

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, May 28, 1987 8:00 p.m.**

Date: 87/05/28

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

head: **COMMITTEE OF SUPPLY**

[Mr. Gogo in the Chair]

**ALBERTA HERITAGE SAVINGS TRUST FUND
CAPITAL PROJECTS DIVISION
1987-88 ESTIMATES OF PROPOSED INVESTMENTS**

Department of Forestry, Lands and Wildlife

MR. CHAIRMAN: Capital projects division of the Alberta Heritage Savings Trust Fund is before the committee this evening, beginning with the Department of Forestry, Lands and Wildlife, on page 8, dealing with grazing reserves development. Before we proceed with comments from the minister, perhaps hon. members would indicate to the Chair those that are interested in commenting. It's traditional that the minister responsible for the estimates would make opening statements to the committee. Hon. minister, would you care to make comments. The Hon. Don Sparrow.

MR. SPARROW: Thank you, Mr. Chairman. I'm pleased to announce that it's 2 to 1 at the end of the second period, and we're ahead.

AN HON. MEMBER: Who's ahead?

MR. SPARROW: Edmonton's ahead.

The provincial heritage grazing reserve development program was started some 10 years ago, and I think it's very fitting that we take this opportunity to thank all the staff of all the departments of government that were involved in this 10-year provincial program that made this program the success it has been over the years. This is the last year of the program, and we hope to finish the 13 reserves that have been developed throughout central and northern Alberta in this program.

Our original budget was \$40 million, and expenditures as of March 31, '86, were \$31.515 million. The projected amount for '86-87, in the current year, is some \$5 million, and '87-88, as per the vote to complete the program, will be \$3.252 million. Since 1977-78 the program has developed some 107,000 acres of lame pasture. In the '87-88 budget the \$3.25 million will complete another approximately 19,000 acres, for a total development when completed of about 126,000. I think members should take into consideration that there has been no approval for expanding the grazing reserve heritage development program beyond '87-88. This is the end of that 10-year program.

Since the fiscal year of '85-86 the 13 heritage grazing reserves within the province have been operating at a break-even point, and the staff have done a lot of work in the last couple of years to make that happen. The combined General Revenue Fund and heritage program is accruing a small deficit of about \$1.70 per animal-unit month, but with the recent fee increase the entire grazing program should operate on a break-even basis commencing '87-88.

Mr. Chairman, the land development work on this program is basically done by the private-sector contractors. The program has always been based on the integrated land-use planning process.

I'd be glad to answer any questions that any members may have.

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: Hon. Member for Edmonton Glengarry.

MR. YOUNIE: Thank you. I can sympathize that members would want to be gone in time to catch the last period of the hockey game. Nonetheless, there may be a few questions people have, including myself, and I noticed a number of other members with their hands up, so calling "question" so soon is a mite presumptuous and premature. [interjections] Besides, I figure I should be able to talk to the end of intermission and then leave you people to hold down the fort while I go watch the third period.

MR. CHAIRMAN: Hon. member, with respect, that's somewhat distant from the vote before the committee.

MR. YOUNIE: That's true, unless I'm going to find a TV on the nearest grazing reserve so I can watch it there.

AN HON. MEMBER: He's closer than he usually is.

MR. YOUNIE: Yeah, I'm closer to the topic than usual, I think I heard the Minister of Recreation and Parks say. If not, he should have.

Under subproject 1, I did have some curiosity about "gathering of field data to develop new grazing reserves proposals" in the final year of a project. I'm sure there is some reasonable explanation, but it did seem just a smidgen inconsistent to be looking at new proposals in a program that is winding down and in its final year. So I hope the minister will explain that.

I'm concerned as well, and the minister may recall that I mentioned in the House some time ago an advertisement for tenders to do a number of pieces of work including spraying herbicides on grazing reserves in the northern part of the province. So I am wondering about the nature of the work the government is paying for to develop these grazing reserves in terms of planting crops and picking rocks and then spraying chemicals on brush.

MR. CHAIRMAN: Order in the committee, please.

MR. YOUNIE: I would also wonder about the minister's explanation that somehow it was proper that he had stopped spraying these herbicides on forest areas that were not grazing reserves but that to spray them on forest areas that were grazing reserves was somehow okay. The minister seemed to see a fundamental difference between trees that grew in forest areas and trees that grew on grazing reserves, and other than that the trees don't make good grazing for the cattle, I fail to see the basic difference in nature between killing trees with the herbicide on one area as opposed to the other.

I also have some questions about the ecological dangers of using these herbicides on the grazing reserves in the first place. There are a number of concerns raised by very well-informed

groups. They have researched and looked into the herbicides, the testing behind them, and they've come up with a number of very legitimate concerns about the long-term impact of using these herbicides. So I would ask the minister to outline what investigations he has taken to assure himself, other than just trusting Agriculture Canada, who trusts the EPA, who trusts the private labs from various countries from around the world, including the States, in saying that these herbicides are perfectly safe and that the inerts in them present no danger. I think the minister should be in a position to not say, "Well, someone else said these things are safe, and I will trust it," but in fact he's going to look into them and so on.

I would recommend, in fact, that the minister very seriously consider switching in all areas of his department, not just in this one, but for tonight at least especially in this area, that he consider completely dropping all programs that involve spraying herbicides in these forest areas. Not only is there the danger to wildlife and the danger to fish if this chemical gets into lakes and rivers; there is the danger that on grazing leases many of these chemicals are persistent in the ground and the plants. The cattle eat the plants. It is persistent in the cattle and gets into the human food chain. I don't think, until we're sure these chemicals are safe, that we dare be spraying them indiscriminately and allowing them to get into the human food chain in that way. So I'll be interested in hearing the minister's comments on perhaps extending the logic that has convinced him and the Minister of the Environment to stop all spraying but experimental spraying on other forest areas to the forest areas on grazing reserves.

I'd like to point out the benefits, in fact, of using alternatives under this program. If the minister hires or takes a tender for one person to fly over and drop the chemical onto the forest area that the department wants cleared, a job is made for one person who may charge any amount of money for that. The chemicals are extremely expensive, and all that money goes to a company like Monsanto and so on. Now, if the minister instead goes out and hires a number of local people to come in and manually clear -- and a number of methods of doing that have been experimented with, and some are much more successful than others -- indeed additional jobs are going to be created, money is in the long run going to be saved, and the environment in the long run is going to be protected. I would think that if there is any land in the province that we should be worried about preserving ecologically or environmentally, it should be our farmland.

If the goal of this program is to develop and expand the amount of agricultural land in the province -- and considering the importance of agriculture to this province, I think that is a very laudable and worthwhile goal -- then I think it is incumbent upon the minister and the entire government to very seriously consider anything that might in fact reduce environmentally the value of that land while at the same time we are trying to bring it into agricultural production. It's very important to consider all aspects of that.

With that I will await either comments of other members -- I noticed a number of hands -- or especially the minister's answers.

MR. CHAIRMAN: Hon. Member for Ponoka-Rimbey.

MR. JONSON: Yes, Mr. Chairman. I think the grazing reserve program has done well, and I think in large measure this has something to do with the capability of the minister, although I would like to add that in terms of future priorities I do not think we need to at this moment in time expand the agricultural base

of the province to any great degree. Instead, we need to work on the quality of what's there. I'd also like to commend the minister on the fact, as he related it, that the cost of operation of grazing reserves is being balanced with the income being taken in from patrons, or at least it will be in the immediate future.

However, I do have two or three questions. As we look down the road, assuming that some resources will be available, I wonder if our next priority, Mr. Chairman, should not be giving some attention to the older grazing reserves and possibly community pastures. I wonder if there's a need for any upgrading here. It might be that there is a need for some investment to bring these areas up to quality standards. So I wonder if the minister could comment on that.

My second question would relate to utilization. I wonder if the grazing reserves that we have in place are being fully occupied. Specifically, I would like to ask about the rather large Pembina reserve to the west.

Finally, Mr. Chairman, I wonder if the minister has any statistics on the patronage of the grazing reserves. To what degree is the use of these reserves a necessary and integral part of farming operations? What are the limits in terms of the number of cattle or sheep that can be put in by a user? Do we have a turnover of users of the grazing reserves, or is it the same group of people that benefit from this opportunity year after year?

Finally, Mr. Chairman, I would like the minister to outline, I guess for want of a better term, the process of feedback in utilization that is set up so that people using the grazing reserves can have some input into the manner and the quality with which the grazing reserve was operated during the previous year.

MR. CHAIRMAN: Hon. Member for Taber-Warner.

MR. BOGLE: Thanks, Mr. Chairman. Appreciating the fact that most of the funding for grazing reserve development in recent years has come from the capital projects division of the Alberta Heritage Savings Trust Fund as part of a 10-year grazing reserve development program and recognizing that these funds have been earmarked primarily for the development, and I might add the much needed development, of grazing reserves in the northern part of the province -- that's one of the aspects that I remember seeing with some real enthusiasm as an MLA from southern Alberta, the thrust of using some of the dollars from the Heritage Savings Trust Fund to better diversify and give the ranchers and farmers in the northern part of the province some of the opportunities to get into more fully developed grazing reserves.

My question, Mr. Chairman, is to the minister, with regard to the possible enhancement of some of the grazing reserves in southern Alberta. I note that we have some 32 provincial grazing reserves in the province. Some of the grazing reserves, or community pastures as they're commonly referred to, are natural grassland, while others have been partly cleared and seeded to forage. The main purpose of the reserves, of course, is to provide affordable summer pasture for our farmers and ranchers on public lands, which in turn enables the farmers to better utilize the needed land they have under hay and crop production.

I'm also pleased that in keeping with the governments multi-use policy for public lands, the reserves offer a wide variety of activities, ranging in the recreational area, thinking of some of the things that take place, whether it's hunting, hiking, trail riding, cross-country skiing, snowmobiling, or just plain getting out and being with nature on public land. There is also activity by the oil and gas well operators, pipeline companies,

gravel haulers, and seismic crews.

I'm proud to indicate that the first grazing reserve established in the province was in the Cardston constituency but very close to my home area. In fact, part of that grazing reserve today spills over into the Taber-Warner constituency. That's the Twin River grazing reserve, which was established in 1934. There are 56 cattle patrons and six sheep patrons in that particular reserve today. It's provided a real benefit to the farmers and ranchers in the Del Bonita, Milk River, and Coutts areas.

My other specific question with regard to possible enhancement, Mr. Chairman, relates to the proposed development of the Bow Island provincial grazing reserve. There is a recommendation that the Purple Springs provincial grazing reserve, which was established in 1957, covers approximately 6,000 acres, approximately 1,100 of which are flood irrigated -- there is a recommendation that that reserve and the patrons be amalgamated with the Bow Island grazing reserve and that a large-scale irrigation development be enhanced on the Bow Island grazing reserve. The Bow Island provincial grazing reserve has over 39,000 acres at the present time, and it has, of that, approximately 1,100 acres of irrigated lands now. The pasture was established in 1965 and currently has some 75 patrons, primarily from the Bow Island-Taber area, but also from as far away as Coaldale and down into the Warner-Milk River area.

The proposal that has been put forward by patrons would see assistance in the capital development of the project. My specific question to the minister would be: what progress has been made in identifying imaginative alternatives with the patrons so that they in fact may operate this facility themselves and be responsible for the operating costs? In order to do that it's my belief, Mr. Chairman, that the revenues from other sources -- i.e., oil and gas from the existing reserve -- would have to flow to the patrons. But clearly, in my view, it makes more sense if we can assist these farmers and ranchers with the enhancement of the grazing reserve so that the operation more clearly falls under the control and responsibility of those farmers and ranchers. That may in fact be a viable alternative that should be considered. I know from speaking with some of my own constituents who are involved in the Bow Island grazing reserve that they're keenly interested in seeing this development take place.

So I look forward, Mr. Chairman, to a response from the minister on those questions, and I may have some further later in the evening.

MR. CHAIRMAN: Hon. Member for Redwater-Andrew.

MR. ZARUSKY: Thank you, Mr. Chairman. I just want to be on record as supporting the grazing programs in this province. At this time, I'd like to thank the hon. minister for coming out, I believe, this winter and visiting the Redwater-Andrew constituency in a public meeting and listening to some of the expressions of the constituents.

In the Redwater-Andrew constituency there is one grazing reserve, and we have access to another two or three at Thorhild and St. Paul, I believe. It's government money that got these establishments going. They are filled to capacity every year, and it gives a good income to the area. At the same time, with the kind of farmland we do have in the area, some of it is suitable for grain, others aren't. We've got a lot of hay land out there, and that diversifies our way of farming. Once again, because of these grazing reserves we can raise more cattle in the area. Right now what we need in Alberta is diversification. If we can get the cattle industry going now with our task force and

paying the Crow to the producers, if we could convince the federal government to pay the producers here in Alberta, we would have a more viable cattle industry. We'd probably have a processing industry in this province, because we can produce those cattle and they can pasture here and other areas can grow the grain here. This would mean millions and millions of dollars in our province in creating jobs and other industries.

So I can see that this grazing program did work, and I'm sure it'll work in the future as farmers or ranchers right now have more or less got a grip on the grazing reserves, and they can hire managers of their own and pretty well afford to run the pastures. It was a good start, and I can see this year some extra moneys being spent on new proposals and supervision and development.

I think the only way to control the brush on these pastures is with herbicides, because as the hon. Member from Edmonton Glengarry mentioned, if you wanted to go out there and brush those pastures, I think you'd need thousands of people with little hatchets or axes. I don't know how he'd do it; machetes maybe. I don't think there's anything wrong with spraying these pastures and the brush, because that's been done in Alberta for many, many years. I can't see any problems arising out of this. You'll get environmentalists and whoever else saying it is, but I would like to see some proof of that. [interjection] The minister says "yo-yos." Anyway, I'm sure the ranchers out there know best what can control a pasture, and I don't think they need anybody from a city that's maybe never been near a cow or a pasture and maybe doesn't even own a pair of cowboy boots going out there and telling people how they should graze their cattle and where they should graze them and how they should control their pastures. Basically, I think we should let ranchers do their own thing and tell us how they want these pastures done in what way.

Also, I would like to ask the minister at this time in regards to hunting on these pastures. What I've heard from concerns from ranchers out there is that they don't mind people going on there hunting or driving their all-terrain vehicles, but they would like to have that done after the cattle are out of the pastures. I know that in the Redwater-Andrew constituency that's usually around October 20. After that I'm sure nobody minds who goes on there and uses that land. I would like to hear the minister's reply on that.

Other than that, I just want to thank the minister and his department and hope we can work with the ranchers in the future like we have in the past. Thank you.

MR. CHAIRMAN: Calgary North West.

DR. CASSIN: Thank you, Mr. Chairman. I would like again to speak in favour of this vote. I appreciate that this is the completion of a 10-year program.

ANHON. MEMBER: Do you wear cowboy boots?

DR. CASSIN: Yes, I do have my cowboy boots.

I think this vote is very much like the vote in Environment, where again we're reclaiming some land, and I think that when we spend money to reclaim land or to develop additional pasture, this is putting our land into a reserve account where again it can be productive. We find that in many areas, including agriculture, there are cycles, and it would appear that at this point in time there's an improvement in the demand for our meats, including our red meat. This is a very worthwhile project, and I certainly support the department in its plans.

The minister indicated that some of this land would be used for recreation. Again, it's been touched on by the members for both Redwater-Andrew and Taber-Warner, and perhaps the minister could indicate whether he's identifying hunting or all-terrain vehicles or camping or just what type of recreation we're looking at in this part of Alberta.

I would be very interested in the minister's comments and certainly support the goals of this government in trying to improve the land that we have and to reclaim any of that land that's in question. I think this is a very good expenditure of our heritage trust fund.

MR. SHRAKE: Mr. Chairman, I just want to comment also on the clearing of some of the land. I think some of the land they've cleared has created the extra pasture. I'm glad to see that they did sell some of the land to the ranchers and farmers who had leased this land for a long term. I hope he goes through his inventory to see if there isn't more land that is not required by the Crown and sell it off, put it in the hands of the people out there who take that pride in ownership and do things with the land and produce crops and help bring dollars back into this province.

I have just one question for the minister. I wonder if the minister has looked to see if there's any of the land which is semi- or quasi-recreational land near some of the areas, near some of the lakes -- Crimson Lake and other areas up in the northwest part of the province. We own some awfully large chunks. Perhaps some of that should be sold to the people who are leasing it, and the other kept for the public domain.

I'd like to take this opportunity to thank the minister for -- it's a little bit of a different department; I'm sure I'll get ruled out of order very quickly here -- his Buck for Wildlife program, because I guess the fish are doing well down in Calgary Millikan in the lake there which was stocked. I guess it didn't come out of the heritage trust fund. It just came out of your Buck for Wildlife, but I got that little plug in there. Thanks, Mr. Minister.

MR. CHAIRMAN: Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. Before I get into some of the specific questions, I'd just like to tell the Member for Red Deer North and the Member for Redwater-Andrew that we are from "Redmonton" over here, most of us -- at least 11 out of 16 of us -- on the night when the Oilers are going to win the Stanley Cup. They both had a couple of smart quips, so I thought I should at least remind them of that.

The Member for Redwater-Andrew seemed to assume that cowboy boots make a difference. I assure him that I milked many a cow when I was growing up on the farm without any cowboy boots on.

DR. WEST: Point of order.

MR. CHAIRMAN: Order please. Vermilion-Viking.

DR. WEST: Yes. These votes are very serious, and I don't know what hockey or milking cows has to do with grazing reserves in the province of Alberta.

MR. McEACHERN: I'm terribly sorry.

Okay, to get serious because there is some serious business before this committee, in looking back at last year's estimates,

it's rather interesting to see that some changes have taken place in the Forestry, Lands and Wildlife section. The grazing reserve developments are still there, and I'm going to be looking at some of those changes over the three-year period which are shown by looking back at last year's paper.

But also something that's different this year and missing, and one wouldn't maybe think of it by just looking at this year's paper, is that the forestry estimates for last year also included a second vote on Maintaining our Forests. If I could beg your indulgence for a minute, I would just ask why that program has wound down or if it has and a few basic questions about that. The program was to re-establish and improve productivity of our forests that have been damaged by fire or industrial clearings, and it wasn't clear there from the description whether or not the industrial clearings included logging, and I kind of assume it did. Also, to try to find ways to improve the productivity of our forests. Some \$745,000 was allocated to that program in the 1986-87 budget. The year before that it was \$4.2 million, so it was quite a significant program.

My questions to the minister would be: did the industrial clearings designation cover the logging operations? Why has this program been cut totally, if it has? Of course, there is the possibility that the department is now picking up those functions, and that's something you could perhaps clarify for us. Is there to be no more reforestation of fire areas? Is that why this is no longer in the estimates for this year? Are the logging companies required to do some of their own reforestation? As to industrial clearings, are they required -- that is, the companies that are doing the clearing -- to reforest to the extent that's reasonable, of course leaving room for access to whatever equipment they may have left there and that sort of thing? I would appreciate a few comments about that program that doesn't exist in this book but was in fact carried on under this department last year.

To get back to the grazing reserves, just a few straightforward questions. The increase between the 1985-86 fiscal year and the 1986-87 fiscal year was considerable. We went from approximately \$3.7 million in the first of those two years to \$5.3 million in the second. That was up 43 percent. So just from three years ago to last year we were going up in the amount of money we were putting into the grazing reserves, quite a large increase, and this year we're cutting back by almost 38 percent, down again to almost \$3.3 million. I wonder if perhaps I missed something in your opening comments, but I did hear another member say something about winding down a 10-year program. I guess some questions I would ask are: is this the last year of the 10-year program? Literally it was designated with a sunset clause and 10 years would be it for some particular reason foreseen at that time? Is the program not needed any more? Is it being cut back for budget considerations? Or has the program been something of a failure and the government has decided to drop it? Those are just some of the questions that occur to a layperson that's not terribly knowledgeable in your area and looking at these numbers. If I could have some answers to those questions, they'd be greatly appreciated.

MR. CHAIRMAN: Hon. member for Highwood.

MR. ALGER: Thank you, Mr. Chairman. I'm pleased tonight to describe a couple of things that have always annoyed me about this department, and that is the clearing of leases, particularly in the Highwood, when we haven't had the ability to even go out and observe ourselves where this is going to be done or

how it's going to be done or why it's going to be done. I have some difficulty sometimes -- I think I've managed to clear that with the department finally -- that no more of this nonsense will take place in my Highwood without at least my own observation of it. for the simple reason that it's one thing to clear a lease to the betterment of one fellow but to quite the annoyance of another. You know, you annoy more people when you take down trees than you do please people that have them on their land. I think we've got that straightened around to a degree, and I want to commend the minister for that, for working with me on that resolution.

In the other area where trees are in a sort of way semi-useless, scrub trees and brush, where you could really improve the pastures considerably, the minister knows full well that we've done a lot of work in the Highwood to describe these areas to him and indeed we've had a certain amount of lease cleared for the betterment of the cattleman. But it hasn't always worked, and I see to my dismay that he's dropped his provincial grazing reserve expenditures from \$5 million to \$3 million. I didn't even realize he had that much to go for him or I would have been after him a lot sooner and a lot harder for some of the money I need to clear some of the area for community pasture in the Highwood.

The third and last thing I'd like to mention, Mr. Chairman, -- and it hasn't got a blessed thing to do with this department, but I think one day it will -- is the closure of Highway 40. I know that forestry is involved, Environment's involved, Transportation's involved, and I thought I might as well get my kick in about it right here, Mr. Chairman, for the simple reason that there is a resolution on my mind that is so absolute. Our province has spent so many millions of dollars on that highway and we keep it closed for over half of the year. My friends opposite would even agree with me that this isn't right. I hope the minister will take it into consideration when he meets other ministers and discusses it at my suggestion.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Hon. Member for St. Paul.

MR. DROBOT: Thank you, Mr. Chairman. After hearing the various comments, I feel it's a duty to compliment the minister on his initiative in the grazing reserve program and the joint programs in community pastures involving people from Fish and Wildlife, the Fish & Game Association, with the joint planning and use of the reserves for hunting, for game conservation areas, for wild habitat areas within these pastures. These grazing reserves are a vital part of farming in northern Alberta. The land is submarginal and its only utilization is for grazing purposes, which certainly helps the small farmers who have some land that they can farm and run their stock in these reserves.

I find it rather humorous that we have so many experts on what the community pastures and grazing reserves should be doing, especially people who don't know the difference between a cow and a plow, Mr. Chairman.

The opposition talks and talks
Like an actor playing a part,
The soldier glitters on parade,
The salesman plies his art,
The scientist pursues his germ
Over the global ball,
The sailor navigates his ship
But the farmer feeds them all;
The workman wields his shiny tools,

The merchant shows his wares,
The astronaut above the clouds
A dizzy journey dares,
But art and science soon would fade
And commerce dead would fall
If the farmer stopped to reap and sow.
For the farmer feeds you all!

MR. CHAIRMAN: Hon. Member for Edmonton Glengarry.

MR. YOUNIE: Thank you, Mr. Speaker.

MR. DOWNEY: You guys get all that?

MR. YOUNIE: Yes, I did. As an English teacher for 14 years, I especially appreciate it, I'm sure. As one who raised hogs and chickens and bees and so on at one point in my life, before deciding there were easier ways to make a living and I'd continue teaching, I can especially appreciate it. I don't think anyone could say I'm unsympathetic with farmers. Anyone who has tried to work up a quarter section of land with a six-foot disc knows what work is all about.

I would comment to Vermilion-Viking that it's a shame to demand seriousness and then spend so little time listening. To Redwater-Andrew, with his comments about spraying versus mechanical clearing, it seems to me there's an alternative between a plane flying over with some chemical that kills and injures indiscriminately almost all forms of life and sending out thousands of men with dull hatchets. I hope we have achieved a level of technology and intelligence that would tell us there are other methods. Certainly you can't convince me that every farmer in this province cleared his land either with hatchets on the one extreme or aerial sprays on the other. Many farmers use something a little bit in between that involves pushing it into windrows and then getting rid of it in some way. So there are certainly other areas to look at if we're going to decide we don't have to spray some chemical poison on it.

I would also ask the Member for Redwater-Andrew what his opinion would be if he learned that in fact the chemicals he and other people have been spraying on the land for years were tested by a lab that's guilty of criminal fraud in their testing procedures. I would certainly wonder then, and in fact three of the most popular chemicals in this province were tested that way. So I would advise the member to consider that maybe just as some women found out that thalidomide was not such a good medication to take during pregnancy, some of the sprays we've been using for a long time may not be as good as we think they are.

I also have some questions for the minister about clearing and privatizing this land. Calgary Millican suggested we should look for more of these reserves that we could sell into private ownership rather than keeping as the property of the citizens of Alberta. I would point out that that land is not property of the government, not property of the Legislative Assembly; it is property of the people of Alberta. Now, it would seem to me that if we're going to consider selling that land, we should talk to the people who own it. And we should do it not just in some kind of method that allows them to say no and then we can say, "Well, we've had public input; now we're going to say yes," but in fact involves legitimate recorded hearings that must be followed. So if in one area the majority of owners of the land say, "This is not appropriate for sale," we do not consider selling it no matter how much the rancher who has leased it for years

wants to buy it. The owners have said, "We don't want to sell." I think we have to look at the possibility that the owners may not want to sell some land and may want to sell others. We as a Legislature need to get their permission in some meaningful way first.

I would say to some extent, even if we're going to take some fairly vast acreages -- and 250,000 acres is not small by my definition -- we might even want to consider some of the areas we clear. The Member for Edmonton Highlands acknowledged there were some that might not be appropriate for clearing, some that might be. Again, I would say that the majority of people in that area have a right to say: "No, this is valuable recreation land. We use it for recreation. Clearing it would be wrong. It is our land and therefore we judge no, we should not." And it should be done not by the MLA going out and knocking on doors and saying, "Well, how do you feel about this," and hoping that the 40 doors he knocked on was a representative sample of the entire area, but through advertised, meaningful public hearings where those people have a chance to say yea or nay and be heard in a meaningful way.

I think it's very important that at any time we're dealing with land that belongs to the public, we seek their honest input. I think we'll find that if you went out into some areas and asked for the input of the majority on either selling, clearing, or spraying herbicides on land that belongs to them, you would find they would say, "No, don't do it." There would be some areas where they might say yes to some of those. Again, it would depend on what level of information they got. If they got a study that said this chemical is perfectly safe without hearing other versions of how accurately or adequately it was tested, then they might say yes, whereas if they got more complete information, they might say no. So I think the minister has a very solemn duty to do a better job than has often been done in the past when we're dealing with public lands, in seeking that very, very meaningful public input through hearings where the evidence given by the public is used in the decision-making, not where a small committee goes around and sort of listens and sort of justifies what they're going to do and then goes ahead and does it anyway. We need the meaningful input.

MR. CHAIRMAN: Hon. members, direct from the game it's 2-2, with the time remaining equal to the score.

DR. WEST: Mr. Chairman, it's a pleasure tonight to join in the discussion of the minister's votes on these estimates. I come from probably one of the greatest cow/calf operations in the province of Alberta. Over the years, in 1972, when I went out to the northeast quadrant, to Vermilion, we had two grazing reserves, Rannach and Minburn, in our area and one north of St. Paul, and we had probably one of the best beef cattle operations of a central area or an area around Vermilion that I have seen. Over the years we have seen that diminished in the province because of the Crow rate and other variables. Eastern Canada took some 500,000 to 750,000 calves out of this province, and our feeder industry diminished.

What I see now: last year we fed some 140,000 more calves in this province; we exported some 120,000 more head this year to the United States and other markets. I see with the Crow offset benefit and our input to eastern Canada to bring the Crow rate benefit back to our producers -- I can see an industry of some 500,000 more calves or cattle fed in this province. How does that relate to grazing reserves? We're going to need grazing reserves in the northeast quadrant upgraded and expanded in

the next decade. We're going to bring back a processing industry to this province. We're going to take that processing industry and put it into value-added products to the tune of five to one for every dollar generated out of agriculture. That's in the cattle industry.

The spin-off benefit to my area is that we're going to need our land base for the production of feed grains to feed those cattle. Five hundred thousand extra head of cattle equate to 750,000 more tonnes of barley fed every year. Mr. Minister, I would ask you and ask this Assembly to increase the amount of funds to put into this so that we can upgrade and develop more grazing reserves in northeastern Alberta, so that we can accommodate our producers who are going to expand, who are expanding right now . . .

ANHON. MEMBER: How about central Alberta?

DR. WEST: That's your turn. You can get up and talk about that.

Some of the grazing reserves have been upgraded, but there just isn't enough in the northeast quadrant. Our producers right now are starting to expand. Their cow/calf operations are growing, and we need more pasture land.

ANHON. MEMBER: You're kidding.

DR. WEST: No, I'm not kidding. The Wolf Lake area has expanded, but we could see -- we've had a demand off the far northeast quadrant. One of the Metis reserves or settlements has asked that perhaps there could be some input through Municipal Affairs and this department to co-ordinate some development on the reserve, because we have a lot of people from our area that are using roughly two townships in that area but it needs a lot of upgrading. Yet because the Metis settlements are outside the perusal of this department, they can't get funding or upgrading funds to go ahead with this project. So I would ask the department to look at that and go with the Department of Agriculture and the Department of Municipal Affairs to do that.

In conclusion, I hope that all members of this Assembly share my dream for a future in this province of the cattle industry, for bringing back not only our processing industry, the slaughterhouse industry, and the future of that market place in free trade with the United States and the Pacific Rim. That's coming. We can't prevent it. The Crow benefit is part of it, and grazing reserves are also part of it.

Thank you.

MR. CHAIRMAN: Hon. Member for Bow Valley.

MR. MUSGROVE: Just a few comments. Mr. Chairman. First off, some comments about the Bow Island community pasture. Although it is in my constituency, there are no members of the Bow Island community pasture that do live in my constituency. However, I am supporting it. I have to commend the minister and the participants of that pasture for their initiative in moving to irrigated grazing associations. It's an experimental project, and the Eastern Irrigation District, which is part of my constituency, is giving consideration to an experimental program in that regard.

I'd just like to respond a bit to the Member for Edmonton Glengarry when he was suggesting that our grazing lease conversion policy -- the province of Alberta was selling our land. Now, I can relate that to another incident where our parks de-

partment has increased the rental fee for cottages on lakeshores to the point where some of the people are considering buying their lots. It was suggested to them by one of the parks department that this land might be put up for public tender. They put up a hue and cry and said, "That land has been rented by us for a number of years, so we should have a priority to be able to buy that without it going to public tender." Now, these are urban people that are saying this when we're coming to lakeshore property, but when it comes to rural property, where farmers and ranchers are concerned, they've got a different story. So I just wanted to respond in that respect.

Thank you very much, Mr. Chairman.

MR. CHAIRMAN: Hon. minister.

MR. SPARROW: Thank you very much, Mr. Chairman. Many comments have been made, and I'd like to thank the members who made comments specifically about the program and the staff and the way they've handled it and the improvement of the agriculture industry that took place because of this program. The Member for Edmonton Glengarry seems to be a broken record with his spraying problems -- we've talked about this in the House previously in question and answer period -- and treating of agricultural land. All of these grazing reserves have been treated the same as all other agricultural land. Most of them are in the white zone or yellow zone of the province, and the rules and regulations to do with spraying have been followed very rigidly with reference to the use of herbicides in those areas. I suppose there is a little committee of his that keeps popping up to create an issue on that with reference to the forestry industry. In the forestry industry we're being very careful, doing a lot of research with the use of herbicides and doing nothing but ground applications primarily and test spots throughout northern Alberta.

Basically, the Member for Ponoka-Rimbey talked about many items and asked several questions. The aspect of improving older grazing reserves: yes, there is a need. Several members have addressed that, and we do and should look very seriously, if we're going to put more funds from the heritage fund into this program, at going back through the other reserves throughout the province that have not received these heritage funds and look at upgrading them to standards we have in the 13 we're just completing. Approximately \$10 million to \$15 million could be used for that alone, and that's the scope and need that could be easily spent on the other reserves that were not covered by these heritage fund estimates.

As far as the quality and the standards of the reserves, the 13 reserves have been developed to a very high standard. Of course, they're all in the gray-wooded zone, and the utilization of those reserves has been up to maximum. I don't think one of the reserves last year was undergrazed because of not enough cattle on it. In some in northern Alberta we had to ask farmers in central Alberta to ship cattle to them, and that slack was taken up very, very rapidly. The Pembina reserve definitely is getting some expansion this year. You mentioned that one. It's not complete yet, and more funds will be spent in that area in this current budget.

The total number of patrons you had talked about in the total program was some 1,658 last year, and as far as the number of cow/calf units or cattle on the reserves, there were some 73,000 or more. So we have a great number of cattle that are out there each and every summer, and that's increasing each and every year. That increasing utilization is one of the major reasons

we've been able to break even. In 1987-88 I am making the prediction: yes, we're going to run these at a profit and that profit is going to be turned back in. Hopefully, if we can convince our colleagues to look at upgrading that is so necessary. But that will not do the job alone.

As far as turnover in groups, yes, there is on grazing reserves. We have quite a number of patrons in each area. New patrons come in each year, some leave, and we try to accommodate as many as we can. But in southern and central Alberta we do have a problem of not being able to accommodate all of the demand. I guess that is the same for the northeast part of the province as well.

The Member for Taber-Warner mentioned the Bow Island project and the enhancement of some of the southern Alberta reserves. If the heritage committee did put some funds back into this project -- it's been a 10-year project that ends this year -- definitely some of the funds will be used in that area. The Purple Springs reserve, because it is only 6,000 acres and the average in the province is some 20,000 acres, is an uneconomical unit. Because of that we are looking at maybe allowing that to go out to the private sector and utilizing and taking those patrons and adding them to the Bow Island project if we can upgrade and put a major enhancement into irrigation on that project. Staff are presently meeting with them, and the intent is that if they wish to take it over as a grazing association and manage it themselves, we would try to come up with the funding to do the capital works on it to make sure in the long term that they were looking after the operational costs and making sure it broke even. So progress is being made on that issue.

There has been an offer made for the last couple of years that the management of the reserves could change. That change would be from using them as a grazing reserve to looking at making grazing associations out of them, accommodating the same people and letting the farmers that are using the sites be the total management team. Presently they have a board of directors at each reserve, and that board of directors works with our staff, makes recommendations on input, numbers of cattle, the movement of cattle from range to range, and is now directly involved in the management. We've got them more involved in the last two or three years. That assistance and knowledge that the farmers have has been greatly appreciated.

As far as the multiple use, the Member for Taber-Warner covered that very well. Yes, when you're talking about -- the Member for Redwater-Andrew talked about hunting and the other types of use. Very definitely they are used for hunting and recreational purposes. Primarily we try to stagger our hunting season so that the cattle are off the reserves, and in each and every case these reserves are posted with Use Respect signs, designated routes, and all types of recreationalists are asked during the summer to make sure they go to the headquarters to look for directions. Pamphlets are available. Maps are available for them, and there are many, many recreational opportunities which include hunting, hiking, trail riding, cross-country skiing in the winter, snowmobiling, camping, and just plain sightseeing. We've used them for a put-and-take operation with our pheasant program, and there are many other uses.

Basically that should cover the comments made by Calgary North West and the Member for Calgary Millican. With reference to the comments made by the Member for Edmonton Kingsway on maintenance of forests, that was a heritage program that ended last year. Most of the heritage programs are set up to run a number of years and have a sunset clause and would have to be reintroduced as new programs. It was definitely set

up to reforest fired areas. The majority of those areas that were identified were reforested. The miscellaneous old, old industrial sites were also covered and reforested.

With reference to your question if these funds were used for doing areas that were logged, basically no. The policy being used and which has been successful in Alberta for many years is that the individual sawmill or pulp mill must do their own reforestation totally. Small contractors, though, are given the opportunity to pay our department a fee on a per thousand basis, and we would then do that reforestation under contract. We've done that for years to help the small logging operators, but it's not available for anyone with a mill over a certain size.

As far as the need for more of those types of funds, yes, there is need for more reforestation. A lot of good natural reforestation has taken place in some of the burnt areas. We are presently working with our federal colleagues to upgrade the federal/provincial agreement which would improve our research component and our reforestation component. We're behind compared to other provinces as far as the amount of federal money that is spent here in Alberta. If the federal government can find some new funds in forestry, I think Alberta is on the map, number one on their list, to give an increase to that federal/provincial agreement.

[Mr. Musgreave in the Chair]

With reference to the fluctuations in the grazing reserve program, as I've stated earlier, it's a 10-year program. As the work was designed each and every year, we brought forward amounts that we thought we could use. In a couple of cases the amount of money we anticipated that year was not spent, so it would stay in the program. The last three years we've been trying to finalize and keep our eyes on the target of the \$40 million and original RFD that was approved. There were different fluctuations because what we planned to do each year was the only funds we asked for to do the work that was being called for that year.

I'm encouraged by the Member for Highwood's comments. They were with reference to his clearing of leases. That's a different program; that's under the general revenue program. Very definitely, that area is a sensitive area for a lot of Albertans. The recreational use in that area is very, very high, and good planning has to go into each and every project, good public relations and good communications. We'll endeavour to continue that in southern Alberta because it is very crucial that we allow the industry to proceed and at the same time make sure we're looking at the landscape and the sites that are created by not planning a project well. We also do that in our forest industry, where each and every cut block now is looked at by a landscaper, and we do not allow them to cut rectangles or clear large blocks of land. They're done on a landscape base to fit in with the hills and valleys so that the appearance is well taken care of.

I'd like to thank the Member for St. Paul for his comments. Sometimes in a verse and the prose that comes from that desk he can say a lot more than I've said in the last 20 minutes. It's really appreciated by this Legislature, the humour and wit that goes into them.

I think I've covered all of the points except a couple, Mr. Chairman. The Member for Edmonton Glengarry came back in a second time with private lands comments and being the property of Alberta. I think it's important we all keep in mind that at one time all of Alberta was Crown land. We presently still --

only 27 percent of the province of Alberta is in private hands. The balance is in one level of government or another.

In my department there's only 62 percent of the land in Alberta, and for many, many years we were expanding and opening up new lands. Over 300,000 acres a year was being opened up. His former colleague and leader was continuously after me for many, many years to set a goal of over a million acres of land a year to be opened up in northern Alberta. I resisted that pressure, and now we have a different attitude because of the time of the day. The opening up of new lands or the conversion of lands now in the province is very miniscule in comparison to what it used to be in the late '70s and early '80s. The marketplace primarily dictates a lot of that because the demand is not there. When you mentioned 250,000 acres of conversion, that one might be a one-time shot. It would not be a repeating shot, and that's not as much as we were opening up in 1979 in one year or two years.

I guess the inference of checking and rechecking -- and we could continue to spend money on research, but I think the inference is made about continuing to challenge the ability and the professional integrity of all, not only the federal government people who look at and approve herbicides plus our own people. We do have to try not to keep continually reinventing the wheel and retesting here at a local level. We have to take the assurances of those professionals that give us that advice and that do have the approval processes. Until and if there is any information they don't have, let's please send it on to them, and I will make sure it gets to them.

The Member for Vermilion-Viking wanted to request the Legislature to look very seriously at upgrading and expanding and looking at those reserves throughout the province that need upgrading. Several members have brought that to my attention. I will take those comments seriously. I will come back to the heritage fund committee with a proposal in the near future of what should be done, what could be done if additional funds are available, and where our staff thinks they could be utilized very effectively to upgrade the existing ones or expand existing reserves. It's like any other business: the profit centre has to be looked at, and very small reserves are uneconomical. Larger reserves, because of the size and number of patrons, are becoming more and more economical, so we should look at expanding rather than creating small new ones.

With reference to his comments about the Metis settlements, I have worked with them, and I will continue to work with them. It may be that with the resolution that may cause the Act to give them their own land, we can assist them in the years to come with the range improvement programs right within their reserves and settlements. I think it's very, very important that we keep an eye on and listen very sincerely to the comments made by the Member for Vermilion-Viking about upgrading and expanding, as did many other members.

I think I've covered most of the comments, Mr. Chairman, and I'd like to move the vote.

MR. DEPUTY CHAIRMAN: The hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Chairman. I just have a couple of questions I'd like to address to the minister on his proposal that we vote \$3.252 million into the grazing reserves development program. I'd like to compliment the program, because I have some feeling for how it works. In the constituency I represent there are a lot of people who are involved in mixed farming, and their land is generally very good. It's not land that in a lot of

cases a person would want to convert to pasture to raise their cattle on during the summer. Being able to match the need with available resources in a program like this is, I think, a very good thing, because there's a whole fringe of land, some of it just east of Edmonton and then some of it north along the North Saskatchewan River and in the fringes in the gray-wooded soils area that isn't really well-suited to grain production, but it's certainly well-suited for pasture.

So you have farmers in a good grain farming area that are able to diversify and keep a large number of cattle on their farm because they have the option of using community pastures or grazing reserves to keep their cattle over the summer. So I think it's generally a very good program, and I'm sure the minister will take some of the suggestions that other members have given in terms of the implementation of the program to him.

There's one area in particular that comes to mind, the Blackfoot grazing reserve just to the north and west of Tofield, which is a project of unique co-operation between the Department of Forestry, Lands and Wildlife and Recreation and Parks. I'm pretty excited about that development there. It offers kind of a unique combination of good use for farmers using the grazing reserve part of it and then a recreation component there for tourists who may be attracted to the area by some of the many things that are available to them there, either Elk Island park or the Ukrainian heritage village or Beaverhill Lake in the Tofield district. So it fits in very well, and I'm pleased with the development there.

Then in the very northeastern end of my constituency, the Vegreville constituency, there's the Rammach community pasture which has been very well operated over the years with a local board and provided a good facility there for mixed farmers in the area to use and send their cattle to.

The question I'd like to ask the minister, and I guess it comes through the municipalities within which these grazing reserves and community pastures lie -- the county of Beaver on the one hand and the county of Two Hills on the other. These parcels of land can occupy a fairly significant portion of the land base in the county, and they don't get tax revenue in the traditional sense from that land. They feel that in some ways it is a benefit to the county but in some ways it's not. They feel like they're being, in terms of their municipal tax base, punished a little bit by it. I'm just wondering if the minister might explain to us how that process works and what thoughts he has in terms of making sure that the counties that do make available land for grazing reserves are not seeing their tax base eroded. They want to be able to provide the very best services that they can to the people that remain in the country there.

MR. SPARROW: Mr. Chairman, the comments from the Member for Vegreville are appreciated.

The Blackfoot grazing reserve is definitely a unique project between many departments of government, primarily Recreation and Parks and our department, but other departments were also involved. After many, many public meetings for the demands on the different types of multiple use that could be used for an area like that, a suitable plan was brought about, and we just recently have turned the operation of the Blackfoot recreation area and grazing area over to Recreation and Parks to administer. They will be administering and looking after the grazing reserve at the same time.

That is an example of what can be done. That example has been used and is now being looked at in other reserves throughout the province. We're getting that multiple use. We're not

spending as much of the funds; the funds aren't being spent on the recreation component on other reserves, but very definitely a lot of the programs that we looked at in the Blackfoot have been expanded to utilize other reserves in the same way. Very definitely there are lands being identified continuously that are suitable for pasture, and grazing leases are being put up all of the time whenever they're available. If they're turned back in, it's identified and put right back out. Having a proper land manager of Crown land is very, very important.

The biggest problem we do have in the province is the attitude of some irresponsible Albertans who figure, "This is our land; we can do anything with it that we want." If it's unoccupied Crown land, we continually have problems of cleanup, garbage, and misuse. Ranchers and lessees throughout the province have been very good tenants, and the utilization of that land for grazing has been very, very successful over many, many years. Now in our natural area program we are even getting involved with sponsor groups to make sure they take a look at the long-term maintenance and protection of the lands in those areas for other public uses.

With reference to your grants in lieu of taxes, the total in the province is roughly about \$350,000 for these reserves in grand total. They are appraised by Public Works, and grants are calculated by Public Works for all departments of government. I haven't got at my fingertips just the method of calculation. In each and every reserve it's different because of the amount of land we're utilizing. In many reserves there's a lot of land in the reserve that is not being utilized for agriculture. It's being utilized and protected for forests and/or wildlife and other uses, and I do not have the calculations of the individual grants right here. That may be a question you might want to ask the Minister of Public Works, Supply and Services.

Thank you again, Mr. Chairman, for letting me address the committee.

Agreed to:

Total Vote 1 -- Grazing Reserves Development \$3,252,000

Department of Hospitals and Medical Care

MR. DEPUTY CHAIRMAN: The next order of business is Hospitals and Medical Care. Mr. Minister.

MR. M. MOORE: Mr. Chairman, thank you very much. There are two different projects connected with the Department of Hospitals and Medical Care in the capital projects division of the Heritage Savings Trust Fund. The first one is the applied cancer research, with the amount to be voted this year at \$2.8 million, and the second one is funding for the ongoing completion of the Mackenzie Health Sciences Centre.

I wanted to deal firstly with the vote connected with applied cancer research and just say this about it. We're in a situation here where the grants are provided to the Alberta Cancer Board, who through a fairly sophisticated system of selection makes recommendations to my office as to what projects will be funded. Of course, for the current fiscal year or the one that we're getting approvals for now, those dollars have been looked at by the board, but no decisions have been made on all the projects at this point in time.

The system will not change in future years. I would expect that I will be approving most, if not all, of the recommendations that come forward so long as they're within the budget. We have renewed our commitment for a three-year period -- that's

two years after the year in question here that we're discussing tonight -- to provide cancer research grants for two years after this particular year. If they don't have one and they're interested, members can obtain a report of the Alberta Heritage Savings Trust Fund applied cancer research annual report. The latest one for the year ended March 31, 1986, is out and outlines in some considerable details the various projects that were granted funding.

I then move to the second vote, the Mackenzie Health Sciences Centre, and just make some comments there about that particular project. We have some \$10 million in this year's budget for the Mackenzie Health Sciences Centre. That is funding that will provide the budget that's necessary to permit the construction or the start in the construction of a clinical research facility of approximately 7,900 square metres in conjunction with the heritage medical research building project. That's some alteration in the previous approvals that were given to the Mackenzie Health Sciences Centre for construction but still within the original budget.

Secondly, approval has been granted to the board of the University of Alberta hospital to plan for renovations to the Clinical Sciences Building to provide administrative and teaching space there. That's at a total project cost of \$6,094,900. The approval was withheld, although it was requested, for the construction of a communications corridor. That will await future consideration at a more appropriate time in terms of our ability to finance these projects under the Heritage Savings Trust Fund.

Well that, Mr. Chairman, is basically what is occurring under this vote this year. The Mackenzie Health Sciences Centre project is winding down. The information I have here is that there will be about another \$19 million required over the next two years in order to complete the entire project.

I'll maybe just make mention of one aspect of the project that members might be interested in, particularly the hon. Member for Edmonton Strathcona. The 1912 and 1919 -- I believe it is -- wings of the hospital have now been demolished. We asked the board at the University hospital to look at the '50 and '57 wings and see if there might be some useful way they could be retained and utilized for extended care beds or some other purpose. They just recently completed a report that would have fairly complete upgrading of those two buildings for extended care purposes, and our finance committee of cabinet has not yet had an opportunity to consider it.

But the report that came from the consultants recommends the expenditure of funds to rehabilitate those two buildings. It's equal to about 80 percent of the cost of new construction. I would like to think there might be a way of finding another consultant that could do it for less than that, because I have some great difficulty believing that you have to spend that much money on those two buildings to use them for some period of time. So I'm going to be having more discussions with the University hospital board to see if there isn't some other thing we can do. In the meantime we've instructed them that there will be no demolition of those two wings until we've exhausted every possible opportunity there is to consider the utilization in some other way.

Mr. Chairman, those are just a few brief remarks on those two votes. I'd be happy to take any questions.

MR. DEPUTY CHAIRMAN: The Member for Edmonton Strathcona.

MR. WRIGHT: Thank you. The minister just answered the

query I had, Mr. Chairman.

MR. DEPUTY CHAIRMAN: The Member for Edmonton Centre.

REV. ROBERTS: Thank you, Mr. Chairman. With the two votes, if we can go back and look at the first one, the amount of \$2.8 million is to be applied to applied cancer research, which the minister has rightfully noted is a very important and very vital area of medicine and health care. I know there are many of us in this Assembly who have had loved ones who have either died from cancer or are currently suffering from cancer. The premature death and suffering that the disease causes is of great concern to us as individual people as well as spenders of the public dollar in terms of how it can be wisely spent to find either a cure for cancer or the best possible way we have to arrest its development or to deal palliatively with those who are suffering terminally from cancer.

It does seem as well that as I've been around at least some doctors and nurses and people in the health care field, after pediatrics and cardiology, cancer is right up there in terms of being one of the most sacred areas of research and medical care. So I think it is interesting to note that this fund is here in its specific form at all, in the form of \$2.8 million this year specifically for cancer research, when in fact I'm sure there are pediatricians or cardiologists or others out there who look at it with some envy.

I myself have some questions as to the history behind how it came to be an amount under the Heritage Savings Trust Fund that was a special amount devoted specifically to cancer research when, as I say, there are other areas and people who are wanting to get the research dollar which is at such a premium and must look to this fund with some envy if they're not an oncologist or others in the cancer field. So it's along those lines that I'd have a number of questions for the minister to ask for further clarification and certainly some more accountability in terms of how the moneys are spent, particularly within the whole gamut of medical research and health care research generally.

I guess maybe that is my first question to the minister: could he give some history, some background, as to why this fund, this vote is here so specifically designed for cancer? For those of us who are new, why is it cancer? Why is it not for applied cardiology research or applied pediatric research or applied orthopedic research? There are a whole host of other areas which, as I say, would like the money. It seems interesting that this amount has come to be so specifically designed purely for cancer research.

Then I have a second question, which is why this vote stands again apart here, not only in terms of it being devoted to cancer, but why it stands apart from the Heritage Savings Trust Fund for medical research. I know the Heritage Savings Trust Fund for medical research is a great amount of research dollars and a whole program which we're very proud and is very prestigious. I'm concerned, though, in some respects that the moneys for that are not made accountable to us here in the Legislative Assembly.

I know in one conversation with Eric Geddes of the medical research, he was pleased in the sense that it didn't have to come before a public review here in the Assembly. I don't really have any qualms about it if it gets a good hearing at the Heritage Savings Trust Fund committee level, but it would, I think, in some ways provide better accountability if it was to be discussed here,

as well as this applied cancer research looked at here in the Assembly in a public fashion.

While we're on medical research generally, it's interesting that the amount set aside for nursing research is again a significant program. It's odd that, as I understand it, \$200 million goes to medical research, and \$1 million over two or three years which goes to nursing research. I don't think that means that we value doctors 200 to 1 over nurses when in fact nursing research can do a whole lot in terms of direct patient care and hands-on care that nurses can provide. But I notice that that fund as well is not made accountable to us here in the Assembly. Anyway, with those other ones out there in the field, it's interesting to me that this cancer one is stuck here and that we have it before us tonight.

Then I have a question again to the minister about the title of it in terms of applied cancer research. It's interesting to me that, as I've done some homework around it, in fact the term "applied" is perhaps not really accurate. To the layman it's a bit of a misnomer. It is not in a sense applied clinical research, but rather pure laboratory research. I'm wondering if there is some way in which there is an investigation of the cancer research which goes on at a clinical, more practical level, which is also needing some funding and whether some money from this program can be devoted not to just applied pure research but to clinical, practical research in terms of patient care.

A fifth question I'd have for the minister is if he could explain what happened with the peer review committee which looked at this whole program, I take it, over the last year or so. I don't know whether it's an internal or external peer review which took a hard look at the submissions to the board, how in fact they were adjudicated, and certain evaluations around the adjudication and the awarding of the dollars for different research projects. The minister made no comment that there had been a peer review. I'm told there was one. It would be interesting to hear from the minister if he knows why it was mandated, what it recommended, and how it's going to change the direction of this program.

In fact, was there a mandated external review process? I know the deputy minister, Dr. McPherson, being an oncologist himself must have a great deal to say about this applied cancer research, how the dollars flow, and how the submissions are granted. I notice through the report last year that he himself seemed to be the recipient of a number of the dollars for various of his own research programs. And I guess there are some questions there about how much of it is just an internal group, that though the minister says it gets approval from his office, they really have a good deal of money to play around in and among their own priorities. Maybe an external review was ordered and was necessary, and maybe it recommended some new directions.

One of the directions I note is a downward spiral in terms of the moneys that were applied to it, a decrease of 45 percent over last year, from the nearly \$5 million that we voted for last year to not even \$3 million this year. So that 45 percent decrease is significant. Again, the minister didn't refer to it. Is this a new policy to wind down the fund generally, or to wind it into the Heritage Savings Trust Fund for medical research? Or did I read that there is just a set amount of money anyway and that it may all have been spent over time and that there's not going to be much money left in two or three years time? So some future directions or policy of what this is about would be helpful. If the advisory committee did suggest a decrease in the amount, what else did it recommend, and how welcome was that to the

people internally managing the fund?

Is it true in fact, as I've heard, that of this \$2.8 million which we are voting on tonight, only \$1.8 million is being set aside for direct grants, whereas a full \$1 million is really there for the discretion of the board or a kind of vague and open pot of a million dollars. It'd be helpful to us in the Legislature here as we're giving this a public legislative review to know if it's going to direct grants or going to some sort of discretionary fund and how it's going to be finally divided up.

An interesting area that I'm trying to struggle with, in terms of medical research generally, is how it interfaces with pharmaceutical research. Certainly the powerful research that is done by large pharmaceutical outfits and houses in the United States, moving as they want to with patent protection more into Canada, have a lot to do with certain chemotherapies and certain pharmaceutical methods or cures for certain forms of cancer. I did read, I think, in the Heritage Savings Trust Fund for medical research that they didn't want to have patent protection for some of their findings. But I'm wondering what the policy would be of the applied cancer research here if they are developing new drugs or interfacing with pharmaceutical companies at a national or international level and coming up, in fact, with new chemical cures for cancer or further chemotherapy development. Who's going to have the patent on those breakthroughs? Is it going to go back to the universities? Is it going to stay with the pharmaceutical house so they can make bigger profits? Is it going to be used for the cancer research fund so that they can do more research or what?

Another area that is of real concern to me, after having listened to an address by Dr. MacDonald at the Cross Cancer Institute on some incredible developments in terms of palliative care, is that there were being developed a number of palliative care devices which would enable cancer patients in their last months and days to in fact go home and be at home amongst family and friends, but they couldn't because a number of the aids or assistance that would enable them to be at home were very, very expensive. In fact, they could have these technologies or services within the hospital sector, but if they were to go home, the costs were prohibitive. I'm wondering if any research from this fund is going to go to assist in either finding ways to cut the costs of those services or being able to make it just generally more available for dying cancer patients to not have high-tech doctors and oncologists at their bedside in the hospital, but rather, in a more human way and with certain painkillers and certain other aids, really spend their last days more valuably among family and friends at home.

Again I guess that brings up the whole question of whether or not a lot of cancer research is devoted to curing as opposed to caring. I heard it said last week that the more curing that is possible, the more caring that is necessary. It would seem to me that in this area of cancer research there could be a lot of research not only into cures for cancer but ways of better caring for people who suffer from cancer. And it would be interesting to hear and to sit at the table with those who are on the adjudication panel to see how they divide up these precious dollars, whether it is for cure or for care or, obviously, some of both.

It would be also helpful if the minister could outline how much of this funding would go into, as I said a bit earlier, the research projects that nurses would want to develop and be at work at. It's distressing to me in a sense that the Minister of Advanced Education, it seems, has not seen fit to establish a PhD program in nursing here in the province. But again, as I

say, it's nurses who are at the bedside, it's nurses who have the hands-on care, and it's nurses, particularly with cancer patients, who I'm told -- and I'm sure -- have a whole number of research projects that they would like to be able to pursue and develop. Certainly we need to do it under doctorally trained supervisors. And the whole area of a doctoral program in nursing and funds set aside from this vote that would go into clinical nursing oncology would, I think, be a very valuable way to spend some of this money.

Certainly, as has been discussed quite frequently in this session, the AIDS epidemic is one that is very much a concern of all aware and interested people. It seems to me that I've read also that the AIDS virus manifests itself and develops in very cancer types of manifestations. And I'm wondering if, in the interrelationship in terms of the epidemiology of AIDS and of cancer, some of this money is going to help in combating the HIV virus and AIDS research generally.

As we are also looking at some future direction -- and I know the minister has a great love of the medical care system as it's practised in the United States -- it's interesting how there's some developments in the United States about . . .

MR. DEPUTY CHAIRMAN: Order please, in the committee.

REV. ROBERTS: . . . how cancer research in the United States is even being done for profit these days. I read of this outfit in Franklin, Tennessee, a place called Biotherapeutics Incorporated, which in fact competes with the National Institute of Health and the National Cancer Institute for research dollars, primarily because they charge desperate cancer patients for various experimental services. Now obviously, if someone is dying with cancer, they are in a very vulnerable position and would -- and this outfit in Tennessee has a whole list of people who are willing to, for \$35,000 or so, submit themselves to a gamble for a certain cancer research program. And it's distressing, I've heard, to the National Institute of Health and the National Cancer Institute in the United States, that this for-profit cancer research outfit, despite the ethical dilemmas that it poses, is even a drain already on some of the funding that's available for cancer research there. Now, I know we may be some way away from that here in the province, but we've just seen the rise of one outfit that tried to have AIDS testing that it was going to do for a bit of a profit, and I'm wondering whether the minister is aware of, or has any views upon, the development of cancer research for profit.

Finally, I think, Mr. Chairman, that despite these critical questions and questions of accountability, questions of direction, questions of internal management and some of the values that are brought to this whole area of cancer research, it's unquestionable that the people who are involved in this existing program are to be congratulated for their hard work and research, for their ingenuity, for the reporting which they've put together, as the minister said in his annual report of last year that I've read through. I would just hope that one of the values is that there need not only be a cure for cancer but, as I say, care for cancer patients is a value that I'd like to see applied through this applied cancer research.

Then I guess that as I always like to throw in a last challenge, and it's not one that we can answer here tonight, but it would seem to me that in any area of research or scholarly endeavour, one of the great, lofty ways in which it's evaluated, in which people know that a lot of good has come out of it, is through the reception of a Nobel prize. And it would be, again,

a proud day for us in Alberta if, either through this applied cancer research or from the Heritage Savings Trust Fund for medical research and the millions of dollars that we spend proudly in this province on these areas of research, one of the researchers could bring home a Nobel prize for their work here to the province of Alberta.

So those are my questions on vote 1, Mr. Chairman. Perhaps other members would have -- or the minister could respond before I go on to vote 2.

MR. DEPUTY CHAIRMAN: The Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. Just a few very brief questions on the applied cancer research side. The heritage trust fund booklet, I suppose you'd call it, has a description of who pays the bills. It's something that has sort of bothered me about various parts of this document that we are dealing with. It says here, in terms of the implementation of this research, "The Provincial Cancer Hospitals Board reviews applied cancer research proposals and recommends projects for funding." So far so good. But then it says, "The department provides grants to the Board for the financing of approved projects."

Well, my understanding was that these projects all come from the heritage trust fund, so why are we saying that the department provides the grants? I guess we can say, "Well, you know, maybe they've got something to do with administering it," and pass out the money. But in fact the money comes from the heritage trust fund, or else we're doing something rather screwy here, if that's not the case. So I wish that whoever put this document together -- and I suppose the Treasurer is basically responsible.

The same kind of statement was made on agriculture at the front and in one or two of the other sections. In some sections it was very clear that the money was coming from the heritage trust fund and some department or some research council or whatever was administering those funds. And that's fine; one understands that the heritage trust fund doesn't have to set up an administrative system to administer the projects. But I think you must be very careful not to give a false impression to any person that gets their hands on this booklet and thinks that somehow it's the department that's funding the projects.

Now, I know that there is overlap in terms of carrying on the ongoing operating costs that come out of some of these projects. Okay. That's understood and accepted, and sometimes it isn't too clear in the way the government accounts for what they're doing. You're looking at the estimates and you don't know which activities have been generated by heritage trust fund capital projects or which have been generated by department capital projects. I guess it doesn't matter an awful lot because it's all Alberta government money anyway. But just in terms of keeping the record straight and who's doing what and who's paying for what, I do wish that whoever puts this document together for next time around will take out those anomalies. And there are several different areas, not just the hospitals one and the cancer research one, where there's an implication that the department is putting up the money, and yet we all know that we're really talking about capital projects of the heritage trust fund. So let's be very careful how we state that in the future, rather than confusing the issue by being a bit sloppy in the way things are laid out.

Looking at the numbers and seeing that in fact applied cancer

research pretty much held its own from three years ago to last year, or two years ago, whichever way you want to say it, in terms of funds -- it was \$4.6 million in the '85-86 fiscal year, and then in '86-87 it was \$4.9 million -- now it's down to \$2.8 million. And unless I've missed something in either the minister's address or the questions from my colleague from Edmonton Centre, I wonder why it's down 43 percent. Is cancer research somehow less important? Or alternately, have the projects started by the money from the heritage trust fund generated, if you like, operating costs which are now being picked up by the department, as is often the case, not only in this project but many other projects? Because that's ongoing and being picked up as sort of an operating cost once the facility is, say, built or the project is started or initiated, somehow then the minister and the cabinet that make these decisions feel that they don't have to start more new projects, that in fact some of the ones that have started in the past are ongoing, and therefore cancer research is getting just as much money as it was before but it just doesn't show up here in this document. It shows up instead, say, in the departmental budget. I wonder if the minister could clarify that for me.

Just one other fairly brief comment. The Walter C. Mackenzie hospital -- Health Sciences Centre, whatever one wishes to call it -- has been a very major project of this government. To me it illustrates one of the areas in which the provincial government, I think, sort of missed the boat or was slow to wake up to what was going on in this society. They planned that hospital at a time when money was flowing pretty freely in this province, back in the late '70s and early '80s. They started to build it -- I'm not sure of the exact starting date, but sort of the '80-81 period -- and they found themselves getting into an awful lot of trouble. There was a lot of money flowing in a lot of directions, and not too much of it getting directed to where it was supposed to be going, I gather; at least the Auditor General made some very scathing indictments of the early stages of the development of that particular hospital.

I said that there was no cost-control effective manager and a number of other things along that line. Now finally, I think two or three years later, the government did get on top of it and get somebody in place, and the latter part of the project I believe went fairly well. But it took a little while for them to realize that it was out of hand, and also, I think the project grew to a proportion that was unnecessary.

So we had a lot of money flowing in the late '70s and very early '80s -- '80 and '81 -- but by '82-83 the downturn had started, and if you look at our overall general revenue budget for a moment, the year '83-84 would have been a deficit year if we hadn't had extra income coming from the heritage trust fund. You know, we took more out of it than we put in starting in '82, when we reduced the rate to 15 percent inflows into the fund. The year '85-86 also would have been a deficit year if it hadn't been for inflows into the General Revenue Fund from the heritage trust fund.

I guess what I'm saying is that the government seemed to be rather slow to wake up to the fact that we were heading for economic difficulties, and they continued to do a number of projects -- I think of Kananaskis golf course as the other one, basically, and the Walter C. Mackenzie hospital -- on a lavish scale that belied the underlying economic difficulties we were having. They sort of seemed to be acting as if they wanted to build a Taj Mahal that would go on forever and show what a wonderful and glorious time we'd had; build it while the going's good and before anybody wakes up and realizes we're in economic difficul-

ties or not.

But in any case, building that expensive hospital has generated operating costs which are going to be higher than in most other hospitals, partly because of the design, partly because of some of the kinds of expensive things that go on there like heart transplants and that sort of thing. I don't complain about that part of it, but in terms of building a hospital that is very expensive and very luxurious, I think it was a bit on the irresponsible side considering that now, when we're on a tight budget, the government is having a hard time finding enough money to run the operating costs and to use it to full capacity, given that they've built this expensive building.

So those are just some of my comments about the two votes before us, and I would at this stage then allow other members to speak or ask the minister to answer questions, as the case may be.

MR. DEPUTY CHAIRMAN: The Member for Calgary North West.

DR. CASSIN: Thank you, Mr. Chairman. I would also like to speak to initially vote 1, which is pertaining to applied cancer research, and I think that one has to recognize that applied cancer research is quite different from clinical research.

I would like to think that perhaps the Member for Edmonton Centre wasn't using a sexist slur when he referred to moneys going to doctors as opposed to nurses for research, that the people that are involved in the applied research -- actually, we have a great representation of many people working in the labs, and there is some clinical research, but the improvements and the gains that will be made will in fact be made in the lab.

It was a very astute observation, from the standpoint of dealing with the present concern that we all have with the AIDS virus and the work that is taking place in research in that area and the research in cancer, that there have been theories for some time that perhaps there is a link between a virus and cancer. When one looks at the effects of this particular virus, which has now been identified, and how it acts on the host, there may very well be some very important information that will come from the research that's happening in that area that will be applied to some of the unanswered questions pertaining to cancer. There's a law in physics that for every action there's an equal and opposite reaction. I would like to think that the moneys that are being spent in that area may in fact have a very beneficial effect in the whole area and perhaps help us understand some of the other mysteries that surround the whole problem as it applies to cancer as a disease. I would certainly like to applaud the department for its continuing efforts and its support in supporting applied research in this province.

With regards to vote 2, this again is a winding down of a major project, something that as Albertans we can take a great deal of pride in: the Walter Mackenzie hospital. It's nice -- again, things are tough -- but this government's made a commitment that when it starts a project, it'll complete it. I would again support the minister in carrying on with that project and completing it. I know that a hundred years from now we'll look back with a great deal of pride and say how wise they were to have the foresight to go ahead and provide that kind of facility and to provide an area where we can do heart and lung transplants, and again be in the forefront in research, in both clinical and applied research, in Canada.

MR. DEPUTY CHAIRMAN: Member for Edmonton

Strathcona.

MR. WRIGHT: Thank you, Mr. Chairman. In thinking a little further about this, I've remembered one or two points that I should ask the minister.

Both the cancer clinic and the Walter C. Mackenzie Health Sciences Centre are in my constituency, of course, so they do have a particular interest. The minister mentioned about the old wings of the University hospital, which was the question I first had in mind, which he answered. But I was a little puzzled. I think you talked of two buildings, and I think you mentioned the 1912 wing and 1957 wing. But the 1912 wing has in fact been demolished, and it's just the 1957 one left. Were those the two buildings you were . . .

MR. M. MOORE: '50 and '57.

MR. WRIGHT: All right. I'm just counting them as one wing. Okay.

I do have a remaining question then. Has the crew that's been on standby while the question was being studied as to whether the whole of the old hospital should be demolished now been sent away? Because the standby fee was several thousand dollars a day.

The thing that did occur to me, Mr. Chairman, was this. The Walter C. Mackenzie health centre is, I suppose, one of the most marvelous hospitals in the world. We're very proud to have it there, and physicians from other countries must just gape when they see the facilities we have there. But one thing that they don't have is facilities for helicopter landing, and this wasn't exactly an oversight, because apparently the heads of departments themselves, the physicians heading departments, were asked by the planners if this was necessary, and they thought it wasn't. But it turns out that at least by current standards it is necessary to have a helicopter landing facility somewhere near, and they have gone over various places on or near the building that might be suitable and haven't found any. In fact, the helicopter is landing in a place which is quite convenient for access to the hospital but extremely inconvenient for residents nearby in my constituency. A group has gotten together, and one of those nearby has had an expert come in to test the decibels, and they go off the clock, practically, when the helicopter is landing. Even so, if this were the only alternative -- landing it at Corbett Hall, where it is -- I wouldn't say it should be moved, because I'm afraid that the interests of a few have to yield to the interests of the many at some point.

But in fact there are alternative sites which have been identified. One of them, perhaps just a temporary one, is near the university farm. It isn't part of the university farm; it's government buildings there which apparently they're having a look at. The preferred site, it seems, would involve stealing something from the Jubilee Auditorium parking spot. The ideal site would be a ground-level site, less dangerous than landing on top of a structure. But either way, some money is needed either to replace the parking you would be stealing or to build a parking structure on top of which a helicopter could land. The cheapest way is, as I say, a ground-level landing, and then they can just trundle the stretcher across the road actually, and there's no ambulance necessary for that. Either way, some money is needed, and it's always more money than one wishes or expects, but it does form part of the completion costs of the hospital to modern standards.

I just wondered what the planning was in respect of this. I

know something is being planned, because I was talking to the director of the hospital the other day. But I hope that the minister can perhaps find some money from this vote to deal with this rather troubling aspect of what -- and the standards were developed, really, since the hospital was planned -- is now seen as a necessity. But unless it's handled wisely, it can be a continuing nuisance in the constituency.

Thank you.

MR. DEPUTY CHAIRMAN: The Member for Edmonton Centre.

REV. ROBERTS: Thank you, Mr. Chairman. Since other members have already spoken about vote 2 and the Walter C. Mackenzie Health Sciences Centre, I'd just like to offer a few comments and questions that concern me. Certainly, as members have said, it is a facility that is excellent in terms of hospital care, and some have described it as the Taj Mahal of the north or a Cadillac service in terms of health care delivery in the hospital sector.

It was interesting that everybody, I think, thought things were going along just fine after, as the Member for Edmonton Kingsway said, the problems with the funding and the building and so on. Then I think it came as a big surprise to all of us: the news, I believe last January, that the executive director or the president of the hospital was quitting. Donald Cramp, who was at the hospital at, I'm told, a very expensive salary, was brought up from the United States, had just gotten in place, and was doing a few things, and then announced his resignation or that he was leaving.

It does, I think, raise some questions about who's in charge over there, where this \$10 million is to be applied at the hospital, and a whole lot of questions about the management of a very expensive facility -- \$400 million I think is the bill. It's going to have operating costs of close to \$200 million and really needs someone in there that's going to be working well. I guess I'd like to ask the minister if he can explain to the Assembly, after this amount of huge expense of capital dollars into it and also ongoing operating dollars, why Donald Cramp left in such a clouded fashion. I guess Mary LeMessurier didn't leave in such a clouded fashion. She apparently had a job which she went to at some greater salary or remuneration, and it's nice to hear that they found another one -- I think it's Myrna Fyfe -- to run the foundation for the hospital over there. So I guess there's no problem on that side of things.

I do feel a lot of sympathy for -- and I don't know if this \$10 million will help. But certainly Peter Portlock, who is the director of communications for the hospital, I'm sure had a whole lot of irate mail and calls and angry patients and their families who are wondering what's going on with the hospital services, waiting lists, length of stays, and a whole number of things that get cc'd to me that I know go to Peter Portlock. But it seems he's often having to defend the minister's cutbacks and the board's cutbacks at the hospital. I don't know, as I say, if this \$10 million will help, but I do want to commend Peter Portlock for his good work over there.

As we're talking about personnel -- and half this money's going to go and help any of their programs -- the superstar of cardiac surgery Dennis Modry is one who commands a great deal of attention, and I know a lot of this money has gone to the cardiac and heart/lung program. It's interesting to hear from the Member for Calgary North West his laudatory comments for this hospital. I'm told that people in Calgary in the Foothills

think that the heart transplant program is not one that is owned by the Walter C. Mackenzie, that in fact it's an Alberta program and with Dennis Modry could well move to the Foothills hospital in Calgary, and there's a lot of negotiations back and forth on that score. I know that the people at the University hospital here-- the Member for Edmonton Strathcona is shaking his head -- but what is the view and policy of the minister on this, as more capital dollars seem to be going to the hospital? Is the cardiac program one that belongs to the province, just located at the Walter C. Mackenzie, or could it be transferred if Dennis Modry and others want it to go down and take it to Foothills and raise all kinds of issues between those two hospitals?

It's interesting; we read that throughout the United States the whole area of heart transplants generally, getting into the areas of artificial hearts, baboon hearts, the Jarvik heart, certainly the Humana heart institute . . .

MR. DEPUTY CHAIRMAN: The Chairman hates to interrupt the hon. member, but we are talking about the construction of the health centre; we're not talking about heart transplants.

REV. ROBERTS: Except, Mr. Chairman, it does clearly say that it goes to the furnishings of the health sciences centre, and \$10 million -- I think they could certainly finish off one or two aspects of the heart program, since it's such a big one there. The minister didn't make it clear if the \$10 million's going to be applied to the heart/lung program, and it's part of the equipment and furnishings of the centre. In fact, it's a very, very integral part of the hospital, and I did have a further question on it to the minister, which is just a more philosophical one, if he's in the mood.

But it does seem as though people in our province and in western Canada now, because we have this heart and heart/lung transplant program, really have been led to believe that there are all kinds of medical miracle cures and that the rising expectations which this has created in medicine -- that medicine can do almost anything today and at any cost -- I'm wondering if the minister is having any difficulty in terms of trying to lower some people's expectations about what hospitals and medicine can do and lower expectations about how often they need to go to doctors and hospitals for their health care. On the other hand, here we have all the media and press attention around heart and heart/lung transplants. It just seems to me to be an interesting change in expectations. As I say, this minister is trying to reduce people's expectations in terms of what they can expect from the medical system and its costs. But certainly there is no question that the heart and heart/lung transplant is per patient one of the most expensive medical programs and benefits the very fortunate ones who can have that transplant.

I'm wondering also, Mr. Chairman, if any of this \$10 million is going to go toward the amounts of research and teaching that go on at the hospital and if the minister has any views in terms of how the research and teaching at such a teaching hospital affects the average length of stay that goes on in the hospital and the patient-day equivalents, which we know is the monitor now for how efficiently a hospital can run. It is becoming evident to me that a number of hospitals are trying to reduce their length of stays but that often teaching hospitals tend to keep a patient an extra day or so so that the students can benefit from the patient's time in the hospital.

MR. DEPUTY CHAIRMAN: Hon. member, I wish you would please get back to the vote, which is the construction of the

health centre.

REV. ROBERTS: Well, that's right, Mr. Chairman. As I say, there's \$10 million going to the equipment and furnishing of this hospital. It's going to go to some teaching aspects of the hospital. And there's no doubt, as I say, that increased teaching and research adds to the length of stay. The minister is trying to reduce lengths of stays, and it will be interesting to hear from him if any of his money is going to go to increased length of stays when he is trying to reduce the hospital budget.

How much of this is being used to develop a new children's hospital on the site? Because as one walks over to the hospital -- I don't know, Mr. Chairman, if you have walked over to the hospital, but they have big murals about a new pedway that is going to go to the new children's hospital, and I'm not aware that any decision has been made in terms of where the new children's hospital is going to be built, if at all. My view is that it could well be developed, the women and children's hospital, with the Glenrose and the outpatients of the Royal Alex. But some people over at the Walter C. Mackenzie have said there's going to be this new pedway to the new children's hospital there, and I'm wondering whether any of this \$10 million of capital dollars is going to go to further their dream or their lobbying for that site.

Together with other furnishing and equipment of the hospital. Mr. Chairman. I know there has been a number of people who are concerned that the psychiatric units are on the fourth floor of the hospital. And as we know, with the open concept within the hospital sadly it seemed that -- I know there's no evidence of it -- the two suicides which have occurred there at the hospital have been from people in the psychiatric unit. I'm really quite concerned that the psychiatric unit is on the fourth floor in such an open hospital. And whether any of this \$10 million is going to go to help refurbish equipment for a psychiatric unit on, say, the first or second floor of the hospital and whether the minister can look into that . . .

As the minister has talked about, Mr. Chairman, I don't know whether the \$10 million would go toward any of the refurbishing of the 1950 wing of the old hospital, but I am certainly of the view, as are many others who I've spoken to in long-term care settings and in the long-term field -- they do not want the old hospital to even be attempted to be reconverted into a long-term care setting. It would in fact amount to a very bad case of further warehousing of the elderly. I'm told that those old parts of the hospital were not kept up to code in the sense of the new hospital being built, that they have small and dark hallways, that a long-term care setting is very, very much different from an [acute] care setting, that for someone to live in a long-term care setting over a year or two or three years is a very, very different setting than an acute care hospital and a small bed in a small room.

So I would take a very dim view. And if the report already backs the minister, that it's going to be 80 percent to build a new facility -- I think that if he takes the long-term care needs of our senior citizens of the province, he will find the extra money to build appropriate and fully furnished long-term care settings which are not going to be warehousing of the elderly in old hospitals which the minister is trying to upgrade in some fashion. And I know I'm not alone in this feeling, that many others out of district 24 -- another is Good Samaritan -- and others in the province think that this is, symbolically and in terms of capital funding, a very, very bad mistake, and that it really smacks of a continuing attitude of: "Well, elderly are in their last days; we

can put them into an old hospital" -- in that warehousing sort of way.

My colleague has already talked about the helicopter and air ambulance questions. I guess my final question to the minister is -- he mentioned last year that for every capital dollar that he puts into hospital construction, fully 40 cents or 40 percent on the dollar is his expectation of what it's going to cost to operate that. Here we have another \$10 million going into it. That means that \$4 million in terms of operating is going to accrue both this year and every subsequent year from here on in. I know the minister is concerned about that, as he's spoken about no further capital construction since it's going to mean an increase in operating, yet somehow . . . For this Walter C. Mackenzie getting another \$10 million of capital, what will it mean for the operating expenses of the hospital? What measures is the minister taking to ensure that despite an increase of capital dollars going to this particular already capital-intensive facility, in fact the operating expenses are going to be perhaps less than 40 percent on the dollar, looking at length of stays, volume driven funding, as they have at Foothills and other hospitals, and a whole host of other ways to provide incentives in the hospital system so that the operating expenses that will ensue from this \$10 million of capital will be less than 40 percent, perhaps down to 35 if not 30 percent on the capital dollar?

So, Mr. Chairman, it is a very proud and prestigious facility. It's been an enormous capital expense. It is one of which we're proud but is one that takes a lot of critical questions which must be asked in the stewardship of both the hospital and the capital dollars that are going into it. I know the minister with his critical review shares some of these concerns, and I'd like his response to the other ones that I've raised.

MR. DEPUTY CHAIRMAN: Mr. Minister.

MR. M. MOORE: Mr. Chairman, thank you. Members have raised a number of questions. Unfortunately, most of the remarks by the hon. Member for Edmonton Centre were off the votes and related to operating or some other aspect. I'll just review them. For example, the heritage medical foundation is the responsibility of my colleague the Minister of Technology, Research and Telecommunications. The nursing research grants are the responsibility of the Minister of Advanced Education. Both of those would normally be dealt with under the regular estimates. However, there are some questions that were asked that I would like to respond to.

First of all, the hon. member said: "Why cancer research? Why are we funding cancer research, not other kinds of research?" Then a little later on he contradicted that statement -- I'm referring to the hon. Member for Edmonton Centre now -- with the comments, "Why only \$2.8 million?" So I'll try and answer them both together, even though they are contradictory, by saying this. First of all, why cancer research? We believe that cancer is a disease of growing proportions because it's largely a disease of the elderly, and as the years go by, a larger and larger percentage of our population are older people who contract cancer. It's a very difficult disease for individuals and families to live with, so we decided some time ago that there should be a special priority on cancer research. That's why we have it.

Now, the reason it's \$2.8 million instead of \$5 million is that we did an assessment this year of the level of funding that could be provided from the Heritage Savings Trust Fund capital projects division in all areas and decided that the level of cancer

research could continue and still be very meaningful at \$2.8 million. We had to cut back in a number of areas, and that was one of them.

The review of the programs that have been ongoing with the cancer research are done by the faculties of medicine at the University of Alberta and the University of Calgary. Hon. members have seen the latest report. There should be another one out shortly for the period ended March 31, 1986. If he'd read that report, he would note that it's very extensive in terms of covering the whole area of how the fund is administered. Quite frankly, I was surprised that anyone would express any concern about the credibility of the people who are operating this fund. The minister approves it, but I have not altered, nor do I believe my predecessor did, any of the recommendations. First of all, it's overseen by the Alberta Cancer Board. There's about a dozen outstanding citizens on that board.

Then there's an Alberta Cancer Board research committee, with some extremely outstanding medical people and medical doctors from all over Alberta, both Edmonton and Calgary, on that committee. They're all named in the report; I won't repeat them. Then there's a grants panel. It's appointed by the research committee, and again more than a dozen outstanding individuals in the medical field are involved in the grants panel. Then there are several sections to the actual grants that they make that range all over the place, from practical to applied research and so on. It's all in the book. I'm perfectly confident that the manner in which the committees are structured results in us getting extremely good value for the funds we're providing there. And that's how the funds are allocated, by that committee. They come to the minister, yes, for approval, but I approved thus far what the committee has recommended, and I would hope that I would continue to be able to do that.

One of the hon. members talked about the way the book is written up in terms of the department funding. Well, part of the problem is that the funds from the Heritage Savings Trust Fund capital projects division are voted to the department's budget and then the Department of Hospitals and Medical Care turns around and provides those funds to the hospitals. So that's why the Provincial Treasurer has written up the vote the way it is.

Just a couple of other comments. The hon. Member for Edmonton Strathcona did in fact raise some important points connected with the project. And I don't know today if the crew has been sent away or not that was trying to get the wrecking ball on the '50 and '57 wings, but if it hasn't been, it will be very shortly. My preference at the moment is that we just forget about tearing them down for the time being, and we will see if -- because once we tear them down, we can't put them back, and I'm hopeful of being able to get a consultant that will tell us that for a minimal cost some good use can be made of those buildings yet. That's the '50 and '57 wings.

The other matter that the member raises is a helicopter landing pad. And yes, that could well be considered another year in this vote, and I wouldn't mind doing that. I wrote to the board and asked them if they'd consider a site up on the university farm that would be a little farther from the residences, and they find some impracticalities in that. But I think a more permanent site should indeed be found, and we would certainly be agreeable to assisting the board in doing that.

The Member for Edmonton Centre did conclude by asking a question about the operating costs on the projects that we're approving this year, and I think that's an appropriate question. The facts of the matter are that there will be no additional costs for these projects because what we are approving is the

redevelopment of the clinical research facility, the development of that, which will use existing research funds in the building, and then the clinical science building being altered for administrative space, and the costs of that are already paid for. So I did ask the board of the University hospital for assurances that there would be no additional ongoing operating program costs as a result of these expenditures, and they've assured me in a letter dated last October in fact that that would be the case. The exception was the pedestrian corridor which has been proposed which we did not approve; it would have had an operating cost of \$75,000 to \$95,000 per year.

I think, Mr. Chairman, those are about all of the questions that related directly to the capital votes here. I'd be pleased to review the *Hansard*, however, and if there are other questions unrelated to this vote that were asked that members would like answers to, perhaps they could get in touch with me separately, and I'd be happy to try and provide them.

SOME HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: The question has been called.

Agreed to:

Total Vote 1 -- Applied Cancer Research	\$2,800,000
Total Vote 2 -- Walter C. Mackenzie Health Sciences Centre	\$10,000,000

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. MUSGREAVE: Mr. Speaker, the Committee of Supply has had under consideration the following resolutions, reports as follows, and requests leave to sit again.

Resolved that from the Alberta Heritage Savings Trust Fund sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1988, for the purpose of making investments in the following projects to be administered by Forestry, Lands and Wildlife: \$3.252 million for grazing reserves development.

Resolved that from the Alberta Heritage Savings Trust Fund sums not exceeding the following be granted to Her Majesty for the fiscal year ended March 31, 1988, for the purpose of making investments in the following projects to be administered by Hospitals and Medical Care: \$2.8 million, applied cancer research; \$10 million, Walter C. Mackenzie Health Sciences Centre.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

MR. YOUNG: Mr. Speaker, by way of information on tomorrow's business, it is proposed that the Assembly following Orders of the Day will convene into Committee of the Whole for the study of Bill 1 and thence into Committee of Supply for Heritage Savings Trust Fund estimates, specifically Public Works, Supply and Services. I'm not sure whether we'll have time to do more, but we'll try to arrange it if that opportunity affords itself.

[At 10:25 p.m. the House adjourned to Friday at 10 a.m.]

