but it deals with the two components that I have just mentioned, particularly 1.0.14, management information and systems services.

Mr. Chairman, if we turn to page 329, we see the total of the man-year authorization. I think it's important to give a slight explanation here, because of the 1,258.3 positions, 729 of those man-years are attributable to regional work; that's management and frontline staff. The frontline staff are in this particular man-year allocation because many of them, particularly in the smaller offices, do more than one job. They may have several areas that they work in, depending on what the caseload or the administrative load is, so they don't find themselves in one of the specific votes. I thought that deserved an explanation.

Mr. Chairman, if we could turn to vote 2, which is on page 331, the first area that I'd like to draw hon. members' attention to is 2.1, program development and support. In this particular program area, we have one of the interesting initiatives that is a true privatization initiative in the sense that we're talking about a commercial operation, the private sector being involved. In this particular case, we're speaking about the job-finding centres. These centres are a pilot project and will be operating until February of 1987. While it is too early to draw a conclusion about what the end results will be, the initial information is very hopeful. We have information here which says that 50 to 70 percent of the individuals completing the program with these job-finding centres have found placements. I think that's pretty remarkable, especially since we're talking in a good many cases about individuals who have been on longer term social allowance. I'm sure that's very rewarding for the recipients of this particular effort as well as the operators who are delivering the service.

[Mr. Musgreave in the Chair]

The second area here is 2.8, which is social allowance for special groups. Mr. Chairman, as hon. members will see, this amount has decreased significantly. The transients that had formerly been counted in this group are now a part of the employable area. The amount of so-called saving in this area is now scattered through the entire vote 2, throughout the program area. So, in total, we see nearly the same budget, but it does deserve an additional comment. Hon. members will know that social allowance cases overall are up at this time. If this trend continues, I obviously have a very important role to play in that I must see that the budget is in place as well as the allocation of staff needed to make sure that those people are serviced who come on stream and require allowances of some kind. I hope that will alleviate concerns that might be raised that there would be a shortage in the particular social allowance program. I might indicate that obviously it is demand driven and that money would be forthcoming if demand shows that it will actually be required come later in the year. As hon. members will notice, the man-years are approximately the same.

If we could turn now to vote 3, which is on page 333, Mr. Chairman, this is the area that carries most of the child welfare services and deserves some comments, both specific and general. I want to acknowledge at this time a good many of the hon. members in the House who have raised really major concerns, heartfelt concerns, I'm sure, particularly in the child welfare area. That's why it certainly deserves slightly more elaborate comments for hon. members' attention.

I want to recognize one hon. member. In a speech made recently in the House, the Member for Edmonton Calder promoted efforts of a preventative nature. I believe very

strongly that we could encourage education so that a problem situation doesn't become a crisis. I'm aware that that hon. member is active in the Catalyst Theatre's child sexual abuse prevention program, which was created to promote public awareness and community action, as I understand it. I support such efforts wholeheartedly, especially when they involve the appropriate target groups and community interests. Mr. Chairman, I understand this organization will soon be signing a contract with our Edmonton region for funding. I certainly laud the hon. member for her efforts.

Going a little broader in the whole child welfare area, if you will, if you look at the estimates in total, I think they reflect a far different system than was in place five years ago. From the report of the Cavanagh commission into the broad issues of child welfare, to the extensive consultation leading up to the Child Welfare Act of 1985 which my colleague certainly worked so very hard on, to the case management review following the tragic death of Richard Cardinal which crystallized the issues around case practice, the system is now being wholly revamped. I continue to use the present tense, Mr. Chairman, because the first year of a five-year plan to implement the Child Welfare Act has just concluded.

One should never talk about the child welfare scene without referring to native child welfare initiatives, because certainly a great percentage of our caseload in the past has been with respect to native and Metis children. The new Act makes it compulsory to consult with native communities about native children — eminently sensible, and somehow we had to say it.

A special adviser on native issues and six regional advisers have been established, and a working committee on native child welfare has been established to help find ways of getting more natives involved in child welfare and to establish practice guidelines. The transfer of responsibility to native communities for native child welfare is a very, very important initiative to all the citizens of the province but particularly to the native communities. Just to outline what has occurred thus far, the Blackfoot child welfare society is in place, the Lesser Slave Lake regional council agreement is in place, the Metis Children's Services Society is in place in Edmonton, the Yellowhead Tribal Council is close to conclusion, and there are negotiations under way with five other native communities.

Something I would like to make public at this time, Mr. Chairman, because I believe that while it's not enormous in dollars it's very significant to the initiatives we wish to take along with the co-operation, obviously, of the native community, is that we will have a bursary program for Metis and nonstatus Indians to pursue postsecondary education in social services. I look forward to communication with the native community and hope that many of their people will be interested in this program, because I think it will be very helpful to them as they address the child welfare issues they are undertaking.

Mr. Chairman, I don't think a discussion about child welfare would ever be complete without referencing family violence, because in most cases children are affected. Family violence is a concern in every community in Alberta, and I think it's fair to say that the North American experience shows it is best dealt with at the community level. While the estimates reflect a large increase of 40 percent in support to shelters for battered women, I would also like to draw members' attention to the document — I believe it's been circulated, but I want to reference it just once more — *Breaking the Pattern*, which has been produced by the office

for the prevention of family violence as a tool for communities. I would encourage all members to read it, because their leadership can assist their communities in finding solutions.

In speaking to a couple of specifics, if I might, Mr. Chairman, if we look at vote 3, program area 3.5 deals with contracted residences. Hon. members will see a significant decrease in the allocation of funds to that area. That's an example of the workings of the new Child Welfare Act. There are now resources being allocated to regions so that families may be served, families that are intact as opposed to taking their children and putting them in some residential situation away from the family. Those services, obviously, are now being provided throughout the regions and hopefully that particular area will even see another decrease next year. I'm sure we're all hopeful that families can stay united and that there are the appropriate services for children in their home setting.

In looking at the overall total, Mr. Chairman, it is approximately the same. It is important that I address the man-year allocation, because there we have a decrease. We believe we've increased productivity to the extent that there can be 10 fewer positions in that regard, but the other important area is the 24 fewer positions as a result of the decreased number of child welfare cases. A lower staff requirement is now in place.

Mr. Chairman, if we could turn to vote 4 on page 335, I would start out by first referencing 4.2. Note that a good part of this particular allocation will now be the responsibility of the hon. Member for Highwood. He has assumed the chairmanship of the Provincial Senior Citizens' Advisory Council, and I look forward to their counsel and his counsel when deliberating on senior citizens' issues, the kinds of programs that will be desirable, what changes should be made and, more importantly, communications so that senior citizens will be aware of what benefits are available to them — a host of areas that I am sure can to some degree be beefed up, if you will, as a result of a good working relationship.

Mr. Chairman, vote 4.4 is purchased services and agency grants for adults. This vote contains the women's shelters. You will note that there is a significant increase there — a very deserved increase — and I've already mentioned it in another context. There are 15 boards across this province that are providing services in an incredibly sensitive area, an area for which we wish there was no need for the provision of services. I've had one meeting with the provincial organization, all the members having been at a conference several months ago. I'm certainly looking forward to continuing to work with them, because I fully realize that that area could use some additional refinement, and we're going to work toward that end.

Mr. Chairman, 4.6 is the day care area. This particular item deals with the operating allowance. I think it's important that I spend a moment on it. Since it was instituted, the operating allowance has certainly precipitated a large increase in the number of spaces available for day care, to the extent that I believe we have a 15 to 17 percent vacancy at this point in time.

However, we should look at more than vacancy rates. The whole area obviously deserves close scrutiny. I made more detailed remarks in my June 18 comments, but I wanted to note that obviously there are concerns on both sides of the Assembly, Mr. Chairman. Day care has been a fairly constant discussion, and as a result of that I asked staff from all over the province who work in this area to

come in and discuss it with me. We had 80 to 100 people — I'm not sure — and several hours of discussions. I guess I shouldn't have been surprised in that the variance of opinion amongst staff really followed the variance of opinion that we see in the public with respect to what we believe to be appropriate, or not appropriate, care for children.

But there was one area that I think I can safely say was concurred with by all of those present, including myself, and that was the administrative area. We believe that that particular area can be beefed up significantly and a better accountability system put in place. As a matter of fact, in my meeting with the Social Care Facilities Review Committee, while asking them for their opinions about the day care area, because they made over 600 visits last year to day cares in this province, I think I had the same sense from them that certainly administration, as a very first step, is an area that could probably be appropriately handled in the not too distant future. There are other areas that it is my belief deserve far more public consultation. As I said, both groups provided me with significant insights into the area of day care from their perspective.

At this point in time I would just sum up vote 4. The budget is up, again reflecting the increase in the women's shelter allowance, and I would make it very clear that the day care increase is as a result of being demand-driven. This is an increase as a result of an increased number of spaces; it is not a per child or a per space increase in allocation. I hope I've made that clear, because a number of operators were inquiring when they heard about the increased allocation in the day care area that came out when the budget first came in a number of months ago. They believed they were going to be getting additional funding on the basis of their same operation, and that is not so. This just reflects what we believe to be the additional spaces that would be coming on stream for this year. The man-years are down slightly, and that decrease has been spread throughout all the program areas.

Mr. Chairman, vote 5 on page 337 is next. I'd like to mention several areas in programming. First of all, we have 5.3; that's the allowances and benefits area. There is an increase there that basically deals with the assured income for the severely handicapped. That increase is not only as a result of increased caseloads; it's also an increase in the specific allowance, and that's to keep in line with the old age security and the guaranteed income supplement.

In 5.5, which is the widow's supplementary benefits, I think at this juncture it's important to bring the federal government in. They have brought a program on stream. A good many of those people that were or would have been eligible for benefits under our program and are now receiving benefits under the federal program will receive a top-up under our program. It has lessened the burden of this particular program area. You do see an increase, but the increase would have been much larger if it were not for the federal program; there are many more people accessing that particular program. So overall, we see a budget up. Again, it reflects the two main areas mentioned: the AISH program and day care. Of course, in scrutinizing the man-years authorization, you will see that those are the same.

Going on to vote 6 on page 339, Mr. Chairman, I would just make a comment here about 6.3. There is an increase there in the rehabilitation work activity program, with more contracting as opposed to grants. We believe that will achieve better quality through better accountability. One will note that the budget is up slightly, and that's as

a result of the allocation in 6.3. The man-years are down six, and those are mainly head office positions.

Vote 7, Mr. Chairman, is an area that I would make a few extra comments on rather than just referencing specific programs, because I think in this vote you see the biggest examples of the transfer of resources to the community. In looking at that in particular, we look at 7.4. Under 7.4 we have Michener Centre. The hon. members for Red Deer, commonly known as the Red Deer caucus, frequent my office on occasion and want to make every effort to assure that the citizens of their community completely understand what the future is for Michener Centre. That's very important, because historically the Red Deer community has supported this very important area. As we have seen the number of people in Michener decrease, obviously concerns have been raised about what the end result will be.

So, Mr. Chairman, it's appropriate at this point to talk about the future of Michener. First of all, I would say that the professional opinion is that wherever possible the disabled should be integrated into the community, and hon. members will note the estimates in vote 7 reflect a smaller Michener Centre. It hasn't happened just this year. It's been happening over a number of years as the number of people residing in Michener has decreased. But I think it's important that I assure the committee and especially the members for Red Deer that Michener Centre will not close. I know there have been some comments to the contrary. Those residents who, with their parents or guardians, choose to live elsewhere will have the best possible services provided to enable them to do so, and those who choose to remain at Michener will also be able to do so.

I can also assure the committee that Michener will be upgraded and modernized over time so that it will meet the specialized needs of those who may still require institutional care in the future. I'm sure that the hon. members for Red Deer will continue with their discussions about Michener, and I certainly look forward to working with them and their community in terms of the upgrading of that particular centre and the very specialized services that we see will be needed for some of the people there.

In looking at vote 7 overall, hon. members will notice a small change in the budget. But getting back to the transfer of resources to the community, this is where there is a major differential, in the man-years. Three-quarters of that, Mr. Chairman, is as a result of the number of people who no longer reside in Michener and now are in different kinds of community-living settings. One-quarter is as a result of what we believe to be good, increased productivity.

Mr. Chairman, that's basically my first overview of the budget. Because of the questions raised in the Assembly, I felt it was very important to at least open up on a vote-by-vote basis and provide some of the explanations that I thought would come as a result of the numbers being seen. I'm sure hon. members will have many additional questions and comments. And as I said before, I certainly invite any recommendations for change that they believe to be appropriate, because I think every citizen right across this province has a view about the appropriate allocation of resources in this very important human services area. I'm looking forward to participation by members of the committee. If I might, Mr. Chairman, I just want to note that I'd be pleased to receive some questions or comments and with a few collected, if you will, can possibly participate sort of on an ongoing basis throughout the course of the discussion.

Thank you very much.

MS MJOLSNESS: Mr. Chairman, I'd like to thank the minister for her comments. I hope I won't repeat any of the questions you have already answered.

The portfolio of social services is one that I know is very difficult to be a minister of, due to the fact that it's such a large department. I do realize and appreciate the fact that a lot of work and energy goes into this department. However, I cannot emphasize enough the extreme importance of this particular department, inasmuch as the money allocated to people by this department directly determines their well-being. I think it's important to note that when we spend money in the area of social services, we are in fact making an investment. It may perhaps be the wisest investment that a government can ever make, because we are investing in the men, women, and children of this province.

Just as a general comment, I think we also need to take a hard look at what is presently being spent in this department and exactly what kinds of services are being delivered. What I'm suggesting here is that if we aren't delivering adequate services, we are not being cost-effective. I suggest that the taxpayers are losing if we're not doing this, clients are losing, and so are the people that are delivering the services. I believe that the services must run very efficiently and very effectively in order to get the most bang for our buck.

With those comments I'd like to get into the exact estimates. In terms of the total department, on page 326 we note that salaries, wages, and benefits for employees working for the department will remain the same for this fiscal year '86-87. At the same time, the minister's salary and benefits will be increased by 5.6 percent. I'm sure many of us realize, as does the minister, that many of the workers in the department, be they income security, child welfare, or clerical workers or whatever, work very hard and often are very dedicated. I would suggest that they deserve at the very minimum an increase that would at least keep them up with the cost of living increases. Perhaps the minister can explain and justify the 5 percent increase in her salary and benefits but not in the employees'.

Again, looking at the total department expenditures, we see that grants have been decreased more than \$27 million. This is a substantial amount, due to the fact that we are into a recession and have a great need for all these services. I know that the minister did allude to this a little bit in her explanation. I realize that organizations which qualified for grants in the past now are going after contracts, so that's the difference there. But there still seems to me to be a massive cutback in this area, and I'm really quite concerned about this. I'm wondering if in fact the increase in contract funding equals the amount of money that was being given out in grants.

I also know that there's a bit of confusion in terms of funding now that social services and community health have split. Some of the organizations that fall under social services now have clients that fall under community health, so there's a little bit of a problem there, and perhaps the minister can just clarify that. I'm also wondering if the department has notified the different agencies involved and made them aware of where they go to get funding.

Continuing to look at the total department expenditures, we see that the purchase of fixed assets has a budget increase of 128.3 percent, or almost \$2 million. As well, in vote 1 the figure for fixed assets shows an increase of over 300 percent. With the apparent move to deinstitutionalize and depopulate the existing residential institutions for persons with handicaps, for example, I would like the

minister to explain why there's such a phenomenal increase in the purchases of fixed assets and what in fact will be purchased with this money. If the money is going to be used to purchase fixed assets, I'm wondering if it could not be better spent in developing the vital support services that are essential when we are implementing a program of deinstitutionalization. Whether these programs are residential services, employment-related services, or whatever the case may be, they nevertheless are very essential when we have individuals moving out on their own. The funding for these types of services seems to be quite absent from the budget, so of course this is cause for concern. Perhaps the minister can tell us if in fact there is money allocated for these types of support services for people that are being moved out into the community.

When we look at staffing for the total department, I know we've had a lot of interesting discussion and concern over this in the past few weeks. I think it's really important to point out that, overall, the department is losing 218 permanent full-time positions throughout this department. That's the number that will be lost. I know the minister has stated that no positions will be lost, that in fact they are being picked up by man-year positions. But if we look at man-year positions for the total department, we see those have also been declining. We see a decline of 244 positions. If the permanent full-times are being picked up by man-years, I'm wondering if the minister could again explain why there's such a substantial decline in the man-years, because it just doesn't make too much sense to me.

I also know that the minister has said that she is very concerned about the badly overworked frontline workers, and she has instructed that additional staff be hired. I understand that the staff being hired will be temporary staff. I'm wondering if this is a direction of the department; I fail to see this particular directive in this budget. I'm wondering if the minister can make a commitment on that hiring, because it seems to be very absent in this budget. If we look through the votes, in every case except one we see declines in positions. I'm also wondering if there will be an update of the present standard for caseloads for social workers, or if in fact one will be established in the areas where there doesn't seem to be a standard.

One further point on the staffing. We know that the whole area is shifting responsibility from the department onto the communities. Maybe the minister can clarify this: can we be sure that the private sector is picking up positions equal in number to those being lost by the department? I think this is something that we really need to keep a close eye on, and we just can't afford to fool around in this area.

Moving to vote 2 — I'm going to skip vote 1 for the moment. I remain very skeptical when looking at the social allowance allocation figures, because the government has underspent the authorized dollars for social allowance since 1981, even though it's been very obvious that that money could have been put to some very good uses. I might add here that in 1981-82 we had a surplus of \$5.1 million, in '82-83 it was \$14.8 million, in '83-84 it was \$105.5 million, and in '84-85 it was \$45.8 million. This is in a time of recession, I might add. I might also point out that no other department has ever ended up with surpluses like this, so I would appreciate a comment from the minister on why we ended up with such gigantic surpluses. Can the minister assure us that in the '86-87 fiscal year we will not end up with this type of surplus at the expense of meeting the people's needs out there?

It seems to me that a lot of reports have been done and there are a lot of statistics available in regard to the growing number of people living in poverty across the province, not to mention the growing number of children, women, and men that are using the food banks, and still we end up with a surplus year after year. Despite these facts, under this particular vote we see a mere increase of only .4 percent. It seems to me that it's a very small amount. I would suggest that the government must first of all commit itself to long-term job creation programs, but in the meantime it must commit itself to giving adequate income to individuals. If the government isn't sure exactly what an adequate income is, because there has been a lot of controversy over this, I would suggest again that they commit themselves to do a comprehensive cost-of-living study. Incidentally, that has been recommended by the food banks so that we can tackle this problem once and for all.

In talking to the food banks, they said that they are not aware of any study currently being done as a joint effort between the department and themselves. I know we have been referred to a study that is being done, so perhaps the minister could just clarify if one is being done by the department in conjunction with the food banks. I would certainly appreciate some information on that.

Under vote 2 we also see that social allowance for the mentally handicapped has been increased. It's up 27.4 percent, and I would appreciate some explanation on this. I am assuming that along with deinstitutionalization, we are prepared to put people on social assistance, because this figure is up so much. I would appreciate a comment on that.

MRS. OSTERMAN: Can the hon. member just tell me the number of the item she was just looking at?

MS MJOLSNESS: It's under vote 2, social allowance for the mentally handicapped. Referring to the comment that under this vote transients are now under employables, I would just point out that the money allocated for transients was decreased substantially. Yet when we look under employables in vote 2, money allocated for employables is up a mere .8 percent. I'm just wondering if that figure will in fact accommodate the transients.

Moving on to vote 3, this area is one that I am greatly disturbed about. It's money allocated to the child welfare services. I should say lack of money allocated, because there's an overall decrease of .1 percent, and as well we see a decrease in the permanent full-times and also in the man-years.

The minister has stated that we have increased productivity and therefore we can afford not to have increased permanent full-times and staff. But I wonder if it is appropriate to start talking about productivity when we're talking about our own children. I would really suggest that our children should mean more to us than what this budget is suggesting.

I really can't think of anything that would justify a decrease in the area of child welfare. We are very aware that there are problems; for example, with the foster care system. The minister has mentioned the Richard Cardinal case, so we know that the problems are there. I'm really concerned that if we decrease this department by .1 percent, we're just playing Russian roulette with our children and we're in for some serious problems.

The minister did mention that the department is getting involved in one prevention program, and of course I commend the department for that. I think there's a need out

there for more of those kinds of programs. I would like to see the department allocate a lot more money to this area, because as well as prevention programs there are treatment programs, such as the Sexual Assault Centre and Group 5 Youth Counselling Centre, that currently cannot meet the needs and demands out there. There are a lot of things that need to be developed in this area. Perhaps I could get the minister to explain what kinds of results we expect over the next year due to this decrease of .1 percent.

Under vote 3, as well, I'd like to just draw the minister's attention to and ask for clarification on the decrease of 10.3 percent to the Grande Prairie youth assessment centre — just a quick explanation on that.

Moving on to vote 4, the minister stated in her remarks that we have seen an increase to the women's shelters. Again, I praise the government for doing this; it's long overdue. But I think it's important to point out the fact that we're still short 17 percent of the total budget for these shelters to just operate on; we're talking about their basic cost of operating. In dollar terms we're short \$600,000 to the shelters. When we look over this overall budget, \$600,000 doesn't seem to be an awful lot of money when it means such a difference to these particular shelters. I might add that even if they're getting 100 percent core funding or 100 percent funding for their operating costs, they are still left with raising money for things like child care or volunteer training programs. They're still left with a significant amount of fund-raising to do, and we're just talking about keeping a roof over their heads. I would really appreciate an explanation in terms of why we shortchanged them — only \$600,000.

Also under vote 4, just a quick comment on the Edmonton Single Men's Hostel. We see a decrease there of 11.6 percent. I understand that there has been more effort made to accommodate these people in the communities. Therefore, I suppose that would explain the 11.6 decrease. However, if this is the case, I would note that Calgary is being increased by .6 percent, so there doesn't seem to be continuity there. I would appreciate an explanation on that. I also might add that with the increased unemployment in the Edmonton area, I do see a need for this type of hostel. I certainly cannot imagine there being a decrease in demand there, so I would appreciate an explanation on that as well.

Moving right along to day cares under vote 4, we know there is a substantial increase of over 15 percent to day cares. The minister did state that we need to scrutinize these day cares more in terms of where their money is going. I would support that, because we do know there is a lot of money going to these day cares and not necessarily going to the program or to the children. I would ask if the minister can assure us that a fixed percentage of the money allocated to the day cares goes directly to benefit the day care programs and the children. How much goes for profit? Another question that I have is whether any of these private profit operators have any books that we can audit. There is a lot of concern by taxpayers that a lot of money is going to the private operators, and of course we've got no assurance where the money is going. If there will be more scrutiny on the part of the department, I would ask when this will begin.

I would also like to know how much money taxpayers in Alberta are losing by allowing private operators to operate day care centres in this province, and how much money we're losing through the Canadian assistance program. I think that's an important point.

Another concern I have under vote 4 is the fact that we see no money allocations going out to after-school care.

It seems to me that there's a serious need for after-school care, and yet there doesn't seem to be any provision in the budget for this particular service.

Under vote 5, senior citizens, I would like to point out that in this province we have the highest percentage of senior citizens being institutionalized. A large subsidy is going out to the private nursing homes. I think it would be just as important, if not more important, to develop home care programs for the elderly, and here I'm talking about comprehensive home care programs throughout the province. I'm just wondering if this is in the making or what this government has planned in terms of home care programs for the elderly.

I also want to quickly mention the widows' pension. I feel very strongly that this particular pension should be retroactive to the time of the husband's death. As it now stands, some people have to wait for three or four months until the forms are filled out before they actually get the funding for their pension. I also would like to point out that this particular pension is very discriminatory in that the pension is only going to widows, not divorced or single women, and of course not to men.

Under vote 6 we see that vocational consultants have been reduced by 38.9 percent. This is a concern to me because of the fact that we are in a recession right now and we have a poor economy at the moment. It would seem to me that demands here would be noticeably increased. I'm a little bit worried when I see the figures dropping by 38.9 percent.

Under work activity programs, we see those up 243.4 percent. I first thought that this might be due to the job-finding clubs, but I know the minister has mentioned that under another vote. I'd just like to point out that when this idea was first addressed, it was felt that these were just pilot programs and that before we expanded these programs any further, they would have some type an evaluation. I'm just wondering whether these programs have been evaluated and, if so, can we see the evaluations?

Under the disabled again, I am troubled when I see that program development and support has been decreased by 3.6 percent. In order to maintain the quality of service that we've got there, I think we need to continue to support program development, so I would suggest that that is of some worry. Again, when talking about home care for the disabled, in order to qualify for home care a physically disabled person must have a medical entry. That is, physically disabled persons must have something medically wrong with them before they qualify to receive home care. Consequently, a lot of healthy physically disabled are ending up in institutions because they do not qualify for home care. I would really appreciate it if the minister could take a look at this particular situation and perhaps change the present criterion of the medical entry.

I would say that there is a clear and obvious move to deinstitutionalize the mentally disabled, and with that deinstitutionalizing there is a lot of concern with the overall department. Many organizations and agencies are concerned, as well as the Official Opposition, because of the fact that there are so many unanswered questions. I would throw some of these questions out to the minister because I think they really need to be addressed.

First of all, in the whole deinstitutionalizing process, how is the department going to ensure that standards are maintained once the private sector takes over these particular services? Is the department prepared to monitor what's going on in these agencies to ensure that quality care is maintained?

Also, how can we be sure that these services are meeting the individual needs of the people out in the community? I guess what I'm basically wondering is what the policy of the department is and how we are addressing the whole issue of deinstitutionalization. What programs do we have being developed? When I look at the budget, there's no indication whatsoever that there are any allocations to develop standards or a monitoring system of any kind. When there's no money allocated, I really wonder what exactly is happening in that area. I would ask the minister to address that concern as well.

[Mr. Gogo in the Chair]

Just quickly going back to vote I now, I just have a few points. We see that the deputy minister's office has gone up 99.9 percent. The associate deputy minister's office has had an increase, and so has the assistant deputy minister. With these increases we see that regional service delivery has only increased by 2.1 percent. Now I realize that at the ministerial level there's a lot of responsibility and they have an essential function within the department. But I would also say that the regional service delivery has an ever-increasing mandate, and they're expanding into various new areas. I wonder how they are going to be able to do an effective job when they're only being given a 2.1 increase. I feel that it's sort of ironic that we're increasing the office of the associate deputy minister, for example, who coordinates and directs the very programs that we're not adequately funding.

Moving into policy and program development, we also see drastic decreases of 17.7 percent. I think the minister did speak about this; I'm not too sure. I would just point out that under policy development, this includes policy review, and I can't emphasize strongly enough that the department should continue to evaluate its programs to determine what their strengths and their weaknesses are. When I see a 17.7 decrease in the funding there. I'm a bit concerned.

One last point is that we see fairly substantial increases in the management and ministerial level. I would like to just repeat the fact that we see no apparent increases in frontline workers in this budget, which is of very serious concern.

With that, I would ask the minister to answer some of my questions. Thank you.

MRS. OSTERMAN: Mr. Chairman, if I could respond to at least some of the questions and points that were raised by the hon. Member for Edmonton Calder. Hopefully I can read my notes, as I was writing quickly here as she was speaking.

First of all, in speaking to the overall budget. I think the hon. member mentioned something about so many people not receiving a raise. The allocation wasn't up, and yet my office was up. I think the hon. member has to remember my earlier remarks where I talked about the man-year allocation being down in a number of areas. Automatically that makes a reduction in salaries, but there was an increase to workers right across the province. It wouldn't necessarily show up, or the exact amount of the increase, because at the same time there was a smaller man-year allocation.

Talking again about a smaller amount for grants, I had mentioned earlier that the grants now become services contracted. I believe the hon. member asked if the amounts were about the same, and my information is that they are

about the same. So we're speaking of services provided for about the same number of dollars.

The area that is providing some amount of confusion — I apologize for not raising it earlier. We do have in vote 1 a number of people who will eventually become part of the Community and Occupational Health area. Because of being in session and so on, the final figures weren't available. We haven't wanted to just quickly move people around. There are critical services in both areas, so it is important to keep continuity until we have the appropriate amount of time to make those important decisions.

The hon. member also mentioned the assets area being up. That's the item I spoke to earlier on when I first opened the budget discussion on a vote-by-vote basis. That is the electronic data processing area. I'm sure the hon. member and many of her colleagues are aware because of their own backgrounds that social workers in particular are practically exhausted under the weight of paper. We really do need some major measures to get rid of that older style of operation that involves so much paper. The electronic data processing will accomplish some of that for us and hopefully relieve the social workers to the degree that they can do the work they're trained for.

Overall man-years. Again, I go back to the remarks that I made; that is, that there has been a significant transfer in some areas to community-based operations. So those man-years disappear because the services are now being provided in the community; the funding flows to the community. In regard to whether we can assure members that the same number of positions are in place that had been formerly in government, no, I can't give the hon. member that assurance. One of the very reasons community organizations are saying they're in a better position to deliver services is that they believe they have a better idea, in some cases possibly a modification of how services have been delivered. It doesn't necessarily involve precisely the same kind of organization. I can't relate number of positions that are no longer in place here and say that you will find them in a given community. The community and those organizations is the group that is evolving the services on that basis as they and their clients see the need for the services.

Speaking to frontline staff — an important comment. The staff in the social allowance area in particular was kept the same as last year in the belief that we would probably be looking at a similar workload. The hon. member mentioned that a good many of these positions are temporary. They're part of the total man-year allocation, but they're not permanent staff. Because there are usually fluctuations, we don't have permanent positions totally in that area. We want to be fiscally responsible and deal with whatever the fluctuations are. There are many people that have an expectation of working for us on a part-time basis because of the fluctuations that normally occur. However, this particular year has seen an increase. If hon. members happened to be looking at one particular paper this morning, they would have seen the ad for income security, social service workers, et cetera, that we are now in search of. Many have been hired as a result of the people who have their names on file and agree to come in and work on a temporary basis. Those people are obviously welcome and utilized by our management. We are in a situation this year where we've had to do additional advertising beyond that, particularly in the Edmonton area. That's why the advertisements have gone out.

The hon. member mentioned a very important point. That was in speaking to the caseload factor and some model

that we should refer to in looking at caseloads and how many social workers or other staff are required. We've believed it to be more appropriate, especially because of the comments that the food banks have made that there are many people who have been awaiting service from Social Services — in other words, they may have called and not been able to get an appointment right away. The important factor is to deliver a service and speak to delivery within a couple of days as opposed to looking at the number of cases and saying, "We will have so many workers for this precise number of cases." Our experience recently has been that there are many people who hopefully will only be on social allowance on a temporary basis, are not looking for a major interface with a social worker, are looking to their allowance on a short-term basis, and aren't requiring additional discussion and meetings. So it's important that they get service quickly. Certainly the information that has come out of the food bank discussions is that not only have a lot of people not known about the services that were available to them but they weren't being serviced as quickly as should have occurred, so they had to access the food banks.

Looking at vote 2, the hon. member mentioned the social allowance budgets from previous years that weren't all allocated. I may not have done an adequate job of explaining this in the House earlier. We have criteria for the delivery of social allowance. In other words, if a citizen of this province fits the criteria, goes through an assessment of all the factors that must be taken into consideration — family size, a host of circumstances — they are eligible for allowance. If the allocation in the budget isn't large enough, then obviously the minister must see that additional resources are brought in and that all people are served.

The reverse of that is also true. If there are a lesser number of people who come forward in a given year — because obviously a projection has to be made as early as about September of the previous fiscal year to make a judgment for the following year as to how many people will be coming forward, what their family size will be, a host of things. There's a projection done and an amount put in the budget on that basis. If the projection has overestimated the number of people who will be coming forward, we have an amount of money in place and nobody with the criteria will come forward to claim the dollars in place. Those dollars aren't going to suddenly be reallocated by enhancing the amount of the allocation that is in place, the criteria that are in place, for those people on social allowance, because everybody is treated precisely the same.

So it isn't a matter of shortchanging anybody. It's a matter of there not being the number of people who were projected to use the allocation that was in place. I can assure the hon. member that in whichever instance occurs — on the one side, it may look harder to explain why there is some amount of budget in place; everybody who came forward and fit the criteria was served. On the other hand, if the projections are out, as we feel they will be this year, then we have to go after a special warrant and make sure that all those people who come forward are served. It works both ways. I hope I've explained that properly.

The hon. member raised working with the food banks and the suggestion that there be some type of major study. I think it's important to note that for a long period of time we've had people in the department who've been working in the social allowance area. It's accepted by the public of this province that you will take into consideration certain factors in the development of the amount of dollars to be

allocated for social allowance in a particular instance. I think that there are factors mentioned here: family size, medical needs, special needs. There are a number of things that are taken into consideration beyond the specifics of saying that this is the amount that will be attributed to an adult for food, clothing, shelter, and so on. Other factors are taken into consideration. It's then a matter of discovering the costs that are associated with those various factors. It may be that the hon. member is suggesting that we are not allowing high enough costs in all of those particular areas, and of course that can be a matter of discussion.

Interestingly enough, I think we end up looking at two different discussions there. The average person who finds himself able to manage on some basic food and shelter costs, clothing allowance, and so on is in one position. We know that we can pick an average. There will be people above that who write to me and say, "Hon. minister, you've provided beyond the type of allowance I thought I was going to get, and it's very generous." On the other hand, you have people who say, "In anybody's imagination, I can't discover why you believe I could exist on this allowance." Many people in the public who have not had to manage on social allowance also come up with a different view.

This may be an appropriate time to also raise the kinds of letters that flow as a result of the policies we have. While I know all of us receive very heartrending accounts of people who have difficulty with the financial resources that are made available to them, there are also those who have grave concern about the kinds of policies and programs that we have in our society. One gentleman who writes about his family says: "Our society and past government policy towards social benefits has built a monster that if not stopped will destroy us all." He goes on to explain that his children are accessing allowances that they believe they have a right to. He believes they could be out working, but they have a different standard in mind in terms of what they ought to be paid for what it is they want to do. He is saying: "Why are you doing this to my kids? You're not allowing them to have the mind-set to go forward and enhance the capacity, capabilities, and skills they have inherent within them."

While we have that on one side, we have all the concerns raised by the hon. member and others on the other side. Mr. Chairman, I guess it's appropriate to say that this is an incredibly difficult area. No one person shares the same opinion, because wherever the line is drawn, there are people functioning outside that line. It makes it very difficult for all of us.

The social allowance area for the mentally handicapped: at this point in time I don't have a precise answer for the hon. member. I will keep that question to the side and make sure I get back to her.

In vote 3, I believe this critical area was addressed. Maybe the hon. member did not hear all of my comments. I realize she would have formulated hers and then tried to pick out the points that I had probably already made that related to her, but that's very difficult to find as you go through your notes. Again, in the child welfare area there are fewer cases, so services are being delivered to families and children in a community setting, more within their families now. This is why you see a change in the number of people who have to specifically work in this area. You will find the services for children, in terms of regions and so on, being delivered in a different manner.

I know that the hon. member mentioned a number of areas that also touch on Community and Occupational Health.

That requires — my colleague and I must also discuss when his remarks come up — some better points that I haven't made that will describe for all hon. members where the line of demarcation is between Social Services and the community health area. That's a very important area. There are many times when our people will actually contract some specialized services from the community health area, because we have responsibility for child welfare and therefore need some other services. Maybe they would have been appropriately delivered by Community Health, but because of our responsibility, we walk into that area, but we'll contract or however.

The hon. member mentioned the Grande Prairie youth assessment area. I believe some of that is attributable to the Solicitor General and the new Act that will be under the Solicitor General. Some of services that had normally been under Social Services in the past are now transferred because we don't have responsibility for that particular area, a certain age group.

Mr. Chairman, women's shelters are an important matter. I hoped that I had covered that in my opening remarks. I don't think we'll ever be satisfied with the services that are available to this very critical group. We will work hard at enhancing them. I will be working with the organizations and trying very hard to see that as we can free up resources, additional resources are made available to the women's shelters organizations. In conjunction with that, I believe that if we could handle the Canada assistance program properly, it may be able to play some small part in that area. I'm also investigating that, and I thought about it because the hon. member mentioned it with respect to day care. In that particular area I certainly will be working hard with my federal colleague. It had been my understanding that they had agreed there was great discrimination in terms of the federal sharing of funding and that regardless of how the services were delivered in terms of the choice parents made, services and dollars should flow and that Alberta was being discriminated against.

The after-school care and home care areas really are under the FCSS area, which was enhanced significantly. I'm sure my hon. colleague will be speaking to that in his estimates. A lot of the enhancement in the FCSS area — because I was there for a short while — had to do with requests by municipalities across the province in the after-school area. There had been a significant increase in funding there, and I'm sure a lot of communities will utilize that for after-school care services. Home care is also under my hon. colleague. A lot of that, of course, is funded through his funds flowing to the health units in the province.

I have a note here on standards. The standards area is a very important one, and I totally agree with the importance of making sure that wherever the service is delivered — by the way, that applies just as much to the department. There's nothing magic in that because you have a sign that says "Employee of Social Services," you're suddenly better able to deliver a service than when the sign says "Employee of XYZ community group," Catholic Social Services or whoever. There's no magic there. We have good services and maybe not as good services; it very much depends on the enthusiasm and dedication of employees. For the most part, I'm sure that is inherent, whether the employees are working for the Department of Social Services or for community organizations. Regardless of where they work, they ought to have in front of them a set of standards that describes precisely what the service should be. When we get into a contracting situation, Mr. Chairman, we have

that opportunity to spell out exactly the service that should be delivered. Then it becomes incumbent upon us to make sure that the monitoring is done to see that the service is delivered.

It's also worthy of note here — in an exchange with the hon. Member for Edmonton Gold Bar one day, I think we talked about standards, and the hon. member mentioned a standards development project that I hope to be able to share with all members. There are a number of organizations. Not only will they be judged by the department in terms of the services they deliver; they will be judged by their peers, because there is a standards implementation project. I believe that's something that must be ongoing. It isn't a matter of just framing it once. There are standards in place now; it's a matter of having them under ongoing scrutiny. As we evolve, hopefully we will find better and better ways to deliver the service. I don't think any of us in this Legislative Assembly are expecting the status quo, that we'll describe a picture and it will stay precisely that way. There will always be people who come along and say, "We believe we have a better idea." That's precisely what we'll be looking for.

As we go right across all the program areas, many of the clients will have observations to make. If the money were in hand — an interesting paper written recently describes services delivered in Minnesota right now. Money is in the hands of a lot of clients, especially in the rehabilitation area. Those clients do the shopping; they now play a major role in saying, "This is what I want." So we have community organizations that are responding on that basis. There is a whole host of ways whereby services can be evaluated; the groups can be having input into the area. Whether it's the department that describes what the service should be — if we're too rigid and we don't allow for innovative ways, clients come forward and say, "This is what we need, and this is what you're telling us we must have." The two don't fit. Mr. Chairman, I think it's very important that we have some amount of flexibility but all the while — and I agree with the hon. member — assure that we have reasonable standards in place to speak to the service.

The hon. member went back to vote 1 and mentioned a couple of things I thought I had covered initially. Looking at the particular area of the deputy minister, that's a very important initiative and will be directly under his scrutiny. These people come from various areas. We're talking about the management services productivity branch. So while you may see a slight decrease in several areas that speak to what you believe should be a beefed-up operation, this has been pulled together so that we have a much better handle to speak to various areas and hopefully are able to increase our productivity.

Mr. Chairman, I believe that with the exception of one area I have covered many of the comments made by the hon. member. I am sure other members would like to ask questions and make comments as well.

MR. CHAIRMAN: Thank you, minister.

MR. MUSGREAVE: Mr. Chairman, I'd like to raise a couple of points that have already been raised by the Member for Edmonton Calder, but I'd like to go into a little more detail because I think these are issues that are still of great concern to many people. Unfortunately, I think too many of us miss the trees for the forest. The two issues I want to raise are widows' pensions and food banks, and I'd like to make a brief comment on family violence.

First of all, on the matter of both of these issues, I think that we as a society should realize that we are spending hundreds of millions of dollars on the 1988 Olympics. This is money being put out by the federal government, the provincial government, and the city of Calgary. We as a government are putting out \$2 billion in low-interest loans to the agricultural community, \$750 million in loans to small businesses, hundreds of millions of dollars to support the oil industry, and generous support to senior citizens regardless of need, and we've got the best program in North America for educating our young people. As all members of this House know, we have many other varied programs. We also have restaurants that are crowded and sports events that are well patronized. The Calgary Stampede just had the largest attendance ever. I'm sure those of us that drive back and forth to our constituencies are well aware of the number of RVs; parks and campgrounds are crowded. Yet we have food banks.

My age gives me a long memory, and I remember when my parents were on relief and the clothes we wore as children were handed out by the Red Cross. In those days there was no such thing as colour television to make us realize that we were poor compared to others in our society. But today communications are wonderful, and those who are poor are conscious of it. I'm aware that the minister is working very hard with the food bank people in major centres to try and find ways and means, find out as much as possible why they exist, who they are serving, and what we could do to eliminate them.

I think we should be concerned about eliminating them for this reason. Many of them are supported by church groups. The vast majority of Canadians do not go to church, so obviously they're being looked after by a minority in our community, by volunteers who are working very hard to keep this situation going to help those in need. I mentioned all these other things we're doing as a society with all the wealth that is around us, with 90 percent of our people working. I'm sure the minister will be able to come up with some ideas on how we can minimize the need for food banks.

The other issue I want to bring to the minister's attention — and I've done this on other occasions in our caucus and in this House — is the matter of the widows' pension. When this was first introduced by this government, it was my understanding that the widows' pension was going to be paid to widows — not widowers, widows. The reason for the pension was to help those women who after they got married never worked again but stayed home and worked in the home and raised their family if they had one. Quite frequently their husbands were in jobs where when they died, if they had a pension, the pension died with them. So the women were left in very straitened circumstances. They had to resort to welfare, where the basic cash benefit for one person is \$484 a month. The regulations later included widowers who found themselves in similar situations.

The concern about the Bill, though, is that it reflects a certain paternalism in our society, that widows have got to be helped, but it ignores other people. I agree that widows should be helped, but our society has many women who have never married, or they have people who stayed home and looked after mentally retarded brothers or sisters or who stayed home and looked after aged parents. Suddenly they're left alone at age 55, and they have to fend for themselves.

I've left out a very large group of people, and that's divorced people. What about those who live common law?

Even our federal government many, many years ago — I recall that when I was in the armed services, those people who lived in common-law relationships were treated the same as those who were married. But in our present Act they are not recognized as having the same needs and desires to have a pension versus depending on welfare.

I ask members of the House and the minister: what 56-year-old woman can be retrained and, most important, get a job in today's tough times? The most recent figures I have on this matter are for 1984. There were 18,300 never married or divorced people in our province. There were 15,100 widows or widowers. In 1984 there were 3,148 people receiving social assistance in the 55 to 64 age group. There were 1,337 males and 1,811 females. In March of '85 there were 3,296 in this 55 to 64 age group not receiving help, and at the same time there were 3,500 people receiving the widows' pension.

The important part and the thing that's brought out time after time is not only the pension but the fact that all the extended health care benefits and housing benefits that go to seniors also go to people receiving the widows' pension. So I would like to hear from the minister her response to why we determine the pension in this manner when in my opinion it should be based on need and not on marital status.

The other issue I'd like to touch on very briefly is that I'm glad the minister brought to the attention of the Assembly breaking the pattern on how Alberta communities can help assaulted women and their children. I think this is a very excellent package, and I understand it was prepared by the Women's Secretariat and our Department of Social Services.

I'd like to point out to the members of the House that for the last year I've been a member of a subcommittee of Mental Health Association on family violence in Calgary. We are aware of the difficulties in this area and the substantial increase in the current budget for shelters for battered women and children. I'd like to point out that this committee I'm on is chaired by Lee Powers, a resident of my constituency. It's co-chaired by Professor David Baxter, professor of social work at the University of Calgary. Included on this committee are representatives of the Kerby Senior Citizens' Centre, the Family Life Education Council, Alberta Native Women's Association, the Sherriff King Home, the Calgary women's assault centre, the Calgary General hospital, the city police, the Calgary women's shelter, and the Sexual Assault Centre, and a representative of the Canadian Mental Health Association. This is an action committee that will certainly ensure that more Calgarians will be aware of family violence and, most important, will be able to convince citizens to support those in need and hopefully reduce the volume of family violence in our present difficult economic situation.

MRS. HEWES: Mr. Chairman, I'd not be telling the truth if I said I was pleased with the form of this budget, but in a general way I think that applies to all the estimates. I find it extremely difficult to review our budgets as they're presented to us when they tell us only a line or two about what the services are, a very brief description and no objectives. So as I read it, it's extremely difficult for me to be able to judge whether or not in the preceding year we in fact achieved our objectives, whether we achieved more than or less than, and therefore what the budget of this year should be. I assume that we have some sort of system of management by objectives, and I think it's important that the estimates at least reveal this in gross terms so

that I can know, as I'm expected to make a decision, whether or not they were achieved for previous years. How many people were being served by what programs? How many units of service were expected to be delivered and were in fact delivered? I find the budget extremely difficult to judge from that basis, and it's not different from any others.

The other general comment I want to make, Mr. Chairman, is that I am not at all comfortable with the division of the department. I understand the immense burden of the size of that department before, Madam Minister, and I expect that it was one that needed to somehow be shared, some division of duties. But I am not comfortable in any way that the users and the communities we serve will not suffer as a result of this division. Let me give you a couple of examples. We used to have two ministries relative to mental health care. For those with emotional problems that artificial division of care between in-patient and community care, between hospitals and community health services, was complicated enough. It was very complicated for users. These are often people and families who have difficulty accessing service at the best of times.

Now, heaven forbid, we have three ministries. We have in-hospital as before; we have community care. It may be in good hands, but what about the large numbers of people who need social assistance and mental health in an integrated fashion? What is going to become of them? Mr. Chairman, of course we want people in their communities rather than in institutions wherever possible. We know their recovery is faster. But it just won't work unless the housing and counselling, the social and rehabilitative back-up and support is there. Otherwise, we see that destructive cycle of recidivism. The Member for Edmonton Centre spoke about that last week. These people will quite likely fall between the cracks of different jurisdictions. And what of the children? The children who soon are adolescents and adults apparently are separated completely from community care and remain in the Social Services portfolio. How do we now deal with children with emotional problems? How does one deal with, for instance, a multiproblem family whose care has already been vastly fragmented?

Another example, Mr. Chairman, which doesn't fall exactly within this budget, is home care. Once again, we have a service that's divided. In my own view, it should be within the hospitals ministry. I believe that we desperately need in our province an integrated intake service for home care with other extended care facilities. We now have some handle. I think, on the economic savings, the cost savings in dollars. We are less able to quantify the cost savings in the quality of life and speed of recovery if we do have a properly integrated home care service that has sufficient funds. I know we've put more money into it, Madam Minister, but I still submit that it will not begin to catch up with the need, that would prove an economic advantage as well, and will not function properly unless it is an integrated intake service.

Another one, Mr. Chairman, is the FCSS program. In my view, this is one of the most progressive pieces of social legislation that we have seen in Canada. I think it's an extraordinary piece of legislation, and it has served us very well. Unfortunately, until this year there has been no increase in the budget allocation since 1983, and as a result, the municipalities and agencies have fallen way behind in their ability to meet the needs and demands while those demands are accelerating at a very rapid rate. Within FCSS, of course, is after-school care. This is a continuing source

of problems to the major municipalities of our province, and I don't believe it has even come close to being resolved. FCSS also provides extensive services to seniors, counselling services, and family support services. It's now separated from the community services that come from your department, and I think it's a loss when we separate those.

Mr. Chairman, I'd like to comment briefly on the present environment in which we find ourselves and in which we must consider this budget. The economy — what can one say? We're experiencing a sharp upward increase in unemployment in the province. The result of course is dramatically increased family stress, separation, divorce, and single parents; an increase in crime and crime with violence; an increase in the incidence of spouse abuse and child abuse; an increase in disadvantaged, disenchanted youth who have no jobs, who find themselves homeless and unacceptable to family and community alike, with a loss of motivation; an increase in children managing on their own after school, the key children that we know well; an increase in poverty in our province.

Mr. Chairman, the budget doesn't appear to reflect the increasing severity of the problem. We've only added 3 percent. The minister has spoken about projections, and of course I know these are done, but I am puzzled as to why, if we are doing projections with the current unemployment figures and statistics that we're finding in those other fallout figures that I spoke about, we only have a 3 percent increase. Let's look for a minute at what has increased and what has decreased in the budget. Department support is up 7.2 percent; specialized services, 9.1; benefits and income support — that includes seniors, handicapped, and day care — is up 8.6; vocational rehab up 8 percent; handicapped, a very slight increase of 1.7. But what's gone down, or what's barely holding its own? Social assistance, social welfare. It would seem to me that our projections should be telling us that the demands would be higher. Social assistance is at .4, and child welfare, in fact, is a reduction of .1 percent.

I submit, Mr. Chairman, that the potential for a response to those programs where the greatest increase in demand could be expected is not there. Similarly in manpower, the permanent, full-time staff people — and the minister has spoken to this — are now reduced: 5,402 to 5,184. The man-years, likewise, are decreased. Here we have the phenomenon of a department where one could reasonably predict increased human and dollar requirements that demonstrates a lack of preparedness that could only lead to workers being caught and trapped in the eternal dilemma of having neither sufficient time nor resources to meet needs. Perhaps the minister will tell us of the rate of turnover in the department. Of course, we hear rumours all the time that it's high. I don't have any current statistics; they're very hard to reach.

What else is up? In the subprograms, program development is up 153.4 percent, purchased services is up 32.8 percent — I understand that's the women's shelters, and they are still short of their requirements — purchased services in vocational rehabilitation is up 10.2 percent, and purchased services in handicapped is up 20.1 percent. Certainly there's a trend there in who is doing the services, and what they're costing.

Mr. Chairman, I've mentioned family poverty in Alberta. It has doubled between 1981 and 1984. We are seeing dramatic increases not only in the unemployed but in the underemployed and the working poor. These are not people who've always been poor. These are the newly poor. In our income support division our workers are overburdened. I am glad to hear that there's some move to increase the

number of staff there. The caseloads have been running in excess of 225, when the policy sets it at 125.

What troubles me perhaps more than anything, Mr. Chairman, is the philosophical and mental sort of mind-set that I can't help but feel exists in how we deliver services and plan our programs. It seems to me that applicants are uncomfortable applying for assistance, and they are sometimes treated, not intentionally, with mistrust. They are already frightened and helpless. They are often reduced to seeking housing in rental accommodation that is inadequate, inappropriate, and very, very expensive. When you're employed and paying or not paying your bills, you're acceptable. You can make decisions, because you're assumed to be paying your way. When you're unemployed through no fault of your own, when you're unable to support yourself and your family because there are no jobs or you're in poor health, you're somehow inadequate. You cannot be trusted to make decisions. You cannot be trusted with money. You lose your aspirations, and you have no hope for the future. Soon you're caught in a downward spiral, and it's hard to break out.

I don't know how many of you people in this House have been fired, but let me tell you, it's not a pleasant experience. I was fired last year, and it wasn't comfortable, Mr. Chairman. [interjections] I didn't lack food for our table, because I have a perfectly good husband who makes an adequate income, but I did suffer with the experience of being unemployed and fired through what I considered to be no fault of my own.

MR. STEVENS: Was it the company you kept?

MRS. HEWES: It could have been.

It was a shattering experience. Being unemployed — terminated, to use the euphemism — is a very difficult thing to go through, and I cannot tell you strongly enough how uncomfortable it is to suffer that. In spite of the fact that you believe you have not contributed, you have a great sense of helplessness and of inadequacy. In our programs, in our description of the unemployed, and in our address to the unemployed, I do not believe that we ever comprehend those feelings and attitudes. I'm sure that among our friends all of us have people who have suffered through this. It's not an easy situation to get out of. Imagine what's it like if you are the breadwinner in the family. Imagine what happens when your friends and family cease to be able to help you, your motivation has diminished, and you lose your self-esteem.

Then we have the myth, Mr. Chairman, of the safety net of social services, and it is a myth. The income support levels — and I've asked questions in the House before — are too low, and the entitlements are not being picked up. I am glad to know that we are now getting information to people and that income security people have been entrusted with the task of ensuring that people who apply, frightened and helpless as they may be, in fact know very clearly what they are entitled to, what all the extra programs are.

I would like to be assured by the minister, Mr. Chairman, that the process of recoveries will be discontinued. I think it's archaic and cruel to allow people a certain number of dollars for a basic income and then turn around and take it away from them and say, "You got to get along with less." I believe it's a program that should be discontinued immediately.

It's my understanding that the department intends to change some things, and I'm pleased to hear that, Madam

Minister. I had hoped that the increase would be made in this budget and not under special warrants, if they are required. I understand there are standards of service that are to be developed that will provide for an appointment for applicants within two days of a call, same-day service for emergencies, and a 24-hour return on phone calls. I also understand that we're adding 20 new workers to the overburdened offices in the city of Edmonton. I would like to know, Madam Minister, if these are to be permanent or temporary staff.

As I've reviewed that, I've wondered why the special needs categories that are available to people are not collapsed into the basic rates under the present circumstances. I believe this is permissible under the Canada assistance program. I think it's important, Mr. Chairman, that all clients should get a breakdown of what they will get according to their entitlement so that they know exactly what they can expect to get and why, that they have a chance to discuss that with the security worker.

Mr. Chairman, I hope I'm not going to get cut off here. I expect that I am in two or three minutes. Am I?

MR. CHAIRMAN: No, the hon. member will not be fired; I can guarantee you that.

MRS. HEWES: Thank you; the best news I've had today. [interjection] Yes, at least somebody thought I should have a job.

Mr. Chairman, I want to speak for a few moments about child welfare legislation. The new Child Welfare Act that was proclaimed over a year ago regrettably does not adhere to the Child Welfare League of America's standards, and I don't understand why these were not incorporated in that Act. As well, I would like to ask why the regulations for this Act have not been finalized. Under the circumstances, it's my understanding that child welfare investigations are up considerably in numbers, there is high worker turnover, and the caseloads are still inordinately high for workers to cope with.

MRS. OSTERMAN: Mr. Chairman, may I make a brief comment, if the hon. member will let me? It's a very important point in that the legislation does conform with the Child Welfare League of America. In fact, as I understand it, there has been an undertaking from them to support our standards.

MRS. HEWES: Thank you. Madam Minister. I'm glad to hear that. That's news to me, and it will be news to quite a few people who work in child care throughout the province.

Mr. Chairman, I want to address myself to day care. I believe that there are three conditions that must be met for adequate day care: we have to have an appropriate ratio of workers to children, small group sizes, and professionally trained and accredited staff. Untrained staff can achieve good care provided that they work under a trained supervisor and in proper proportions. The Alberta Association for Young Children has given me a brief that they are going to be presenting and that will hopefully achieve some success that will go a long way to bringing up the ratio of trained to untrained workers in staff groups.

To be sure, Alberta spends more on day care and has more spaces. But I am suggesting to you once again that it is not working adequately. We have taken the lead in encouraging private, for-profit centres in this province, and there are immense subsidies. Seventy percent of the spaces

are provided by private enterprise. But Alberta's requirements on square metres of indoor space per child are among the lowest, and our standards for staff training are Canada's worst. We require no more than that workers be 18 years of age or over. I believe that monitoring and enforcement are much lower than they should be to provide adequate safety for users and communities. Day cares are entrusted to fulfill the conditions for the operating subsidy on an honour basis. That may be more than adequate for some, but the maximum government subsidy is wanted by our day cares with minimum control or interference. I understand that we have only 21 licensing operators for the whole province. They are able to visit only about every three months. They do that with appointments, so the day care centre has an opportunity to prepare for the visit.

I understand that the government neither audits nor calls to account the millions given in day care subsidies.

MRS. OSTERMAN: Mr. Chairman, may I make another comment to help the hon. member?

MR. CHAIRMAN: Member for Edmonton Gold Bar . . .

MRS. HEWES: Am I going to get another chance, Mr. Chairman?

MR. CHAIRMAN: Order please. The clock is fast running out. The House leader undoubtedly is going to request something of this committee in three minutes. So. Member for Edmonton Gold Bar, you should either acquiesce to the hon. minister or make your final comments very quickly.

MRS. HEWES: Mr. Chairman, may I have an opportunity to lead off when we once again convene on this part of the estimates?

MR. CHAIRMAN: The Chairman is in the hands of the committee, and I guess that would be a question I'd have to put to the hon. members.

SOME HON. MEMBERS: Agreed.

MRS. HEWES: Thank you, Mr. Chairman. I'll yield to the minister.

MRS. OSTERMAN: I only want to correct a misunderstanding that the hon. member has: that is, when the licensing officers visit day cares, other than the prescribed annual visit per year for certain purposes, all other visits are done absolutely unannounced, as with the Social Care Facilities Review Committee.

MR. CHAIRMAN: If the House leader rises, which he has, we're all cut off.

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 under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

MR. SPEAKER: I wonder if perhaps I might invite at least one member back to his appropriate seat in the Assembly.

Having heard the report and the request for leave to sit again, does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed, if any? Carried.

MR. CRAWFORD: Mr. Speaker, the business for tomorrow night will be Committee of Supply, with the estimates of the Department of Labour, and on Friday, the estimates of the Department of Tourism.

I move that we call it 5:30.

MR. SPEAKER: The Government House Leader has moved adjournment until tomorrow afternoon at 2:30. Does the Assembly agree with the motion?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed, if any? Carried.

[At 5:29, pursuant to Standing Order 4, the House adjourned to Thursday at 2:30 p.m.]