

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, March 23, 1987 8:00 p.m.**

Date: 87/03/23

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

head: **COMMITTEE OF SUPPLY**

[Mr. Gogo in the Chair]

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

The purpose of the Committee of Supply is, in accordance with the hon. Provincial Treasurer, who's also the president of Treasury Board, to each year present to the Assembly estimates for all expenditures for the next fiscal year, which would begin April 1. Then individual ministers will present their estimates to this Assembly, and hopefully the Assembly will approve. That is known as the Committee of Supply in action. Only a minister of the Crown may present to the Assembly, after authority by Her Honour the Lieutenant Governor, any expenditure of public dollars. In addition, the members of this committee may move amendments from time to time regarding the supply votes, but only in such a manner as to decrease the amount and never under any circumstance to increase an amount; that is the prerogative of the Crown.

Now, hon. members, the rules of the Assembly out of *Standing Orders* supply to this committee as to when the committee is under the formal jurisdiction of our Speaker. So before we begin, I would like to get a consensus from hon. members as to the process. If I could, I would relate that last year we attempted a system that was agreeable to all members of the House, or at least the majority, and that was as follows: under *Standing Orders* members must rise and seek the attention of the Chairman. That really is not a very good system, so we attempted last year -- and I believe we were successful -- where members wishing to question ministers in the estimates would indicate to the Chair, the name would be taken down, and they would be called in order. Now, is that agreeable to the committee before we begin?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Okay.

Secondly, we are to begin the designated estimates of the government which is the Department of Advanced Education. That's the Hon. David Russell, minister, and the prerogative is always with the Crown through its minister to make any opening comments with regard to the estimates to be presented for approval of the House.

head: **Department of Advanced Education**

MR. CHAIRMAN: Hon. Mr. Russell, would you care to make some introductory remarks with regard to your estimates?

MR. RUSSELL: Thank you, Mr. Chairman; I would. I'm pleased to present this budget of just in excess of \$900 million to the members for their approval to support the postsecondary education system in the province for another fiscal year.

Mr. Chairman, because I'm the first member up presenting

estimates, I thought I would make some introductory comments: first of all, to try and paint a background of how this department's budget fits into the overall budget of the total government and the policies that generated the final figures; secondly, to describe for hon. members how my department budget is structured. I would like to make a couple of comments about capital, because we're continuing to build and invest in the future. I'd like to make a couple of comments about the endowment fund that was presented to hon. members last year for approval in the throne speech and then conclude and take questions.

Mr. Chairman, I've been a member of the government's Treasury Board for nine years, I guess. I've been involved in the work that goes into preparing a budget on 10 occasions including this one, and obviously this one was the toughest. This is the year Alberta became like the other provinces of Canada insofar as the intricacies and difficulties of constrained fiscal planning were concerned. What I'm about to say are my own personal observations, but frankly, in the past I found it fairly easy to be a member of Treasury Board. The various departments came in. You took the previous year's expenditures as a base, allowed for inflation and for new programs and, working within a fairly generous global figure, were able to come up with a budget that not only because we were fortunate didn't have any debt servicing charges of any significance attached to it but also in many years included quite a substantial fund to be put aside for savings for the future, the heritage fund. So it was interesting work, and it was nice work.

We know what happened in November of 1985 and the months following. The two basic building blocks of the Alberta economy were under severe attack and pressure from forces not within our choosing or control. So we had to decide if we were going to work within a tighter framework, and we did. Not only did we work within reduced overall percentages, but we kept a very careful eye cocked toward the provincial debt structure.

It's very important in my view that we do that, Mr. Chairman. If members have the budget speech in front of them, the expenditure plan, that table at the top of page 15, shows it very clearly. Because the combined program spending of government -- that is, the 3 percent which were our priority departments where services to people were concerned -- combined with the larger decreases in the other departments of government gave us a blended percentage decrease of minus 5.5. Capital spending went down 40.7 percent, giving a combined total spending of minus 6.3 percent. But debt servicing went up 97 percent in one year. And that's a clue as to what we face in future years if we allow the deficits to continue and accumulate one on top of the other, because in a very short period of time on a geometric basis, not a straight arithmetical basis, the debt servicing can go from \$200 million to \$400 million to \$800 million to well over a billion dollars within our four-year time frame that we mentioned if we're not careful.

As our Provincial Treasurer has pointed out so many times, Alberta, because of its very good credit rating and its assets and collateral, has had access on the international money market to almost unlimited borrowing. It's been very easy for the Provincial Treasurer to borrow. I think one day last fall he said in a 24-hour period he placed about a billion dollars -- yes, just over a billion dollars in less than 24 hours -- which speaks well of our reputation in the international financial market. But it's going to take somebody 25 or 30 years to pay that back, and the debt servicing for that will be built into every budget.

So the reason I'm taking some time to make these remarks is

that I want to have hon. members picture a future government, perhaps three or four years down the road, with an \$11 billion or \$12 billion budget in front of them. Before they start planning for one item of health care or one support program for a school or one element of social services, right off the top they've got to take a billion dollars.

MR. TAYLOR: You'll be in the opposition then, Dave.

MR. RUSSELL: I could very well be. I'm saying that if we don't put our house in order now, the next government, whoever they are, will have that kind of a problem. And you can see why we're determined not to let that happen. That's an irresponsible legacy for any government of any party to hand on to the next government or the next generation. So the determination and the objective was there: to keep our debt servicing, as the Provincial Treasurer said, in the future in the single-digit figure. We don't want it to start to become 10 or 15 or 20 or even 33 percent, as the federal government has, because that's a terrible constraint on the ability and the future planning flexibility of any government.

With that background picture in mind and that forecasted look at the future, we set about establishing our priorities, and we've said many times that our priorities are services to people. So the four departments that were involved in that -- Education, Advanced Education, Hospitals and Medical Care, and Municipal Affairs because of their large grant package to the municipalities, which in turn passes on so many services to people -- were given the message that they would have the less deep cut of any of the departments as we went about following the process I just mentioned. The next thing that occurred was that the Provincial Treasurer asked all the departments to prepare a couple of trial budgets. We discussed this in the House last fall, the minus 5 and the minus 10 percent. Run through a rough budget using those figures, this year over last, and see what the ramifications are. A lot of interesting evidence developed as a result of those exercises. In many cases it was obvious to see things that were impossible to do, in other cases it was easy to see things that would be easy to do, and in some cases you could approach figures that were neither 5 nor 10 percent but gave you a direction as to how you might go.

So working through that late last fall, we came to the conclusion that we would do top-down budgeting. In other words, out of the preparation work that I've mentioned, with the objective that I've stated and with the priorities on the table, each minister was then given a top-down target under which he had to work, bearing in mind that the grants under the departments I mentioned were to be cut no more than 3 percent. The various departments and ministers then had the responsibility of working within their target, and we had a fair amount of flexibility in doing that. So that is how this Department of Advanced Education budget evolved.

I have three votes in the department. Vote 1 is support services. Vote 2 is the grants to the institutions, and they are in two forms. The bulk of that money is operating grants for program delivery, and a much smaller proportion of it is what we call formula funding, which is a form of capital assistance that really looks after depreciation and ongoing maintenance and improvements. Vote 3 is the pool of financial assistance for student financial aid. Going into vote 2 and taking off the minus 3 percent in the operating grants, I was then left with a pool of money that had to be distributed in some way among administrative support by the department, the formula funding that

went to the institutions, and the financial assistance for students. Right off the top we made the decision that department spending would go down by 10 percent, and that was across the board and starts in my office and goes right through the department.

Looking at vote 3, student financial assistance -- which I deem to be a higher priority this year than the formula funding for the various institutions -- we tried to visualize what we could do by way of a reduction there. Bearing in mind what job opportunities are liable to be there, the various ability of Alberta families to give financial support to their children who are in the institutions, our scholarship programs, the amount by which we might raise tuition fees, all those things, what could we afford to do by way of reduction in financial assistance to students and still guarantee Alberta kids that if they were in need, they would get assistance? And that had to be the objective. Surprisingly, the students themselves gave me many good ideas as to how to reduce this. I say "surprisingly" because the theme was constant throughout. They said, "Tighten up your rules and guidelines; there are too many students in the system that are cheating." So we've done that. Taking the suggestions of the student body themselves and doing much more careful audits, much more careful screening on the application forms, and much stricter follow-up on the repayment of student loans, we think we'll weed out a large percentage of loans that are not justified, that have got by in the past, and still make sure that the young Albertans that really need them will get them. So we reduced that vote by 9.5 percent. What was left over then went into formula funding.

In discussing this with the institutions, they realized that it was going to be reduced. It's always gone forward in three sort of separate packages to them: one for site and building maintenance, one for renovations, and one for the purchase of equipment and furnishings. So I said to them, "How about if we give you a smaller pool of money and we'll take down those internal fences?" So the boards themselves will have to decide whether they're going to buy a microscope or let the grass grow long. It's that kind of decision they're going to be into, and they were quite amenable to doing that. The formula funding part, which I call the plug in the budget because I worked through everything else through the department -- the final plug, then, was a 27 percent reduction in that formula funding for the institutions.

Quite frankly, having visited pretty well all of our institutions now -- I still have three left to do -- and compared them with many out-of-province institutions and out-of-country institutions, I think our physical plant in Alberta is in incredibly good shape. The buildings and the equipment and the grounds are pretty high class on any measuring stick, and frankly I don't really have much sympathy or time for a university president today in Alberta who complains about the state of his physical plant. They've got excellent facilities. So I'm fairly confident in recommending to the members a 27 percent reduction in that formula funding this year.

That's only part of the capital investment that we're putting into the system. This budget that the Provincial Treasurer has placed before you contains just under \$91 million -- \$90.8 million -- in requests for ongoing new construction in institutions throughout the province. As a matter of fact, we talked earlier today about the distribution of capital works around the province on a geographic basis and also related to need as an important element in our employment strategy. So we have \$90 million worth of projects going ahead as an investment in the future in our postsecondary education system throughout the province.

I'd like to -- because I know members are usually interested

in this -- quickly go through the list of some of the major projects. Both schools of nursing at the Foothills hospital and Royal Alex hospital are going to get long-requested renovations and library upgrading. We're doing some important upgrading at the Alberta College of Art in Calgary, renovations to the Grant MacEwan Cromdale campus here in Edmonton. Phase two of the Grande Prairie College campus is going ahead. That's a major project, and there's \$6 million in this year's budget for that. We're doing three projects for Lakeland College: the Alumni Hall is going ahead; farm upgrading; and a start again, \$7 million targeted for the construction of the Lloydminster campus. So you can see that there's not only some modest work ahead but some very significant projects. The Lloydminster and Grande Prairie campuses are major, and their total cost will be in excess of \$50 million by the time they are finished.

We're also doing some long-requested renovations to the residence at Olds College. The students took me through their dorms there and made their pitch, and I believe this work is justified. At the universities we've got just under \$6 million worth of work under way for the U of Alberta, continuing the Arts building upgrading, the ongoing program of asbestos removal, and the start on the upgrading of Corbett Hall, something the administration there has asked for for some time. There's nothing new of large significance proposed for the University of Calgary. There's been a lot of money put in there lately, but there's still \$10 million worth of work scheduled for this year on the Olympics link, the new physical education building, and again the ongoing asbestos removal there. There is some structural repair work, \$1.25 million worth of structural repairs, going into the University of Lethbridge. So you can see from that package that there's some good projects going ahead all over the province.

In addition to that, my colleague the minister of public works will be putting significant funds into the publicly administered institutions at AVC in Calgary, CVC in Slave Lake. We're making a new start on the CVC campus in Slave Lake this year. AVCs and CVCs in satellite locations are going to get some work as well as the AVC at Grouard and the AVC at Edmonton, so I think that is a pretty fair package of investment in the future, Mr. Chairman, by way of capital improvements.

I'd like to say a word about the endowment fund, because we're asking for \$17.1 million in this year's budget to meet commitments under that. An incredible one-year-old success story. It's really worked. If you recall the throne speech of 1986, the program was announced, \$80 million in matching funds for privately subscribed endowments or operating funds that the institutions might be able to raise. I think so far in the first year they've raised \$27 million, and in these times in our Alberta economy, when so many of our major companies are hurting and our major potential donors are going through challenging times, for our educational institutions to raise that amount of money is just an outstanding tribute to them and a unique story in Canada. It's just wonderful what those Albertans have done. So the endowment fund is going to be looking for \$17.1 million.

The interesting thing about this is that most of the funds are being channeled into permanent endowment funds. In other words, they're not going so much into capital projects or straight operating funds, but people seem very interested in building up these endowment funds. And we've tried to encourage that, because we're matching any contributions toward endowment funds on a two-for-one basis. So those are building up very

nicely, and a lot of special chairs and special programs of study for unique purposes will be permanently funded that way. It's going to make our postsecondary community far richer and more varied and very attractive, I think, to scholars from all over here.

In conclusion, there are two or three miscellaneous items I'd like to deal with. Last year at this time when I had my estimates up for review, there was a great deal of concern about a perceived inequity among the institutions insofar as provincial funding support was concerned. I spent a great deal of time examining that, and it's certainly not a black and white picture. And frankly at the moment I think any of us in this Assembly could, given the evidence that we have, probably argue the case either way: that there are inequities or there are not inequities. It's a much more complex problem than simply dividing the total operating grant by the number of full-time students. That's a simplistic approach that just doesn't tell the whole story.

I was looking for an independent referee who could give us some down-to-earth, straightforward observations and recommendations on this, and a few weeks ago we appointed from the province of Ontario Dr. Stefan Dupre. I had an earlier news release out about that, and his qualifications and task have been outlined there. But I'm very hopeful that by August or September Dr. Dupre will have reported and given us his recommendations, and we're committed to addressing any problems of inequities that he might identify.

Also, since we last met as a committee to study estimates, in conjunction with the students' unions from across the province we've pretty well agreed on a new remission policy for student loans, and we have one there that I believe is going to save us money and will be fairer to the students because of the new formula that's involved. The second question to be looked at two or three years down the road is: if in fact there are savings that do accrue, should we put those back into the student loan program or do something else with them? And we'll have time to identify if there is real need among certain student groups for additional financial support.

In the future you can see admission standards for the private vocational schools reviewed very carefully, and the practices of some of those private schools, insofar as advertising and accessing students to the loan funds and public moneys available, are going to come under some pretty careful scrutiny.

In conclusion, Mr. Chairman, this budget is one which I think is generous and realistic. It maintains Alberta's position as the highest per capita supporter of the postsecondary system of any of the provinces in Canada. It maintains Alberta's historic position as having the second lowest tuition fees of any of the provinces in Canada. The only exception to that is Quebec, and there is a long history why those tuition fees there are so much out of kilter with the rest of Canada. It provides funds to keep investing and building for the future. In my view, it goes back to what I said originally. I think it would be ironic if in developing this budget, this whole government's budget, the onus and responsibility of paying back exorbitant debts in the future fell upon the clients that we have now in this system, because it's the students that are in school today getting their professional and academic finishing that are going to be the new job force in four or five years when the debt services start to build up.

So really I have a double interest in getting approval for this budget and seeing it well managed. I'm confident that we're going to get good co-operation from the boards of governors throughout the province. When we gave them the news of the 3

percent, we collected them together at Government House and tried to give them advance notice as to what they could expect by way of operating grants for next year. Their suggestion was that we ought to get together and exchange ideas and see if we can identify any trouble spots or if we can share good ideas. So we had something that I believe was unique. We had a fiscal planning seminar at Government House on February 17 which we convened. At that time, after they'd done their preliminary budgeting work, they came together, and it's on the basis of that spirit and the messages we got at that seminar that I'm confident we can go forward with this budget, based on the figures I'm presenting.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Thank you, minister. Before we proceed, it might be helpful if hon. members and ministers referring to parts of their departments or segments of their department by acronyms -- for example, AVC -- it may be appropriate to say the Alberta Vocational Centre for the benefit of our visitors in the gallery.

Secondly, the minister has presented an overview of his department and is now prepared to respond to questions. Mr. Minister, the Chair would like your advice. We have, for example, Attorney General with nine votes coming up later and we have the Department of Advanced Education with three votes. The minister has talked about each one, and the minister may now prefer to entertain the comments and questions regarding all three votes. The Chair would like a confirmation of the minister's wishes, and then the Chair should be aware whether the minister is prepared to hear all comments and then respond or if he wishes to respond after each speaker. That would be the prerogative of the minister, but it would be helpful to the Chair if the Chair knew. Minister, would that be agreeable, that you respond after all comments or . . .

MR. RUSSELL: Thank you, Chairman. I think I'd like to do it the latter way; that is, let the hon. members ask any questions in any part of the department and then I'll try and respond to all of them when they're finished.

MR. CHAIRMAN: Thank you. The hon. Member for Edmonton Mill Woods.

MR. GIBEAULT: Thank you, Mr. Chairman. I'm pleased to have an opportunity of participating in the Advanced Education department estimates this afternoon, because since the last session of the Legislature I have had an opportunity to visit most of the universities, the colleges, and the technical institutes in the province. I've had an opportunity to meet with student and faculty representatives and administrators as well. There are some excellent programs there that are being run for the students of our province, but I did get a great amount of concern expressed to me about the impact of the current budget cuts.

Now the minister has made some comments about the need for budget cuts and so on, and we all realize that it's a serious situation that has to be addressed. But I think the perception in the advanced education community is very similar to that that was mentioned recently in the *Globe and Mail's Report on Business Magazine*, which I think, Mr. Chairman, we can all agree is not an NDP house organ. And what they said recently was this, and I quote:

When crumbling oil prices fertilized a growth in the deficit of hundreds of millions of dollars last summer,

the opposition parties called for reasoned restraint. Instead, the Tories put through a 10% raise for members of the Legislature, [they] made \$640,000 worth of patronage appointments for Lougheed aides and defeated Tory MLAs, and proceeded with a projected \$3-million facelift of the Legislative Assembly . . . The symbols were all wrong.

I think that is really part of the problem we have here in the advanced education community, because there is a sense there that the government has done nothing or done very little to modify its own spending and yet is taking it out on the institutions of education in this province, on the students and the faculty, in a very unfair manner.

I think it's a little unfortunate as well that tonight when we're talking about advanced education, which has as a major component the whole area of research, we don't have the Minister of Technology, Research and Telecommunications here, because I would hope that those two ministries have an ongoing relationship and concern in advanced education and the important role that research plays in that.

Some general comments I want to make in terms of this budget. I think the concerns that we have are that at this time in our history of our province, when enrollments at almost every institution are at an all-time high, partly because of the slump in the economy and people want to come back for retraining, for upgrading, the government is now cutting back on the opportunities that will be available to the students of this province, young and old alike. And I think people in this province are disappointed for starters that our provincial government has done little if nothing to resist the feds -- which are their cousins and perhaps that's why -- but resist the federal efforts to reduce the established program funding levels. I think our government, if they really have a concern about educational opportunities for the students of this province, ought to go head to head with the federal counterparts and demand that they continue the funding levels that are required to maintain quality education for our universities, our technical schools, and our colleges.

I think as well that because of all these cutbacks now that have been announced that we're looking at -- every day in the paper there are programs that are being terminated. Libraries are going downhill; some are closing. We've got staff layoffs. Some people, Mr. Chairman, wonder. I'm not saying I do, but some people do. And I can tell you, for example, that at Red Deer College there were people that wondered this aloud. They wondered, "Could it be that the reason advanced education participants are getting less money is that perhaps the government doesn't get the kind of political contributions from our postsecondary institutions that they do from their oil company friends?" One person at Red Deer College suggested, "Well, why don't we just rename our institution and call it Red Deer oil company? Then we'll get royalty cuts, we'll get investment losses, and we'll get all the slew of incentives and programs that are available for the oil companies."

It seems to me, Mr. Chairman, that one of the other problems we've got here is that we have ministers of the Crown that have displayed a very callous arrogance when it comes to postsecondary education. Now we had hoped that with the current minister we'd have an improvement over his predecessor, who was well known to have little interest in the portfolio. In fact, the college instructors of this province, the only way they can seem to meet with the Treasurer to talk about their pension concerns is to have a press conference in Lethbridge in his riding, to embarrass him to the point where he finally comes and

says, "Okay, I'll meet with you."

We had in the person of our current minister some hope that that would improve, but recently at Red Deer College -- and Mr. Chairman, there are people from Red Deer College here today. Because they were expecting Mr. Russell to be there on March 11. The *Bricklayer*, the student paper there, had advertised that. There were posters all around the college -- looking forward to an opportunity to talk to the minister about his policies, about the cutbacks, and how he was justifying them. And at the last minute he calls up and says, "Sorry; I can't make it, folks." I think that kind of an attitude, where something like that was.

MR. STEVENS: Mr. Chairman, point of order. It would be useful if the member speaking -- he probably he has some contributions to make; I'm waiting to hear them -- would refer to the rules of the House and not impugn motives to any one member of this Assembly.

MR. HERON: A point of order, Mr. Chairman. The hon. member made reference to the \$3 million face-lifting, in spite of what the Speaker circulated in this Assembly in terms of the costs of the face-lifting. I think the onus is upon us to . . . They're totally out of order.

MR. FOX: On the point of order, it's clearly not a point of order but a matter of interpretation of fact or figures, and the hon. member for . . . [interjections] Right or wrong, it's not a point of order, clearly, and the Member for Stony Plain has ample opportunity to correct the record if that's his desire.

MR. CHAIRMAN: Well, the Chair tends to agree; it's really not in fact a point of order. The Chair would make the observation . . . [The Member for Edmonton Mill Woods rose] One moment, please. The Chair would make the observation that as this is the first of 25 days, the Chair would encourage hon. members to debate in the spirit of the matter before them. The Chair doesn't wish to quote *Standing Orders*, but *Standing Orders* does say that members must deal directly with the matter before the House, and I think that with the minister's position there's a fair degree of latitude in that members can comment about all votes proposed by the minister and not individual votes line by line. So the Chair would ask the indulgence of hon. members to attempt to stay within the gambit of the votes before them.

The hon. Member for Mill Woods.

MR. GIBEAULT: Since the minister wasn't able to talk to the students directly at the forum that we just mentioned, Mr. Chairman, I'd like to ask one of the pages to come here and give to the minister a petition that they wanted to give to him when he would have been there. Nineteen hundred and fifty-five students at the college signed this about their concerns and the impact on funding cutbacks that would affect Red Deer College.

I would say that another example of this government's bad faith when it comes to advanced education is the question of student financing. Now the minister just talked about how much he appreciated the fact that students had given him ideas on how they could make some adjustments to student finance. What the minister casually left out was the fact that the students had put forward this proposal for changing the remission policy on the basis that the savings that were realized would be redirected to special needs students, like single parents and others. And, Mr. Chairman, the government took the first part, where they would

save money on the program, and cut back the amount of support to students, but they reneged completely on the second part. That kind of bad faith creates a very bad feeling in the mouths of students.

MR. RUSSELL: Mr. Chairman, please, on a point of order.

MR. CHAIRMAN: Order please. Minister of Advanced Education.

MR. RUSSELL: I must object. I just not five minutes ago made reference to the second phase of that remission program and gave the commitment that in two or three years we would have to look and see if there are the estimated savings and if they should be directed towards the special need groups. I just finished saying that here. How can you say I reneged?

MR. CHAIRMAN: Member for Mill Woods.

MR. GIBEAULT: Mr. Chairman, that is an interesting response. Perhaps the minister has a communication problem with the students of this province. That is most certainly not what they are saying to me. Perhaps he'd like to meet with them again and just try and clarify that, because they are very concerned about that. They do not feel that the minister acted in good faith.

Mr. Chairman, to go on, the minister mentioned his inquiry into inequity fundings in various institutions: whether there are inequities, whether there are not, and to what extent there perhaps should be changes. And to the degree that this is a move that may address some of these inequities, I think it could have some merit. We would like the minister to answer for the Assembly today, if he would, the following. What is the mandate of the inquiry? What criteria will be used to determine whether inequities exist? Will the minister be tabling the report of Mr. Dupre in the House when it is tabled? I understood him to say August or September. What opportunity will there be for representatives of the institutions to respond to the report? And will there be some sort of consultation process set up before major changes are made?

Now I'd like to carry on, Mr. Chairman, with some other comments relating to some of the items put forward in the budget as presented by the minister. He's mentioned the endowment incentive fund, and certainly the institutions have taken up the minister's challenge here to find alternative sources for funding in the current environment. I have to wonder, when there is a 32 percent reduction in that funding and the minister just finished telling us that institutions have raised \$27 million and when I see that there's only \$17 million in the funding allowance. I'd like to have an explanation as to: are there going to be fewer dollars matched? Is the ratio of matching going to be reduced? What gives there? Obviously, something in the neighbourhood of 30 percent. I think the institutions would be interested in knowing what the government's intention is in that regard.

I think as well, Mr. Chairman, that I'd like to say a few words about, for example, the Alberta Vocational Centres. There is no question that many of them have been doing some very good work in upgrading, ESL, and other areas. But in the Alberta Vocational Centres as well as in many of the colleges of this province there is an increasing tendency to use contract workers, contract instructors. These are people who have absolutely no job security. They have no pension, no benefits. They

make it very easy for the government, or the institutions as the proxies for the government -- not to fire people, not to release them in a messy and uncomfortable way; what they simply do is not renew their contracts. So this whole second-class status group of people are perpetually unsure about whether or not their jobs are going to exist, whether they'll be renewed, whether or not they've criticized the way any programs are being administered in their institutions, the government policies about education, whether or not that might simply result not in their being fired but in their contract not being renewed. It's so neat and so antiseptic.

I'd like to ask the minister if he's going to be bringing forward in this session amendments to the relevant legislation clarifying this whole question of academic designation, to ensure that all of those people who are instructional staff or related to the instructional process, whether they be regular classroom instructors, librarians, counsellors, contract staff supplying instruction or whatever, that they all be covered under the provisions of collective agreements and all have that same dignity and decency to be covered by proper working conditions, proper process, due process, grievance procedures, and so on. Because right now there is that whole class of people that simply is not being treated fairly.

There's another element that I want to talk to. I'd like the minister, if he could, to explain in his estimates here why it appears that the Alberta Vocational Centre in Edmonton has been singled out for a larger reduction in their funding than the other Alberta Vocational Centres, in the amount of 5 percent compared to three for the others.

In addition to that, the more general question we would like to ask is: is it the government's intention in terms of the Alberta Vocational Centres, the provincially administered institutions, generally speaking, to turn them over to board governance? If so, when might that occur? And if it is not the government's intention, can he tell us why he wants to continue having direct control over these institutions, what advantage he sees to that?

To go on to another area here, there are the questions of the technical schools and the colleges. In the estimates that we have been presented, we have, for example, the Westerra Institute of Technology which is shown here as being in line for a one-tenth of 1 percent reduction in their funding. I'd like the minister to explain to the Assembly how he and his colleague the Provincial Treasurer can be presenting us with figures like that, when for a fact I know that he has asked the Westerra Institute to look at a 15 percent reduction on top of the 3 percent that applied to everybody else, which is an 18 percent reduction. And here we're presented with figures that suggest a tenth of a percent. Mr. Chairman, these are numbers that absolutely need explanation, and we certainly didn't get it in the minister's opening remarks.

Similarly, the various colleges have all been telling me that they've been looking at cuts in the neighbourhood of 3 percent. Talking to a couple of college presidents this morning, they are unable to understand how the department and the minister come up with these particular numbers showing such modest reductions in funding, because they apparently have been told that the cuts are going to be much more in the neighbourhood of 3 percent. And if there are explanations for those variations, Mr. Chairman, we on this side would certainly like to hear them from the minister.

There is again the question in terms of the colleges -- some particular problems -- and I think it's time the minister addressed, for example, the whole question of the situation at the Alberta College of Art. He's well aware that the staff there have

no contract, that they haven't had a contract since they became an autonomous institution. And I would like to ask the minister: how long is he going to allow this condition to drag on and drag on? Is he not going to be looking at making some amendments to legislation and in particular looking at the case of the Alberta College of Art in regard to amendments that allow for some resolution of contract negotiation impasses? We cannot, surely, allow these kinds of things to carry on indefinitely.

Another area of concern in college education is -- and I'd like to hear the minister's comments on that -- why is it that there is absolutely no provincial support indicated in his budget estimates for Old Sun College, the native college at Blackfoot reserve? Here is a college that for a number of years has been making efforts to make their programs particularly amenable to native students, and we have absolutely no support for them in this particular budget estimate. And I would say that when talking to the people at Old Sun College, they have been wondering why that is, because other departments of the Crown make no distinction between services provided to native and non-native institutions and communities. It really is unfair, in our view, that native students have been singled out for no support from the province in terms of advanced education. We all know that there are particular problems with advanced education for native students. There are cultural conditions that have to be addressed. The Old Sun College at Blackfoot reserve has been a model transition institution, if you like, where students can get used to the change between the high school in the reserve area and the institutions such as in Edmonton and Calgary at the various universities and other colleges. And yet they receive no support. We would like to know why, Mr. Minister.

There are other issues as well, in terms of the universities. I wonder, in a general sense, for starters, why it is that there seems to be a trend for an increase in the soft versus hard money. The soft money tends to be authorized on a project basis, and I am wondering -- as are many in the postsecondary sector -- if that happens to be because the government intends to use that as a way of exercising more control over the universities and their direction.

In addition, I would like to maybe make some comments or responses to the minister's earlier comments about how support for advanced education in Alberta is among the highest in the country. While, for example, the grant for a full-time equivalent student at the University of Alberta was \$8,428 in the '85-86 fiscal year, in other areas, in the United States -- and this government continues to tell us about how we have to be competitive in the international scene -- the University of Alaska at Fairbanks, for example, contributes \$25,519 per full-time equivalent student compared to \$8,428 at the U of A. Even the state of Arkansas, not known to be an industrious or particularly economically strong state, supports their university students to the tune of over \$11,000 per full-time equivalent student. Is there a reason why here in Alberta we're not able to match those kinds of support? If so, I think the people in the universities of Alberta, of Calgary, of Lethbridge, and Athabasca University would be very interested in hearing that.

In terms of the universities as well, Mr. Chairman, I am puzzled why the minister chose not to explain why it is that on page 3 Athabasca University is being listed as being singled out for an 11.3 percent reduction in their grant. Is there some reason why we're going to penalize an institution that has shown leadership in alternative learning, leadership in distance education, outreach programs to native Albertans? If so, we would most certainly like to hear it.

Again, in terms of the universities, the minister must be aware that the university libraries at both the U of A and the U of L and the U of C are having serious problems trying to maintain their journal collections. That is the method by which the students, particularly graduate students, can maintain an up-to-date standing on research in their field. A lot of their journals are now going to be discontinued. To talk to the people at the University of Calgary, this continued problem of deterioration in the science and engineering journal collections jeopardizes the quality and credibility of the University of Calgary's teaching and research programs, and surely that has to be a concern of the minister.

The other example here, closer to home at the U of A, is the closure of the extension library that was just announced, Mr. Chairman. Now how can the Premier let this go without any sort of concern? This is a facility that has been built up over the last many, many years, providing a particular outreach service to the rural parts of this province that do not otherwise have access to materials in university collections. And in light of the fact that this cut's going to mean 15 staff members are going to lose their jobs, what's going to happen to them? Are they simply going to end up on the already disgracefully large welfare rolls in this province?

These cuts, Mr. Chairman, are having some very serious impacts, and I've just alluded to a couple of them. At the University of Alberta the Department of Anthropology indicates that increasing sections of students are coming up to very heavy class loads. They're wondering if professors are going to be able to handle increasing class sizes -- 50, 60, 70 term papers, 25 to 30 pages in length -- trying to also use the facilities of the Rutherford, the undergraduate library, the Cameron Library, or any of the others. It seems to many people there that the quality of the education is really being jeopardized by some of these cuts that are causing increases in class sizes, reduction in resources.

At the University of Calgary we recently had a demonstration which surely could not have escaped the minister's attention. Thousands of university students demonstrated their concern about funding cutbacks. They launched a petition which indicated that the funding cuts will mean larger classes, less accessibility to instructors, fewer services and resources, and generally lower quality of education. They said that students don't object to paying higher tuition fees for a better quality education, but they're being asked to pay more for less, and they find that that is not acceptable. I have yet to hear a response from the minister to that expression of concern.

We have the University of Lethbridge, which is one of our smaller universities, and they are being asked to accept as much of a cutback as anyone else. I wonder if the minister has expressed or had any concern that a smaller institution has significantly less manoeuvring room when it comes to making the kinds of cuts he has asked them to make. If he has any kind of special consideration in that regard, I haven't heard it yet, and I would be most pleased to hear it.

In terms of universities as well, the minister knows that there have been repeated representations on the part of administrations and faculties and boards for a consistent, overall, multiyear funding plan. Mr. Chairman, the minister I'm sure knows there is no business enterprise that can function successfully without a long-range plan -- three years, five years in advance. There is not a single successful corporation that operates on a 12-month basis in advance. You have to be able to plan down the road. I would suggest to the minister, with respect, that the universities,

the colleges, the technical schools are corporations in the modern sense. They have to be able to plan in advance. They have to be able to make commitments. You cannot simply turn on a program and then cut it off next year and hope to goodness that the next year, if things improve, we'll be able to get our instructors back after they've gone to other jurisdictions that seem to have a higher priority for advanced education.

There have been other concerns expressed by people from the Confederation of Alberta Faculty Associations. Mr. Chairman, of which there are some representatives in the galleries here tonight, listening with interest to what the minister is saying and will be saying. I'm sure. They have said that once a program is curtailed because of funding cuts, it takes a number of years to bring that program back to previous levels, if it can be done at all, because faculty people are not people who pick up a job on 24 hours' notice, on a week or two weeks' or a month's notice. There are very many considerations that go into making that kind of decision. And once we lose faculty, once they get the impression that this jurisdiction is really not that concerned about postsecondary education, once they get the impression that the research programs are going to deteriorate because the libraries are going downhill, we can't maintain the quality of programs, they'll be looking elsewhere. It will be very, very difficult to get those programs back.

Now, Mr. Chairman, other comments will be made on nursing education by my colleague from Edmonton Centre, so I'll leave that for the moment. But I do want to make some comments on the whole area of the Students Finance Board, because this is an area where we feel particularly strong concern. I mentioned earlier the problems that students have had in talking to the minister about the change in the remission policy. I'd like to ask some general questions, though, about the minister's policy in student finance. The first one is: surely he knows that there are more and more students going to school who are mature students who have been out of the student educational system for some time. They have, hopefully, been able to save a little bit of money towards their retirement in RRSPs and such assets, and I have been hearing a number of reports from mature students saying that they cannot get support from the Students Finance Board when they go back to university, college, or the technical schools because of the downturn in the economy, because they have saved for their future. The Students Finance Board seems to want them to exhaust all of these assets that they have been able to build up over the years before they are willing to give them any support, and it seems to me that we are penalizing the mature students. Surely to goodness we should not be penalizing people who have tried to make -- as difficult as it is in this time to try to earn a living and to support your family -- and been able to save a few dollars in an RRSP or a similar vehicle. Why are people being asked to cash these in before they get support from the Students Finance Board?

I'd like as well to ask the minister what measures he has done in the last little while to look at speeding up the whole appeal process. There have been a number of reports. People apply in the spring for programs in the fall. They don't get the kind of support they want, and the appeal process very often takes a couple of months. By that time, people have had to make other decisions and they've often had to cancel their plans for going back to school. Surely that can be speeded up and improved.

In terms of the 9.5 percent spending cut in general, I would like to ask the minister if he's given any consideration to how many students are going to be turned down in 1987-88 because

of this cutback. How many students will not be provided an amount that is adequate to live on? Has he done any study of this? Do we know? Let's hear it.

Another area in terms of student finance, Mr. Chairman -- and the minister tabled for us today the report of the Heritage Scholarship Fund, indicating a number of very interesting awards. But in there still was the indication that the Charles Noble award for student leadership was simply going to be recognized with a plaque and a letter from the minister. Now, Mr. Chairman, a plaque is nice, but the last time I went to the food store or to the text book store to buy books, it didn't go very far. I would like to ask the minister if he's going to this year provide some sort of significant financial component to an award that recognizes accomplishments in student leadership? Plaques and letters are nice, but they don't go very far when you're trying to pay the tuition or you are trying to buy your textbooks.

The other thing I want to talk about, Mr. Chairman, in terms of student finance is: in terms of the minister's unilateral decision to close the Calgary office of the Students Finance Board or, I should say, significantly "downsize" is the word they like to use, which means they lay off people and they reduce service. I'd like to know what consultation there was with students before that took place. My understanding is that there wasn't any. After the decision went through, you received letters from Alderman Baxter in Calgary and others expressing their concern about this deterioration in service to students in southern Alberta. We would certainly like to know as well why it is that the minister is now going to relegate to second-class status the students in southern Alberta.

Mr. Chairman, we've got the concerns of the Alberta College and Technical Institute Student Executive Council as well, who indicated to the minister recently that they are disappointed that the Alberta government has chosen to cut these people services and not indicate that at the same time the government should take a leadership role, cutting their own administrative costs. The letter goes on to say:

Our main concern is that the government does not place students in the "squeeze" situation of increased tuition fees combined with loan cutbacks.

They go on to say:

Under the current economic . . . costs of living and education . . . students will not be able to finance higher fees or extra costs.

Mr. Chairman, we can't let this debate go by without letting it be on the record that students are really being singled out in this government's obsession with their deficit. We've got, first of all, a 3 percent reduction in support to institutions, which, when you add an inflation factor in, is closer to 7 percent. We've got tuition fees which are now going up to 10 percent.

MR. CHAIRMAN: Order please. Order please. Under section 62 the hon. member's time has expired.

The hon. Minister of Advanced Education.

MR. RUSSELL: Well, Mr. Chairman, when you asked me how I'd like to handle this, I said it would be good to take all the members' questions and try to respond to them at one time. However, after having listened to the opening comments by the most recent speaker, I felt obliged to get up and correct the record before it goes any further. Frankly, because of his family's tradition in the postsecondary educational field, I expected much better from the member, not only by way of positive criticism but by way of honesty, Mr. Chairman. And I'm going to deal

with some of the specifics that he brought up.

The first one has nothing to do with the element of honesty that I referred to, but it certainly shows a lack of understanding about the fiscal situation of our country. I believe the hon. member was in the House when our Premier rose and spoke about the province of Alberta supporting the federal government in its efforts to try and get their deficit under hand and the fact that EPF funding would be capped insofar as the increases each year. It will only work if the provinces in this federal system of nation-building that we have co-operate, and our Premier pledged the co-operation. We're not happy with it, but if we're telling municipal governments and school boards that there is a realistic limit to the financial pie, then I think it's only right and proper that we accept it when the federal government says the same.

So although we're not happy with the 5 percent increase each year, we're committed to living within that and doing our planning according to that. Surely the hon. member isn't suggesting that this nation should continue to build up a debt and a deficit for the future, given today's current situation of a 33 percent debt payment charge out of every dollar. Surely he's not suggesting more unlimited spending. I can't believe that.

The other claptrap that I'm sick of hearing, and I hear it every time I go on a campus from the NDP-oriented student groups there, is that somehow [interjections] -- there's a small element of them, and I hear it here and I hear it there, and I know where it's coming from. But this message that the multinational oil companies are the enemies of the educational institutions and that because in tough times we give royalty relief or incentive programs to our basic industry, somehow that's wrong and we should be pouring more money instead into the educational institutions. Oil money built those institutions and oil money is paying for the education of every student that goes through it. And don't you ever forget it.

Not so long ago . . . [interjections] You'll get your turn; you'll get your turn. Not so long ago the oil companies, which that party seems to despise so much, were supporting government programs to the tune of 40 percent, and they're just as important to this provincial economy as agriculture is. And don't you ever forget that. You referred to the heritage trust fund scholarships; \$100 million of oil money built that. Three hundred million dollars of oil revenue built the Alberta medical research trust, and the money and the income from that is flowing to our students and our faculty. There's oil money building new buildings on our campuses, and for him to make the attack and the insinuations that he did, I think was despicable. To leave the idea that we can ignore our basic economic block and let them fail while somehow continuing to pour money on a borrowed basis into every social program, I think is the height of irresponsibility.

The hon. member also went on to say that he missed my showing up at his visit to Red Deer, and somehow inferred that I was afraid to meet students. Mr. Chairman, I've been to just about every campus in this province. I wasn't able to finish my visits before the House was called into session. I've got three left to do, Red Deer included, but I have been to Red Deer on an earlier occasion. But in arranging these visits, I made certain that academic staff, nonacademic support staff, students' union, boards of governors, and senior administration all got a chance to visit with me. Not only that, at the University of Alberta I've gone over and engaged in student forums, taken my licks, tried to give the government message. I've appeared on open-line radio with Michael Hunter from the U of A Students' Union,

taking anybody's questions or any comments you want to. So don't let him ever stand up in this House and infer that I'm not trying to get out there and meet the students.

Yes, it's true that I canceled my visit to Red Deer at the last moment. I think hon. members in this House know how difficult it is to skip a day in the House, but I had set aside a Wednesday afternoon to do that. The schedule was set up at the last moment, and it occurred on a day when our House leader was in Germany for medical reasons, our Premier was in Ottawa, and our Treasurer and our intergovernmental affairs minister were also away at meetings, and I had the role of acting for several of those ministers with the House in session. I got a telephone message from Red Deer telling me about the student demonstration that had been planned, that the ATA was going to be bused in, and that Mr. Gibeault, the opposition critic, would be there to meet me. And I said: "You know, I can meet him and talk to him any time across the House. I don't need to go down to Red Deer to do it. I've got better things to do." So, I'll be visiting Red Deer later, but I don't need to take snippy little comments like were just delivered here. Yes, I'd squirm in embarrassment, too, if I had made those kind of comments.

The hon. member asked me about the mandate of the inquiry into equity. The way it's going to work is that he has full latitude to look at the entire system of institutions in the postsecondary system, excluding the four private colleges and the four AVCs, but all the self-governing institutions in the system. If he can identify any inequities -- the letters have gone out to the presidents, and the responsibility for identifying the inequities is left to the institutions. In other words, if they feel they have proof or an argument of an inequity that's being directed towards them, it's up to them to bring forward their case. So it will be completely open. The boards and the administration of the institutions will get as long or as many chances as they need to make their case. I want this to be as open and fair as possible. The second part of the terms of reference deals with the recommendations that might flow from any inequities that could be identified, and again Dr. Dupre has full flexibility in identifying those.

A good question was asked about the cash flow in the Endowment Fund because I'd made reference to what had been raised and what was in the budget this year. The pledges don't all come by way of cash in hand on a specific year. Some donors are contributing over a three- or a four-year period. We've adjusted our money to meet the cash flow requirements, so that accounts for those differences.

Legislative amendments. It's my intention to bring forward during this spring session a statutes amendment Act which will cover the four Acts: the Banff Centre Act, the Universities Act, the Colleges Act, and the Technical Institutes Act, and deal with a number of issues and miscellaneous amendments brought forward by the constituents of those institutions.

I was frankly puzzled by some of the next remarks. The member asked the question: when is AVC going to board governance; when are we going to let go of the apron strings, I guess, and let these institutions go on their own? And then not 30 seconds later he seemed to chastise us for a situation at the Alberta College of Art that the board is having there with their staff, and asking me how long I was going to let that go on and when were we going to interfere and resolve that issue. Frankly, I think the member has to choose which way he wants it. Either these institutions are self-governed, with all the responsibilities and programs that go with self-governance, or they're not; they're publicly administered and we'll take on the problems.

But you can't have it both ways. When things go well, you're all for self-governance. When there's a little problem, then it's the government's fault. I think you have to choose.

With respect to Westerra, it's quite correct that intensive discussions have been going on for the last several months with respect to that institution, because they're caught in a very unfortunate situation. A brand-new member of the institutional community, hit at a time -- it was just opening when the economy went down, and of course the enrollment in their apprenticeship programs has plummeted, not only there but at other institutions. So the spaces there are not really required. They've been looking for a new mandate, and I think they've achieved considerable success in developing one. And we're committed to seeing that the institution does continue and has an important presence in the community of Stony Plain. We're now talking about method versus objective with the present board of governors, and that's the present status of those negotiations.

The questions about Old Sun frankly puzzled me, because it is on an Indian reservation and is a federal responsibility. The province does from time to time buy services from the native-run institutions throughout the province, but they are under the jurisdiction of the federal government.

I was quite interested in the remarks of the hon. member when he referred to the hardship that the University of Lethbridge was undergoing as a small institution. Quite frankly, in my visits there I've been bowled over by that place. They've got an art gallery and a performing arts centre there that must be the cream of its type in the country. They've just opened a new physical education plant, and frankly I have the opinion that the students there have probably the best student life and facilities of any institution of that size in the country. So I was surprised that the member would refer to it as having special kinds of problems.

The point that the hon. member brought up about one-year programming I think is a valid one, because certainly everyone would like the certainty of guaranteed funds over a period of longer than one year. Unfortunately, our parliamentary system doesn't work that way. We can give some indication in an informal way to what the institutions might expect, but we do have to bring the budget back here on an annual basis for approval. And of course, a big item, like the \$900 million that's involved in this, can't be committed, I don't think, with any certainty beyond one year. Although the indirect certainty of funding I think is implied. It would be wrong to believe that funding that's going to cover most of their costs would be suddenly withdrawn. So I do think our hospitals and educational facilities have some certainty of funding, although the criticism is valid: they don't have a specific, firm figure for more than a one-year period.

Interesting comments that the hon. member made about the problems of the faculty. We've spoken on other occasions about the challenge that's there in two ways: number one, in these times to keep your good faculty around you and, secondly, the Canadian phenomenon of what is called the graying faculty. I guess it's historic, what little I know about it. It seems that there was a period in Canadian history where a lot of young, bright professors entered the system roughly at the same time, in the '40s and '50s, and they've now become an identifiable group referred to as the graying faculty. I know the boards of governors that have discussed this with me are very concerned about how to encourage some of those people to leave, bearing in mind that the tenure thing is there and that they'd still like to

be able to build up their bench strength by way of the new, bright, young scholars that are interested in teaching. It's not an easy challenge for them to meet, and I'm hopeful that the initiatives taken, particularly by the University of Calgary with respect to the early retirement program which that board has developed, supported by some of the other things we've been able to do through the medical research trust -- the building of unique facilities and the installation of some 3,000 medical and allied biological researchers -- has an attraction that will still make Alberta a good place for those excellent scholars to come.

Lastly, the hon. member referred to the matter of student financing, and what was our policy. In my remarks I had said we had adopted the straight across-the-board 40 percent for all years remission policy and that we were obliged in three or four years to review any savings that might accrue. There are savings on paper at the moment because that new remission policy doesn't even come into effect by way of application for student loans until May 1 of this year, so any significant savings won't be realized until the applicants are through the system and starting to pay back their loans. Certainly I think the onus and responsibility is there and the commitment that we must take a look and see, and the member did identify specifically married students. But one must ask, Mr. Chairman, in this day when the public is already supporting 88 to 90 percent of the costs of postsecondary students' educations, whether we ought to go even further. The bill for those services is growing, because a married student now wants housing, transportation, and day care if there are children involved, and I think there is a limit to what society is able to support by way of student financing.

But as far as basic policy is concerned, I won't repeat the fact that Alberta has by far, you know, the richest, biggest, most generous student finance support system of any of the provinces, and it's there on a priority basis for the students most in need. Those students who are lucky enough to have assets or jobs or families that can help them will go down towards the bottom of the list, and the students with the highest priority will have first access to those funds. So I have trouble seeing how that's penalizing students.

The hon. member also said he thought that the appeal system was too slow. My understanding is that it has improved considerably, and the reports I've been getting are that we're turning those appeals around pretty quickly now. But if there is more work to be done, we'll do our best to improve it.

Again, I think it was -- I hope it was -- a slip of the tongue and not deliberate. The member referred to the closure of the Calgary office. No such thing has occurred.

MR. GIBEAULT: I said "downsizing" actually.

MR. RUSSELL: It's been downsized, but the services that the -- I bet you the students going in there are not even aware of the downsizing, because they'll still have application and counselling and appeal services available in the Calgary office. What is happening is we're centralizing in Edmonton in an effort to conserve on manpower, the processing and computerizing of the specific loan applications. But all the student services that go across the counter or are on a face-to-face basis will be continued at the Calgary office.

Frankly, I'm puzzled by the hon. member's concluding remarks on the Charles S. Noble Scholarships, and sort of making fun of them by way of referring to them as a plaque and a letter. I don't want to embarrass the member by quoting the monetary value of the scholarships, but I'd refer to page 21 of the last an-

nual report, which was tabled in the House today, and any members that can read will see the value of those scholarships.

MR. CHAIRMAN: The hon. Member for Edmonton Gold Bar, followed by the Member for Calgary McCall.

MRS. HEWES: Thank you, Mr. Chairman. I have a few general comments about this estimate and the votes, a few questions on all of the votes, some of which have already been addressed by the minister.

Mr. Chairman, there is no need to describe our requirement to economize wherever possible, and I agree with that. But I believe the cuts that have been made in this budget and the reductions are ill-timed and cost-ineffective. They will prove to be counterproductive. They'll make the balance sheet look better from the government's standpoint, but people will inevitably suffer. The economy will suffer and we will end up with a labour force less well trained than we had reason to hope for.

Education, I need not remind the minister -- I'm sure he knows as well as I do -- is the vehicle for economic viability. Regardless of where you are, it's the vehicle for social, psychological, emotional, and intellectual development and growth. I would also suggest, Mr. Chairman, and would remind the minister, that education is not a welfare program. It is our investment, not just for today but tomorrow. I think we have to ensure that we are going to protect this most important resource, and I believe Albertans want and expect to undertake the cost of protecting our resource.

Mr. Chairman, in my opinion, support for educational institutions and programs should be countercyclical with the economy; that is, when we are in a recession, we should be doing everything possible to enhance and increase our education in quantity and quality so that when we, hopefully, are in a prosperous environment again, we'll have a trained populous to take advantage of it.

Many of the unemployed in our province are now seeking to improve their skills and improve their chances to get a job and to keep it or to get a better job, a more satisfactory position, more compensation. They are mature students, and they are from all ages and stages in their lives. They're unemployed, not by their own doing but by someone else's decision. They're far better off in an educational institution improving themselves than sitting at home on welfare with that simultaneous sense of hopelessness and failure rather than a chance to improve. Now is the time we should be increasing their opportunities, not making it more difficult for them. Now is the time we should be strengthening our educational institutions, not restricting them. Streamlining them, yes; looking for waste and unnecessary expenditures, yes; sensible integrated systems to effect savings, yes; but not reducing unilaterally their capacity to give quality education and training and to meet that increasing demand in these difficult times. Only in this way are we going to be able to supply our provincial needs when the economic circumstances improve.

Education should be viewed as an industry, because it is, and there are enormous numbers of employees that are going to be terminated by these moves, and highly knowledgeable personnel in research and technique will be tempted and may in fact seek greener fields as the system deteriorates. I see this as the potential beginning of a downward spiral that may be extremely hard to stop. We will inevitably see increases, Mr. Chairman, in

class sizes in all years, to numbers that will greatly reduce the teacher, professor/student ratio and exchange, put enormous pressure on facilities. There may be an increasing disparity in class sizes between colleges and universities. There will be increasing pressure on students and teachers. This can have a negative effect and cause failures, repeats, and, yes, more costs.

The transfer payments, I understand, from the federal government are due for renewal immediately. I hope the minister will tell us, Mr. Chairman, that the transfer payments from the federal government have been renegotiated and what those will account for in our system in the next five years.

Mr. Chairman, I have a few specific questions and comments on the votes. I note that capital funding cuts have the effect of loss of jobs, and I wonder if the minister has reviewed with the various institutions their plans in regard to capital expenditures and whether there will be direct and indirect job losses as a result of this and also the simultaneous difficulties that the institutions will encounter in dealing with greater numbers of students in a shrinking space. The University of Lethbridge circumstances come to mind readily there. Maintenance programs, I suspect, will also be dropped or extended, causing increased problems in costs in subsequent years and months ahead.

Going to vote 1, I can do nothing but say yes. I commend the minister and his department for leadership in reducing all across the board. That's the kind of example that I think we should be showing in all government departments.

In vote 2, the minister has already spoken about the endowment fund and the capital costs which are reduced by 32.1 percent, and something he did explain partially, but perhaps he would comment on whether this is an indicator of a decrease or a lessening in the private investment that we're experiencing as well. The program immediately above that, 2.1.6, has a decrease -- that is, federally funded programs -- of 22.2 percent, and perhaps the minister would be kind enough to explain what that is and what the significance of that reduction will be.

Mr. Chairman, I too have had some anxieties about Westerra. These have been expressed to me not only by the people in that educational facility but also by the communities around who saw the development of Westerra as a real source of momentum for their region and are going to be very disappointed and are showing signs of real stress because the fate of Westerra is now seemingly unknown and they have been faced with a 15 percent, I understand, plus 3 percent reduction, although this is not indicated on these documents.

Mr. Chairman, going on, 2.6.1, universities -- operating, Athabasca University: I think we've all been pleased to see the development and growth of this particular institution. It seems to me that an 11.3 percent reduction is going to face them with considerable reductions in the services they are able to offer, particularly to people who are homebound and who, like the mature students going back to university, are desperately in need.

In the University of Lethbridge -- the minister's already spoken to this one, 2.6.4 -- it's my understanding that, yes, they have some new, very impressive facilities, some of which I've seen, but that the operating allocations have not allowed them to be fully utilized. That's a great disappointment, not only to the institution but to the city of Lethbridge as well.

Mr. Chairman, already it's been expressed that there is great concern, not only in and around the University of Alberta regarding the loss of the extension library, but in those in many of our communities it serves. I would like to ask the minister if, because of the absolutely essential service that extension libraries

provide, perhaps he could consider taking that into the department; if it can't be continued to be incorporated and funded through the university, if its life could be extended and enhanced if it could be removed from the university's requirements and taken into the direct department funding.

Mr. Chairman, I'd like to address myself just for a few moments to student fees. Students are particularly vulnerable right now. They have been unable to get high paying jobs for the last few years. Many of them, married students in particular, have dependants and have been able to accumulate less in the way of savings. They are faced in most of our institutions with an increase of 10 percent and a likely potential, I expect, that that will be increased again in another year. I think there's here a growing possibility for a postsecondary system that will be available again to those whose families can afford it. And I don't think that's what -- I hope that's not what the minister and the government intended; it's certainly not what the people of Alberta want. We don't ever want to see again that our postsecondary institutions are not open to those without means but who have the ambition, the motivation to learn, grow, and develop. I think this is a very dangerous trend when we get into allowing that kind of differential to occur. Students, in fact, are going to be paying more now for less, when we consider that class sizes of 400-plus are not uncommon, contrary to what we have always expressed and believed about open and accessible education. I think we must be very, very cautious in moving to deprive students who do not have means available through families or life savings from getting this education, particularly now when jobs are impossible for them to find.

The student loan remission program that the minister has spoken to: I agree; I think it was a good move to change the remission to 40/40/40, or whatever, instead of the reduced remission, and to equalize the disparities that existed between some of our educational institutions and to make them all similar.

The \$1,000 deductible per annum. Mr. Chairman, I wonder if the minister would comment about the inflexibility of this one. That is, I understand there's no recognition of the student who must for whatever reasons spread his four-year education over five years instead of four. There's no adjustment for those kinds of differing programs, and that person may well in fact have a real hardship here. These changes in student remission I think unquestionably will save millions -- approximately \$12 million is my understanding -- when they are worked through the system. So I am pleased to hear the minister say that there's no decision as yet and that he will be reviewing what happens to those savings, because they most certainly should go back into the loan program to make it available to those students who are having the most difficulties.

I'm pleased, too, to see that the long-standing funding inequities between universities and colleges are going to be addressed, the minister having finally appointed a referee. Mr. Chairman, we can't afford the kind of competition and downright acrimony that has existed between some of our institutions. Now is the time, when we are trying to streamline, that we need a collegial, collaborative approach. We need to be looking for economies by working together, not allowing these kinds of things to perpetuate. So I hope it will be resolved sooner rather than later.

In looking over last year's annual report of the department, Mr. Chairman, I'm aware that the minister has many committees already at work, 18 advisory committees, by my last count, in addition to all of the citizen boards of the various institutions.

Having sat on a minister's advisory committee some years ago, I know that they put in a lot of hard work, voluntary work for the most part, on our behalf, and I'm grateful for that. But I wonder if the minister would reflect on either using one of the existing committees or perhaps striking an amalgam of some kind for a commission to study the postsecondary institutions of our province and the needs of our students and communities to determine if there are some steps that we need to take at this point in our development to rationalize our whole system, because I think there could be some economies to be derived. I believe we do need an objective view from outside our department. I think that at the present level of the development of education in Alberta, we are not such a complicated and complex and heavily burdened educational infrastructure that rationalization is no longer possible, as it would be in some other provinces. I think there could be some moves, and I would hope the minister would give active consideration to inviting an outside and objective view from such a commission. I think it's also time -- and perhaps the same commission might review why we have two departments of education and if, in fact, we could not effect some real efficiencies by joining them.

Yes, Mr. Chairman, I agree that Albertans worked hard and made large investments in educational facilities over quite a compressed time in our past. We did that because we were behind, and these were desperately needed. Albertans were manful enough and rose to the occasion and in fact developed them. Yes, we keep saying we have the highest per capita, et cetera, but I don't believe those kinds of comparisons are useful, because our demography and our geography and our utilization are quite different from other provinces. I don't think we can always rest on those kinds of laurels, that just because we spend means we get the kind of results or quality that is valued.

Mr. Chairman, I think rehabilitation of our advanced education system would be very, very expensive, both in terms of personnel and in terms of facilities, and we mustn't allow any deterioration. I'm suggesting to you, Mr. Chairman, and to the ministry that these are not the right moves at the right time, and I'm fearful that this reverse and regressive move will begin a long history of decline which I think we can ill afford.

MR. CHAIRMAN: The hon. Member for Calgary McCall, followed by the Member for Edmonton Centre. [applause]

MR. NELSON: Well, isn't that delightful.

Thank you, Mr. Chairman. First of all, I would like to congratulate the minister. The minister, in my opinion, is one of the best performers and of course one of our ministers that is honest, sincere, and certainly puts it as it really is in the real world. He has had the opportunity to participate in the private sector and understands economies and what is needed in our educational system as well as others, unlike some of our socialist friends, some of them that I don't even know that have ever worked in the private sector.

Mr. Chairman, I would be remiss if I didn't stand in my place and discuss some of the items that we're here to discuss, some concerns I have and otherwise. But I want to try as much as possible to give some balanced view of the concerns I have and certainly give the minister some accolades where they're certainly deserved.

[Mr. Musgreave in the Chair]

First of all, I think that the move to have a person come in

and examine the funding and other issues related to the postsecondary educational facilities as a consultant to him and to make recommendations is a move in the right direction. The reason I say that is because we've had some concern in Calgary over the years as to the comparative funding between postsecondary educational facilities in Calgary as against Edmonton, and the minister has answered much of that this evening already. When you have what appears to be a deficiency in funding between the University of Calgary and the University of Alberta of some \$88 million, yes, we can consider that as some inequity. But as the minister has already indicated, there are some complicated issues involved with that. I've had those described to me previously by the former minister to some degree, and I understand those. However, at the same time, I'm sure that inequities, if they are there, will be discovered by the consultant. However, at the same time, I wish to be on record as concerned that this gap remains so large and that those of us living in Calgary and in the southern Alberta region and supporting our students that do go to the universities there are being shortchanged. We certainly would like to go on record as indicating that we don't want that shortchanging to be there now or in the future.

The other concern I have directed to the program is the area of program development, which has an increase in funding of 14.9 percent over the previous estimate, and I would like it if maybe the minister could kind of identify that when we're decreasing many areas yet increasing an area of program development. I find it difficult to understand when we're maybe looking at a reduction in areas of teaching in the university, when we're developing new programs, how we're going to initiate them and flow them through the system.

The other area, of course, I have some concern with is that we have reductions throughout the operating expenses of colleges, private/public colleges, with the exception of Grant MacEwan here in Edmonton, northern Alberta. I know the minister indicated that there was some expansion program taking place. However, I would be concerned -- and the minister can certainly answer this and I know he can take care of himself pretty well. Why will the Grant MacEwan Community College get a 3.4 percent increase when we have other colleges such as Mount Royal getting a 2 percent increase and the Southern Alberta Institute getting a 1.2 percent reduction? So there's basically a concern I have there. Other than the fact that the total reduction of overall manpower seems to be in line with the government position -- it seems reasonably okay.

I guess the other area, of course, is the area of the nursing research fund, where it's been increased 100 percent, and I'm sure the minister will have something to say about that. It seems like a pretty hefty increase, although I'm sure that with the changing world in our medical facilities that it's not unwarranted.

I'd also like to talk a little bit about the students financing area and the possibility of examining the Students Finance Act, which is chapter 24 under the *Revised Statutes of Alberta 1980*. I've had some concerns given me by constituents on more than one occasion wherein a family man or a family lady is unable to get financing from the Students Finance Board basically because they've been out in the work force for a number of years and have participated as members of our society in a manner, paid their taxes and what have you, and put a little money away and find themselves in a position where one or both members of the family are not income earners and feel that to be able to get back and participate in the community again, they need to further that

education. When they are told that they've got too much money in the bank or their asset level is too high and they can't do so, it's a bit difficult going to those people who have paid their dues, so to speak, over the years and are told: "Well, I'm sorry there's nothing in the system for you in as far as a loan." Now, they're not looking for remissions and what have you. They're looking to fully participate in repaying those loans, and I see no reason why we shouldn't be able to participate in that. In fact, I even have some concerns about a lot of these remissions, and I'm not going to stand here, like my friend from Edmonton Mill Woods, and try and create a gloom and doom attitude and try to make a big political dissertation that might be appealing to people that may be here from postsecondary educational facilities, students or otherwise, because there has to be a balanced view. Sometimes we have to look at some short-term pain for the long-term gain.

Mr. Chairman, I believe very sincerely that most of the students that are in our postsecondary educational facilities have initiative and drive, have the ability to adapt to different circumstances relatively easily. Sure, like any other area of our society there are special interest groups within organizations, including our educational facilities, that have this 'not me' syndrome. They don't want to share some of the difficulties that we all have to share when things are a little tough. They might rather dump it on some small portion of society and let them carry the load, but we all have to share in that situation.

I heard an expression tonight that really interested me because I think it's right on. I'll share it with the members here, at least a part of it: we've heard a lot lately about education and its costs, and much has been sensationalism, political baiting at its worst, and straight public blackmail delivered in the best tradition of professional and media politics. That is what we have in many of these situations that we're dealing with.

I don't want to stand and start comparing notes relative to how much the state of Arkansas or how much the state of Alaska pays per student into their educational system, because it's apples and oranges. How many students attend colleges in Arkansas or Alaska comparative to the levels here? How much money is in the till? You know, it all relates to dollars and cents, and these people that are in our educational facilities will ultimately go out into the private sector and need an education that will equip them for decision-making roles; that's why they're going to school. At least I hope so. They don't need, nor do most wish, to be pampered by a totally socialist system that will ill-equip them to be productive in the cruel world out there. That's something that our socialist friends over here really don't understand.

Let's remember, Mr. Chairman, that socialism is the next step to communism. [interjections] You thought I wouldn't get that in tonight, didn't you?

I know that some comment was made by the minister relative to the small minority groups that are NDP-led within the organizations in our postsecondary education, and I agree with him. However, it is a minority group. You know, most of these people, like us in here, have minds of their own. They're going to develop in the manner that they feel is going to be productive for them and the community at large. You know something else? Because of their upbringing in our way of western Canada, they're going to be productive in our system in the main. There are some that may drop out and get into the areas of very little productive usefulness, but I'd say that they're in the minority.

Mr. Chairman, I've also had some mixed thoughts from stu-

dents throughout the city of Calgary, and it's interesting. Some asked, and I found this very surprising, why government really pays anything. Of course, that's again someone that may be able to afford their own way. I've also been asked, "Why doesn't government pay the shot?" which is probably just as ludicrous as suggesting that they should pay everything as an individual.

We in Alberta are blessed, as the minister has already indicated, by the revenues developed and derived from our natural resources, resources that are nonrenewable. In short, as the Member for Gold Bar has indicated, young people are the heritage of tomorrow, and sometimes I think we focus too much on that issue, the heritage of tomorrow. I agree that without well-educated young people entering into the system -- if I should use that term; it sounds more like a term that others might use. But they need to be well equipped to enter into that system, because it is a tough old world out there. And some people that have not been out in that cruel world and sat and sponged off taxpayers all their lives, and possibly for the rest of them, may not understand that.

In Alberta there are more and better facilities than just about anywhere that I can think of. There are better opportunities in those facilities, and there are more dollars put into those facilities per capita, if I remember the minister's comments: if you can imagine that 89 percent of the costs of putting a student through university or college is paid by the government. I'm paying that as a taxpayer. My business pays that as a taxpayer, plus all the other taxes that are tacked on, in assisting young people to gain an education so they can come out and do the same thing I like to do, and that's use my initiative, my abilities, for what I want to do in the private sector. I'd like to know what the cost of attending a university is for a college in Ontario or Quebec or some of these other places. I'm sure those are available to me.

So, Mr. Chairman, I'm not going to suggest that we're regressing or suggest that the budget is gloom and doom; I would suggest the reverse. And I think most of the young people that are attending our postsecondary educational facilities will think in a similar fashion. It's very easy to let the heart think for the mind, and that's the quickest reaction we get from most people, but they do sit down and they do examine what that heart is saying, and eventually they use the mind.

When a member stands up and suggests by reading a report out of some periodical that they're going to spend \$3 million renovating the Legislature -- that wasn't how much was spent, I don't think we should be misleading anybody by reporting or repeating what's in an article. Too often these guys over here, these gals, they're using the media as their doggone researchers. What are we giving them all that money for to research articles for them when they're doing it from the media, using periodicals that give incorrect information? [interjections].

AN HON. MEMBER: If I had their researchers, I'd use the media.

MR. NELSON: Well, Mr. Chairman, I'm just helping out some of the comments that were made previously, relevant to the postsecondary educational situation in the province, and obviously -- I hope we want the truth out there.

Mr. Chairman, sometimes I think our young people are coerced into doing some of the things they do for the benefit of a very few. Our professors have tenure, which guarantees them some good long-term opportunities, and I don't have any prob-

lem with that. I think everybody should have the opportunity or at least have some job security, but there ain't any free lunch out there. Job guarantee is only as good as the individual that performs in his task, and if they're not productive, tenure or not, they shouldn't have that job guaranteed to them.

It was suggested by the member that maybe -- as the minister's indicated back, that with regards to some of our vocational schools, there are no boards -- there should be a board, but on the other hand, no board. It doesn't matter whether there is a board or not in these secondary educational facilities; the buck stops here. Somebody has to make a decision. And I would suggest, Mr. Chairman, that with the buck stopping here, some of the hard decisions have to be made.

I would love to know -- the Member for Edmonton Mill Woods' program that he's outlined and all these spending things that I understand that he's mentioned here this evening -- how much that would cost. Three, four times the cost that's been proposed here? Where do we get the revenue? All we hear from over here is spend, spend, spend. The only way to fix it is an additional tax. Look at British Columbia, what they did out there. Now they're trying to get the thing back in order.

Lo and behold or God help us all if ever they had to control the public purse. The things that they espouse now they would have to ultimately backtrack with, because they'd know as soon as they got somebody that knows something about economics, who would be identified, they would not be able to perform those situations -- no question about it. It might be useful for them to go out and work in the private sector, if they have those abilities, to identify what the reality of the world is.

I think, Mr. Chairman, that maybe if the minister could even identify -- that it might be useful what his thoughts are in having some of these postsecondary, educational facilities utilize our private sector a little more insofar as having students participate in part of their curriculum out in that sector. I'm sure that they would benefit greatly, and so would the community at large and, ultimately, themselves and their learning capacities.

I don't wish to take any shots at our students, because they've got a hard road to follow in the future. It's not going to be easy for them. Where we can help I think it's incumbent upon us to do so. But I also believe in the initiatives of most of those students, because contrary to what has probably been said over here, most of them have enough initiative and brains to do their thing and do it well themselves without having to believe in the social state looking after them from the cradle to the grave.

I think the government is being generally responsible and the minister certainly is being very responsible in his address to this budget. There are those three or four areas I have some concerns with, but I don't feel. Mr. Chairman, that this is going to in any way impact negatively on the education of our students.

One final comment. Too often we hear the posturing by our boards and others with regards to who is going to get on the hit list first. And I would like to suggest to the minister that the hit list, if there is one, shouldn't start in the classroom but should start at the administration, where there are no direct opportunities being offered to the students at large. I think that other comments that have been made -- there is some validity to many of them insofar as that the students must be given every opportunity to further their education so they can become productive in society, preferably the private sector, where they will probably earn a lot more money than they will anywhere else. But their initiatives will be welcomed by the others. I'm sure, in the same light.

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: The Member for Edmonton Centre.

REV. ROBERTS: Thank you, Mr. Chairman. I've got to tell you, Mr. Chairman, if I had to endure any more of the diatribe from this idiot over here, it would just make me throw up and vomit over the legislative floor. This man is sick.

MR. DEPUTY CHAIRMAN: Point of order, please.

MR. NELSON: Mr. Chairman. I won't respond to the remark by the hon. member, but I would suggest he retract what he says or be asked to leave.

REV. ROBERTS: Mr. Chairman. I retract it. I just got very upset and angry at the hon. member, and I apologize. Because what we really need here tonight is a debate, a debate on advanced education -- the nature, the direction -- not whether we're going to spend more, more, more; not whether we are going to tax, tax more; but how the resources dedicated to advanced education are to be allocated in this province. It seems to me we have not had a clear debate in the province in terms of the real directions, the real underlined assumptions, the real philosophy, the real pragmatism of advanced education. I must say how these failed capitalists over here, these Tory technocrats who've been running the advanced education system in this province, have failed miserably to the students of the province and to the future of Alberta, and these petitions, over a thousand of them, are only but evidence of the discontent that's out there. I would ask if one of the pages could take them to the hon. member, from the good students at the Red Deer College.

We on this side of the House. Mr. Chairman, have a lot at stake in terms of advanced education, partly because we have had a lot of experience at it. Just by looking at the Alberta Teachers' Association manual about the Legislative Assembly and its members, it clearly states here that of the 25 cabinet members of this government, only 17 have had an advanced education; of the 34 backbenchers in this Assembly, only 14 have had anything approaching advanced education; yet out of the 22 opposition members, fully 19 of us have had advanced education experiences in terms of a degree. So here comes the question. [interjections] So if we're going to talk about advanced education, let's talk about people who've had the experience at it. Because what advanced education does, what advanced education really does is enable an individual to think critically, and to think critically is what is at the root issue of advanced education. To think critically is what these members here are so bereft of. Anything that is a critical statement is something somehow un-Albertan. kind of like the uncommunist comment. Anything that is critical is seen as doom and gloom.

But it seems to me, Mr. Chairman and good Mr. Minister, that a good advanced education is going to enable individual Albertans to stand up and think critically, to analyze different systems, to think dialectically and move ahead, to improve for the common good what is available in terms of the available research and resources that we have at our disposal. But to have an undying allegiance, to have an unthinking Legislature and members of the Legislature, and to have an advanced education system that is not addressing and helping Albertans to think critically is going to be a great failure for ourselves and our children. What I believe in, what we need, is much more of a

lifelong learning process.

Now, I have had the good fortune myself of having a good education, an excellent education, at some postsecondary institutions. What I have learned most of all from them is that you need to learn how to learn. I know the minister's own experience at that Cornell University down there in the United States has taught him how to think critically and how to learn how to learn. My own experience at the Harvard University, Mr. Chairman, has taught me a lot, and let me tell hon. members, as with the former Premier of this province, who was a Harvard man. As my caucus is learning, you can always tell a Harvard man, but you just can't tell him much. Because education is not a business, advanced education is a value, a high value that deserves a better vision, better funding, better management, and better resource allocation than what is currently being demonstrated in the simple fiscal conservatism of this hon. minister. The fiscal conservatism is the only priority it seems the minister has in terms of his approach to advanced education.

So I'd like to ask the minister under vote 1, for instance -- and I thought we should in fact look with some of the bureaucrats who are here tonight at vote 1. They've all taken a 10 percent slash, it seems to me, from what it says in the budget books here.

Now, I've heard from the university community itself in advanced education institutions that the department is just far too slow and far too bureaucratic. What we really need in the department is not a lot of deputy ministers, assistant deputy ministers. I'm sure the Member for Calgary McCall would agree. All we need is just a bunch of account clerks who are going to dole out the public dollar to all these board governed institutions.

What is the real role of the department for you, Mr. Minister, in terms of setting priorities, in terms of developing new programs, in terms of cutting programs at this time of fiscal constraint? Are they developing a list of priorities, the bottom ones of which will not get increased funding? Or, Mr. Chairman, does the minister think that the cost of local boards, perhaps the cost of the administration of these places, is too high and it all should be under the rubric, under the direct control of the department? It might save the government, who is looking to save money, a lot of money to have direct control.

But of the infrastructure, the superstructure, the professors and staff and the students at advanced education institutions, where is it to be cut? Who is going to take the first blow, and yet who also is going to expand? I'd like to ask the minister: where is the evaluation? Where is the assessment? Where is the accountability in terms of these four major aspects: infrastructure, superstructure, professors, and students? Who is going to bear the brunt and on what basis?

Whose values, Mr. Chairman, really determine how the dollars are spent? Is it, for instance, the classic dilemma in advanced education: are more dollars to be allocated to education that's going to be job training and getting people out into jobs, or is more money going to be allocated into pure research, into learning for its own sake -- money and professors and time dedicated for students to develop the love of learning, not just to go out and get a technical job? What is the government policy, the department policy, on this basic question? Who has the basic assumptions in the Department of Advanced Education? Is it for research or is it for economic development? Is it for professors to publish or is it for professors to teach? Is it to hold up in Alberta the classical traditions which we have from our forefathers, or is it to engage in a lot of period pieces?

During this time of retrenchment, of downsizing, of evaluation, we need an open debate on these questions. Who is doing it anyway? What are the priorities? I haven't heard a thing from the minister in terms of clear direction and co-ordination on these questions, except we have to spend less overall. Well, that's nice, but what about the key allocation questions?

So let me ask him, for instance, some specifics. We have in this second-to-none province the ability to develop a PhD program in nursing in the province. Now, we also hear that it's number one priority at the University of Alberta, that there are 18 doctorally prepared nurses right now, a complete faculty ready to teach a PhD in nursing that is nowhere now being taught in the country. Here's a golden opportunity for Alberta to step into a real area of need and develop a PhD in nursing. I'm told that of \$300 million that are dedicated to medical research in the province, we have only \$1 million dedicated to nursing research. It seems to me that is a great imbalance in terms of how funding for health care research is to be misallocated, particularly when in health care we have far more chronic care nursing that's needed among the elderly and the mentally ill and that needs better nursing research and better nursing education.

What about the issue that's everywhere about whether nursing should anyway be a diploma program or a degree program? What is the government's stand on this issue? We have funding to hospital-based nursing programs for the diploma courses, but what about the degree of nursing in the universities? And if the government's going to decide to move in one direction, why is it continuing to fund nursing in the other direction?

At the University of Lethbridge School of Nursing, a real shake-up there of staff and administrators, with some leaving. What assurance do we have that that program of nursing at the University of Lethbridge is not going to have money siphoned off it into the strained budgets of the overall university program?

In medical education, which we've talked about, I still feel that the government is not taking nearly as responsible a role as it could in terms of developing medical teaching experience in geriatrics, in rural medicine, in preventive health care, in public health, and all kinds of medical needs around dealing with chronic conditions. All of these seem to be undervalued in our medical schools, and yet they get a lot of funding for doctors who are going into areas where there isn't the greatest need. And even if the funding does go into the classroom, what is the government's commitment, what is its priority around clinical teaching in the medical schools? I know when I did my chaplaincy program at Harvard, when I had to spend a whole year in a clinical teaching program at the Massachusetts general hospital, an experience which I wouldn't give up for anything ... It's that hands-on direct, approach, and yet I'm told that clinical teaching is really devoid in the medical schools.

And then here's a good one for the minister, who during his glory days as hospitals minister defended fee for service for doctors in the medical profession. What about fee for service for doctors of education and PhD-earned professors at university? Putting them on a fee for service depending on how many students they had, how many hours they gave to individual students after class -- not having doctors at the university on salary, but having them on fee for service. A facetious point but one perhaps the minister can try to reconcile.

Then we hear all about patent protection in the pharmaceutical industry and that we are going to get lots of research and jobs and training in pharmacy. Well, Mr. Chairman, I'd like the evidence of what this government is going to do to support that

and not therefore cut back on its funding for research into pharmacy just when the industry would come in and help a particular department of pharmacy to develop some extra research and training. And what about the role of pharmacology? There seems to be a great gap in that area of training, that we have all kinds of drugs on the market but very few who can determine the efficacy of such drugs and the multi-use of many drugs.

Then the minister talked about the University of Lethbridge and that's it's doing very well and all these great facilities. In typical Tory fashion you build these big empires of brick and stone. I'm told, Mr. Chairman, that it was the Treasurer himself, the fiscal cost-cutting Treasurer, who went in there with some friends and built up a swimming pool and built up a hockey program that the faculty didn't want, the students weren't demanding. Now it's so expensive to operate that it can't even be funded. At the same time at the University of Lethbridge the cutbacks are resulting in the limiting of enrollment. What sort of devastating effect will it have on a community when more and more students not just can't afford to get in but can't even get past the limiting enrollment criteria? Real problems down there in terms of direct education.

What about a policy for colleges being degree-granting institutions anyway, Mr. Chairman? What is the government policy on that? Certainly many colleges have in other jurisdictions developed the ability to grant degrees but not here, and I'm wondering why not.

Then we have the Students Finance Board, which has received a few comments here tonight, but none that I've heard address a growing problem, which I understand to be loans which are given to students who go to private vocational schools -- Devry institute, Computer Career Institute, and Honeywell and so on -- who have tuitions two to five times as much as tuitions in the public vocational schools. Yet students can apply to the finance board, get all this increased tuition funding, and go off to these private vocational schools and even have it as a tax write-off, I am sure. What is in fact the average per capita loan for students at public vocational schools as compared to the average per capita loan for students to private vocational schools? Is the government in fact more and more subsidizing private institutions? Then we hear, Mr. Chairman, about the whole funding process, and though I'm not intimately acquainted with how funding goes off, I'm glad to see this Dupre commission or inquiry going around looking at the possible inequities.

But again at the University of Lethbridge, a university which seems to me has been very faithful in terms of applying for increased funding within existing programs, perhaps not playing the game of always going to the department and asking for new funding for new programs -- has it been at a disadvantage because it hasn't played the game properly in terms of the funding? Should it be developing new programs, new departments, new credentials to get new money or be faithful and just have increased numbers of students in the existing programs and not to get the new capital dollars for programs? Has it been at a disadvantage on that side of things? Well, I'm sure that the new communications officer in the department will make these things all very clear, and I'm glad to see that the new com-

munications officer is over there with the department.

[Mr. Gogo in the Chair]

Finally, Mr. Chairman, we hear again about the scholarships, how we have scholarships for research, pure or applied research, that are second to none, that we have a Research Council that is second to none, that we have an Alberta savings trust fund medical research which is second to none. I'd like to know, if that is the case, where is the first Alberta Nobel laureate? Where is the first one in Alberta out of all these research dollars? How to account for it? Certainly the prize that is second to none is a Nobel prize, and I'd be pleased if this minister under his administration can bring home a Nobel prize to Alberta for all this research and scholarship money that is second to none throughout the world.

Nonetheless, Mr. Chairman, for one who has had an advanced education and wants to be able to look and think at things critically, in critical conclusion, let me raise all kinds of questions about the government's real commitment to debating the resource allocation within the Department of Advanced Education. Such a debate, to my understanding, has not gone on and needs very desperately to go on. The department itself can be seen to be full of holes in terms of its real mandate, its real priorities, its real functioning. The minister's own direction seems to be very unclear except for his fiscal constraint, which I can understand, but it does not help a whole world out there that needs to have some direction from the top. The co-ordination of programs throughout the province is poor and needs much help. The result, therefore, is that the students of Alberta are indeed suffering, and with this kind of inequity and this kind of mismanagement, it's the future generations that are going to be the real losers.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Hon. Minister of Advanced Education.

MR. RUSSELL: Well, Mr. Chairman, I agree; to quote the hon. member, you sure can't tell a Harvard man much.

I move the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

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

MR. SPEAKER: Having heard the report, does the House agree?

HON. MEMBERS: Agreed.

[At 10:25 p.m. the House adjourned to Tuesday at 2:30 p.m.]