

**LEGISLATIVE ASSEMBLY OF ALBERTA**Title: **Tuesday, December 1, 1987 2:30 p.m.**

Date: 87/12/01

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

[Mr. Speaker in the Chair]

**PRAYERS**

MR. SPEAKER: Let us pray.

We give thanks to God for the rich heritage of this province as found in our people.

We pray that native-born Albertans and those who have come from other places may continue to work together to preserve and enlarge the precious heritage called Alberta.

Amen.

head: **INTRODUCTION OF BILLS****Bill 251****An Act to Amend****the Alberta Heritage Savings Trust Fund Act**

MR. TAYLOR: Mr. Speaker, I beg leave to introduce Bill 251. An Act to Amend the Alberta Heritage Savings Trust Fund Act.

The Bill would create a new management structure for the Alberta Heritage Savings Trust Fund. Two new funds would be created out of the existing fund structure. The Alberta income fund would be designed to provide Albertans with a future source of income. The economic diversification fund, the second part, would be used to encourage the creation of new businesses in Alberta and to diversify the economy of Alberta from its dependence on agriculture and energy.

[Leave granted; Bill 251 read a first time]

head: **TABLING RETURNS AND REPORTS**

DR. REID: Mr. Speaker, I wish to file and table respectively the report of the West Edmonton Mall roller coaster inquiry and the annual reports of the Department of Labour and the Human Rights Commission for the period April 1, 1986, to March 31, 1987.

MR. ORMAN: Mr. Speaker, I'd like to table the answer to Motion for a Return 211.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. GOGO: Mr. Speaker, on behalf of my colleague for Lethbridge-East and myself, I should like to introduce to you and to members of the House, two special guests to the Legislature today. They're seated in your gallery.

The first one, Mr. Speaker, is Mr. Dennis O'Connell, the chairman of the board of the University of Lethbridge. The second one is the new president of the University of Lethbridge, coming from Saskatchewan, Dr. Howard Tennant. I would ask that members join with me in welcoming these guests to the Alberta Legislature.

MR. ROSTAD: Mr. Speaker, it's my pleasure to introduce to you and through you to the Assembly, 36 grade 10 students from the Daysland high school. They are seated in the members' gallery, and they're escorted by their teacher Mr. Openshaw and by two parents Harvey Benke and Shirley Schneider. I'd ask that they stand and receive the warm welcome of the Assembly.

MR. PIQUETTE: [remarks in French]

Mr. Speaker, today I'm proud to introduce leaders of the Francophone organizations and communities across Alberta who are here today to make a statement about l'affaire Piquette. Roland Pérué, president of the Fort McMurray region; Lydia Roy, president of the Edmonton region; François Amyotte, vice-president; Ovilá Morissette; and Viviane Beaudoin. From Morinville-Legal: Henri Leisson, Michel Lavoie, Germain Fortier. From Jeunes Entrepreneurs francophones: Paul Blais, Christine Blais, and Alain Lavoie. From the Faculté Saint-Jean, Marcel Oulette. From Saint Paul: Gerald Dubé, Simone Robinson, Fernande Bergeron. From Plamondon, my hometown: Tracy Gauthier, Osabelle Mercure, and Normand Ménard. From the Francophonie Jeunesse de l'Alberta, Daniel Dallaire. From Bonnyville: Thérèse Dallaire, Serge Lavoie, Paul Lamoureux, Marc Lamoureux, and Mac Champagne. From the Ecole Maurice Lavallée, Joalle Roy, and from J.H. Picard school, Carol Gaudet. [as submitted]

I would like these Francophone leaders and others who came today to please stand and receive the warm applause from this Assembly.

MR. SPEAKER: The Associate Minister of Agriculture, followed by the Minister of Community and Occupational Health.

MRS. CRIPPS: Thank you, Mr. Speaker. It's my pleasure today to introduce 53 grade 6 students from the Evergreen elementary school in my constituency. They are accompanied by teachers Mrs. Corina Bauer and Roger Smeland and parents Linda Parenteau, Barb Paynton, and Martha McCauley. I had the pleasure of attending the official opening of a renovated school out there last week. I know the pupils will enjoy learning in this renewed facility, and I'd like them to stand and receive the warm welcome of the Assembly.

MR. DINNING: Mr. Speaker, it's my pleasure today to introduce a friend and a visitor to our Assembly from the constituency of Calgary-Shaw. Mrs. Ute Davies is here for meetings of the Social Care Facilities Review Committee, of which she is a member. I would ask her to rise and ask all members to give her a warm welcome to the Assembly.

head: **ORAL QUESTION PERIOD****Free Trade**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Premier. Last year the U.S. Federal Energy Regulatory Commission brought in a ruling which is detrimental to Alberta producers, to at least \$200 million and possibly up to \$400 million. After the Mulroney trade deal was signed, the U.S. producers took action to extend the FERC tolls to a wider range of Alberta gas products. When I asked the Premier about the impact of the FERC decision last May 22, he said, and I quote:

So I'm convinced that any true comprehensive trade agreement

between our two countries will in fact eliminate that kind of harassment at the border. As I said in the House, if we are not able to do those kinds of things, then I would expect that the trade agreement will not be worth being a part of.

My question to the Premier: will he acknowledge that the FERC decision has not been overturned by the Mulroney trade deal?

MR. GETTY: Well, Mr. Speaker, we dealt with this very matter yesterday. As I said, the trade agreement which comes into effect on January 1, 1989, will deal with FERC; FERC will be subject to the trade agreement dispute settling mechanism. That's exactly what I said previously.

MR. MARTIN: Mr. Speaker, my question: then the Premier acknowledges that that FERC decision is still there till 1989, and it could cost our producers from \$200 million to \$400 million in the next two years?

MR. GETTY: Mr. Speaker, there is some argument about the cost. But it's true, as I said yesterday, again on the same question, that the agreement is not retroactive.

MR. MARTIN: Then, Mr. Speaker, why is it that the Premier is still so enthusiastically supporting this accord when he said back in *Hansard* a couple of times that if this wasn't settled he wouldn't support the agreement? Why is he still supporting it then?

MR. GETTY: As I said yesterday, Mr. Speaker, and I say again now, because FERC will now be subject to the trade agreement after January 1, '89, and they will not be able to conduct this kind of harassment after that time.

MR. MARTIN: Mr. Speaker, so we acknowledge there may be a lot of producers out of business by 1989, but let's look at the Premier's statement. Will he give us some evidence of why he believes that after January 1, 1989, there will no longer be a FERC decision? Because nobody else has that interpretation. What is he basing his evidence on?

MR. GETTY: Mr. Speaker, as far as Alberta producers out of business, it's obvious that the hon. Leader of the Opposition has a much lower assessment of the ability of Alberta producers than I do. I think they are strong and getting stronger.

However, in terms of the trade agreement, it's clear that decisions of FERC, once the agreement is in place, will be subject to the dispute settling mechanism. Therefore, if we have a frivolous or political or harassing type of decision by FERC, it will be settled by the dispute settlement mechanism.

MR. SPEAKER: Supplementary, Calgary-Buffalo.

MR. CHUMIR: Yes. I'm wondering whether the Premier might advise whether the specific \$200 million or \$400 million tax in issue will itself be subject to the formal dispute settlement mechanism that's anticipated, or is it only future decisions of FERC after the effective date of the free trade agreement that will be subject to the dispute mechanism?

MR. GETTY: I've said twice now in the House, today and yesterday, that this agreement is not retroactive.

MR. SPEAKER: Member for Calgary-Fish Creek, supplementary.

MR. PAYNE: Thank you, Mr. Speaker. In that this line of questioning today and the content of the questions and answers impact potentially on the oil industry in our province, I wonder if the Premier could indicate to the House whether he's had any formal or informal presentations made to him or the Minister of Energy on the part of that industry with respect to the FERC potential and other matters inherent in the agreement?

MR. GETTY: Yes, Mr. Speaker. I've had an opportunity to meet with all the organizations in the energy industry, as has our Minister of Energy. And I must say that the vast majority of our energy producers in Alberta support this trade agreement very, very strongly.

DR. WEBBER: Mr. Speaker, I'd like to emphasize that this province entered into those discussions with three primary objectives. One was to ensure that our resources would have assured markets in the United States, that we would have an investment climate that would be conducive to the development of our oil and gas reserves in this province, and that we would preserve our proprietary rights and resource management powers. Mr. Speaker, all three of those have been maintained.

The discussion on the FERC issue: if we were not to have a trade agreement, then we would not have a way of dealing with FERC in the future. With the trade agreement, we would have the ability to deal with FERC in the way the Premier has suggested. So we are far better off with the trade agreement with regard to regulatory matters than we were before.

MR. MARTIN: Yes, Mr. Speaker, and we all believe in the tooth fairy too.

### Financial Industry

MR. MARTIN: Mr. Speaker, I'd like to designate my second question to the Member for Edmonton-Kingsway.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. My questions are to the Treasurer. Reports from several sources have indicated that the recommendations of Harry Rose in 1973 and Mr. Jack Shortreed in 1976 had damaging things to say about the fiscal health of the Principal Group of Companies and about the government's own regulations and conduct. So far the government has consistently refused to make either of those documents public. Mr. Speaker, will the Treasurer now commit himself to tabling or filing these two reports in this Assembly at the earliest possible opportunity so Albertans can judge for themselves the contents of those documents?

MR. JOHNSTON: Well, Mr. Speaker, I think I have said on many occasions, and I know the Member for Edmonton-Kingsway is well aware, that the Code inquiry is in fact now under way. Obviously, the court order from the Court of Queen's Bench of Alberta has suggested that if Mr. Code requires any specific documents which would assist him in determining or unraveling this problem, he has full opportunity to subpoena those documents.

It would be, I think, a bit presumptuous of me to pre-empt what is in fact his responsibility in conducting his duties as de-

scribed by the court, and I know that in order to provide a full public understanding of what took place in the Principal affair, I would imagine that some of those documents which the member referred to would be evaluated and in fact requested by Mr. Code. But I think it would be improper for me to pre-empt what is in fact Mr. Code's responsibility. [interjections]

MR. SPEAKER: Order please. There is a certain responsibility upon the member asking the question as well. Supplementary.

MR. McEACHERN: Mr. Speaker, the Code inquiry was not going in 1973. Would the Treasurer deny that the main reason that he refuses to release those documents is because they would reveal the irresponsibility of the government of the day, which was a Conservative government, in ignoring that report which said that Associated Investors of Canada should be wound up?

MR. SPEAKER: The manner in which the question is framed is inadmissible. Supplementary question.

MR. McEACHERN: Well, like I say, in 1973 there was no Code inquiry. Will the Treasurer deny that the main reason he won't release the Shortreed report is not to protect the Code inquiry but to protect the government of the day that ignored it and every successive government since? You've been in power for two years, yet you have consistently ignored this farsighted report's recommendations concerning the tightening up of the standards of financial reporting in this province, like the Minister of Consumer and Corporate Affairs also recommended.

MR. JOHNSTON: Mr. Speaker, the government has made it very clear that we are not hiding anything, that we want full disclosure on this matter. And that's why we have set in place an investigation into the Code affair, which has very wide powers, an opportunity to deal with the company, an opportunity to receive input from the contract holders and others, and certainly has full opportunity to review the responsibility of the government in this matter. I have made this abundantly clear to the House on several occasions, Mr. Speaker. The Premier and I have had an opportunity on a number of occasions to discuss this with the people of Alberta. They understand what is going on. It is unfortunate that the Member for Edmonton-Kingsway does not.

Let me make one final point, Mr. Speaker: 1973 is the point where the member is taking some reference. That is something like 15 years ago. As I've said before, events change, circumstances change, and in fact there was much change in our economy over that period. All of these events will be well disclosed by Mr. Code. It's incumbent upon him to come to the bottom of this matter and to make recommendations and to suggest what in fact happened. I'm sure that Mr. Code will carry out his responsibilities.

MR. SPEAKER: Supplementary.

MR. McEACHERN: Yes, Mr. Speaker. The people of Alberta certainly do know what's going on: it's a cover-up. Will the Treasurer deny that the persistent refusal to make public or to discuss the contents of these two documents is more designed to make it difficult for the public to assess the degree of negligence of the government?

MR. JOHNSTON: Well, Mr. Speaker, once again the Member

for Edmonton-Kingsway has fallen into the trap that the Member for Edmonton-Strathcona fell into, wherein he suggested that because of some event there was a causal relation which put the government at risk. [interjections] In fact, that is not the case, Mr. Speaker, and to make that quantum leap in conclusion is . . .

MR. SPEAKER: Order please. Let the Provincial Treasurer be seated until there is quiet in the House so the rest of us can hear what's happening.

MR. JOHNSTON: Mr. Speaker, simply to conclude, as we've said before, it is the responsibility of Mr. Code to come to some conclusion as to responsibility. To simply suggest because there are a variety of reports or there is a prospectus which was unsatisfied or a variety of other items and to conclude that there's some particular culpability attached to that is in fact faulty analysis. Mr. Code will come to his conclusions, and he will draw his own conclusions and that's what we wait to hear from.

MR. CHUMIR: I'm wondering whether the minister will tell this House: yes, or no, was there a 1976 report by Mr. Shortreed with respect to the financial industry, or is he going to continue this disgraceful display of stonewalling on basic information to this House?

MR. JOHNSTON: Mr. Speaker, it's unfortunate the Member for Calgary-Buffalo does not see fit to conduct himself in the usual fashion that he does. The simple fact is that we are now providing all the information possible to Mr. Code. We have given a very careful consideration and commitment that we in fact will respond in any way possible to Mr. Code and to his inquiry. That is now ordered by the court, Mr. Speaker. We have said before that if Mr. Code is conducting his responsibility with the dispatch that I think he will, it is in fact our responsibility to listen to his request and to respond to his answers. That's exactly how we'll operate. For the Member for Calgary-Buffalo to suggest that we're stonewalling or avoiding the issue is in fact wrong.

MR. SPEAKER: The Chair now recognizes Westlock-Sturgeon.

### Securities Commission

MR. TAYLOR: I was just doing a delayed reaction, Mr. Speaker, getting up. I direct my first question to the Minister of Consumer and Corporate Affairs, who is so neatly attired in a Liberal-coloured shirt today. As you know, there have been a number of financial failures in the last number of years -- a host of them, in fact -- the last of which was the Principal Group, which I'm sure you're quite aware of. It would seem to me that it would be quite reasonable to expect that a responsible government would be making every effort to make sure, in light of these unfolding events, that the regulation and the staffing of her responsible departments have been looked after.

Now, the first question, Mr. Speaker is: would the minister please indicate to the Assembly when a chairman for the Alberta Securities Commission will be appointed, considering that this vacancy has been present since March 15, 1987?

MISS McCOY: Mr. Speaker, you'll notice that I am also wearing black in recognition that we are in mourning for the Liberal

point of view on free trade and other such important matters.

Regarding the position of the chairman of the Alberta Securities Commission, which is being advertised and actively recruited for now, at the moment, in conjunction with the newly created position which would be of equal status and that is the chief of securities administration, which we have been recruiting to since about the middle of October, you will recall that I had a ministerial advisory committee and then a discussion paper to restructure the Alberta Securities Commission. When the former chairman left -- it was sometime, I believe, in April this year -- we wanted to wait before we recruited to a permanent position in light of the fact that we were expecting to restructure the Securities Commission. In the meantime, we have been very ably assisted by an acting chairman who has been a member of the board for some years, and that position has continued to be filled on that basis.

MR. TAYLOR: Mr. Speaker, I can't quite understand why it should be open since March unless there is a shortage of Tory patronage appointments out there. Could the minister tell the Assembly whether or not she expects to receive the additional million dollars she admitted is crucial for the administration of the Alberta Securities department? What has been your success? Oh, I see the Treasurer is going to have an answer to that. Maybe he would care to; he hasn't answered any other question today.

MISS McCOY: Firstly, Mr. Speaker, let me indicate what the process for selection is. It is a competition. There is a selection panel which will bring forward recommendations. The members of the selection panel are Chip Collins, the former deputy Treasurer; Dr. Mellon, who is deputy minister of Executive Council; Bill Welton, who is chairman of the Alberta Stock Exchange; Sally Hall, who is president of the Canadian Constimers' Association; and Esther Ondrak, who is chief financial officer of Chieftain here in Edmonton.

To the second question, may I point out that a special warrant has recently been passed in the order of \$0.5 million, which will assist us in beefing up the Securities Commission for the balance of this budget year. I cannot, at this point, predict what my persuasive powers will manage to convince Treasury Board to let me have for next year.

MR. SPEAKER: Supplementary question.

MR. TAYLOR: Thank you, Mr. Speaker. I wish you well. I hope he doesn't stonewall you the same way he has us.

Mr. Speaker, this question is to the Provincial Treasurer. Since he has been hollering the answers over his shoulder at the minister, maybe he will care to answer a few himself. Could the Treasurer then indicate to the House when a superintendent of insurance will be appointed? Considering that this vacancy has been open since February '87, when is he going to make the appointment?

MISS McCOY: Mr. Speaker, in fact the superintendent of insurance position is in the Department of Consumer and Corporate Affairs. At the present time, we have two acting superintendents of insurance, one to handle the insurance side of the portfolio, which is in my department still and has been since before the Investments Contract Act and the responsibility for the administration of that was moved, which was prior to May 26, 1986. That is another acting position until such time as we

have had an opportunity to fully think through the change of regulatory system in Alberta impacting on all of these items.

It appears that we cannot legally have one superintendent reporting to two ministers, so what we have done is left two acting superintendents, one who reports to me on insurance matters and one who reports to the Provincial Treasurer. When that matter can be resolved, and it is a legislative change that is required, then we will be appointing the acting superintendent of insurance, from the insurance point of view, to that position.

MR. SPEAKER: Final supplementary?

MR. TAYLOR: Thank you, Mr. Speaker. A wonderful set of actors there. Now, this last question is to the Treasurer. Could he tell the Assembly whether his tardiness or incompetence, his lack of appointing a Provincial Controller -- this is a position that has been vacant since early summer. Is this a reflection on his commitment to financial management of this government, that he has still not appointed a Controller?

MR. JOHNSTON: As a matter of fact, Mr. Speaker, the Controller will be appointed tomorrow.

MR. SPEAKER: Supplementary, Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. My question is to the Minister of Consumer and Corporate Affairs. Has the government considered putting the regulatory functions back together again from the Treasury and Consumer and Corporate Affairs under one department, instead of leaving them split as they split them earlier?

MISS McCOY: I don't think the hon. member's question is directed in quite the right way. We have the insurance responsibility in Consumer and Corporate Affairs; we have Securities Commission in Consumer and Corporate Affairs. That doesn't seem to me to be an unwieldy arrangement whatsoever.

### **Financial Industry** (continued)

MR. R. SPEAKER: Mr. Speaker, a question to the Provincial Treasurer. The Provincial Treasurer commented as of yesterday with regards to his concern about the confidentiality of tax information and had indicated that that matter would be reviewed as to whether the province has any jurisdiction over that area and could put proper legislation in place. Could the minister indicate whether that is possible and what's going to happen?

MR. JOHNSTON: Mr. Speaker, I was commenting yesterday when asked whether I believe there is a problem in terms of confidentiality of some tax information, I think most people in Canada, if not Alberta, believe that if they go to somebody for tax preparation, it is assumed -- in fact, almost a principle, a postulate, I guess -- that that information is confidential. Certainly with respect to professions that's the case. With respect to the tax department, I think also that is the case, and I would expect that most people would want to see that happen with respect to others who prepare tax information and tax returns.

I guess, Mr. Speaker, there has been some controversy over the past couple of years, primarily with respect to the tax discounters and with respect to the confidentiality of that information. I wouldn't assume that they were essentially in the prepa-

ration of tax information. They were probably more in the business of loaning money; nonetheless, there was client confidentiality involved.

Moreover, Mr. Speaker, there's some interest among other provinces. Just recently we met in Vancouver to discuss similar issues, that of tax preparation and, in fact, that matter of financial planners, whether or not it's necessary to regulate those. In the context of both of those, my department is now looking at ways in which we can improve and ensure that confidentiality does exist in terms of tax preparation.

MR. R. SPEAKER: Mr. Speaker, a supplementary. It's to the Minister of Consumer and Corporate Affairs in the very same vein. The minister also made comments yesterday that she would review her legislation in terms of protection of consumers. Could the minister indicate what those findings have been to this point and whether legislation will be necessary in her department?

MISS McCOY: Thank you. Mr. Speaker, the department now administers on behalf of the federal government the tax discounting side of this question. We do license tax discounters, primarily for the purpose of maintaining a reasonable discount rate for the transaction that they conduct.

The questions that the hon. member is asking, however, are a little broader in their implication. Some several months ago I appointed a committee called the Committee on Fair Dealing, and I am having them review the financial services industry from a customer or a consumer or an investor's point of view in an attempt to come to terms with the new marketplace conditions that exist today in Alberta, in Canada, and in North America. One of the issues, as always, is taking unfair advantage of purchasers, and in the financial services industry that is a very real and crucial question. One of the ways that a consumer can be taken advantage of is by using personal information without the knowledge or consent of that consumer, and that is the case that I think has been identified here. That sort of question will be addressed by that committee in context. They have not reported to me yet; they are expected to report by January 1, 1988.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the Provincial Treasurer. It's with regards to the federal government's responsibility in this matter. Will the minister take it upon himself to make a written representation to the federal government, first of all, condemning the practice; secondly, asking for action to stop it?

MR. JOHNSTON: Mr. Speaker, I'm sure, as you've indicated, as the Minister of Consumer and Corporate Affairs has as well indicated, this is a matter of priority to us. We will use our best efforts to ensure that regulatory reform is in place, and I do appreciate the recommendation from the Member for Little Bow as to his suggested action with respect to the federal government.

MR. SPEAKER: Final supplementary, Little Bow? Edmonton-Strathcona.

MR. WRIGHT: Thank you, Mr. Speaker. My question is to the Minister of Consumer and Corporate Affairs. Has it occurred to the minister to bring these questions of rules and ethics and procedures under the umbrella of the Unfair Trade Practices Act, so

that the standards for salespeople of securities is at least as high as the standards for used car salesmen?

MISS McCOY: Well, sir, I'm not sure I would use that as the standard. We are looking at it from the consumer's point of view, and we think there are three essential elements in a larger picture that have to be ensured in the regulatory framework. One is disclosure, adequate disclosure that can be understood by the consumer; one is competency of the players in the marketplace, the sellers and advisers; and one, of course, is the safeguards on the quality of the investment. Those three elements will have to be present in the main. Whether one does it under the Unfair Trade Practices Act, which is done in some places, or whether it's done under the Securities Act or whether it's done under some other legislation, those are questions that are being looked at now. I haven't got those answers, and I don't expect to have a final recommendation until sometime in the spring.

### Winter Opening of Highway 40

MR. ALGER: Mr. Speaker, my question today is to the Minister of Recreation and Parks. To follow up on the minister's announcement a week ago to keep Highway 40 open most of the winter to help eliminate traffic problems during the Olympic Games, may I offer him first my heartiest congratulations and suggest to him that the good people of the constituencies of Highwood, Macleod, Cardston, Pincher Creek-Crowsnest, Taber-Warner, and Little Bow will be forever beholden to him. Mr. Speaker, to the minister: will all the added cost to keep this beautiful highway open be the responsibility of the provincial government, or will our municipal or improvement districts have to be involved?

MR. WEISS: Well, Mr. Speaker, my thanks to the hon. member for his compliments. First I should . . . [some applause] And to the members of the opposition.

I should provide a little background, Mr. Speaker, in that as the minister responsible for the Olympic Secretariat the request originated through my office from the Olympic co-ordinating committee to keep the highway open during the Olympics. There are several ministries involved with regards to that request, and we had joint consultation and reviewed such areas as safety concerns, to provide alternate access routes, and others. In doing so, some of the specifics should really be directed to those ministers responsible. So I defer it to the Minister of Transportation and Utilities, and there may be supplementaries as well for the other departments that were involved.

MR. ADAIR: Mr. Speaker, the costs of keeping Highway 40, a primary highway in the province of Alberta, open would primarily be borne by the Department of Transportation and Utilities. I might point out that the decision of the government was to keep it open from today, December 1, 1987, to February 29, 1988, and we assume that that cost may be anywhere, depending on the amount of snow that may fall, between \$50,000 and \$250,000, somewhere in that range. I would hope, while I'm on feet, that most of the snow would fall on Mount Allan.

MR. ALGER: Mr. Speaker, there's very little that's fallen yet. In a supplementary question to the Minister of Transportation and Utilities: is it the minister's intention to keep the road open for the benefit of our southern citizens and southern neighbours

for the following year and, well, let's say for all the years thereafter?

MR. ADAIR: At the present time, Mr. Speaker, there were a number of requests that were made to us on the southern Alberta cabinet tour for the keeping of the road open for the periods beyond February 29, 1988. At the present time our decision was to keep the road open from December 1 of 1987 to February 29 of 1988, and beyond that, only time and some decisions that will be down the road will tell.

MR. ALGER: A supplementary question, Mr. Speaker, to the Minister of Forestry, Lands and Wildlife. Do you, Mr. Minister, anticipate any real negative impact with regard to wildlife concerns in the summit area or in the Highwood valley below during this period?

MR. FJORDBOTTEN: Mr. Speaker, in my review of the situation, I felt that, yes, there were some legitimate concerns there that could be raised by individuals, and I have taken six steps really to mitigate against those concerns. An example would be establishing what would be called intercept feeding, so that the elk that are in the area would stay in that particular spot. I'll be monitoring the elk population by ground and by air and by random patrols and also having extra people have a look there to make sure that nothing happens. I'll also be taking steps like making sure that the minister of transportation doesn't put any salt on the road in that area so that the elk go to the road to eat the salt and create a hazard in that way. Also, the minister of transportation agreed to put speed zones in there and also proper signing to slow the traffic down.

I think one of the more important things that I was able to do, and it's effective today in fact, is a wildlife control zone. That covers the entire area right from, I think it is, the Highwood junction to the Peter Lougheed Provincial Park and to the B.C. border and up to the Highwood Range. That wildlife control area prevents any foot access or vehicle access off the highway right-of-way, except for two trappers who are licensed to trap in that area. Anyone, whether they be native or white or whoever, who goes into that area either by foot or by vehicle during this period that the road will be open -- we'll move with prosecution, because we want to make sure we've taken every step we can to protect the wildlife and the environment.

MR. TAYLOR: A supplementary flows through the question to the minister of wildlife. In view of the fact that the native population has or is supposed to have the right to hunt out of season and this road makes these elk herds accessible, has the minister met with the natives in the area to work out some sort of system whereby our elk herds wintering there will not be decimated?

MR. FJORDBOTTEN: Mr. Speaker, no, I didn't meet with them. If the member was listening to what I just said, a wildlife control area prevents anyone from hunting in that area. They can't even access it by foot or by any vehicle. So I think the whole area and the elk herd is protected.

MR. SPEAKER: Edmonton-Glengarry, unless Athabasca-Lac La Biche wishes to get in. Edmonton-Glengarry.

MR. YOUNIE: Thank you. For whichever minister is responsible. We see that we're going to be feeding elk that normally overwinter in this area and that we're going to end up feeding

bighorn sheep that normally overwinter on Mount Allan, and all for OCO security. I'm wondering why it is that we have to open a highway from December 1 on for security at the games that don't start until February? Could it be that they moved the date ahead on us without publicizing it?

MR. ADAIR: Well, Mr. Speaker, I'll try and respond to that question. In the normal practice of keeping . . . [interjection]

MR. SPEAKER: Order please. The minister of transportation.

MR. ADAIR: I thought I heard something coming from the mouth of the hon. member. Back to the question. The normal practice of keeping a highway open under any circumstance, whether it's Highway 40 or any highway in the province of Alberta, would be to start at the start of the season and not wait until the heavy snowfalls that may occur in the region and have historically occurred in the region, or you may be dealing with a 12- to 20-foot depth of snow. That we would keep it open from this point on -- the decision was made to do just that in the interests of providing a number of things, both the public safety of those who would be using the road and others who in fact would be part of the Olympic movement.

AN HON. MEMBER: Is there any snow on Mount Doom?

MR. WEISS: Yes, they're skiing right now. They ran an event yesterday.

MR. SPEAKER: Order please, hon. minister.  
Edmonton-Calder, followed by Cardston.

### Support for the Homeless

MS MJOLSNESS: Thank you. Mr. Speaker, 1987 has been designated as the International Year of Shelter for the Homeless. The Alberta action plan for the year consisted primarily of the construction of a few housing units which are in fact fewer in number than last year. However, homelessness continues to be a serious problem for young people, for battered women, for the poor, mentally ill, and the unemployed. In Edmonton a coalition consisting of over 30 social service agencies issued a report in May which contained some excellent recommendations. To the Minister of Social Services: as she has had ample opportunity to do something to address this problem of homelessness by implementing some of the recommendations by the coalition, why has she chosen to ignore these recommendations?

MRS. OSTERMAN: Mr. Speaker, it would not be my view that the recommendations have at all been ignored. As I recall, at the time the information was published, there were a number of facts that were ignored by the people who were speaking to the issue. It is not that we make light of the issue, but it should be noted that, for instance, on an ongoing basis, there are vacancies in the type of shelter accommodation that is available in Edmonton. Using that as an example, the hostel continually has openings.

MS MJOLSNESS: Supplementary, to the minister, Mr. Speaker. It's obvious the minister doesn't understand what a complex issue this really is. As a study done by the coalition indicates that the main cause of homelessness is lack of income, will the minister confirm that her department is in fact contribut-

ing to homelessness this year by chopping assistance to the single employables, and will she rescind this regressive move?

MRS. OSTERMAN: Mr. Speaker, it is not my view that the policies of the department or the minister have contributed to this particular situation. Income has not been identified as one of the areas, as a contributing factor. Where we have seen people who are homeless, as I've had identified for me, many of these individuals do not want to jump through any hoops whatsoever and have themselves identified so that they may receive income.

MS MJOLSNESS: Supplementary to the minister. We're talking about 16- and 17-year-old kids. As one of the findings of the coalition was the department's policy refusing single employables on social assistance a damage deposit, making it impossible for them to find appropriate housing, why has the minister refused to change this policy?

MRS. OSTERMAN: Mr. Speaker, working with young people in our society who are under the age of majority has always been a very controversial area, if nothing else, in that many parents believe that we have contributed to their young people leaving home by virtue of just having programs for them. It is not a happy situation when on many occasions the minister has letters on her desk indicating that we have done just that. It is our view that we have a balanced program that offers shelter for young people.

MS MJOLSNESS: Final supplementary, Mr. Speaker. Will the minister, despite the fact that the International Year of Shelter for the Homeless is almost at an end, demonstrate some concern at least for the homeless by consulting the coalition and other social service agencies and drawing up a plan for her department to begin to address the problem?

MRS. OSTERMAN: Mr. Speaker, there are many organizations and communities around the province, and the hon. member has mentioned a number of them, that do a very excellent job of contributing views from their particular vantage point and offering solutions that they believe to be appropriate. I think it is also true that as we sit in this Assembly, on a lot of occasions the hon. members from the Official Opposition party often recount their particular style of caring. We certainly have seen that in Manitoba. It would be my view, as I look at the statistics where the government of Manitoba, for instance, ranks people with respect to welfare and shelter allowance, and I see that a single parent with one child receives \$100 less a month than the same individual in Alberta. I believe that's appalling.

MR. SPEAKER: Vermilion-Viking, followed by Edmonton-Gold Bar.

DR. WEST: Thank you, Mr. Speaker. To the Minister of Social Services, a supplementary. Unfortunately, in Alberta there are many children between the ages of 15 and 18 that are from split families or homes, who are on social assistance and in the homes of guardians. Do you have any indication in the province today how many of those children are from split families where the parents themselves could well afford to look after those children but because of the situation that exists, they are not addressing that responsibility and the province is looking after these in guardian homes?

MRS. OSTERMAN: Mr. Speaker, that is a complicated question in that there are so many situations with respect to individual families. It is true that there are occasions when the department is not able to track down individual parents who indeed have the resources to support their children and in fact the taxpayers of this province, under the guardian and social allowance program, have been called on to do that support, but we are doing the very best that we can in an effort to achieve the funding that's available.

MR. SPEAKER: Edmonton-Gold Bar.

MRS. HEWES: Thanks, Mr. Speaker. It now appears evident that the minister has not sought out the coalition to discuss the matter. Will the minister now undertake to tour and review this accommodation firsthand with the coalition so that she may know what these homeless Albertans and their advocates are facing?

MRS. OSTERMAN: Mr. Speaker, I certainly haven't seen all the accommodation that is available, but I have seen many examples of it, and I don't believe I need an additional tour.

### AIDS Programs

MR. ADY: Mr. Speaker, my question is to the Minister of Community and Occupational Health. There is a growing concern in our province, and I'm sure throughout Canada, for the growing number of AIDS victims. I would like to ask the minister what his department is really doing to protect unsuspecting Albertans from this deadly disease.

MR. DINNING: Mr. Speaker, we announced in late October a comprehensive program for all Albertans that was focused primarily on education and caring and providing as much information as possible to the general public, to teachers, to students, to parents, to those in the medical profession as well as health care workers, as well as information to all Alberta workers who may be exposed, may be vulnerable to the disease and the virus. I believe this program, about a \$2.2 million program for each of the next three years, is a comprehensive one that is going to bring home the danger of the disease to all Albertans and particularly information on how to prevent acquiring the disease.

MR. ADY: Supplementary to the minister. But to deal with some of the processes that perhaps really need to be in place to accomplish this, why don't you require reporting of positive AIDS blood tests like they do in some of the other provinces?

MR. DINNING: Mr. Speaker, reporting does occur today. Those Albertans who are found to have the AIDS disease are reported by their doctor to the local medical officer of health as well as to the communicable disease control people. Working in conjunction with the patient, contact tracing is undertaken to make contact with all of those people that that person might have had sexual contact with. In the case of those who are found to test positive only and just have the virus, the same procedure is followed. The doctor working with the patient is expected to make contact with all of those individuals with whom that person might have had contact.

MR. ADY: Supplementary to the minister. But apparently you don't make contact tracing a legal requirement. Why is that,

Mr. Minister?

MR. DINNING: Mr. Speaker, I don't believe that physicians' good practices are things that we can legislate in this Assembly. Physicians, because of their professional oath, are naturally expected, and I believe live up to those expectations, that they must help their patient and those with whom the patient might have had contact to stop the spread of the disease, to be aware of its dangers, and to make sure that the spread comes to an end.

MR. ADY: Final supplementary. What are you doing to prevent AIDS carriers from passing the virus knowingly to others?

MR. DINNING: Mr. Speaker, I've described the program that we've put in place, and I believe it is a comprehensive program that should go some distance to preventing the further spread. But the ultimate responsibility -- and I think all members would agree -- rests with individual Albertans. We will provide the information. We will do all that we can, but the ultimate responsibility rests with each and every one of us, armed with all of the information that's available. Then we must take responsible action.

MR. SPEAKER: Supplementary, Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker.

MR. SPEAKER: The time for question period has expired. Might we have unanimous consent to complete this line of questioning.

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

The Chair recognizes Edmonton-Gold Bar, followed by Edmonton-Centre.

MRS. HEWES: Thank you, Mr. Speaker. Will the minister please inform the House whether or not he has given a directive and resources to the public health units of the province to undertake an aggressive program of education and information on AIDS as well as through the STD clinics?

MR. DINNING: Yes, Mr. Speaker, we have done precisely that. We have beefed up the resources within the sexually transmitted disease clinics in Edmonton and Calgary. By providing increased funds to some of the health units, we are going to make available to the community, to teachers, to students and parents, to health care workers and professionals, to other working groups in Alberta that are potentially vulnerable to the disease -- it's those areas where we're placing our resources and where we believe we can get the best results.

MR. SPEAKER: Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Speaker. The member just stole my question, but another one I have has to do with the lack of effort that the Minister of Hospitals and Medical Care has been taking on the same issue. One thorny one that's just emerging now is: what is the minister prepared to do for hemophiliacs in Alberta who are exposed to the HIV virus by virtue of being exposed to Factor Eight, which is being collected by the Red Cross? Will he be indemnifying them for any dam-

ages that they've incurred by being exposed to the HIV virus?

MR. DINNING: Mr. Speaker, the problem that hemophiliacs face and are potentially exposed to is incredible when one considers the Factor Eight drug that is associated for hemophiliacs. It's a drug that is brought together from numerous, numerous blood donors, so the potential for exposure is significant. But we are doing all that we can to prevent those hemophiliacs from being exposed to the virus.

MR. SHRAKE: Mr. Speaker, I wish to rise on a point of privilege. On Friday the Legislature established a formal procedure to allow French and other languages to be used in the various proceedings of the Assembly. While I did advise the Speaker, the Chair, in advance that I intended to introduce a group of Chinese elderly citizens yesterday, I did not strictly comply with the new procedure under Standing Order 17.1, and I used a different language without giving you the translations or advising in advance. I realize we've all got to try to get along in here and co-operate or we'll have chaos, so I therefore wish to apologize to you, Mr. Speaker, and to all hon. members for my failure to follow the rules established by this Assembly.

MR. SPEAKER: Thank you, hon. member.

## ORDERS OF THE DAY

MR. SPEAKER: Might we revert briefly to the Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Member for Edmonton-Centre.

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

REV. ROBERTS: Thank you, Mr. Speaker. Visiting us today are 16 English as a Second Language students from the Alberta Vocational Centre in my constituency. They're with their teacher Yuri Drohomirecki. I wish them well in their studies and ask that they would rise and receive the warm welcome of the members.

MR. SPEAKER: Government House Leader.

MR. YOUNG: Mr. Speaker, I move that motions 210, 216, and 217 stand and retain their places on the Order Paper.

[Motion carried]

### head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

223. Moved by Mr. Gogo:

Be it resolved that the Legislative Assembly urge the government of Alberta to consider increasing the base budget of the University of Lethbridge.

MR. GOGO: Thank you, Mr. Speaker. I'm very pleased today to be able to present to members of the Assembly Motion 223.

I'd like to begin by speaking generally about the universities in the province of Alberta. We, I believe, are extremely fortunate in this province to have the record we have with regard to funding postsecondary education in Alberta. The budget this year alone is in excess of \$900 million for the universities and colleges in Alberta. That includes not only the universities but the four additional degree-granting institutions that this government has seen fit to pass legislation to enable them to grant degrees in their own specialties. That would include the Lutheran College, for example, at Camrose, the Canadian college, as well as others.

I think, Mr. Speaker, that I should take a moment to relate to the members of the Assembly matters perhaps of which they are already aware. When one looks at the history of Alberta, we find that the first university which many members of this Assembly had the privilege of attending and graduating from, the University of Alberta, commenced in 1906, one year after Alberta was born. It's perhaps interesting to note -- and coincidental, perhaps -- that the first president at the university was by the name of Tory. Little did people dream that day that history would be fulfilled in having this very government to oversee perhaps a quarter century, in terms of serving Alberta from 1971 until heaven knows when.

The University of Calgary, Mr. Speaker, was the second institution opened. Really, it was opened officially in 1966, although in 1945 it operated as an extension of the U of A. And then, Mr. Speaker, one of the finer liberal arts undergraduate institutions in Canada was opened in our centenary year, 1967: the University of Lethbridge. It's interesting to note that it's one year after the University of Calgary opened officially. I recall, Mr. Speaker, talking to various people -- one of them is in the gallery today, the present chairman of the board, who was one of a very small group of people who felt at that time that southern Alberta should have its own university. I recall, as well as my colleague from Lethbridge-East, that for some time there was some discussion about the name of the institution. People felt it should be called the university of southern Alberta, but when they realized the implications of the acronym USA, they quickly thought that indeed there must be a better name, and so the University of Lethbridge was chosen.

Mr. Speaker, in reading from the calendar of the University of Lethbridge where they spell out their goals and objectives, it's interesting to note that indeed it was then and remains a very unique institution. It was to provide an opportunity for all Albertans who wished to pursue university education in a unique institution where you would have reasonable science classes, you would have reasonable access to the professors or teachers or instructors. As a matter of fact, even today, in 1987, the total instructional staff is less than 250, which I think is unique for a university which covers the programs like the U of L.

It was established, Mr. Speaker, first of all on the college grounds at the old Lethbridge Junior College, which today is the Lethbridge Community College. Then in 1971 it established its own campus on the west side of Lethbridge, when my hon. colleague the Member for Little Bow was a member of Executive Council. I would hope he would join in the debate -- and particularly in support of this motion, but nonetheless in the debate -- to spell out some of the facts that went into the formation of the U of L.

At this point, Mr. Speaker, I'd like to commend the boards of governors at all the institutions in Alberta. In many cases theirs is a thankless task. These are people, men and women, from across Alberta who through their volunteer efforts try to main-

tain very high standards, and for that I would think all members of this House should be indebted to those ladies and gentlemen who give so freely of their time.

Mr. Speaker, at the beginning of the University of Lethbridge very clearly the intent was to have a liberal arts undergraduate program which would offer those opportunities for young people of Alberta and elsewhere who didn't want to go into the larger institutions such as the U of A and the U of C, not to mention the added cost and inconvenience of having to travel a long way to the other cities. It wasn't long, Mr. Speaker, following the forming of the Faculty of Arts and Science, that with, I might add, government urging they felt that the mandate of the University of Lethbridge should be expanded -- and how it has expanded. Nineteen seventy-one saw the applied sciences. Subsequent to that, perhaps with not only government support but suggestions, we now have the Native American Studies, which is unique. We have the four worlds project, which is unique in the world, dealing with native people and native problems.

We've recognized the need in terms of nursing care in Alberta to form the RN graduate program, dealing with nurses who want to pursue nursing to a degree level; a very successful program, Mr. Speaker. And it's interesting to point out that we tend to think of students 18, 19 and 20 years old, and yet the average age of the nursing students in Lethbridge is 32 years, obviously representing many married people who travel from all parts of southern Alberta to obtain that degree because they have great interest in pursuing the career of nursing.

The business management program, I believe, is second to none anywhere in the country.

You really can't have, in this day and age, a university program or university setting without athletics. Many people have told myself as well as others that simply not having an athletic program in an institution to provide alternatives to the so-called sex, drugs, and alcohol, which in many people's minds are synonymous with university education -- it's absolutely important and essential to have an athletic program, and so the university has an athletic program.

[Mr. Musgreave in the Chair]

I think, Mr. Speaker, it's particularly important to recognize that in the context of total funding Alberta, I believe, is second only to one other province, second in the nation, in terms of funding universities. There's some debate about that; it could be first. There are those that think there's something wrong, perhaps, with not being first in the country. My information is that when we look at the Alberta institutions, they are very well funded, although -- and I wish to make this case in just a moment -- there are uniquenesses to the different institutions, particularly with the University of Lethbridge.

Mr. Speaker, for those who have toured the University of Lethbridge, I think they would note a couple of very significant facts. One, there is no classroom, no facility, within the institution to hold 500, 400, or 300 people, I believe the maximum classroom is about 150, unlike the other major institutions. That goes along with the mandate in terms of providing the greatest ratio between professors and students of any of the institutions.

In addition, Mr. Speaker, for those who have had the opportunity of touring, they'll realize it when I say that the residences of the institution and the attempt to house many youngsters on campus are extremely limited. I know the hon. members across the way, certainly Edmonton-Centre, have seen some of these

cells and can attest to the fact that when one invests four years in their education, it's very similar in many ways in terms of residence to four years in Fort Saskatchewan. That's why the board of governors of the university, along with the student body, has made as their number one priority the provision of a student residence. At the University of Lethbridge as yet they don't have a student residence other than what's in the institution. They don't have a student activities building, unlike other institutions. As a matter of fact, Mr. Speaker, I think I, along with Lethbridge-East, am from the only city in Canada that has a city council that rents its city hall. We don't even own our city hall in that community. I'm not so sure that's a negative fact.

Mr. Speaker, there are additional programs in the university that I believe are very unique. The fine arts program at the U of L has attracted a tremendous number of Canadians to attend. In fact, if one looks at the enrollment at the University of Lethbridge, you find that of the 2,700 or 2,800 attending, one in every two is from the Lethbridge community, which means one in every two is not from the Lethbridge community. Many are from other parts of Alberta because they find the setting in the University of Lethbridge to be very conducive to learning.

In terms of growth, Mr. Speaker, we've seen just from 1980, which really was 13 years after the university was opened, a growth from some 1,500 students to today it's almost doubled in 1987. Now, that's been accompanied by not only government support but government encouragement; however, reaching the point today where the university is having great difficulty coping for many reasons, some of which I'll quote in just a moment. The fact of the matter is that enrollment has almost doubled; in other words, almost 100 percent in the six- to seven-year period.

I recall vividly, Mr. Speaker, about 10 years ago when the then Premier, Mr. Lougheed, attended the university, and he urged the board and the administration to do all they could to attract students from across Alberta. At that time, although as an institution the U of L certainly didn't have a recruitment budget comparable to others, it undertook that, where we have today one in every two students who does not reside in Lethbridge but indeed comes from other parts of the province.

It's interesting, Mr. Speaker, that when we view those 2,800 students, a new phenomenon has occurred. One in every four students at the University of Lethbridge is over the age of 25. Most members of this House who attended university undoubtedly had graduated by that time, not from Harvard perhaps but certainly from the university in terms of a BA degree. So we have a new phenomenon, Mr. Speaker: we have mature students returning for postsecondary education. And that's unique, because they're not all single people; they have families to support. Many of them travel many miles, because the catch basin, if that's not a negative term, of southern Alberta goes from border to border for those one out of every two students.

Mr. Speaker, I think it's extremely important to recognize that within the community setting of the U of L it's somewhat different than the U of A and the U of C in that not only does it have strong community support but its impact on the community, I think, proportionately is much higher than it would be here in Edmonton. A study done not many years ago showed that, for example, of every dollar spent by the U of L, it encouraged and generated 50 cents expenditure within the community. A study done in 1983, for example, showed that the total aggregate spending, at \$38 million, of the U of L then -- and that's four years ago -- created over 700 local jobs or, to put it another

way, actually created the expenditure of \$44,000 every day of the year in the local economy. Now, obviously any dollars expended by the university have an impact in greater proportion in the southern community than they would, I submit, in terms of Edmonton and Calgary.

And there's tremendous support in our community, Mr. Speaker, for the University of Lethbridge. We saw, for example, the late Max Bell, in terms of the contribution he made to the U of L for the aquatic centre. It was not only matched by government, which matched everybody else, but found a very strong degree of support within the community. So there we have today in the University of Lethbridge not only the Olympic-size pool but the involvement of the community within that facility. There are those who are aware that the Canadian world champion -- I guess a gold medal winner -- Alex Baumann just two years ago, I believe, came to put on a special demonstration at the opening. The point I'm leading up to, Mr. Speaker, is that although we've had that new facility opened, it costs money to operate, and the university is having difficulties with that.

Now, why do we find ourselves today with the motion? Well, obviously there's a problem, and I'd like to talk a bit about the problem, why the base budget of the U of L is not sufficient. First of all, like most other things, there's the term "economies of scale." The U of L simply does not have the capacity, with the number of students it has, to operate in competition with the other institutions. They don't have the budget, for example, to send people around Alberta to recruit in the high schools, such as the other institutions. They simply don't have, when you look at the number of faculty of less than 250, the abilities of the other institutions to use graduate teaching assistants. Lethbridge has to use tenured people. They simply don't have the resources, nor have they been in business long enough to have those GTAs, so as a result, they have to use other people. So any cutback effected by the U of L has a stronger effect than it would anywhere else.

A couple of years ago my colleague from Lethbridge-East, as Minister of Advanced Education, strongly urged the university to approach government to get an adjustment of that base budget of about \$4 million. The minister himself, my colleague, managed to find a million dollars. That still leaves them tremendously short in terms of the operating budget.

Mr. Speaker, the university was encouraged, in fairness, by government to bring in other programs such as the master's program in education. We can say what we want; the original design of the university was a liberal arts undergraduate program. But with co-operation of government and funding by government, they've expanded in these other programs and are now having difficulty continuing them. As a matter of fact, my information tells me that at the U of A the graduate teaching assistants provide 14 percent of all the instructional time in the university, whereas at Lethbridge I believe it's 5 or 6 percent.

Another reason why they're faced with difficulties is the location, Mr. Speaker. Now, when the U of L was chosen to be in southern Alberta, it went without saying that they didn't have the large corporations that Calgary and Edmonton have. They didn't have access to many of the other groups who could provide sessional instructors that you would get in Calgary and Edmonton; that simply can't be done in Lethbridge. Yet at the same time, the U of L reaches out, goes right across southern Alberta from Medicine Hat to the Crowsnest Pass offering courses. Yet they have to do this without the ability to attract sessional instructors that you get at other institutions.

I would point out as well that because the alumni and the endowments provide such a source of funding for the major institutions, Lethbridge being young, most of those graduates are still forming families. Most of those graduates have not reached the top of any corporate ladder. Most of those graduates, in [inaudible] terms of the alumni, simply don't have the resources to contribute in a way you would get at major institutions. So that's a uniqueness, I think, to the U of L, Mr. Speaker.

A year ago, January 9, the Minister of Advanced Education announced that there was a 3 percent reduction in budget. Now, the U of L, along with the other institutions, I don't think quarreled at all with the concept, with the concept of reducing expenditures 3 percent. However, the difference, Mr. Speaker, is that at a place like the U of L, 3 percent meant a million and a half dollars. They can't operate on a deficit; that's not allowed under the system. That resulted in 40 people being terminated in terms of employment, 10 of whom were instructional. So that 40-person reduction was extremely significant, because when you remove not only from the student body the availability of those instructors but the working of the institution by the other 30, it had, I believe, and I hope hon. members agree, presented a very difficult time to the university. However, the university board accepted this, as they had no choice but to, and they implemented it.

The point now, Mr. Speaker, is what happens in the future? We have a fine arts centre. How can it function based on the present base budget? Well, as you know, Mr. Speaker, and other members would be aware, because of the University of Lethbridge and others, particularly Calgary, saying they didn't think it was equitable in terms of funding throughout the province, the minister has funded, or allowed to be funded, the equity study of all institutions in Alberta. That information by Dr. Dupré of Toronto I understand is either available or shortly will be available.

And I recall the presentation made by the new president, Dr. Tennant, at the U of L regarding the equity study. He pointed out many of the comments I've made today and came to the conclusion, just based on equity, that equity means equitable, equity means that you look after economies of scale, you look after those differential items. He came to the conclusion that the equity alone was about \$1.9 million. In other words, the U of L, on an equitable basis, should have an additional infusion of about \$1.9 million to be equitable with the other institutions.

Now, it's not for me to judge whether that's accurate or inaccurate. Dr. Dupré, I assume, in his conclusions will reach what he thinks is a fair decision. Nonetheless, Mr. Speaker, the \$1.5 million in terms of operating that was removed last year has left the university short. I think, all in all, a figure of \$3.5 million to \$4.5 million is really a shortfall, that if the University of Lethbridge is to meet its mandate and objectives and programs as encouraged by this government, it needs that kind of money.

So, Mr. Speaker, let me conclude on these points. Tuition fees, which traditionally have paid about 10 percent of the total funds: the highest anywhere in Alberta are the University of Lethbridge, the highest tuition fees anywhere. Secondly, 85 percent of the total budget at the U of L, and perhaps at similar institutions, is wages and salaries. Now, it's a matter of policy at the U of L that they will try and pay on a standard with the other institutions. At the moment they're under the other institutions. But nonetheless, our labour system in Alberta says that if they cannot reach an agreement, then the laws of Alberta say they go to binding arbitration. They've been there twice,

and each time their position -- that is, the position of U of L -- has not been upheld; it's been somewhat different. So if there's binding arbitration of 3 percent in terms of settlements with faculty and staff, that's another \$650,000; that's equivalent to 20 or 30 positions. They have contractual merit obligations, and if the faculty meets those standards, they are looking at another half a million dollars.

A zero percent increase, Mr. Speaker, is indicated coming up by the Minister of Advanced Education for next year. Already we can detect -- with inflation 3, 4, or 5 percent, depending on which number you pick -- if binding arbitration with regard to salary is 3 percent, that's \$500,000 to \$600,000. The merit increases, which are contractual, are half a million or better. We are looking, in many ways, in terms of another million and a half dollars, so are we looking at another 40 positions? The university must make a decision and make it quickly. The people involved in the university must know where they stand. So, Mr. Speaker, if we're to retain the degree program in nursing, we must know very quickly. If that program is to be terminated, we must know very quickly. If the master of education program is to be terminated, we must know that very quickly. You can't make those decisions overnight. Another option is the business management program, which has had the largest number of students involved. Is that program to go, Mr. Speaker? Because unless this adjustment is made to the base budget, one, two, or three of these programs is going to have to leave. I don't believe that any members of the House would agree with that. I'm inclined to believe they would strongly support the intent of the motion to adjust the base budget.

And finally, Mr. Speaker, I'd like to suggest that many people in the past have said that if you give to one, you must give to all. My information is that the board of governors at the University of Alberta and the University of Calgary are strongly supportive of the goals and objectives of the U of L, and they recognize that the funding there is not adequate. So I would urge hon. members to support this motion, and I'd simply close by saying -- and I'm looking based on full-time enrollments at the U of L -- that of 26 institutions in Canada the U of L appears to be second in terms of the provincial grant for full-time students. Well, if you're not careful how you read that, you tend to think that it's a rich university. But if one looks at the enrollment that's there, if one looks at the proposed enrollment that they're hoping to achieve, if one looks at the goals and aspirations of the young people of this province who want to attend a unique institution, then, Mr. Speaker, the amount of money available is simply not there. And in order for them to achieve what they would like to achieve and produce what this province wants in terms of graduate students of the future to feed the universities of Calgary and Edmonton, they need this money. So I would earnestly request the support of all my colleagues in the House with regard to Motion 223.

Thank you, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, I hesitate to do this, but I'd like to make mention that this afternoon my wife is in the gallery, and I do it for two specific reasons at this time. First of all, she is a member of the board of governors of the University of Lethbridge and working with her are her colleagues the president and the chairman of the board that are in your gallery, Mr. Speaker. I mention that for the first reason, and the second reason I mention it is that at 3 o'clock this morning I was advised as to how to speak to this resolution. So . . .

ANHON. MEMBER: By your wife or by the board members?

MR. R. SPEAKER: To both, hon. member.

So I stand with pride to speak for the motion that's been well presented by the Member for Lethbridge-West. As I think of the University of Lethbridge -- you can't help but think historically, because it is a very young university -- I recall a period of time some 20 years ago. I believe it was somewhere in the month of June, July, or August -- I can't put my finger on it -- but a cabinet committee at that time was appointed, and on that cabinet committee was the former Premier Mr. Strom, a former Minister of Education, Mr. Reiersen, and myself as a minister. I was a minister without portfolio at that time and was used in a sort of utility role.

Our job was to determine the location of the University of Lethbridge, as to whether it was on the west side or on the south side of Lethbridge. We went through a number of meetings and hearings, and there were a number of political gymnastics that preceded a point where we had made a decision. Following this set of hearings, I happened to be in my constituency, at Vauxhall. I believe this was on a Sunday. On the Monday I was to be in Edmonton, in cabinet, and we were going to make the final decision and make a recommendation to Mr. Manning.

I recall that Sunday very well. We visited some friends in Medicine Hat. Coming back from Medicine Hat across country, wide open lease space of many miles and very few people, this car that I had -- I'm sure the tires weren't that great, and at \$300 a month as a minister without portfolio, I'm sure I couldn't afford the greatest tires in the world. But coming home in the evening, to the west of us was a major black rainstorm that was approaching -- unbelievable. So I was speeding and going a little faster with this car, and as we were out in the middle of nowhere, all of a sudden, one flat tire. Well, I quickly changed that, and we moved a little farther -- a second flat tire. Well, I didn't have a third tire to slip onto this car. So there we were, out in the middle of nowhere and this rain approaching, and I couldn't quite get the car turned around, it seemed like.

Anyway, just as the rain was coming, we were backing up, and quite a little bit of time had gone by. We finally got to this farm; we ran the car on the bad tire. So we got to this farmstead; well, he couldn't help us. About 2 o'clock in the morning we finally phoned -- this fellow could get someone else -- and the rain came down, three inches of rain in a little short period of time. I think it was about 3 o'clock in the morning when I got back to Vauxhall, where we were living at that time. I was supposed to catch the plane in Lethbridge at 6 o'clock, slept in, missed the plane, and just about missed the opportunity of saying something about the new location of the University of Lethbridge.

Now, I've raised this bit of an anecdote with you in that the Premier of the day at that time -- I phoned his office and said, "I can't make it; you have to go ahead and decide." Well, he phoned back about 9 o'clock, and he said, "Ray, what is your vote as to the location of the University of Lethbridge?" And I said: "My vote is to the west side. I know there's some political problems with regards to that, but the west side should be the location. We have to build the university where we can start from the beginning and give it some uniqueness, rather than build it next to the college site." Well, anyway, my vote went to cabinet, and my other two colleagues Reiersen and Strom supported that, and that became the cabinet decision. The local MLA wasn't all that happy with us, but we still were able to proceed with that decision.

I believe it was right. It was certainly a right decision, and we have that uniqueness at the University of Lethbridge. We're near its 20th birthday. I'm not sure what would be considered its 20th birth date this year, but we're near that point of time. That uniqueness, though, brings about this resolution that's before us here today and has been presented so well by the Member for Lethbridge-West. What was it in the design? Well, it was decided that we should have a low student/professor ratio. That was the first criterion. Secondly, because of that, we wanted to have a university where there was a close relationship between the students, the faculty, and the community, and that this mix could work well together and provide that kind of uniqueness. Now, if you build a major-sized university, you lose that. So at that point in time there was an agreement on a maximum size of population for the University of Lethbridge. I still believe that was the right decision as well. But you must understand the results of that. First of all, when you have that ratio, smaller classrooms, then your cost per student is certainly higher. It's just a mathematical thing that works out that way.

One other item that is unique about the University of Lethbridge -- and I've already mentioned that -- is the youthfulness. It is noted in the records that we have a small endowment fund. Ours in Lethbridge was certainly smaller than the U of A and the U of C. The U of A had \$55 million in endowment fund money, \$2,200 per student; the U of C endowment money of \$30 million, \$1,800 per student; the U of L \$1 million, \$375 per student. Now, you could say, "Well, the university isn't out there hustling money and getting it." The problem is that we're young. The graduates are still young and have responsibilities of building a home, building a business, and meeting many costs that they have. There are not a massive number of alumni that have the ability to contribute \$10,000 or \$100,000 or larger sums as the graduates from the University of Calgary and the University of Alberta are able to do. So that is the reason for it.

The third unique item that I'd like to mention, that we have to consider in our request in this motion for a greater amount of funds toward the base expenses of the university, is competition for quality instruction. The University of Lethbridge, to be competitive, must pay wages similar to the University of Calgary and the University of Alberta. Our professors and instructors at the University of Lethbridge are receiving a marginally lower amount of money than those at the other two sister or brother universities. This certainly does cause a problem. Now, looking at the budget of the University of Lethbridge, they are paying to their maximum. They are stretching the seams of their budget in order to try to move the salaries in a comparative position, but they really haven't that capability of doing it. The money is not there in terms of meeting competitive salaries. So that certainly causes a problem for the university. One of the ways of meeting that is to cut back on the number of staff. Now, that isn't the answer to the question, and I'd like to address that in a few moments.

What are some of the facts that we should consider? My legislative colleague from Lethbridge-West has mentioned it to you here in this Assembly. The 3 percent operating grant reduction by the government and the arbitrated salary settlements have resulted in a \$1.5 million cut from the 1987-88 U of L budget. Should the government deliver on its promise not to implement further education cutbacks, the U of L could still face a financial crisis. If the government decides to hold the line on the grants over the next two or three years, full-year contractual merit increment costs for the faculty and staff will alone account for \$575,000, or about 2 percent of the operating budget. This

represents the budget size for the total master of education program which is so well known at the University of Lethbridge. As my hon. colleague mentioned, other faculties could be affected as well.

What happened in our 1986-87 budget at the U of L? Forty full-time equivalent positions were eliminated, which affected the university in many ways, as we can well recognize.

What other things are of consequence at the U of L? We have the highest tuition among Alberta universities. That has been very consistent since 1983 to the present time. Our tuitions are higher, and it's a significant amount. The U of L has the lowest instructor wages, which I've already mentioned. When you look at that across the board in all categories -- full professor, associate professor, assistant professor, and those below an assistant professor -- the amount paid is significantly lower. And we know that that can have an effect on the future quality of those that stay at the university.

The U of L residence has been mentioned as a necessity. I've had the opportunity of touring the present residence. My colleague compared the rooms to Fort Saskatchewan, and I don't think he was comparing it to the current Fort Saskatchewan facility. If you looked at the more 18th century facility that we closed and are no longer utilizing out there, the description would have been more apt. I recall a few years ago touring that facility and was very alarmed that we had even that kind of prison system in this province.

Those residences are not good. I think what we have to consider when we're considering building the base budget of the U of L is what has happened at U of C and at U of A. U of A had the opportunity of hosting, in working with the city and the province, the Commonwealth Games. Those games enhanced the residence facilities and the other facilities at the U of A. Other events have done the same. U of C is now being impacted by the Olympics in terms of residences and facilities. That's extra input capital that the U of L has not had the opportunity of having, and I think that in itself is argument enough to increase the base budget of the University of Lethbridge. These other two universities have had special consideration because of special events.

What about some of the other things as well, then, that I feel support the argument for building this base budget of the University of Lethbridge? Alternate funding: the university is attempting to build up its funds in terms of the endowment fund and the incentive fund. They have now hired a full-time person to work with alumni and other persons throughout the community of Lethbridge and southern Alberta so that fund can be built and we have greater capability through private donations to operate the University of Lethbridge.

I guess when we look at budgets we have to look at other priorities of government, and I know I can say this much easier than someone that sits on the government side of the House. We must look at other things, and I know people that have the responsibility of funding or looking after the budget of a university or other facility do compare. There are bonces. When we know that we need something like \$3 million to \$4 million to keep the University of Lethbridge operating in a very positive way, we look at other expenditures. The \$25 million we've been able to allocate to Mount Allan certainly may be necessary, but where does it fit in the priorities? Eleven point two million dollars for the Kananaskis golf course in the last few years: you know, where does it fit in the priorities when you compare that to education? The \$10 million to this Principal hearing that's going on: where does that fit in the priority in terms of our

responsibilities to universities? We have to ask ourselves that as legislators, and certainly the Minister of Advanced Education and the Provincial Treasurer must ask themselves the very same question. There are other items throughout government where we should maybe eliminate some of those kinds of things and divert those funds toward maintaining the quality of our educational institutions, in this case the University of Lethbridge.

[Mr. Deputy Speaker in the Chair]

I would like to mention just two more things, and then I'd like to conclude at that. The University of Lethbridge has done some very excellent things in its short history. We have programs at that university that are, I believe, unmatched in terms of other Canadian universities. The teacher training program: we have graduated teachers from the University of Lethbridge that became excellent leaders in the classroom. School boards that look at students that graduate from the University of Lethbridge have confidence in the training they receive, and consequently a high percentage -- and I would say that is a percentage higher than even other Alberta universities -- are accepted in teaching responsibilities each year.

In the area of the psychology department, excellent people and excellent leaders in that department are very well noted. I understand and have been told that there are three professional people in that department that have not only recognition throughout Alberta but a national prominence in their leadership in the area of psychology and psychological programs. Our program of native studies is unique, and I believe brings about better understanding of the relationship of the native people to the broader Canadian society.

So, Mr. Speaker, I stand in support of this motion by the Member for Lethbridge-West and urge the government to take into consideration that uniqueness and that difference and the need of the University of Lethbridge at this time. Once we have adjusted it so that it has a base somewhat comparable to the other two larger universities here in Alberta, I believe the University of Lethbridge will continue to be an institution of excellence and one we will be proud of in this province.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton-Mill Woods.

MR. GIBEAULT: Thank you, Mr. Speaker. I'm pleased to have an opportunity to debate Motion 223 this afternoon, but I do have mixed feelings about it. On the one hand, it gives us an opportunity to debate a very serious issue, and for that I'm very appreciative. On the other hand, though, it's unfortunate that it has to be introduced as a motion other than a government motion, Mr. Speaker, because as you know, and visitors to the Legislature perhaps may not know, it doesn't have a hope in Hades of going anywhere. And that is a sad, sad thing, because this is a very important resolution. Something that's always a frustration to me is that under our rules here we cannot force motions like this to come to a vote, because if it did, we can be sure there would be 16 votes on this side in support of this resolution. It would be interesting to see how many votes there are on the government side. Look at that front bench, Mr. Speaker. It's deserted. And this is from a government that tells us education is a priority. Priority -- where are you people? We're debating an important resolution here.

MR. DEPUTY SPEAKER: Point of order, Red Deer-South.

MR. OLDRING: Point of order, Mr. Speaker. The member is making reference to the attendance in the House of members. It's out of order.

MR. DEPUTY SPEAKER: So noted. Hon. Member for Edmonton-Mill Woods.

MR. GIBEAULT: Mr. Speaker, in your comments on this motion here you made a reference to the fact that the government's policies regarding the University of Lethbridge and our other universities have resulted in some very sad outcomes, one of which was the fact that some 40 University of Lethbridge employees lost their jobs. That was duly noted in the *Lethbridge Herald* here on March 27 for all the people of southern Alberta. There is a report there that indicated the reduction was going to result in a termination of some 40 positions at the university, about 10 full-time instructional positions and another 30 non-instructional positions, and it comes at a time when the university requires an increase of 100 positions to bring its standards to a minimum level.

Now, we're going to get to that in a little bit more detail, Mr. Speaker, but you yourself raised that very issue. I have to wonder if you've had an opportunity or your colleague the Member for Lethbridge-East or maybe the Minister of Advanced Education or perhaps your colleague the minister for work-for-welfare has had a chance to find out what happened to those 40 people. Are they now on one of our minister's work-for-welfare schemes for \$5.50 an hour? Are they collecting unemployment insurance when they could be contributing to the productive education of students at the University of Lethbridge? Where are these people now? Have you found that out? Have you taken the time to find out? Because your government's policies, the policies of the government opposite here, have caused 40 less people just in the current go-round, let alone the question of an increase in the base budget, to be put out of work and to be denied their opportunity to contribute to the education of students in southern Alberta.

Mr. Speaker, the whole question of this government's policies towards the University of Lethbridge has been of great interest to students at that institution. In the October 1 issue of *The Meliorist*, the University of Lethbridge student newspaper, there's an article making a reference to some 100 students who "showed up at a Progressive Conservative bar-b-que in the LCC Barn on Tuesday night," just prior to the issue of the paper, "to protest the Premier's announced '0% decrease' to education." Of course, the Premier's made a lot about that, that there won't be many more education cutbacks. But, Mr. Speaker, you yourself identified so many areas of difficulty for institutions like the University of Lethbridge and, to perhaps another degree, the other institutions around the province that are affected by these cuts. Now, a zero percent decrease or a zero percent increase means -- again, as you yourself pointed out, in many cases the inflation factor of 3, 4, or 5 percent means that no change to the amount they are receiving this year in the next year's cycle will mean additional cutbacks in programs, staff, and services. There's just no other way to account for that.

Then, we had a question in the October 15 issue this year of *The Meliorist*. Again, there was another couple of articles on the impact of financial restraints on the University of Lethbridge. In one article they're referring to problems in the library at the University of Lethbridge. It says:

In response to the eroding library budget, 273 journal and serial subscriptions were cut in the spring of this year. The com-

bined values of those serials cut over \$43,000 from the library budget.

Mr. Speaker, that is a shame. That is a betrayal of the students at the University of Lethbridge.

It goes on to say that the University of Lethbridge's "library problems are shared with the other universities as well." The University of Calgary library recently reported that it had to cancel \$200,000 worth of serial subscriptions, while at the University of Alberta they had to cut \$250,000 of serial subscriptions. Mr. Speaker, you can't operate a proper instructional program at a university level, particularly if you have any advanced undergraduate programs or graduate programs, in that kind of environment.

[Mr. Bradley in the Chair]

It goes on in the October 29 issue of this same publication, *The Meliorist*, another article that says that the Advanced Education minister is invited to stay in residence. Mr. Speaker, if you were there with your cabinet colleagues or with the cabinet colleagues on their southern Alberta tour, you probably realized that there were a couple of people in Lethbridge, some 650 if we want to count numbers here, who had some concern about a variety of impacts the cutback is having. As the Member for Lethbridge-West indicated, the student residence is one of the highest priorities of students and faculty and administrators and board members at the university. They have some 650 students. Faculty and staff have signed a petition inviting the minister to spend 24 hours at the U of L residence.

"It's not a petition, but a cordial invitation," said Student Councillor Casey Van der Ploeg in an interview last week.

The invitation read:

Dear Mr. Russell,

In view of your recent remarks at the protest demonstration at the Lethbridge Community College, and your statement that you would stay at the University of Lethbridge Residence, the undersigned hereby invite you to visit the University of Lethbridge for a period of 24 hours in which you will stay at the residence and tour all the facilities and talk to the staff and students in the various disciplines about the effects of the budget cuts on the quality and quantity of education.

End of quote. It breaks my heart, Mr. Speaker, that the minister's not here to tell us what his response to that invitation is, because I would like to know and the students at the University of Lethbridge would like to know.

Mr. Speaker, the motion itself talks about an increase to the base budget at the University of Lethbridge, and maybe we could talk about that specific proposal, because this is not something new. This is something that had gone to the government back in 1985. It had a proposal with three categories of enhancements that were felt to be required by the university. The first category was an allotment that would provide for maintenance of current programs and services at minimal acceptable standards. The allocation there was \$1.965 million. This category includes programs and services that are being maintained for the '85-86 year only on \$315,000 of one-time funds appropriated from the year-end accumulated surplus. The important point here is that without a continuation of these funds, some 21 current support staff -- secretarial, custodial, clerical, and assistants -- are threatened with job abolition. That reference I made earlier in the *Lethbridge Herald* just tells you how accurate that was. But this is not news, Mr. Speaker. The government had two years notice that this was coming and did what? Did nothing.

Mr. Speaker, the second item that the university submitted

here, their second category for an enhancement to the base budget, was for provision for recent years step-function growth, and the allocation here would be \$1.082 million. Of course, the university is referring to the fact that was alluded to by our colleague the Member for Lethbridge-West, for the very significant increases in enrollment. And, Mr. Speaker, the graph is there from the University of Lethbridge facts book for anybody who cares to look at it. You don't need a PhD to look at this graph and realize that the increase has pretty well doubled in the last 6, 7 years, and you cannot continue to increase class sizes and enrollments like that without, as they say here, providing allocations to allow for that step-function increase in growth.

The Member for Lethbridge-West indicated that the university doesn't really have a satisfactory facility here for the kinds of core sections now that have as many as 500 students taking them in, and that's one of the areas the university had indicated. They say in their proposal that "Section sizes have increased by 32% over the past 3 years." They go on to say, Mr. Speaker, in category 3 of their proposal that an allocation of about \$1,052 million is required to round out the scope of current programs and services to contemporary university standards. They say:

The major academic component of this category involves the lack of staff resources to provide senior level courses that are fundamental to several disciplines.

Now, Mr. Speaker, if you going to be a university that has credibility, you have to have the kinds of programs, the kinds of course offerings, that will ensure that the academic quality remains such that when students graduate from that institution, their degrees have some value and some credibility in the marketplace.

So there were three components, Mr. Speaker, to this particular proposal as I've outlined them. I guess, in looking at this, it seems like such a reasonable proposal. They've had a very detailed breakdown of all the elements of those three major categories, and I have to wonder why there's been such a lack of response and support on the government side. I don't know -- perhaps the fact that the proposal did not include any provision for a golf course on the campus so that the Premier and the Treasurer could get in a little work out of the office when they're down in southern Alberta. Maybe that was the problem; I don't know. But I think the people in Lethbridge and the students and the faculty would like to know.

Mr. Speaker, these impacts are having an undue effect on the students at the University of Lethbridge, and this really has to be noted here. I mean, just this past year the aggravation caused by this base budget shortfall and the additional cutbacks of the government have resulted in a number of changes in fees for students. First, they had to initiate a registration fee of \$50 per child in the day care centre at the university, which was not required in the past. They've had to have their fee in the residence board plan increased 4.5 percent, from \$572 to \$598 per semester. Then they had to look at materials and services fees being increased to \$11 per course effective September 1 this year. Then they had to look at enhanced pool, towel, and locker fees, residence rates, room rates increased, and the list goes on. The students at the University of Lethbridge are really carrying the can on these policies of restraint and cutback.

I want to just share with the members of the Assembly now, Mr. Speaker, some comments that were received by one of the professors there, just to give you a faculty view of some of the problems being faced by the staff at the university. Recently Professor Michael Kubara of the geography department wrote some comments up to be presented to the minister's advisory

committee on university affairs at a recent opportunity. One of the first things he said was: "We are in urgent need of two faculty offices for January 1987," A second point is, and this is just one department, Mr. Speaker, the geography department:

Our storage space is seriously deficient, in terms of departmental space for materials that must be accessible for periodic use.

The third point he mentions here is that

The new faculty member... will need a classroom-lab for courses in that subject. We have none to offer.

Fourth, he goes on to say:

Research space is extremely limited, with two particularly active faculty members restricted to a tiny research lab.

So he's putting in a pitch here, Mr. Speaker, for someone to be listening to these needs that need to be met. He says that if for whatever reason we can afford to fund Kananaskis and we can afford to upgrade the Legislature and so many other things, if we can't afford to provide an enhancement of the base budget at the University of Lethbridge, the alternative would be that we'd have to cut back on equipment, collections, demonstration materials, and this would be a blueprint for mediocrity. This we cannot accept, and therefore we make this appeal for additional space.

The need at the University of Lethbridge, I think, is clear to anyone who cares to look at it. I've outlined many of the concerns of the students, the faculty, the administrative officers, and it should be clear that some of the points that were made by the Member for Lethbridge-West really have to be addressed. He talked about the need for the residence at the university, a crying need. Again, I just have to express my regret that the minister is not able to tell us what his decision about that has been. The Member for Lethbridge-West talked about the Max Bell aquatic centre, which is a very commendable and fine facility, but as the member very correctly pointed out -- and I guess this observation hasn't yet sunk in to the Minister of Advanced Education and the Provincial Treasurer -- you've got to have money to operate these facilities. It's a profound insight, but unfortunately it's been missed by some of the frontbenchers on the other side.

Mr. Speaker, I would ask the members to allow this vote to come to a vote. This motion, I think, is of interest to many members of the southern Alberta area: the students, the faculty. They'd like to know where the Members of the Legislative Assembly stand on this particularly important motion. And I commend the Member for Lethbridge-West for bringing it forward, I regret sincerely that it didn't have the support of his government caucus. Otherwise, it would have been introduced as a government motion and we could have had some action on this. But let's have this come to a vote, Mr. Speaker, and just see who stands for the University of Lethbridge.

MR. ACTING DEPUTY CHAIRMAN: Member for Cardston.

MR. ADY: Thank you, Mr. Speaker. I'd like to stand and speak in support of Motion 223, and I also would like to commend my colleague from Lethbridge-West for having brought forth this very worthwhile motion, I also appreciate the fact that we have enough latitude in our caucus which allows us to bring forward motions that encourage our ministers to make some changes that we feel are necessary in our various constituencies, as opposed to being locked into a system similar to those on the other side of the House, where they lock step and use every opportunity to make political hay at the expense of some unfortunate university students who...

MR. GIBEAULT: Point of order. Mr. Speaker. The member is impugning the motives of other members of the House. Clearly out of order.

MR. ADY: However, to carry on. There are two main reasons why it was necessary for the Member for Lethbridge-West to bring forward this motion. First of all, Lethbridge University, being a very young university, only 10 years old, has really not had an opportunity to build in the infrastructure that the other more mature universities have. Secondly, it was brought out by the Member for Little Bow that we have a university that was built with some different things in mind, such as lower classroom numbers, more participation of the professors with the students. For that reason, we have a different set of circumstances that prevail at the University of Lethbridge.

Now, we know that they are in difficulty with their finances. We also know that it's not possible, even though the students of the University of Lethbridge pay a higher rate for tuition than the other universities in our province, for this deficit to be picked up with additional tuition fees. So there has to be some other method put in place to accomplish that. Certainly it has to be some type of increase in the base budget to this university if it's to continue its mandate to fulfill the programs it has instigated, to take care of the student enrollment that has certainly seen fit to attend that. And that brings me to another point. In the last four years, the enrollment level at the University of Lethbridge has increased by some 75 percent. This had added a lot of strain on the entire academic and supporting infrastructure of the university. Well, as I mentioned earlier, the university's mandate included a low professor/student ratio, and with this massive increase in enrollment, overall staff workload and teaching resources have been pushed beyond the limits which the university placed on itself in terms of class size.

We talked about opportunities for funding for the university, and we spoke about the alumni. There are some 5,800 alumni but because of their young years, their recent graduate status, they really are not in a position -- and I think I can verify that because I have a son who will hopefully graduate from the University of Lethbridge in this very semester, and unless he has some resources that I'm not aware of, I don't think he's going to be in a position to make any generous donations to a university that he's very fond and very proud of. In addition to that, he's taken on the same responsibility that many others have; he's subscribed to that old attribute that two can live for the price of one, and of course he's going to find out that really doesn't work.

[Mr. Musgreave in the Chair]

Some of the other members spoke about the economic benefit of the university to the region. Well, I realize that this is true, and I also know that it's not the best way to create economic benefit to a region. It's not the most economical way to create that benefit to a region. There are other, cheaper ways to create jobs in an area. However, the fact that we do have that university there and that it does create some 600 to 700 jobs and the trickle effect of perhaps another .75 per job, it is a decided benefit.

I think we need to bear in mind that this university that's located in Lethbridge gives a decided academic value to the region; 78 percent of the students who attend that university are from those constituencies which surround the university, going as far west as Crowsnest Pass, east down into Cypress and up as

far as Nanton, and perhaps some students even coming out of Calgary for various reasons. This leaves not a large enrollment from other areas. However, I understand that there are people enrolled from overseas who come there for various reasons, be it for the program or whatever.

I, too, had an opportunity to tour the university this year and was shown through the living quarters of the students, and I believe I have to subscribe that we do need to make some changes there to allow those students some better living accommodations on the university campus.

Since 1984 the University of Lethbridge has determined three areas of financial difficulty for which they feel a base budget adjustment would be required: first of all, maintaining current programs and services at minimal acceptable standards -- that has to be the mandate of any university that's responsible; secondly, making provisions for recent years of growth in enrollment; and thirdly, rounding out current programs and services to meet contemporary university standards.

Mr. Speaker, the University of Lethbridge determined that in the 1986-87 budget year they would require an addition to their \$23 million base budget of a further \$4.1 million. It's been mentioned earlier that they only received about \$1 million of that. After ongoing study and evaluation by the university and after the 1987 budget reduction to postsecondary institutions, it became obvious that adjustments had to be made to programs and services in the 1987-88 year. The 3 percent operating grant reduction caused the University of Lethbridge a lot of difficulty, and that has been reiterated by the members previous. So I won't deal with that again, because those numbers have been put forward, and I believe they're valid. The university also had to eliminate some courses and lost several essential functions and key positions such as an internal audit, institutional research, and high school liaison.

Mr. Speaker, the University of Lethbridge has expressed concern that if there are further budget reductions combined with inflationary pressure, the consequences will be even more serious. Now, we know that we have a commitment that there will not be further reductions, but the inflationary pressure will still be there.

Mr. Speaker, I feel there is ample evidence and support of an increase to the base budget of the University of Lethbridge because of its unique circumstances. The institution itself is in danger. The universities of Calgary and Edmonton are able to attract high-calibre instructors from all over North America because they can afford to pay these individuals substantial amounts of money, plus the fact that Calgary and Edmonton, because of the size of the city, naturally attract that type of people. The University of Lethbridge, by attempting to keep up and continuing to provide to its students a well-rounded quality education has literally run dry. Mr. Speaker, in a catch-22 situation it is now losing its students to these other provincial universities because it can no longer keep up with the Joneses.

Mr. Speaker, I urge the government to consider increasing the base budget of the University of Lethbridge, and I urge other members to support this motion. And in view of the hour, I beg leave to adjourn debate.

SOME HON. MEMBERS: Question.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. I've been, for

some . . .

MR. HYLAND: Mr. Speaker, on a point of order. I thought the hon. member, just at the end of his speech, requested leave to adjourn debate.

MR. ACTING DEPUTY SPEAKER: The Speaker observed that the hon. Member for Calgary-Buffalo was on his feet at the same time.

Member for Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. I'm sure the whole province will hang upon my words.

For some time I've been calling for an overall examination of the funding policies . . .

MR. NELSON: Mr. Speaker, on a point of order. Mr. Speaker, I'm sorry, but the member was still speaking. Whether or not the Member for Calgary-Buffalo stood or not, he was still speaking and did ask and request adjournment of debate. So I think his speech -- in fact, he had not concluded it -- takes precedence over the member.

SOME HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Before . . . [interjection] Not really. Before I give a ruling I will speak with the Legislative Counsel and advise you in a few minutes.

MR. CHUMIR: Mr. Speaker, shall I [inaudible] in the meantime? Thank you.

As I was saying, Mr. Speaker, I've been calling for some period of time for an overall examination of the funding policies of this government in respect of higher education in general, and I would accordingly speak out in support of this motion in particular. The funding policies of this government have often reminded me of Oscar Wilde's definition of a cynic as a person who knows the price of everything and the value of nothing. We have seen in recent times cutbacks to higher education at the same time as the government has been prepared to spend money like a sweepstakes winner . . .

MR. ACTING DEPUTY SPEAKER: Order in the House. I noticed on both sides of the House that there are members speaking while the hon. member is debating. So I would urge that you adhere to the usual rules of the House.

MR. CHUMIR: Thank you, Mr. Speaker.

We have seen in recent times cutbacks to higher education at the same time as the government has been spending like a sweepstakes winner on many other projects of dubious social value. By way of example I might refer to the opening of Government House South in the old McDougall school in Calgary. I like to call it Versailles South, because it's of such a degree of opulence that it would make Louis XIV blush. We have seen the expenditure of \$11 million for a facility which is not even available for general use by elected members of the opposition from the city of Calgary. We also find the government in possession of a \$130 million lottery war chest which it's hoarding like chestnuts in the minister of career development's private vaults.

We are becoming increasingly aware in this community, although the government certainly is unfortunately lagging be-

hind, that education is an investment in our most valuable resource: people. It is not a consumption expense; it is an investment in the future, and it's becoming particularly important in this era of change. We are going into an era where we're going to have to be competing with countries like Korea, not to mention the growing evolution of China, which we have not yet seen any more than the opening volleys of. The future of this province very clearly depends on the quality of education of our institutions, and unfortunately we have . . .

MR. ACTING DEPUTY SPEAKER: Hon. members, on the point of order. I had recognized the fact that the hon. Member for Calgary-Buffalo had a desire to speak, but I was not aware that the hon. Member for Cardston was going to move that we adjourn debate. So I would urge in the future that all members be quicker on their feet, and I would suggest that we will now deal with the motion to adjourn debate.

SOME HON. MEMBERS: Question.

MR. ACTING DEPUTY SPEAKER: The question on the motion to adjourn debate: all those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. ACTING DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

[Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

[Mr. Deputy Speaker in the Chair]

For the motion:

Ady	Getty	Osterman
Alger	Hyland	Pengelly
Anderson	Jonson	Reid
Betkowski	Koper	Rostad
Bogle	Kowalski	Russell
Bradley	McCoy	Schumacher
Brassard	Mirosh	Shrake
Campbell	Moore, M.	Stevens
Cassin	Moore, R.	Stewart
Cherry	Musgreave	Trynchy
Cripps	Musgrove	Webber
Dinning	Nelson	Weiss
Downey	Oldring	West
Elliott	Orman	Young
Fischer		

Against the motion:

Buck	Laing	Sigurdson
Chumir	Martin	Speaker, R.
Ewasiuk	McEachern	Strong
Fox	Mjolsness	Taylor
Gibeault	Piquette	Wright
Hawkesworth	Roberts	Younie

Totals:	Ayes - 43	Noes - 18
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[Motion carried]

[Mr. Musgreave in the Chair]

224. Moved by Mr. Gogo:

Be it resolved that the Legislative Assembly urge the government of Alberta to consult with business, labour, and the general public to determine the direction and goals of the Alberta Heritage Savings Trust Fund.

MR. GOGO: Should I try again?

ANHON. MEMBER: Try again.

MR. GOGO: Thank you, Mr. Speaker. Truly, hon. members, we are in historic times. Here in 1987 we are dealing with an amendment to the Canada Constitution known as the Meech Lake accord. In 1982 we dealt with the Constitution Act, 1982, of which Alberta was indeed a lead motivator. For some of us 1976, when the Alberta Heritage Savings Trust Fund was created, has to be a historic time for many members of this House. In 1975 for the first time in the history of Alberta I along with many other members of this House were members of the Progressive Conservative Party elected for the first time south of Calgary in this great province. So in order to deal with Motion 224 today -- it is also, in my view, a historic moment.

It's been just over 10 years since the heritage fund was created. I'm proud and was indeed very pleased at the time, along with members of this House -- Taber-Warner, Cypress-Redcliff, Pincher Creek-Crowsnest, Lethbridge-East, and others that were part of a group who campaigned across southern Alberta to form the Alberta Heritage Savings Trust Fund. Our memories must go back, Mr. Speaker, to people like the former Premier, Premier Lougheed, who in 1974 realized that the non-renewable resource revenues coming into the general revenue of the province of Alberta had to find a nesting place if we were to provide in any way -- any substantial way -- for some of the future problems that surely would befall this province, and indeed they have.

I think back, Mr. Speaker, to the Hon. Merv Leitch who was the Provincial Treasurer at that time, a man who not only was a gold medalist in terms of his law degree at university but has served Alberta in so many ways and was the Treasurer on that great day when the heritage fund was created. I think, as well, of the present Premier, who was a member of the cabinet in those days, who was a prime motivator along with many others to see that the heritage fund was formed.

So, Mr. Speaker, on just passing the 10th anniversary of the formation of the fund, I think perhaps it's time we as members of the Assembly encouraged the government to perhaps reassess and review where we've been and perhaps in light of that give consideration to considering new ways of addressing the direction of investments of the Heritage Savings Trust Fund.

Mr. Speaker, there's no question that we were the first in Canada, perhaps the first in the western world, to have the foresight to take some of that nonrenewable resource revenue and create a fund, a special fund called the heritage fund, to provide many things to Albertans, some of which I'll talk about now.

I say we were the first, and it's not a matter of bragging that you're the first. There's nothing wrong with being second. We just finished a debate where we're the second in Canada in terms of funding postsecondary education. But I'm reminded,

in the context of "you can't always be first," of a story I heard sometime ago, and it relates to education. A high school teacher was telling her class that you can't always be first in the world, and there's nothing wrong with being second; there are even great men who have been second in the world. And one of the students said, "Well, what about George Washington? He was the first United States president, he was first in war, first in peace, and the first in the hearts of his countrymen. You've got to be first." Whereupon his teacher replied, "Oh yes, but you realize he married a widow."

Well, Mr. Speaker, you can't always be first, but certainly in areas of investments and looking out for the future Alberta has been first. For those members who perhaps were not here in 1976 at the formation of the fund, it would be helpful to reiterate some of the steps that were taken. First of all, there was a billion and a half dollars taken from general revenue of the province and placed in as the first investment in the Alberta Heritage Savings Trust Fund to get it going. It's important to realize that none of that was from taxation of any of the citizens, but indeed it was from gas and oil revenues within the province.

Then, Mr. Speaker, it was decided that the only fair way to view the fund was to each year appropriate X dollars or X percentage of that nonrenewable resource revenue and put it into the fund. So for each year commencing in 1977 until 1983, we as an Assembly voted on a special Bill to contribute 30 percent of that revenue into the fund. That was changed after 1983, for a variety of reasons which were debated in the House, and reduced to 15 percent in recognition that (a) the nonrenewable resource revenue was declining and, secondly, that there were added expenditures required each year from some source of revenue to pay.

And then we had, Mr. Speaker, which to me was a disappointment -- obviously, to the government it wasn't a disappointment. We made the decision in 1987, this budget year we're in, not to put any funds into the Alberta Heritage Savings Trust Fund. I happened to oppose that both in the select committee, which I'll speak about -- but just as a citizen I don't understand how on the one hand you can say, "We'll retain the corpus of the fund," knowing full well that with inflation at 3, 4, or 5 percent if you don't contribute something and you spend all your earnings, the corpus of the fund in effect declines. So I oppose that. That's fine, Mr. Speaker. I'm a member of this government that goes along with the majority. So this year we've decided not to contribute to the fund.

Or there are other things that have happened too. I think it's important to perhaps go back and look very quickly at what the objective of the fund was. I recall -- and I quote, really, from the Premier of the day, Mr. Lougheed -- that at that time the fund had three major objectives. One, "to save for the future." That's always been, I think, a characteristic of Albertans: to not only save and provide for their future but to be cognizant that the future, indeed, could have setbacks. So that was the first objective, Mr. Speaker.

The second one was "to strengthen and diversify the economy." How could a province with less than 10 percent of Canada's people, which prior to 1950 really only had its primary source of revenue, outside of taxation, from agriculture -- it was the Turner field thing, which the hon. Member for Highwood is so familiar with, that really brought us into the oil or hydrocarbon era. One can't help but reflect that the state of Oklahoma, one of the great states of America, at one time had the highest per capita income in the world from oil and gas. Little did they dream that within 30 years they would be on food stamps.

Why? Because they didn't provide for the future. I am pleased and proud that Alberta could see that, and they planned for it.

The third objective, Mr. Speaker, and one that most of us have come to enjoy in a very substantive way, certainly with the building of hospitals and the funding of advanced education, the funding of all services -- I think about 78 percent of the total budget of this province is devoted to social programs of one sort or another -- was "to improve the quality of life in Alberta today as well as in the future."

So I don't doubt for one moment that the objectives have been met of the Heritage Savings Trust Fund. I don't doubt for one moment that the chief architect of that fund, the former Premier of this province, had his dream come true in terms of both the setting up of the fund and the apportioning of the fund. I recall well, Mr. Speaker, the debate in the House setting up the capital projects division of the fund, whereby up to 20 percent of the Heritage Savings Trust Fund would go to capital projects, those projects which would provide benefits to all Albertans, without a dollar return.

And how I'll remember that our former Deputy Premier Dr. Homer, when it was decided to utilize the heritage fund to develop airports around Alberta to increase air transportation, worked out a deal with the federal government regarding the Lethbridge airport. Our former colleague the late Henry Kroeger happened to be Minister of Transportation at that time when the new Lethbridge airport terminal was opened. They concluded such an agreement with the federal government that the return was such that it violated the capital projects division of the heritage fund in that it earned more money than it cost. So that was taken out of the capital projects division. That was extremely interesting because it wasn't often that anybody ever got the best of the government of Canada; however, that time it did.

But we've seen, Mr. Speaker, with the capital projects division, beginning with Capital City Park in this great capital city; Fish Creek Park; the urban parks process across Alberta into 10 cities . . . We then saw the advent of the Mackenzie Health Sciences Centre; we saw the cancer research program; we see all those programs that are contained in the Alberta heritage trust fund annual report.

Then, Mr. Speaker, it was decided early in the game that if indeed this money was to provide for the future, it had to be invested in such a way that it would provide revenue. If my recollection is correct, this year it provides about \$1.4 billion in terms of revenue to this province, to help the hospitals, schools, and all those other programs that are necessary to operate in the interests of our citizens, I'm told that if we didn't have the revenue from the heritage fund, we'd have a sales tax of about 8 percent. Although I'm not one that objects to a sales tax -- I understand the government does, obviously, because we don't have it -- without that revenue of \$1.4 billion, we'd have a sales tax. So certainly the foresight was there to form that investment division called the Alberta investment division.

Along with that, we as a government that was cognizant of the Canadian Confederation wanted to ensure that the rest of Canada had opportunities of participating, so they formed the Canada investment division, whereby this province would provide loans to any province in Canada based on application, regardless of politics, and the rate of interest they would pay would be the same rate as the top credit rated province in Canada. So Newfoundland got the same rate as Ontario; New Brunswick got the same rate as Ontario, I think that was a major move on behalf of the government, to see that they got,

based on their credit ratings, whatever the going rate was for the best credit rating, I can't recall a member of this House objecting to that. That was part of being a good Canadian, I hear criticism that they shouldn't have done it. My recollection is that if you look at the annual report, the interest returned to this province is from 9.5 to 16.5 percent. Surely it's a good deal. It's a good deal not only for Alberta but for those provinces who would have had to go off to New York and pay another 3 or 4 percent based on their credit rating. That's a very significant part of that heritage fund, and that represents, my recollection is, almost \$2 billion of the heritage fund.

We then, based on a lot of input, formed the commercial investment division. If you'll recall, there were some advocates -- how well I remember them -- who said: "Buy gold; that's the only place to invest your money," I'm reminded of someone who said: "If you really want to make money, if you want to buy something in March at \$10 and sell it in August at \$80, you should buy a thermometer," Well, it's the same kind of people who thought the only place to invest was in gold. But common sense prevailed; they went into the equity markets, and the rest is history, notwithstanding the fact we've had a setback this year.

There are other divisions, Mr. Speaker, that perhaps other members want to talk about. I want to get to the gist of my motion, and that is (a) management of the fund, accountability of the fund, and perhaps the direction we should go in the future, not for us -- we'll be long gone -- but the children and their children of citizens of Alberta. As members know, under the trust fund Act an investment committee is formed, which is the cabinet or Executive Council of the province, the only people who at law have the authority to spend 10 cents in this Legislature. They're the ones that take the oath to the Queen. As hon. members know, no member of this House can move a money Bill unless they're a member of cabinet. So the investment committee, with the Premier as chairman, makes all the decisions as to where the money should be invested, I don't know what they pay in fees, but my understanding is that they have the finest brains available to advise them. And if one goes on the basis of judgment of results, I don't think anybody can quarrel, although we'll hear arguments, I know -- and I'm sure about Alberta Mortgage and Housing Corporation. No one can argue about the results of the investment in the fund, although we're going to hear some.

The accountability factor: I believe it's section 17 of the Act that said that there must be some checks and balances. Therefore, we'll form the select committee of the House, 15 members who each year will evaluate the judgments made by the investment committee; i.e., they will, on the tabling of the annual report of the heritage fund, be able to call ministers before the committee of the House to make them justify the expenditures in their own departments. That's going on today, Mr. Speaker. I think in concept it's an excellent way of the checks and balances. The hon. Member for Red Deer-South is the chairman of that committee. We've held many meetings already this fall, more to follow in January, and I think that's a good system. I don't quibble with that at all. That's called accountability. I won't say there are not some areas where it's not right, I'll leave that to the judgment of my colleagues in the House.

But I think now that we've passed the 10th anniversary perhaps we should be seeking the views of Albertans as to where the money should be invested. Is it really fair, when you think of it, to invest in agriculture without seeking the views in a meaningful way -- and that is a decision-making way -- of

where money should be invested in agriculture? Should we be into the medical health sciences centre without really having those people as a decision-making part of it? Should we be dealing with industry without perhaps using the expertise of those people in business in Alberta having a say as to where the investments should go? I think there's a lot of merit in that.

The labour people in this province, one of the tools of production: should they be having a say as to where those dollars are invested? Hon. members I'm sure are going to be on both sides of the fence on that. And finally, Mr. Speaker, what about the owners of the fund? The owners of the fund are not the taxpayers of Alberta. The owners of the fund are the residents of Alberta. They're the people whose futures we're dealing with. Should they have some say?

I recall, Mr. Speaker, that four or five years ago the late Grant Notley, a great gentleman of this House, led a team to Lethbridge to conduct hearings on where the money should be invested. I think they had 23 people appear before them. The one I remember was the only one that wanted to invest. The other 22 wanted to spend. They seemed to forget that the significant element of the fund was savings. The one I remember well was a young chap named Shael Gelfond. Some of you may have seen him on television; he's the only red-headed Lebanese in the world. He suggested to that committee -- I think it was an excellent suggestion -- that Alberta should buy an island in the south. That's back when we had an airline that was on time called PWA, and we could utilize that airline. We wouldn't even have to change money; we wouldn't need passports. We could provide a winter paradise for those Albertans who wanted to go south. I thought it was a super suggestion as an investment. For some reason it was not adopted by the investment committee, so we never did buy the island. The other 22 or 23 recommendations were really on the basis of spending.

But to come back to the central point that the motion is all about, Mr. Speaker, I think now that we've had the 10 years, actually 11 years, into that fund, and as much faith as I have in the Heritage Savings Trust Fund committee of 15 -- because I'm a member -- and as much faith as I have in the members of this Assembly, who represent all Albertans, I still believe the time has come when the government of this province should be seeking the views of the businesspeople of this province, should be seeking the views of the labour people of this province and, above all, should be seeking the views of the citizens of this province, who may have some views as to where those dollars should be invested.

And with that, Mr. Speaker, I don't want to predict where the debate will go. I don't want to predict what these people would say, but indeed I want to hear the views of my colleagues.

Thank you, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The Member for St. Albert.

MR TAYLOR: Give us the whisper.

MR. STRONG: Thank you, Mr. Speaker. You just wait, Nick; you'll get your turn.

You know, it's nice that I can stand and support a motion that was put to the Assembly by the Member for Lethbridge-West, I think it's great that we finally might be getting some people to really look after business, instead of the Executive Council of this government.

But you know, Mr. Speaker, it's nice to sit and reminisce

about the establishment of the heritage trust fund: why we set it up, the objectives, all those other things that we had in mind when this fund was set up. And it's sure nice to listen . . .

SOME HON. MEMBERS: We?

MR. STRONG: Well, we in this Legislature. I wasn't here then, but I'm here now.

And it was farsighted. But how farsighted was it to set up the heritage trust fund? I've heard many comments from many of my constituents in St. Albert that perhaps it wasn't such a good idea to set up their heritage trust fund as that big bank vault of money that the federal government could look at, specifically in the last three years when Alberta was really hurting and many other provinces in this country were hurting. And did that federal government give Alberta any consideration, seeing as how we were the blue-eyed Arabs from western Canada that had this big bank vault full of money? Was it a good idea? I question that in my mind.

Certainly the objectives for the fund -- the Member for Lethbridge-West went through them. It was established for the future of Albertans. Gee, that's nice. That's really nice. It was set up to diversify the economy. Has the economy been truly diversified? I think part of the problem we have now with our economy, Mr. Speaker, is that we're still dependent, no different from a banana republic selling coffee beans, because all our beans are in energy and agriculture. So have we indeed diversified the economy of the province of Alberta? I think we've totally failed in that regard. Certainly this government has totally.

Improve the quality of life for Albertans: gee, that's nice too, Mr. Speaker. I think that's just great. This government bragged it up about how much money they lent to other provinces in this country, and that's nice too. But I'd like to remind them: back in 1981-82 when Albertans were literally getting hosed by the financial institutions in this country and in this province for 21 percent-plus mortgage rates, where was this government? Was this government helping Albertans? Again, failed totally. Thousands and thousands of Albertans lost their homes while this government was loaning money to other provinces in Canada. Certainly that's nice. It was nice for those other provinces; it certainly wasn't nice for those people, those individuals, those Albertans who lost their homes in the province of Alberta because they couldn't pay the banker. "Usurious" used to be going to the corner to see the loan shark, where you had to pay \$1 in interest for every \$5 you borrowed. The banks even took it further than that.

So have we met those objectives, those grand ideas, those grand things that we had in mind when we set up the Alberta Heritage Savings Trust Fund? I think we've failed, failed totally. I'll remind this government -- there's a few of them here -- that people were asking three short years ago: "It's raining; it's hailing. When are we going to get some help and assistance from this government? When are we going to use some of the dollars we have in that heritage trust fund to help us out of the economic rut, that depression we've been going through for almost four years now?" Where were they? Where was the fund? Where was all the help for the business communities? Thousands of them going into receivership and bankruptcy, thousands of them: the statistics are there. Was there any help for them?

No, Mr. Speaker, there wasn't any help for them until the government again got their election goody bag, the Heritage

Savings Trust Fund, to trot out all these programs where, "We're now going to help you." Is that what it's been used for? I think it is. I think it certainly is. We talked about hospital construction. The Member for Lethbridge-West brought that up as well. I always thought hospital construction was part of an ongoing budgetary expense for a government, part of their responsibility to society and the people they represented, not something to be trotted out as an expenditure out of a heritage trust fund where they could divorce it from a government expenditure and trot it out of their little goody bag again.

Build how many of them all over the province of Alberta: provincial buildings, parks ... Hey, golf courses? I might agree with the parks, but I sure don't agree with the golf courses. Is that a priority? I don't think it's a priority, certainly not in the depressed times we've been going through here and specifically not with all these budget cuts, because I think that money could have been used a heck of a lot better for services to people and people uses rather than building golf courses to be used by the few that can afford the \$20 or \$25 cost of taking the sticks and hitting the little white ball around the golf course, certainly in my view anyway.

[Mr. Deputy Speaker in the Chair]

Let's talk about accountability, management. How well managed was that heritage trust fund? Not that well. Where is all the money? [interjections] No, unions, brother member, do look after their money. They invest it very wisely. It's what they do, and they do provide at least increases, indexed pensions,

ANHON. MEMBER: He's embarrassed,

MR. STRONG: Yes, he's hiding his face.

So where is this accountability, and where is this management? It's sure nice to see that at least one intelligent member of this government is asking. We should have accountability, and we should have the business sector, the labour sector, and the general public determine the direction and goals of the Alberta Heritage Savings Trust Fund. I think it's commendable and fully support the motion brought forth by the Member for Lethbridge-West.

MR. DEPUTY SPEAKER: Hon. Member for Calgary-McKnight.

MR. McEACHERN: Mr. Speaker. I thought you'd recognize the one who was first on his feet. [interjections] It took you a long time to ...

MR. DEPUTY SPEAKER: Order. Order please. The Chair has a responsibility under *Beauchesne* 301 -- that is if the hon. members wish to look it up -- to attempt to choose in a debate members on both sides of the debate, Calgary-McKnight,

MR. MUSGREAVE: Mr. Speaker, I'd just like to make a few brief remarks. I was fortunate enough to serve on the Heritage Savings Trust Fund committee ever since it was formed, up until last year. As you mentioned in your remarks, it was a unique way of spending money. Normally before any money is spent or invested -- public moneys -- it has to be approved by the Legislative Assembly, and in this particular regard the money was being spent in advance. There were arguments raised about the

fact that because of particular investments in the equity markets you wouldn't want to be tipping your hand ahead of time, so as a way of getting around that situation, the Heritage Savings Trust Fund standing committee of the House was created.

I think that committee was designed to make sure that members have an opportunity to speak out on behalf of all Albertans and not just the government side or the opposition side of the House. I think if the hon. members would care to review the discussions of that committee over the last 10 years, they would see that there were many issues that were discussed, including this one of public hearings, also the kinds of investments that were being carried out and the kinds of people that were looking after those investments.

With regard to the division of the funds and the financial statements, I think there's been a lot of debate on, for example, what are deemed assets? To quote a poet, an asset is an asset is an asset, whether it's deemed, current, fixed, or whatever. The deemed assets, I would say, are certainly fixed, but they are certainly creating an environment in the province that means the province is a much better place in which to live.

I know there have been those that said -- the hon. Member for St. Albert sort of touched on it -- that there shouldn't have been a fund, I think the late Hu Harries, the well-known economist, suggested that no one is a better steward of their money than the people themselves and the excess money that was flowing from the oil industry belongs to the people of Alberta because it was the sale of the gas and oil rights held by the Crown.

I had some concerns about the fact that some may look on the fund as a pork barrel. That was one of the concerns the standing committee had to observe from time to time, that those ministers who were not successful in getting their budget through priority would then use the route of the Heritage Savings Trust Fund. That's a concern I used to have.

As the hon. member mentioned, too, it does save us having a sales tax. But then I come to the point of view of stewardship. This fund is a result of a declining resource; it was set up for a rainy day. There's no question we had to cut back. But as the hon. Member for St. Albert mentioned, to think we were going to get sympathy from the federal government or other provinces when oil and gas suffered the downturn when we still had no sales tax, no gas tax for several years, a low personal tax, low property tax: obviously, we're not going to get any sympathy from the rest of Canada.

Regrettably we have stopped contributing to the fund, and I feel this is a concern. As long as we still are enjoying these lower tax levels, I think it's something the present members of the committee should keep in mind. It's regrettable to me that in a few short decades we would be able to sell off a resource that took millions of years to create. It worries me that we may not be putting money back into it. I'm hope I'm wrong, but I hope other Albertans will feel the same way.

But to get to the motion, Mr. Speaker. As far as informing the public, I think this is one of the concerns we have, I think there should be debate on it. I think there should be ample information provided to the public beforehand so they know what the fund is all about, so they know what its objectives are, what is achieved, and what will be its projected future. I think it's important that we once again remind ourselves why the fund was originally set up. It was to treat future generations in a fair way; it was a need to strengthen and diversify our economy; it was to provide quality-of-life improvements; and it was to create another base of revenue for the future.

I say to those people who say that the province is not diversified: go back a few years and think of what the population of the province was and think of what it is today. Two point four million people are not engaged in agriculture or oil; they're engaged in a multitude of endeavours.

So I think the concept has been accepted, and I think we should keep the original reason in mind. I just think we would be considered not good stewards if in a few years we did not make sure we were putting money back into the fund.

In view of the hour, Mr. Speaker, I move adjournment of debate.

MR. DEPUTY SPEAKER: Having heard the motion of the hon. Member for Calgary-McKnight to adjourn debate on this

item, all in favour please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, if any? Carried.

MR. ANDERSON: Mr. Speaker, before moving that we adjourn until tomorrow, I'd indicate to hon. members that it's the intent of the government to have motions 20 and 17 debated during government business. It is intended that we would sit on Thursday night.

[At 5:29 p.m. the House adjourned to Wednesday at 2:30 p.m.]