

## Legislative Assembly of Alberta

Title: **Monday, May 10, 1993**

**2:30 p.m.**

Date: 93/05/10

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

We, Thine unworthy servants here gathered together in Thy name, do humbly beseech Thee to send down Thy heavenly wisdom from above to direct and guide us in all our considerations.

Amen.

head: **Presenting Petitions**

MRS. B. LAING: Mr. Speaker, I wish to present the following petitions that have been received for private Bills:

1. the petition of Lawrence W. Marshall for the Adrienne Heather Cupido Adoption Act,
2. the petition of George Michael Choma for the Cory Brad Irwin and Shawn Lee Irwin Adoption Act,
3. the petition of Dymetro Fedechko for the Gerald Edwin Crabbe Adoption Act,
4. the petition of Elda HoEVERS and Hendrik Jan Antony HoEVERS for the Karen Mavis Poor Eagle Adoption Act,
5. the petition of Allan Gordon Rothery for the Michael Caleborn Rothery Adoption Act,
6. the petition of Ernest William Richardson for the Shelley Simone Komant Adoption Act,
7. the petition of Canadian Union College for the Canadian Union College Act,
8. the petition of King's College for King's College Amendment Act, 1993,
9. the petition of Donna Kinjo and Brent Craig for the Mosaic College Act,
10. the petition of Newman Theological College for the Newman Theological College Act,
11. the petition of the Calgary Chinese Cultural Association for the Calgary Chinese Cultural Centre Association Tax Exemption Act,
12. the petition of the First Canadian Casualty Insurance Corporation for the First Canadian Casualty Insurance Corporation Amendment Act, 1993,
13. the petition of Mennonite Mutual Relief for the Mennonite Mutual Relief Insurance Co. Ltd. Amendment Act, 1993,
14. the petition of the Youth Emergency Services Foundation for the Youth Emergency Services Foundation Amendment Act, 1993, and
15. the petition of Howard V. Gimbel MD for the Gimbel Foundation Act.

Thank you.

MR. CHIVERS: Mr. Speaker, I have for presentation a petition signed by 458 Albertans calling upon the Legislative Assembly of Alberta "to [further] reduce pension benefits . . . payable to MLAs and Cabinet Ministers leaving office at or before the next election."

head: **Reading and Receiving Petitions**

MR. SCHUMACHER: Mr. Speaker, may I request that the petition I presented last Thursday be now read and received.

CLERK:

To the Honourable the Legislative Assembly of Alberta, in the legislature assembled:

The petition of the undersigned residents of Alberta request the Legislative Assembly of Alberta to accord favourable consideration to the following:

That the Legislative Assembly of Alberta urge the Government to retain its current Minister of Community Development.

MR. SPEAKER: The Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. I would ask that the petition I presented Friday last now be read before the Legislative Assembly.

CLERK:

We the undersigned residents of Alberta urge the Legislative Assembly to call upon the Government of Alberta, immediately and before the next election, to reduce pension benefits which will be payable to MLAs and Cabinet Ministers leaving office at or before the next election to a level comparable to other pension plans.

head: **Notices of Motions**

MR. KOWALSKI: Mr. Speaker, I wish to give oral notice of the following motion:

Be it resolved that further consideration of any or all of the resolutions, clauses, sections, or titles now before the committee shall be the first business of the committee and shall not be further postponed.

MR. SPEAKER: The Member for Calgary-Bow.

MRS. B. LAING: Thank you, Mr. Speaker. As chairman of the Private Bills Committee I give oral notice of the introduction of four private Bills: Pr. 17, the Cory Brad Irwin and Shawn Lee Irwin Adoption Act; Pr. 18, the Gerald Edwin Crabbe Adoption Act; Pr. 21, the Shelley Simone Komant Adoption Act; and Pr. 27, the Calgary Chinese Cultural Centre Association Tax Exemption Act.

Thank you.

MR. SPEAKER: The Member for Calgary-Mountain View, followed by Edmonton-Strathcona.

MR. HAWKESWORTH: Thank you, Mr. Speaker. I wish to give verbal notice that after question period today I'd like to seek the unanimous consent of this Assembly under Standing Order 40 to introduce the following motion:

Be it resolved that the Legislative Assembly urge the government to immediately table today, May 10, 1993, the 1993-94 government estimates and element details in order to seek the approval of this Assembly for the proposed spending of public tax moneys for the 1993-1994 fiscal year.

MR. SPEAKER: Edmonton-Strathcona.

MR. CHIVERS: Thank you, Mr. Speaker. I rise to give notice that after question period today I propose to raise a question of privilege with respect to the distribution of certain spending plans to some MLAs and not others.

head: **Introduction of Bills**

**Bill 68**  
**Public Sector Pension Plans Act (No. 2)**

MR. DINNING: Mr. Speaker, I request leave to introduce Bill 68, the Public Sector Pension Plans Act (No. 2). This being a

money Bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, what this Bill does is confirm negotiated agreements between the government and the various boards that operate the local authorities pension plan, the public service pension plan, the universities academic pension plan, the special forces plan, and the management employees plan, an important next step to solidify pension arrangements for members of the public sector to secure their financial future as well as secure the taxpayer situation.

[Leave granted; Bill 68 read a first time]

head: **Tabling Returns and Reports**

MR. KOWALSKI: Mr. Speaker, I'm pleased today to table on behalf of the Premier the public service commissioner's annual report for the year 1992.

MR. SPARROW: Mr. Speaker, I'm pleased to table in the Assembly copies of the annual reports of the former department of economic development and trade and the former department of technology, research and telecommunications. Both these reports cover the period April 1, '91, through March 31, '92.

MR. SPEAKER: The Minister of Justice, followed by the minister of advanced education.

MR. FOWLER: Thank you, Mr. Speaker. I'm pleased to table today four copies of a piece of correspondence from myself as Minister of Justice of this province to the Hon. Doug Lewis, Solicitor General of Canada, in respect to the Crews/Foulston matter and parole and supervision thereof in Alberta.

MR. SPEAKER: The Minister of Advanced Education and Career Development.

MR. ADY: Thank you, Mr. Speaker. I'd like to table four copies of the annual report for the year 1991-92 for Olds College.

MR. SPEAKER: The Minister of Environmental Protection and then Edmonton-Strathcona.

2:40

MR. EVANS: Thank you, Mr. Speaker. I'm pleased today to table four copies of the 1991 annual report for the department of the environment.

MR. SPEAKER: Thank you.  
Edmonton-Strathcona.

MR. CHIVERS: Thank you, Mr. Speaker. I have for filing a package of documents dealing with the establishment and creation of the MLA pension plan board.

MR. DINNING: Mr. Speaker, I am filing with the Assembly today the provincial government's response to the recommendations of the Auditor General's 1991-92 annual report.

head: **Introduction of Special Guests**

MR. SPEAKER: The Member for Edmonton-Avonmore.

MS M. LAING: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to members of this

Assembly 18 students from the Centennial Montessori school. They are accompanied by teachers Miss Marilyn Johnson, Mr. Guenter Rudolf, Miss Mooney Sherman and parent Mrs. Sherman. I would ask that they now rise and receive the warm welcome of this Assembly.

MR. SPARROW: Mr. Speaker, it gives me great pleasure to introduce to you and through you to the members of the House a special delegation from Harbin, China. I'm pleased to note that the Edmonton-Harbin Friendship Society together with the Harbin Foreign Investment Administration Bureau are sponsoring a Harbin business opportunity seminar currently under way in this city. These special dignitaries have taken time from their schedules to visit the Legislative Assembly today. Seated in the members' gallery are Mr. Cheng Daoxi, chairman of the Harbin People's Political Consultative Conference; Mr. Chen Ruizhi, vice-director of the Harbin Foreign Investment Administration Bureau; Mr. Dong Shihe, vice-director of the Harbin Foreign Affairs Office, city of Harbin; Mrs. Liu Li, vice-director of the Department of Foreign Investment and Trade for the government of China. I also wish to acknowledge Mr. Ron Hodges and Mr. Cliff Phillips of the Edmonton-Harbin Friendship Society. They are accompanied by Mrs. Jing Haiyan, the interpreter. I would ask them all to rise and receive the warm welcome of the House.

MR. SPEAKER: The Member for Fort McMurray.

MR. WEISS: Thank you, Mr. Speaker. On behalf of the hon. Member for Edmonton-Parkallen, who regrettably can't be here today, it's my pleasure to introduce to you and through you to the members of the Assembly a group of 34 persons from the Edmonton-Parkallen constituency. There are 27 students attending grade 6 at McKernan school along with their teacher Mr. Adrien Piquette, and they're accompanied by Mrs. Glenda Zenari, Mrs. Judy Murphy, Mrs. Judy Bell, Mrs. Mariam McClymont, Mrs. Karin Heming, and Miss Jane Berry. They're seated in the members' gallery. I would ask them to rise and receive the cordial welcome of the Assembly.

MR. SPEAKER: Edmonton-Glengarry.

MR. DECORE: Thank you, Mr. Speaker. It's my honour and my privilege to introduce to you and to members of this Assembly Betty Loree of the city of St. Albert. Betty Loree is the manager of the city of Edmonton's Citizen Action Centre, a centre that takes thousands of telephone calls each year and helps citizens of Edmonton through a myriad of difficulties that they face.

head: **Ministerial Statements**

MR. SPEAKER: The Minister of Justice.

**Criminal Justice System**

MR. FOWLER: Thank you, Mr. Speaker. Earlier today I wrote to the federal Solicitor General seeking his concurrence that a joint federal/provincial public inquiry be held in relation to the circumstances that led to the release and subsequent supervision of Jerry Crews and Albert Foulston, the two individuals that had been convicted of the June 25, 1990, murder of Edmonton Police Service Cons. Ezio Faraone. I filed copies of that letter earlier. Albertans are outraged that so soon after being convicted of manslaughter and sentenced to a term of 20 years, Albert Foulston is apparently eligible for parole consideration in the first week of

June of this year, just a few days short of three years from that tragic day when an Edmonton police officer was gunned down.

Mr. Speaker, I suggest something is seriously wrong. In light of the apparent inability of the corrections system to deal with people who wantonly murder while on mandatory supervision release or parole, it is imperative that each and every step that leads to the release and supervision of these convicted murderers be closely examined to uncover any mistakes that were made and to institute measures that will prevent similar occurrences from repeating themselves. Albertans and all Canadians are demanding a criminal justice system that is from beginning to end designed to protect the public. In the case of the murder of Cons. Faraone that protection was not there.

In concluding, Mr. Speaker, I am confident that following a close examination through a public inquiry of the circumstances that permitted the release and the nature of the supervision of Foulston and Crews, the system can be improved so that as far as possible similar tragic occurrences can and will be prevented.

Thank you.

MR. MARTIN: Mr. Speaker, I certainly have no quarrel with the minister writing the letter that a joint federal/provincial public inquiry be held. Obviously the prime people here have to be looked at in terms of prevention for society, and I think that's what the minister is driving at. It does seem a little unusual that, I believe, less than three years after this the person can apply for parole. I would caution people, though, that just because a person is making application for parole, does not necessarily mean they're going to get it, and I'd like to make that clear. I expect, though, that with interventions like the Minister of Justice's here, it probably will mean that it doesn't happen in those three years. So in terms of this specific initiative I certainly have no problem supporting the Attorney General in this matter.

head:

### Oral Question Period

#### Provincial Budget

MR. MARTIN: Well, Mr. Speaker, it was less than a year ago when the Provincial Treasurer, who was then the Minister of Education, was going around the province and giving us charts to show what a good job they had done and how their expenditures were very low on social programs. Now all of a sudden we have an expenditure problem. They just found that out. It's interesting. In terms of their solutions in this budget they're really refusing to look at the revenue side. Alberta will continue to be a tax haven for the rich while they go at education, health care, and social services. Now, the Treasurer has talked vaguely about a balanced budget by 1996-97 strictly on expenditure cuts. His own paper says here that 84 percent of the expenditures come from education, health care, and social services. What Albertans that I've talked to want to know is how many hospital beds does this mean are going to be closed down; how many teachers are going to be laid off; what are the class sizes going to be? My question to the Treasurer is simply this: why doesn't the Treasurer level with Albertans and tell us the truth? Just what does his fiscal plan mean in the next four years?

MR. DINNING: Mr. Speaker, I appreciate the question from the hon. member. What our financial plan, that was announced last Thursday night, means for Albertans is that there will be no new taxes, no sales tax, and no increase in tax rates. It means there will be a four-year plan that will put our financial affairs back in order and will begin this year with a \$700 million, nearly 22 percent, reduction in that deficit. What it means is that we will

get our financial affairs back on track by doing the things that Albertans said to do: to get our spending in line with our revenues, not vice versa, and to make sure that we had a plan in place. That's our plan. We've laid it out in black and white. There's no doubt about it. But let's be clear what the NDP's plan is. It is taxation, higher rates of taxation, additional sources of taxation. They're going to tax Albertans.

2:50

MR. MARTIN: Mr. Speaker, only your rich friends, only the people that are going to pay your election budget. They can afford to pay some taxes.

Let's be a little more honest. What the Treasurer is talking about is balancing the books. Think about it. That means that by the year 1996-97, Mr. Speaker, there would be roughly \$2.2 billion less for operating expenses. He's admitted that 84 percent of that comes from those areas. We've done some number crunching to see what this means, and maybe this is why the Treasurer doesn't want to talk about it. If we look at \$2.2 billion less in those four years, assuming a 3 percent inflation rate, that means there has to be a 27 percent cut in these areas. A 27 percent cut. Why doesn't the Treasurer tell Albertans that under this scenario there would have to be 7,000 less teachers and class sizes would rise by 51 percent? Why doesn't he tell them that?

MR. DINNING: Mr. Speaker, Albertans have said very clearly that they disagree with the position of the members across the way when they say: we'll just simply increase taxes. They're talking about a sales tax. They're talking about other sources of revenue that just simply take more money out of Albertans' pockets. Albertans have said: "No. Nyet." They don't want to have anything to do with that. What they've also said is that we as a government and that we as people must get our spending in line with our revenues, and that is exactly what this plan does.

MR. MARTIN: I don't think Albertans told him that they wanted over 50 kids in a class, Mr. Speaker. I don't think that's what they told him. That's what this is meaning, this doomsday scenario that the minister is trying to dance around. He's going to have to make a choice between taxing his rich friends or totally dismantling these social programs.

Now let's look at some other figures, Mr. Speaker. Under this budget scenario a 27 percent funding cut for health care would either mean closing down half the provincial hospitals or shutting down every auxiliary hospital, nursing home, and health unit in the province. Which is it going to be, Mr. Minister?

MR. DINNING: Well, Mr. Speaker, again, what Albertans said to us, to Premier Klein in his travels around the province at literally hundreds of meetings, in letters that I've received in my office, was: "Look; you've got to get your spending in line with your revenues, but don't make those savings right here in this legislative Chamber. Tell us what your targets are, and we in the school rooms, we in the operating rooms of hospitals or in health units and boards of health across this province – the nurses, the doctors, the teachers – know where those savings can be found. Let us take the action rather than you in that Chamber." We have responded exactly to what Albertans have said to us in putting forward a plan that balances the budget in four years, begins with action this year, not putting it off into the out years but action this year, and Albertans have expressed confidence in that plan and our ability to implement it.

MR. SPEAKER: Second main question.

MR. MARTIN: Mr. Speaker, to get back to the Treasurer. This is a pretty frightening scenario. He's admitted that they're going to have to have massive cuts in the people services because they don't want to tax their rich friends. That's what he's saying here, and I hope Albertans are watching this.

MR. SPEAKER: Second main question.

MR. MARTIN: This is my second question, leading to it, Mr. Speaker.

He also says that he wants somebody else to do the dirty work. He wants to lay out 27 percent cuts and have somebody else do their dirty work, Mr. Speaker. I want to just ask specifically about, one, the start of it. It starts this year. He said, totally irresponsibly: \$105 million in unexplained cuts in health care. We don't have estimates books. We don't know where it's coming from. I want to ask the Treasurer to tell us now, do his job and tell us how he intends to cut \$105 million out of the health care budget. Where is it coming from?

MR. DINNING: Mr. Speaker, in hundreds of meetings and in letters that the Premier and my colleagues have received, they heard from those in the health care sector, "You in this Chamber, you in government set the targets, and then we in the health care sector will be able to find those savings." The hon. Minister of Health held meetings 11 hours after the budget came down on Thursday night with Edmonton and area hospital board chairmen. Today she's had meetings with Calgary and area hospital board chairmen, and she will continue those meetings. I'm sure the hon. member would want to comment on those meetings. All of the participants in those meetings said, "Be fair by setting targets in this Chamber, by setting targets in the budget, and then we in the health care business know where to find those savings." We on this side of the House, government members of this House, trust and have faith in those in the health care sector who said, "We know where to find the savings." The hon. member across the way doesn't trust those Albertans to make those wise decisions. We on this side of the House understand and trust them to make those decisions.

MR. MARTIN: Sure a good thing Harry Truman wasn't around when the buck stops here with this minister.

Mr. Speaker, is he saying that people know the massive cuts that would have to occur, the 27 percent, in these areas where you'd have to shut down half the hospitals or shut down health units and everything else? Is the Treasurer saying that this is what they've agreed to?

MR. DINNING: Mr. Speaker, if *Hansard* said that, *Hansard* didn't hear me correctly. The only person who's saying that in this Assembly is the hon. member across the way.

What Albertans have said to us, Mr. Speaker, is that they want to be part, that nurses and doctors and orderlies and public health nurses and hospital administrators want to be part of the solution, not part of the problem as the hon. member across the way says. We've begun with the Minister of Health meeting with hospital board chairmen and senior officials, and they have said: "Give us the target. Give us your objective. We want to help eliminate the deficit. We want to ensure that there is a first-rate health care system in this province, and we want to participate in finding the savings so that not only do we have a quality health care system today but that it's assured and ensured that there will be a quality health care system in place tomorrow."

MR. MARTIN: Mr. Speaker, the reality is: they don't want to touch their wealthy friends; they want to continue to have a tax haven for the rich. They're going to massively unload on health care, on education, and on the poor. There's no other way with those figures that the Treasurer has laid out. Then they want to unload it on local authorities. My question to the Treasurer is simply this: isn't all you're simply doing is downloading unpopular decisions onto local hospital boards, local school boards so that the flack doesn't come back to this government? That's what this exercise is all about.

MR. DINNING: Mr. Speaker, on the contrary. The hon. member is somewhat worked up. I'm sorry to see that. But we have listened. We heard what Albertans told us, which was: "Get your spending in line. Put in place a four-year plan to eliminate the deficit and begin by taking action now." In those fields across government that touch peoples' lives, whether it's in health or education or postsecondary education, all of the players said to us: "You set the targets. We know where the savings can be found." That's what this government believes in. We believe in the partnership with those in the municipality, the university, the school, the health sector. They are able to help us find those savings, and we're going to rely on them. The buck will stop here. The decision will be made by this Chamber, but it will not be made without full and long-lasting consultation with Albertans so that we can find those savings to get our finances back in order.

#### Heritage Savings Trust Fund

MR. DECORE: Mr. Speaker, there are many reasons why the province of Alberta faces the huge financial mess that it does. One of those reasons is process. The process that the Conservative Party has used in obscure accounting techniques, tricky accounting techniques in the heritage savings trust fund is a perfect example over many years of how that tricky accounting process has worked. In the latest budget the Treasurer sets out that there will be an increase in the internal debt of the heritage fund of some \$700 million. My first question to the Treasurer, then, is this: why has the Treasurer authorized internal debt to increase in the heritage fund by some \$700 million?

3:00

MR. DINNING: As the government incurs a deficit this year, albeit a \$700 million smaller deficit, clearly it must go out to markets both internally and externally to find the funds to finance basic education and health care and social services and running parks and maintaining roads. One of the sources, Mr. Speaker, where those funds are borrowed is the Alberta heritage savings trust fund. When the Financial Review Commission reported, we made it very clear in that report that the heritage fund held about \$7.7 billion in externally held assets and that its internally held assets, including loans to Crown corporations and loans to the general revenue fund, amounted to nearly \$4.4 billion effective March 31, 1992. That information is public. It's in the Auditor General's report, and it's in the heritage fund report. So all of the facts are laid out clearly on the table.

MR. DECORE: Mr. Speaker, the facts are not laid out clearly. This Assembly must still get the estimates to see exactly where these figures go. I'd like to ask the Treasurer to itemize, to show this Assembly how the \$700 million is arrived at, each specific item, Mr. Treasurer.

MR. DINNING: Well, I would ask the hon. member to turn to pages 22 and 23 of the document, wherein we state and show that,

and economists and businesspeople across this province have verified our numbers and the accuracy of our numbers, particularly with respect to the conservative nature of our oil and gas numbers. We have in fact discounted what industry has told us will be received by the provincial Treasury this year. We've discounted that by some \$200 million, and if those windfall revenues come in, they will go to the bottom line, Mr. Speaker.

I'd turn the hon. member to page 22, where he'll note that our forecast for last year was \$3.2 billion and that for '93-94 it will be \$2.48 billion, that '94-95 is \$1.79 billion, that '95-96 is \$795 million, and that in the last year, 1996-97, our consolidated surplus will be some \$220 million. It's laid out in the document. If the hon. member would like to debate this in the full debate on the motion or in Committee of Supply, I welcome the hon. member's contribution.

MR. DECORE: What nonsense to refer me to page 22 and to suggest to Albertans that this is the detail of the \$700 million. Come on, Mr. Treasurer, you can do better than that.

My last question, Mr. Speaker, is this. The Premier has talked about a review of the heritage savings trust fund. The Treasurer has talked about that kind of a review. This document, this so-called budget talks about a review of the heritage fund. Why are we increasing internal debt by \$700 million in the heritage savings trust fund before we've even had a review of the heritage trust fund, which you yourself say we're going to get?

MR. DINNING: The hon. member is absolutely correct. It is very timely and it's very appropriate that we would do a review of the heritage savings trust fund, and the government in this budget has committed and promised to do just that. It was set up in the 1970s at a time of plenty, and clearly today is a very different set of circumstances. So the review will be done, Mr. Speaker. That is a promise by this government.

You know, what I find so tragic is that the hon. member across the way is on the offence, is critical, is looking for nice, neat, tight sound bites, but the tragedy is that the hon. member has not proposed any kind of alternative. He has no plan, Mr. Speaker, and what Albertans find so offensive about that is that they're looking to their leaders for leadership, for a plan, for action. We have put out a plan. It's a four-year plan that will balance the budget. It takes action this year by reducing the deficit by 22 percent. What they find from the hon. member across the way is something that is very wanting, because he has no plan.

MR. SPEAKER: Cypress-Redcliff, followed by Edmonton-Strathcona.

### Criminal Justice System

MR. HYLAND: Thank you, Mr. Speaker. My question is to the Minister of Justice. It relates in part to the filings today and the ministerial statement. I was just amazed that a person committing such a crime would have the opportunity for parole in June. I wonder if the minister can at least lead the Assembly through some sort of an understanding of how people so learned in the law can make, at least in my mind, such a stupid and ridiculous decision.

MR. TAYLOR: It's a Tory-appointed parole board.

AN HON. MEMBER: A Liberal law.

MR. FOWLER: And a Liberal-provided law.

Mr. Speaker, the provisions of parole certainly are confusing to the average Canadian, and it is understandable why. Common sense would tell one that where in fact two crimes were committed separately and apart with some distance in time between the two, receiving parole on the first crime would not necessarily reflect what would happen in a second crime, but that's not the case. What occurs is that when a sentence is given after conviction on the second crime, the two sentences are then added together. Strangely enough that's the law of the land. The two sentences are added together, and one-third of that total sentence is the time at which a person can apply for parole. After one-third of the total added sentence, then parole can be applied for, not one-third of the second sentence but one-third of the total sentence: thus the application for parole coming up next month.

MR. HYLAND: Mr. Speaker, a number of years ago there was the murder of a lady, and her body was found in my constituency near Medicine Hat. That death was caused by somebody who escaped on day parole. We now have two people here who murdered a policeman and are coming up for parole again. To the minister: besides a public inquiry that's going to take time, what we can do now? The other things happened a number of years ago. This was three years ago. We're still talking about an inquiry. What can we do to get it stopped?

MR. FOWLER: Well, the hon. Member for Cypress-Redcliff refers to the Gingras case, where the tragic murder did occur after an escape by somebody on a day pass, authorized by the parole board we are informed. Tragic as it was, he was recaptured and tried and sentenced again.

Mr. Speaker, I am in almost weekly contact with the federal Solicitor General on the whole matter of parole and on an urgent basis to start a public inquiry on this matter. In the meantime the member and Albertans may be certain that we are doing a very close review of those recent matters of crimes being committed by parolees.

MR. SPEAKER: Edmonton-Strathcona, followed by Edmonton-Whitemud.

### MLA Pensions

MR. CHIVERS: Thank you, Mr. Speaker. When I raised in the Assembly last week the government's failure to activate the MLA pension plan board, established by legislation in 1985, the Premier claimed that he was unaware of this breach. The next day the Deputy Premier claimed that the Members' Services Committee was the board in question. This is clearly impossible under the legislation. The definition under the MLA Pension Plan Act refers specifically to the board created under section 5 of that Act. To the Deputy Premier: will the Deputy Premier explain to the Assembly why he has denied the government's breach of its statutory duty to appoint the MLA pension board by attempting to cast the Members' Services Committee as this board?

MR. SPEAKER: Well, maybe you should also look at some *Beauchesne* references.

Carry on.

### 3:10

MR. KOWALSKI: Okay, Mr. Speaker. We've had a Members' Services Committee look at these matters since 1985-1986, but it seems to me that the bottom line of the whole question is rather redundant. We have legislation before this Assembly which is

going to scrap the MLA pension plan. We progressed through second reading on Friday last, on which there was a standing vote. We'll be into committee tonight, and we'll be into committee tomorrow. I would suspect that by midweek we will have third reading associated with the MLA Pension Plan Act, and it will be no more at the time of the next election.

MR. CHIVERS: It never met, Mr. Speaker.

The fact is, Mr. Speaker, that under similar legislation at the same time in 1985 all other public-sector pension plans were required to appoint similar boards, and I filed with the Assembly this afternoon the documentation showing that each of these plans and boards was in fact established. To the Minister of Justice: given that the MLA pension plan is the only public pension plan that doesn't have an active board despite the requirements of the governing legislation, and, further, given that there may be an issue of financial liability on the part of government members arising from this breach, will the minister undertake to conduct an investigation of the matter?

MR. FOWLER: I'm not even certain of the powers of the minister to conduct an investigation under a piece of legislation which the minister is not responsible for, but I will take the matter under consideration.

MR. SPEAKER: The Chair mentioned earlier a *Beauchesne* reference: 411(1).

#### Community Facility Enhancement Program

MR. WICKMAN: Mr. Speaker, in recent weeks we have witnessed blatant attempts by the government to promote itself with public funds: ads in newspapers throughout Alberta, thousands of fancy brochures, information packages that reveal all but only to government members, and again the continuing use of the Deputy Premier's political slush fund: lottery dollars.

MR. SPEAKER: Order. There's no such thing as a slush fund, but continue.

MR. WICKMAN: To the minister responsible for lottery funds: will the minister explain why a \$75 million, three-year community facility enhancement program has \$30 million, or 40 percent, slated to be approved in year one?

MR. KOWALSKI: Mr. Speaker, the item that the hon. member is referring to is on page 46 of A Financial Plan for Alberta: Budget '93. The government budget year goes from April 1 through to March 31. The community facility enhancement program was announced to come into effect January 1, 1993. There's a difference of several months involved, so what you have in the budget document is the amount of dollars to cover 15 months' service for the program, not 12.

MR. WICKMAN: Mr. Speaker, a little over three years ago when the first community facility enhancement program was announced, in its first full fiscal year \$32 million was spent out of the \$100 million, which is a little under one-third. Will the minister explain why this time, being an election year, we are using 40 percent in year one?

MR. KOWALSKI: Mr. Speaker, I'm sure all the men and women in the province of Alberta who are watching this question period are shaking their heads at the merit of this particular question.

We have a \$100 million program that goes over three fiscal years. The program gets going in the first year. We expend \$32 million in the first 12 months. For the next 12 months we expend \$34 million, and in the last fiscal year we expend the rest.

Now, I've already explained that it's a program of \$25 million for 12 months. It was started on January 1 of 1993. It usually takes two or three or four weeks to get going when you announce a program by the time applications come in. There is a little overflow, Mr. Speaker, from one month to the next, and that explains what it is. The hon. member can kindly understand – I hope he really does – that the government year goes from April 1 to the following March 31. The calendar year goes from January 1 to the end of December. The community facility enhancement program kicked in on the calendar year. The estimates in here will cover some 15 months. It all works out very, very easily, and I'd be very happy to sit down with the hon. member and just take him through, you know, one plus one equals two, if he wishes.

#### Private Schools

MR. TANNAS: Mr. Speaker, my questions today are to the Minister of Education. A spokesman for the private schools association of Alberta was quoted in a radio broadcast as being extremely disappointed – I think he even said “betrayed” – in the 1993-94 funding level provided to Alberta's private schools. My question then: why has the minister cut funds to private schools?

MR. JONSON: Mr. Speaker, there's been no cut in funds to private schools in this province. In fact, in this year's grants to private schools across the province we extended eligibility to the 75 percent level to a number of additional programs: the high-incidence special-needs grant, the distance learning grant, vocational education. I could go down the list. Overall there will be an increase in funding to private schools across the province in the neighbourhood of 9.2 percent this year.

MR. TANNAS: Well, thank you for that clarification.

Again to the Minister of Education: how, then, does this place Alberta's support for private schools compared to the other nine provinces?

MR. JONSON: Mr. Speaker, I do not have the specific numbers before me, but certainly Alberta's support for private schools ranks in the top half of those provinces that do provide support to private schools. Some of the provinces provide no support to private schools at all.

MR. SPEAKER: Edmonton-Belmont.

#### Workers' Compensation Board

MR. SIGURDSON: Thank you, Mr. Speaker. The so-called budget the Treasurer read last week lacks an awful lot of credibility. A case in point is the unfunded liability of the Workers' Compensation Board, that proposes to get rid of the unfunded liability within four years. Alberta has the lowest assessment rate in Canada, and that only covers 75 percent of the requirements of injured workers. I'd like to ask the Minister of Labour to explain to Albertans precisely how he intends to eliminate the unfunded liability without raising assessment rates? Just to help him off, perhaps he could begin with “once upon a time.”

MR. DAY: Mr. Speaker, I appreciate this opportunity to again touch on some very significant good-news stories that have been

taking place in workers' compensation and in conjunction with businesses in this province. If the member opposite would choose from time to time to focus on something positive that is actually happening instead of continuing to try and raise something negative that isn't happening, I think he'd be getting a clearer message.

Because of partnership programs between industry and WCB, occupational health and safety, we have seen in the last year very categorically clear statements showing that injury rates actually decrease significantly when industries work together in their industry associations to focus on prevention programs. We have seen the industry rates decrease significantly. That's just one reason. The other reason is some very significant adjustments in administration costs. Now, when you take those projections, which weren't expected but were planned for and hoped for and actually materialized, and you project those, extrapolate them over four years, you get a new actuarial picture and in fact a decreased amount of cost, which is able to give you more funds to direct your unfunded liability. It's a very good-news story. I appreciate the member opposite raising it, and I wish he would compliment workers and employers from time to time for their initiative.

MR. SIGURDSON: Mr. Speaker, when we look at the facts, the unfortunate truth of the matter is that there's nothing to be positive about. The facts are that the government has failed to reduce the cost of the board. The top-heavy bureaucracy is still there, assessments have not gone up, and in fact the frontline staff have been eliminated. The vocational rehabilitation department's completely gone, and even the mission statement of the Workers' Compensation Board has been changed so as to protect the employers rather than the injured workers. Given that the board, with the minister's consent, has already refused to take necessary steps to correct the unfunded liability, what assurances can the minister give those injured workers that there will not be any more massive cuts to the services they require or to their level of compensation?

3:20

MR. DAY: Mr. Speaker, sometimes in very brief moments in my wildest nightmares I picture what it would be to be an opposition member, and one of the joys of being an opposition member is that you can stand in the House, stand before newspaper people, you can say anything at all you want and it gets written as if it's true. Your figures are never challenged. What you say is never questioned. These members opposite go away chuckling about those kind of reporters who just accept that. They refer to them as an easy mark. An easy mark.

Now, I'll tell you the facts. The facts are that in 1990 the actual injury rate was 5.1, in 1991 it went down to 4.4, and in 1992 it was 3.8. We're hoping to see it go even lower. Those are facts, Mr. Speaker; those are hard facts. I can continue with the facts to the member opposite, but I do wish he would concentrate on those and not come up with ridiculous statements that he knows will get printed because people don't have time to question them the way they should be questioned. The facts are that there are some good-news stories going on with workers and with employers in this province, and it's something for the member opposite to look into.

MR. SPEAKER: Edmonton-Gold Bar.

### Child Welfare

MRS. HEWES: Thank you, Mr. Speaker. Last year the federal government dedicated over \$17 million to provide programming for children living in high-risk Alberta communities. This

community action program is the fourth step of the federal Brighter Futures action plan – this one, Mr. Speaker – which began with the UN convention on the rights of the child. Alberta is the only province in Canada not to ratify that convention, and we also remain one of the last provinces to access the badly needed funding, leaving \$17 million on the table. My questions are to the Minister of Family and Social Services. All the federal government is asking here is that Alberta establish some simple protocols before this funding can get sent out to eligible organizations. Will the minister please tell us why he can't seem to manage this task so that Alberta children can get the help they need?

MR. CARDINAL: Mr. Speaker, I think the question should be directed to the ministers of either Health or Justice, but I'd just like to indicate to the hon. member that we do have in the province \$155 million under child welfare. That's a reasonably high budget for this size of a province. There are other new initiatives. We're looking at, for example, one northern community right now. Wabasca-Desmarais has made a major proposal in how changes would take place in dealing with children in their community, working jointly with my department, with the Justice department, with Health, and with Education. There are initiatives going on out there, and we'll continue working very hard to make sure they succeed in the future.

Maybe my colleagues would like to supplement the answer.

MRS. HEWES: Mr. Speaker, \$17 million left on the table while children in Alberta are at risk.

My supplementary is to either this minister or the Minister of Health, whoever wants to answer. Will the minister please finally admit to this House that that funding is held up simply because four Alberta departments can't agree?

MRS. McCLELLAN: Mr. Speaker, there are four Alberta government departments that are working on co-ordinated initiatives, and I would say that this is a very promising step where we're looking at interdepartmental co-operation to address the needs of high-risk children. We are working on those initiatives. Some of them our colleague the minister of social services has outlined, and there are others.

MR. DECORE: Negligence. Gross negligence.

### Speaker's Ruling Decorum

MR. SPEAKER: Excuse me. [interjections] Order please. You may think it's gross negligence, but you don't need to shout that across the Chamber and interrupt the flow of this question period, thank you.

The Member for Dunvegan.

MR. CLEGG: Well, thank you, Mr. Speaker. I appreciate you keeping order in the House, because I have difficulty hearing when all this chattering's going on over here.

MR. TAYLOR: It's the understanding that's not working, not the ears.

MR. SPEAKER: Order please. Thank you, Westlock-Sturgeon. It's not anyone's particular roast. [interjection] Thank you. [interjection] Thank you.

Dunvegan.

### Mackenzie River Basin

MR. CLEGG: Well, thank you again, Mr. Speaker. This is to the Minister of Environmental Protection. The Mackenzie River basin runs through three provinces and through part of the Northwest Territories. When are we going to get a transboundary water agreement?

MR. EVANS: Thank you very much. Mr. Speaker, indeed this is an important question. I certainly want to enter into as many agreements as we can with the jurisdictions that are involved to ensure that we have water quality and water quantity at all of our border crossing points. As well, we want to be sure that we enter into a system of interprovincial notification and consultation really on any developments in the basin. Now, what we've done up to this point in time to try to accomplish that is initialled an agreement with the province of Saskatchewan, we are continuing our negotiations with the Northwest Territories, and, probably most importantly, we are trying to get British Columbia actively involved in the process because they are very important to the whole issue of transboundary waters.

MR. SPEAKER: Supplementary, Dunvegan.

MR. CLEGG: Well, thank you, Mr. Speaker. This is a problem that I've heard about for several years now. Can the minister assure me that people in my area and Albertans will have a say on the quality and the quantity of water, especially along the Peace, where I'm very interested?

MR. EVANS: Thank you. Mr. Speaker, if the hon. member is talking about some kind of a public consultation process, that may happen. Certainly what we're doing at this point in time is trying to identify all of the issues. I think back to the first part of April, when we went up to Fort Chip and signed an agreement with B.C. Hydro, with the Northwest Territories, with the federal government, northern native groups to ensure that we would have the proper hydrotechnical studies on the basin. In point of fact, tomorrow I'll be traveling to Regina and meeting with the western ministers during the afternoon in advance of our Canadian Council of Ministers of the Environment meeting, which will take place on Wednesday, and transboundary issues will be right at the top of the list.

MR. SPEAKER: Edmonton-Avonmore.

### Alcohol and Drug Abuse Commission

MS M. LAING: Thank you, Mr. Speaker. My question is to the minister responsible for AADAC. The \$4 million cut to AADAC demonstrates everything that's wrong with this government's budget: waste and mismanagement, user fees, cuts in prevention and treatment programs, and empty buildings. In addition, there will be reduction in program and policy evaluation. But the problem of addictions with all its social costs has not gone away. My question to the minister: how does she justify a 12 percent cut to this world acclaimed health-promoting agency?

MRS. MIROSH: Mr. Speaker, it's very important for this government to maintain programs. Even with the cuts, programs have been maintained. The major cuts were in administration. I'd like to defer the answer to the chair of AADAC to respond to the specific areas where the cuts have been made.

MR. SPEAKER: Cypress-Redcliff.

MR. HYLAND: Thank you, Mr. Speaker. In response to the member, beyond itemizing the way the minister has, I think that all I can add is that reductions were made in staffing, in administration, and some change in programs. Beyond that I hesitate to get into it any more and will save the detail for estimates.

3:30

MS M. LAING: I'd worry, too, if I were the member. It's such a disaster.

Mr. Speaker, the newly built Northern Addictions Centre in Grande Prairie is now being cut to 25 percent capacity, and all AADAC institutions will be charging a \$10-a-day user fee. Therefore, many people who truly want to deal with their problems of addiction will face either closed doors or fees they cannot afford. I have to ask whichever member is answering these questions: where is the government's commitment to people who want to help themselves?

MR. HYLAND: Mr. Speaker, I would suggest that the hon. member ask her party Whip or whoever's in charge of research in their party to give her a little more money for research because all her questions are wrong. All her assumptions are wrong. There is no reduction in the facility at Grande Prairie. It is true that there will be a user fee based on rates not for addiction but for room and board, as in many facilities in Alberta.

MR. SPEAKER: Vegreville.

### Agriculture Funding

MR. FOX: Thank you, Mr. Speaker. One of the problems with this phantom budget announced last Thursday is that there are no details provided to Members of the Legislative Assembly and through them to the people of Alberta. Instead, the government's relying on little announcements, dribs and drabs given to backbenchers and Tory candidates. The minister of agriculture announced in a little document last week that

the 1993-94 budget includes an additional unspecified reduction of \$16 million. Even though this figure has been included in the budget, where it will be taken from is yet to be determined.

He then goes on to announce a new consultative process whereby he'll get people in the industry to decide where this money's going to be cut after the fact. It's sort of a born-again interest in consultation from a minister who's against plebiscites, I might add. I'd like to ask the hon. minister why he doesn't have the common sense to engage in this consultative process before rather than after the fact.

MR. ISLEY: Mr. Speaker, just to set the record straight, I am not against plebiscites, in response to his lead-in.

Secondly, I think we're doing exactly what the hon. member suggested. We're consulting with the industry and with the new industry advisory committee before we cut the \$16 million, not after.

MR. FOX: Mr. Speaker, the \$16 million is to be cut from the 1993-94 budget. That's what's before the Assembly.

I'd like to ask the minister if he's going to summon the political courage to tell farmers, while he's going into an election, whether or not he's going to be cutting the Alberta farm fuel distribution allowance, the interest rates on the farm credit stability program, or if it means additional staff cuts for the people who provide service to farmers.

MR. ISLEY: Mr. Speaker, the whole point that the hon. member seems to misunderstand is that the \$16 million cut will be done in full consultation with the industry advisory council and with various stakeholder groups. I would say that any program that Alberta Agriculture delivers on behalf of primary producers, processors, or marketers is on the table for review and could contribute to making up the \$16 million.

head: **Motions under Standing Order 40**

MR. SPEAKER: Calgary-Mountain View, on a request under Standing Order 40, dealing with urgency of debate. Urgency.

### 1993-94 Budget Estimates

Mr. Hawkesworth:

Be it resolved that the Legislative Assembly urge the government to immediately table today, May 10, 1993, the 1993-94 government estimates and element details in order to seek the approval of this Assembly for the proposed spending of public tax moneys for the 1993-1994 fiscal year.

MR. HAWKESWORTH: Yes. Thank you, Mr. Speaker. I believe it's a matter of urgent and pressing necessity that this Assembly be asked to give its approval to government spending. After all, the spending of public tax dollars depends on the approvals of this Assembly. The government lays its budget on the table, its plans are made public, and then this Assembly debates their plans. It's a process that happens not behind closed doors but right here in public. But we can't do any of that. The entire process depends on the government making public its spending plans and telling Albertans where cuts are going to be made and what the implications are for ordinary Albertans, something that hasn't yet happened, and I believe it's a matter of urgent and pressing necessity that they should do so. Well, if they haven't done it yet, then how are they paying their bills? They're paying their bills by a special warrant for over \$4 billion passed in March by cabinet in secret, behind closed doors.

We have been in this Assembly for nearly three weeks, Mr. Speaker: lots of time for this government to introduce interim supply Bills to ratify this special warrant, which was one of the largest ever passed in the history of this province. When the public was outraged, the Premier said that it was probably a mistake to have made that sort of a special warrant. Well, if it was a mistake in March, it's still wrong in June, and this government should be coming into this Assembly with supply Bills asking our approval for their spending. The refusal of this government to submit its plans to the review and approval of this Assembly is a contempt of our legislative responsibilities and is nothing more, in my view, than an attempt to manipulate public opinion, pretending they have a budget when they don't.

So I would ask, Mr. Speaker, that all members of this Assembly join with me as a matter of pressing and urgent necessity to ask this government to do what is responsible, right, and clearly required of them and to table their plans here in this Assembly for the spending of public tax dollars.

MR. SPEAKER: I'm quite certain that the two hon. members who rose in their places are very familiar with Standing Order 40, that it's just the mover who gets a chance to raise the matter. [interjection] Hon. member, since the Chair is speaking, I'm sure you also are well aware of the fact that you should not be.

The Chair also wants to point out that once question period is over – and there's been considerable give and take there – when we come to a matter or a request under Standing Order 40 or

under privilege, then the Chair is going to have to discipline the House much more severely. In actual fact, there needs to be much more care and attention given to what's transpiring, and I know hon. members by and large are appreciative of that concern.

The request is under Standing Order 40. With respect to the issue that's involved in the motion, it's a matter of the urgency. Those willing to allow the matter to proceed under Standing Order 40, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The matter fails.

MR. TAYLOR: A pretty weak "no."

MR. SPEAKER: Order please, hon. member. Shall I turn up the sound system over there so you'll listen? [interjection] Order please, hon. member. Enough is enough.

Now we deal with another matter which is very serious: the purported point of privilege, Edmonton-Strathcona.

### Privilege Access to Budget Estimates

MR. CHIVERS: Thank you, Mr. Speaker. Pursuant to Standing Order 15(2), I've provided to you and to the hon. Deputy Premier the requisite notice of intention to raise a question of privilege.

Last Friday the public of Alberta learned that the Deputy Premier had provided to some or all Conservative Members of the Legislative Assembly a breakdown of government spending plans which detailed the spending in their respective constituencies with respect to public works spending, capital projects spending, hospital spending, nursing home spending, and with respect to projects otherwise being undertaken in their constituencies for the fiscal year 1993-1994. I submit that the release of government spending plans before the tabling of estimates in the Legislative Assembly is a breach of the privileges of the members of the Assembly and a contempt of the Assembly. I further submit that the provision of spending plan information to some Members of the Legislative Assembly while withholding it from other Members of the Legislative Assembly constitutes a breach of the privileges of members of this Assembly and a contempt of the Assembly.

3:40

Mr. Speaker, ordinarily the information which was distributed by the hon. Deputy Premier would have been available to all members, because ordinarily there would have been a budget. The document and the estimates would have been filed along with it, which would have been freely available to all members of the Assembly. The difficulty in these circumstances is that we have a document that was not a budget and we have no estimates. Therefore, members across this Assembly are unfairly advantaged in terms of knowing what the plans of the government are with respect to its proposed spending. That is precisely the difficulty. As I say, ordinarily the members of this Assembly would all have had the same opportunity, would have received the same information, would have had the same opportunity to go back to their constituents to discuss the information contained in the estimates, and to receive input with respect to the details of the public works capital projects and other spending plans that were to be undertaken as a result of the budget information.

Mr. Speaker, if I might just quote from *Erskine May* with respect to the nature of the privilege. I'm quoting from the 21st edition at page 69. It's dealing with what constitutes privilege.

Parliamentary privilege is the sum of the peculiar rights enjoyed by each House collectively as a . . . part of the High Court of Parliament, and by Members of each House individually, without which they could not discharge their functions, and which exceed those possessed by other bodies or individuals.

It goes on later on in the same paragraph:

Other such rights and immunities such as the power to punish for contempt and the power to regulate its own constitution belong primarily to each House as a collective body, for the protection of its Members and the vindication of its own authority and dignity. Fundamentally, however, it is only as a means to the effective discharge of the collective functions of the House that the individual privileges are enjoyed by Members.

Just the beginning of the next paragraph:

When any of these rights and immunities is disregarded or attacked, the offence is called a breach of privilege and is punishable under the law of Parliament. Each House also claims the right to punish as contempts actions which, while not breaches of any specific privilege, obstruct or impede it in the performance of its functions, or are offences against its authority or dignity.

Mr. Speaker, the context in which I raise the issue here for the determination of the Assembly is that the actions of the hon. Deputy Premier have demonstrated a disrespect for the procedures of this Assembly. As I said previously, ordinarily what would happen with respect to the financial documents is that we would have a throne speech, a budget speech, and the estimates, which would be filed with the House and would be freely available to all members. It would then be the duty of the members to inform their constituents with respect to the government's spending plans for the province and for their own constituencies. They would then have an opportunity to take back to the Assembly the input. At this point in time, of course, the Conservative MLAs who have received this information have that advantage and are able to undertake that kind of consultative role. Ordinarily all members would have access to the same information at the same time and would be able to carry on that consultation.

In this context, Mr. Speaker, I submit that what has happened here is indeed a breach of the procedures of the Assembly, a breach of the privileges of the members, and a contempt of the Assembly.

MR. KOWALSKI: Mr. Speaker, ordinarily when a motion of privilege or a question of purported privilege is raised in the House, an hon. member would provide certain citations with respect to the so-called alleged offence and then also seek some sort of redress. What the hon. member today has done is risen in his place and has made some suggestions that in fact there has been a violation of privileges as outlined, not in the Standing Orders of our Assembly, not in *Beauchesne*, but from a paragraph of text written in *Erskine May: Parliamentary Practice*, 21st edition. The hon. gentleman was selective in his quoting of selected passages as well. If I may quote from *Erskine May* on page 69:

Thus privilege, though part of the law of the land, is to a certain extent an exemption from the general law. Certain rights and immunities such as freedom from arrest or freedom of speech belong primarily to individual Members of each House and exist because the House cannot perform its functions without unimpeded use of the services of its Members.

The hon. member did not quote fully that particular passage, Mr. Speaker, in making forth his statement. I'm unaware of any violation of any of the rules of Parliament under either Standing Orders of our House, *Beauchesne*, or *Erskine May*. The hon.

member has certainly not brought forth any argument to suggest that there was a violation of any of these practices that have been outlined.

Secondly, Mr. Speaker, the submission made by the hon. member has to do with a withholding of information. For clarification I want to make it very, very clear that this particular member of this House has not withheld any information from any member of the House. Should any member have asked for such information, any member would be given such information. I have not received a request from the hon. Member for Edmonton-Strathcona for any kind of information. Should he make a request, I would be happy to provide such.

It was not too many days ago in this House, Mr. Speaker, where in fact a motion for a return . . .

MR. TAYLOR: If you believe that, you believe in the tooth fairy.

MR. MITCHELL: We were told we were going to get all the estimates detail . . .

#### **Speaker's Ruling Decorum**

MR. SPEAKER: Excuse me a moment. Thank you.

MR. MITCHELL: You're welcome.

MR. SPEAKER: Your sarcasm is not appreciated, Edmonton-Meadowlark.

MR. MITCHELL: It's not appreciated from you.

MR. SPEAKER: Order please, hon. member.

MR. MITCHELL: We get a lot of it from you.

MR. SPEAKER: Order. Would you care to withdraw, Edmonton-Meadowlark? Do you care to withdraw, Edmonton-Meadowlark?

MR. MITCHELL: I withdraw it.

MR. SPEAKER: Thank you. [interjection] Order please, hon. member. I can hear you mutter under your breath. Thank you. Now we might proceed, Deputy Premier.

#### **Privilege Access to Budget Estimates**

MR. KOWALSKI: Mr. Speaker, I would like to continue. If hon. members feel that that information has not been provided to them, there is a recourse to ask for such information. It was not too many days ago, in fact Thursday last I think, perhaps the Thursday before then, when under Orders of the Day a particular question was raised by, I believe, the Liberal caucus. The Deputy Government House Leader accepted the question, and I rose in my place the following day to provide a written response to the question. I repeat again that should there be any type of information that hon. members would request, please make the request. I don't think that there are very many cases where information has not been provided.

Now, Mr. Speaker, that was a generic response to the withholding of information, because the hon. Member for Edmonton-Strathcona has not suggested that any specific type of information has not been provided. I would draw to all members' attention *Beauchesne's Parliamentary Rules & Forms*, the sixth edition, namely section 935, form of estimates, where "a supply item ought

not to be used to obtain authority which is the proper subject of legislation." It is only the legislation itself which provides the authority for a parliament to expend money. All other documents associated with it are little more than tools of information. They are not documents which have any authority whatsoever in the law of a parliament with respect to the obtaining of information.

Now, I might also draw the Speaker's attention and all other hon. members' attention to section 940 of *Beauchesne's Parliamentary Rules & Forms*: "estimates items cannot be used for authority to pass regulations." "Cannot be used," Mr. Speaker. That information is simply information that may be provided to particular individuals. I'm not aware of any estimate information that was provided of the type that one would use in terms of an estimate of a department. I certainly did provide to hon. members clarification information which came directly out of the 1992-93 government estimates and capital fund estimates.

If hon. members would like to take a look at the particular estimates of 1992-93, they will see in a number of cases specifics with respect to various health care projects that are under construction. These estimates provide information with respect to certain projects. Let me just flip through the pages, Mr. Speaker, and by way of illustration find an example that perhaps one could use in, let's say, the Health department. Let's find one that would have to deal with, say, the Westlock hospital, which was committed to and announced a year ago in these estimates. So the only information that would have been provided to anyone who requested it would have been information that would basically cover that particular project in the 1993-1994 year. There's absolutely nothing.

3:50

I certainly would welcome the Speaker's review of this particular matter and in fact, should there be additional information the hon. Member for Edmonton-Strathcona wants to put forward with respect to this matter, welcome an opportunity for a further review of this matter, Mr. Speaker. I have looked through the various rules that govern all of us as ministers of the Crown and members of this particular Assembly, and this type of information that was made available to those who requested it is no different than the information that this minister of the Crown has made available upon request in previous years.

I would repeat that there was no request today in question period from any hon. member for any information. I received no request from any member of the opposition since Friday morning for any additional information with respect to any projects. I've been petitioned, however, by hon. members from all parties of this Assembly to support projects, Mr. Speaker, by way of written information I have received from them saying: please endorse this project; please endorse that project.

So I'm not sure, Mr. Speaker, where there might be a question of privilege, but I look forward to additional information that might be provided, including the citations of violation and a specific example of where I have violated any of the principles that would govern a member of Executive Council in terms of providing information to hon. members of the House once they have requested it.

#### **Point of Order Access to Information**

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

MR. SPEAKER: A point of order.

MR. TAYLOR: My point of order is on the request for information, Mr. Speaker, and being turned down. I had on the Order

Paper Question 383, which asked for the costs of improving highway 651 around or through the lake. The government turned it down. Yet the government, to my knowledge, has let out in a budget to the candidate in Redwater what they are going to do on highway 651 yet just turned me down five days earlier in this House. So there's your request for information.

MR. SPEAKER: Well, on that particular purported point of order, hon. member, I'm certain you made your request long before the budget arrived. I'd have to check when the motion for a return was rejected.

MR. TAYLOR: It was a question.

MR. SPEAKER: Well, as a question, then check when the question was rejected, but I assume all of this was prior to the budget and certainly prior to Friday, which is another matter. If you wish to take advantage of the offer of the Government House Leader, I'm sure you can do that outside the time of the House. No point of order.

#### **Privilege Access to Budget Estimates**

MR. SPEAKER: Edmonton-Whitemud, I assume speaking to the purported point of privilege.

MR. WICKMAN: Yes. I would like to, if you'd afford me the opportunity, say a few words. I think the Member for Edmonton-Strathcona has raised a very, very valid breach of his privileges as a member. I think, if we look back in the four years of this particular term, that instances of this nature have occurred on a continuous basis. We can go to the approval process of programs under the community facility enhancement, for example, where we're not even afforded the courtesy of being told when the presentations are being held. We're not afforded the opportunity that government members have as many of them reported in rural newspapers of being in a position to review their applications in their constituencies.

We can go back, Mr. Speaker, to the situation with the briefcases, for example, where documentation in those briefcases . . .

MR. SPEAKER: Order, hon. member, for a moment. I know that's one of your favourite projects, but what we're dealing with here in this privilege is something to do with estimates. We're really not here going off on a flight of this nature.

MR. WICKMAN: I think, Mr. Speaker, with respect to the Member for Edmonton-Strathcona, that he has raised a very, very valid point. We do not have the budget estimates this year as we've had them in previous years. When indication is given that there are capital projects that are intended to be approved during the next short period of time and when we're provided with those information packages that government members have been provided with - for the minister or Deputy Premier to suggest that we simply request that information and we would get it, it simply does not happen that way.

I've communicated with the minister's office on a number of occasions, and I've been told very, very bluntly: put your request in writing and the minister will attend to it at his first opportunity. Sometimes waiting for one of those replies can take a number of weeks, can even run more than a couple of weeks. There is no question, Mr. Speaker, in my mind that if I were to make that particular request or if the Member for Edmonton-Strathcona were to make that request, he would be asked to make the request in

writing and that information would not be provided in the next short period of time. We would not have that information given to us at the same opportunity as government members.

When we look at all members in this Assembly – whether one be a member of government, one be a member of the New Democrat caucus, or one be a member of the Liberal caucus – I don't think there's any question that we are all elected to represent constituents, to provide them with information, to represent them to the best of our ability. The Deputy Premier on occasion has risen in this House and has stated that in his opinion there are two types of members: there are government members and then there are those members in opposition. Mr. Speaker, I think that's the point the Member for Edmonton-Strathcona is attempting to make: that there should not be that distinction in terms of the flow of information. The Member for Westlock-Sturgeon has raised a very valid point: formal requests can be made for information and we're denied that information.

So whatever malarkey or whatever excuse the Deputy Premier wants to use, I can't buy. I support the Member for Edmonton-Strathcona on this one, Mr. Speaker, and I would ask that you rule in his favour and you direct the Deputy Premier to do his job properly.

MR. SPEAKER: Well, first off, perhaps the Deputy Premier's mother or mother-in-law or wife can direct him what to do, but the Chair cannot.

With respect to this issue, the Chair can only rule with regard to whether or not there is a prima facie case of privilege. The Chair indeed will take the matter under advisement but with two caveats: that the Member for Edmonton-Strathcona does indeed supply some citations to back up his concern about the purported breach of privilege and also if the Government House Leader would be good enough to supply to the Chair some examples of information that were given out to various members of the government benches.

head: **Orders of the Day**

head: **Government Bills and Orders**

head: **Second Reading**

**Bill 67**  
**Deficit Elimination Act**

MR. DINNING: Mr. Speaker, It's an honour for me to rise today and to move second reading of Bill 67, the Deficit Elimination Act.

Mr. Speaker, this is a Bill that really in many ways is specifically the first of its kind. It calls for the legislated elimination of the entire provincial government consolidated deficit by the fiscal year 1996-97. It spells out allowable annual maximum deficits, that impose discipline on this Chamber in fact. It imposes discipline on the government, and it certainly imposes a form of discipline on all of us as Albertans to ensure that we fulfill Albertans' expectations that we will, indeed, that we can eliminate the deficit which plagues this province. Deficits are a very onerous burden for current and, more importantly, future taxpayers to have to carry. It is something that has become ingrained in the Alberta value system: we don't want to have these kinds of deficits in our province, indeed in our country, any longer, and we should take whatever steps we can to begin to eliminate those deficits.

4:00

So with the introduction on Thursday evening of a four-year financial plan for the province along with Budget '93, which takes

the first 22 percent, nearly \$700 million, reduction in the consolidated deficit, Albertans can know and know very well that their government has listened to them loud and clear, that Premier Klein in traveling around this province for the last 156 days has heard the message loud and clear, as have all of my colleagues in the Assembly. For that reason we are bringing forward this piece of legislation. It requires an elimination of the deficit by 1996-97 and prescribes that in each subsequent year there shall be no deficit and makes it clear basically that a deficit beyond that is effectively illegal. It talks about a consolidated deficit and the elimination of the consolidated deficit. There are other governments in this country who have taken the first steps towards eliminating their operating deficit, but clearly, Mr. Speaker, as I've outlined to the opposition members today, we've taken the advice of the Financial Review Commission and gone the final step and said that the operating position only reflects part of the government's account and that we have a responsibility to be accountable to Albertans on all of the government's finances. That is why we have in our four-year plan prescribed an elimination of the deficit on the consolidated bottom line. A major first step has been taken this year with the 22 percent, or nearly \$700 million, elimination on that consolidated deficit side. So we're not just leaving some assets or some parts of the government's finances behind. We are taking steps now on the advice of the Financial Review Commission and the Auditor General to spell out in detail all of the government's finances.

Mr. Speaker, there is also in this Bill, in section 5, and I think underlining the entire Bill and the entire plan in fact, a strongly conservative tone, small "c", to understating and underestimating in fact our potential revenues on the revenue statement. We've taken the unique first step of prescribing on page 40 of the document that in this fiscal year the oil and gas industry has advised us, as has the Department of Energy, that the province may be eligible to receive in the order of a little over \$2.5 billion in oil and gas revenues. We respect that advice. We think that it merits further consideration. It's based on the economics that are prescribed on page 108: oil price, west Texas intermediate, United States value of \$20.25 for the fiscal year. The Canadian price at the Alberta wellhead is some \$22.21, while on the natural gas side our Alberta wellhead price is \$1.55 per mcf. Our exchange rate is 78 cents. It's spelled out in the document. On the basis of that and other advice we've received from the industry, we would be in receipt of over 2 and a half billion dollars in oil and gas revenues this year. But we're discounting that by a full \$197 million such that we're assuming that we'll be receiving \$2.3 billion. If we enjoy that windfall, if we enjoy that extra gain, it will not go to fund additional spending but in fact will go to the bottom line to reduce further the deficit and the accumulated debt load, a responsible position that members of the industry have advised us to do. People who attended the budget round table advised that we take that conservative approach. The Financial Review Commission recommended it, as did the Auditor General, once again a case that we have listened very carefully and that Albertans want to see that kind of budgeting. The legislation prescribes that we will assume oil and gas revenues on the basis of the average of the previous five-year actual so that we are not found to be overestimating and being overly optimistic about our oil and gas revenues.

[Mr. Deputy Speaker in the Chair]

Mr. Speaker, the same really could be said in many of the areas on the expenditure line, especially in the debt-servicing costs where long-term interest rates are assumed in this plan to be

higher than many of those in the financial sector are advising us to assume. So in fact we are perhaps overstating our debt-servicing costs, again exercising an abundance of small "c" conservative caution to ensure that these statements are seen to be realistic, to be reasonable, and to be backed up with the facts such that if we enjoy or see windfall revenues in the days ahead, they will not go to fund extra spending but will go to reduce the deficit. This is what Albertans told us to do.

Mr. Speaker, two other elements are important. One is that section 8 prescribes that there shall be a committee, the audit committee, pursuant to the Auditor General Act which will report publicly. Such report will spell out on an annual basis how well the provincial government is fulfilling its legislated promise spelled out in this plan: whether it's on track, whether it's not, what action has been taken to put the plan back on track. Again, I think that another fundamentally important part of this Bill, indeed of the four-year financial plan, a plan for change, is accountability and the fact that Albertans are looking to their government, to their leaders to account to them: having made the promise, how well are we fulfilling on that promise? The audit committee will assist and support those steps, Mr. Speaker, and I think that's another important element of the accountability requirement.

One last one is that the Provincial Treasurer is directed in this Bill to ensure that public reports are made available on the accuracy of the budget estimates and on revenue and expenditures to date in each of the first three quarters of the fiscal year. So there can be no question, no wonderment on the part of Albertans as to whether we are on or off course. That's prescribed in the legislation.

We will go a number of steps further. One in particular: we will be receiving that information on a quarterly basis, but more importantly we will be acting on it. If our plan is off course, then we will take action to put it back on course, something that families have to do with their budgets, something that responsible, successful corporations must do to ensure that their financial plans are on track and that action is taken when off track to get back on track. Mr. Speaker, I think this is legislation that other governments across this country will want to look at very closely, probably to emulate the kind of detailed bottom-line requirements that are prescribed in this Bill.

Let it be clear, Mr. Speaker, in conclusion, that it is Albertans who said to their government that this is the kind of action they are looking for: responsible, accountable action to ensure that our financial plan is kept on track and that Albertans know that it's on track. Again, it imposes that kind of rigorous discipline on this Chamber and on the government and indeed on all Albertans so that we get back to the position where we live within our means and not beyond. Those means are the taxpayers' means, Albertans' means. We have a responsibility to do that and to account to Albertans that we are back on track.

So, Mr. Speaker, I would encourage all members of the Assembly and welcome their positive, supportive comments. Hopefully we will be able to take action to legislate and put in place this important landmark piece of legislation in short order.

Thank you.

**4:10**

**MR. DEPUTY SPEAKER:** The hon. Member for Calgary-Mountain View.

**MR. HAWKESWORTH:** Thank you, Mr. Speaker. This is just one more example of a government that's insincere and using cynical manipulation of public opinion to bring forward the same

kind of Bill that they brought forward exactly a year ago. They're going to have as much success with this Bill as they had with the last one, because one of the provisions of Bill 67, Deficit Elimination Act, is a repeal of the Spending Control Act. The Spending Control Act was brought into this Legislative Assembly a year ago. The exact same rhetoric that we heard just five minutes ago we heard a year ago from the then Provincial Treasurer. All the things that this Deficit Elimination Act is supposed to accomplish, the Spending Control Act was supposed to accomplish a year ago. Well, if it was supposed to accomplish all those things a year ago, why are they repealing the Act? It hasn't even been in place hardly 12 months; the ink is hardly dry. Already they're repealing it. Why are they doing that? If it worked, why are they repealing it? If it didn't work, why are they doing the same thing with Bill 67?

Mr. Speaker, it's nothing more than an effort and an example of public relations. That's all it is designed to achieve: public relations. It is designed to make the public think they're doing something when in fact they're not able to do a single thing that they're promising, but it sure looks good on the front pages of the paper or on television some night. That's all that this is doing. All it is is a platform for the Provincial Treasurer to grandstand, just like the previous Provincial Treasurer grandstanded. It's nothing more than an insincere attempt to cynically manipulate public opinion. The so-called old management over there tried it a year ago; it failed. Now the so-called new management is trying to do exactly the same thing, but it's not anything different. The idea that you would pass a Bill one year and then repeal it the following year should tell you all you really need to know about these kinds of proposals. They're not going to work. It hasn't worked. All they want to do is get through the election, making people think it will work. Then when the election's over, they hope it will be business as usual.

They couldn't control their spending, so now they're repealing the Spending Control Act. Now they're going to try and control the deficit. Well, if you can't control the spending, how are you going to control the deficit? Here's the track record for the Provincial Treasurer, who has been here for many years sitting around the cabinet table. Here's his track record along with his colleagues in cabinet. Here's the 1988-89 fiscal year: the estimated budgetary deficit - that's what we're talking about here, Deficit Elimination Act - that year was \$671 million. When all was said and done, how well did they do? The actual consolidated deficit for that fiscal year was \$2,015,000,000. They were out by a factor of 200 percent. Well, 1989-1990, back at it again: estimated budgetary deficit, almost \$1.5 billion. How'd they do? Actual consolidated deficit for the '89-90 fiscal year: \$2,336,000,000. They were out that year by 56 percent. Well, 1990-91, try again. Hope springs eternal. Always optimistic. Estimated budgetary deficit: \$780 million. Actual that year: \$1.8 billion. Out by a factor of 135 percent.

Now, Mr. Speaker, again leading to keeping promises made in the election, heading into the 1991-92 fiscal year, the year that our Premier during the election promised us a balanced budget. What did the Provincial Treasurer do that year? He said: we have a balanced budget, a \$33 million surplus for that year. The actual consolidated deficit was higher than any of the years just mentioned; it was over \$2.6 billion. That's how much they missed out, Mr. Speaker, actual consolidated deficit. I don't know how you figure out the factor of a surplus turning into a \$2.6 billion deficit.

Well, last year, 1992-93, the Provincial Treasurer stood in his place and said that the budget deficit was going to be \$2.3 billion. How did they do, Mr. Speaker? Two point three billion dollars;

now we're hearing that it's over \$3 billion, actual consolidated deficit. Again out, this time a little closer than all the other years. The factor: they were out by 40 percent. This is a track record that this Provincial Treasurer brings to this Assembly when he talks about a Deficit Elimination Act. They have not been anywhere close for five fiscal years, and when he stands up and estimates that the budgetary deficit for the year that we're currently in - 2 and a half billion dollars - he's predicting a deficit at least as great as the one that the Provincial Treasurer gave us last year. I suspect he's going to be as successful; i.e., he's not going to be able to do it.

Now, Mr. Speaker, if you can't control your spending, how are you going to be able to control your deficit? Now, not only do you have to be concerned about your spending, you're going to have to be concerned about your revenue. This government has demonstrated over the last five years that they have virtually no control over their revenues. So when you see a government walking into this Assembly making all sorts of extravagant promises with the track record that they bring to the table, you know that they have absolutely no means in their quiver to be able to do what they're promising here. Absolutely none. Nobody in this Assembly can accurately predict for the 1996-97 fiscal year what the revenues are going to be. Nobody can do that. This Provincial Treasurer couldn't get any further than his estimates for this fiscal year. He was projecting revenues for this fiscal year, yet the Bill talks about future fiscal years as far into the future as 1996-97. He can't predict that far.

AN HON. MEMBER: What section?

MR. HAWKESWORTH: Section 2(d), Mr. Speaker. This Bill will take us through to the end of the 1996-97 fiscal year, yet in order to pass this, you're going to have to have control over your revenues to that fiscal year. That's what the Bill is committing them to, yet the Provincial Treasurer was unable to give us any revenue projections even beyond this fiscal year. Even those he has no control over. He can't control what the federal government is going to provide him. He's not going to control the world market for oil and natural gas. His projections may be conservative; they may be out of whack because they're too generous. He doesn't know. He can't see into the future. Yet if you're going to have a Deficit Elimination Act, you're going to have to have all those factors under your control. So this is just a bunch of hokum, I guess, booga-booga, or something that I heard the Provincial Treasurer talking about some months ago that he was going to get rid of. He's going to have to depend a lot on booga-booga if he's going to make this legislation stick.

Now, the most revealing aspect of this Bill, Mr. Speaker, is that there are no penalties. I mean, if it's going to control the deficit, what's going to happen if he doesn't eliminate it? I mean, the worst that he could maybe be subjected to is that he would have to sit and read *Hansard* excerpts of the hon. Member for Calgary-Mountain View's speeches since 1987. That might be a penalty. That might be hell for the Provincial Treasurer; that might be purgatory. I don't know. That's the worst that might happen to him under this legislation. There's no penalty if he fails to meet these so-called targets. There's nothing that's going to happen to him; there's nothing that would happen to this government. It's the same loophole that existed in the Spending Control Act. There are no penalties for failing to achieve the target set out in the Bill. The Provincial Treasurer talked about making it illegal to have a deficit. What makes it illegal? How would we even know if it were illegal? There's nothing here to put some teeth into this requirement.

4:20

Now, there are other aspects of this Bill under the auspices of creating greater accountability, so-called, in the words of the Provincial Treasurer. Here's what they're doing. They're taking all the supply votes for appropriating money under the general revenue fund for each department, and under the operating expenditure purposes for that department it's all going to be amalgamated under one vote. Then for the capital purposes there'd be a second vote. On those rare occasions in a department that there's a supply vote for nonbudgetary disbursements, you may find a third vote, but that's it, whereas before under our former budgeting process, which I felt was highly inadequate, you could have as many as 10, 12, 15, in the case of the Executive Council you could have as many as 19 separate votes, each one highlighting different initiatives of the department or of that particular budgetary authority. Now they're all going to be collapsed, if this Bill is adopted, into one supply vote for operating purposes. For example, Mr. Speaker, looking at the area of community development, at this point you would under the current arrangement identify programs for seniors, identify the Human Rights Commission, identify multiculturalism. There are seven votes there, Mr. Speaker; that's all going to be collapsed into one. So under the Deficit Elimination Act the Legislative Assembly may not be able to tell by the votes and the estimates presented to it how much money is designated for seniors programs and how much is designated for the Human Rights Commission.

Looking at the Executive Council, there are 19 separate votes: some to deal with alcohol and drug abuse, others to deal with personnel administration, another for the natural resources conservation authority. The Metis Settlements Accord is another one, Workers' Compensation, Occupational Health and Safety, Premier's Council on the Status of Persons with Disabilities, Public Affairs. Now, Mr. Speaker, these are all going to be collapsed into a single vote. Whereas the Assembly now can go through line by line and find out what's happening, how much is being asked to be allocated to this initiative, this council, this legislative authority or whatever, that will all be eliminated if we adopt Bill 67.

So rather than providing us with more information, which is really what we need, the Bill sets up a system where we'll get less. You won't be able to tell, Mr. Speaker, if you go into the Department of Health, how much is going into Community Health Services and how much is going into Mental Health Services. You won't be able to tell how much is going into long-term care as opposed to how much is going into acute care. You won't be able to find how much is going into health care insurance. All of those spending subdepartments, subvotes, are going to be collapsed into a single vote according to the legislation in front of us: "not more than one supply vote may be identified as a supply vote for operating expenditure purposes." That's what Bill 67, the Deficit Elimination Act, says.

So rather than imposing greater accountability on the government, Bill 67 gives them a huge loophole for less accountability rather than providing greater access to information, which has been promised in the Speech from the Throne over a year ago and a new so-called access to information Bill before the Assembly for public discussion. Meanwhile, all the while that they're talking about greater accountability, greater access to information, Bill 67 removes that and gives us less information and less accountability. That's a major, major change in this legislation. It has nothing to do with deficit elimination, but it has a lot to do with denying the Assembly its prerogatives and denying, more importantly, the public their right to know. Maybe now we're beginning to

understand why this government is afraid to table the estimates for the 1993-94 fiscal year. Because if they do that, maybe the public will realize what exactly the game is here: to deny them information when they should be in fact giving them more.

Now, Mr. Speaker, I'm quite happy to agree with the idea of setting out an operating budget and setting out side by side a capital budget so that you compare in a given department how much of the overall vote is going into the operating side, how much is going into the capital side, and what might make up those capital estimates. That's fine. But to take an entire department and collapse it into a single vote for operating purposes is unconscionable.

Now, the Spending Control Act as well as the Deficit Elimination Act talked about special warrants. Here we have in Bill 67 that "at any time, if, in the opinion of the Provincial Treasurer, the money is urgently required because of an emergency or a disaster" he can bring in a special warrant. "If the Legislative Assembly is dissolved and is not yet convened after the general election": that's the other rare occasion - and that would be a rare occasion, once every four years - that it would be required to bring in a special warrant. The second provision here is: if the money is "required because of an emergency or a disaster." Well, Mr. Speaker, the Provincial Treasurer has had lots of opportunity since he was appointed Provincial Treasurer back in January, or perhaps it was December - I forget when it was. He has brought in about one of the largest special warrants ever passed by a government of the province of Alberta in the history of this province, yet this government could have called back the Assembly, could have brought us back into session before the end of March in order to pass interim supply legislation in order to see the government through the early stages of a new fiscal year.

So we don't have to look at some Act of the Legislature. We don't have to look at Bill 67, the Deficit Elimination Act, to see what the nature of this government is. We only have to look at its actions to prove what kind of government it really is. He doesn't need to put rules on a piece of paper if he believes that special warrants are wrong. He could have, along with his colleagues in cabinet, reassembled this Legislature, and he could have asked for the Legislature to pass interim supply legislation to give him the authority he needed to spend money, yet he didn't do that, Mr. Speaker. That's because this government doesn't believe in using the Legislature in terms of overseeing the spending of government. This is a government that wants to do all its spending without having to ask the approval of the Legislature, or at the time that they ask the Legislature for approval, they're proposing not to give it the information it requires in order to give its proper approval.

**4:30**

So, Mr. Speaker, if they wanted to eliminate special warrants, they could have changed their actions. They could have done things differently. It appears to my way of thinking to be hypocritical to put something in a piece of legislation that they haven't been prepared to do in practice. In fact, this House has been convened for almost three weeks into the new fiscal year and not one interim supply piece of legislation has been tabled in order to ratify the spending they authorized themselves under that special warrant. The spending that's going on by this government in this fiscal year is being done without any authority of this Assembly and without the concurrence of this Assembly even being sought. That's the kind of government that has spending out of control and is out of the control of the Assembly. So it seems to me it's quite wrong of them to cynically put into a Bill something they aren't prepared to do in practice.

Mr. Speaker, another thing we need to understand about this deficit control legislation, the Deficit Elimination Act, is that one

of the reasons you have a high deficit in this province is all the failed business ventures this government has gotten themselves involved in. There's a whole long list of them included here in the budget statement that the Provincial Treasurer presented to us the other night. It goes on for almost a page and a half, the long list of failed business ventures they've gotten themselves into. Many of them are going to end up costing the taxpayer at some point a lot of money.

Here's the Magnesium Company of Canada, Mr. Speaker. They still haven't taken a write-off on that. There's Softco, 354713 Alberta Ltd. There's one of the initiatives the government undertook to bail out North West Trust and for the public to take the losses on; write-offs there haven't been completed yet. AMHC: we don't know what all the write-offs are going to be there. Of course, Gainers continues to be carried on the books. The moment that you take the loss on any of these failed business ventures, your losses go up, your costs go up. It's something that the Auditor General has said and the government over the years has manipulated: that they fail to properly take the loss in the year they ought to in order to make the books look better. So here we have a situation where under the Deficit Elimination Act the government might decide to keep paying the interest on an outstanding loan and not do something to trigger a loss. They might continue to keep something floating for two, three, or four years because it's cheaper for them to keep paying interest year after year than to trigger something that will create a loss on the books and create a problem for them under the Deficit Elimination Act. It might be cheaper for them to take the loss than to pay interest for three or four years, but what the Deficit Elimination Act does is set up an incentive for them to carry a project by paying interest over several years instead of doing what should be done: trigger the loss in a given fiscal year.

So in fact what the Deficit Elimination Act might do over the long run is create a situation that provides an incentive for a government to carry a project over several years which in the end costs the taxpayers more money. But because the Deficit Elimination Act is set up in a certain way, the government of the day would prefer to do that than to save the taxpayers' money by cutting its losses in a given year, driving the deficit up. I'm not very happy about a process that gives government an incentive to do something that's going to cost the taxpayers more in the long run.

The other thing the Deficit Elimination Act does, Mr. Speaker, is that it puts tremendous pressure on a government to sell a profit-making asset to meet a short-term objective of eliminating or reducing the deficit in a given year when in fact by selling that asset, you lose for taxpayers the ability to generate income over a long period of time. For example, you take a monopoly like Alberta Government Telephones that was making money for Alberta taxpayers over a long period of time, or could have, if the government had wanted to. Instead, this government sold it off to meet a short-term one-year objective, and in the end it's destroyed the opportunity for taxpayers to make money from that asset over many long years. So in order to achieve a short-term objective, they've ruined the ability of taxpayers to meet a long-term objective.

You could go through any of a number of investments the government has made, from Alberta Energy Company, being another example, all the way through to the Alberta Liquor Control Board. That Alberta Liquor Control Board generates for this government over \$400 million in revenues each and every year. But in order to meet the elimination of the deficit in a given year, a government may say: "Holy smokes; we've got to eliminate this deficit. We promised the people we're going to eliminate

it. I guess we'd better sell off Alberta Liquor Control Board, make a quick profit, and eliminate the deficit in a given year." Then in so doing they've undermined the ability of government to make money for taxpayers over a longer period of time. That's the kind of incentive that's being set up in Bill 67: to encourage government to look only to the short term at the expense of the long term. That, Mr. Speaker, is the wrong kind of incentive for a government to be undertaking.

Now, one last point I'd like to make about the audit committee, Mr. Speaker: again, it's window dressing. The Financial Review Commission has called on the government to give the audit committee greater powers and authority than what's contained in the Auditor General Act. That's good. I think we should have had an audit committee that was functioning like this. But what is it, what powers in Bill 67, the Deficit Elimination Act, are they giving to the audit committee that the Auditor General doesn't already have? It just seems to me there's nothing here that's new. If the government had wanted the audit committee to do any of this, it could have asked them to do so under the Auditor General Act. Indeed, if the government wanted these kinds of reports and inquiries to be undertaken, the Auditor General could have been asked to undertake them.

Now, I certainly feel it's a worthy and important goal of government to eliminate its deficit. That's clearly a public policy that should be pursued by this government, but, Mr. Speaker, this government has never done that. It has never sought to eliminate the deficit in all the years I've been sitting here listening to the rhetoric from the other side. I just haven't seen the performance; it's not gotten past the rhetoric. In the words of this government, all it is is an excuse to try and destroy spending in essential public services, while at the same time out the backdoor and every side door possible throwing money at this outfit, that outfit, this friend of the government, that company. It's all gone. There's been nothing to impose a discipline on this government in those areas. Deficit elimination is nothing more than a code word to dismantle medicare, to dismantle and undermine our public services such as education. That's all we've been getting out of this government, rhetoric about deficit elimination, and it destroyed . . .

[Mr. Hawkesworth's speaking time expired]

4:40

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. This Bill and the government's initiative to present it literally defy the imagination. This Bill is the height of hypocrisy. The fact is that this Bill in some strange way replaces the Spending Control Act. In fact, it repeals the Spending Control Act. If ever this government was to have a commitment to balancing its budget and getting its expenditure under control, then one would imagine it would adhere to a law this government itself implemented last year. The hypocrisy we see in this Bill I believe is reflected in how quickly this government dispensed with the Spending Control Act, how arbitrarily, without the least bit of conscience it would seem, this government simply said, "We're going to break the Spending Control Act." It's all that much greater an irony that that would have occurred just scant months after the current Treasurer said, in describing the Spending Control Act, that there is not another government in the country that has made this kind of commitment to cap that much of its expenditure.

Well, Mr. Speaker, in describing this kind of commitment with reference to the Spending Control Act, let's analyze exactly what

this government meant by that kind of commitment. In the Spending Control Act the government said they weren't going to be able to increase their expenditures, to authorize expenditures over last year's forecast level of expenditure by more than 2.5 percent. What we found in March was the government authorizing \$4.5 billion worth of government expenditure through the special warrant function, determined behind closed doors by a limited number of members of this government, the cabinet. It was done at a time when normally the Legislature would be called to sit to review interim finance and interim expenditure. It was done at a time, the middle of March, when it would have been traditional and very easy to call the Legislature back to review those expenditures under the interim appropriation Act process, which is a tradition in this Legislature. They simply dispensed with the Spending Control Act. They broke their own law in order to authorize \$4.5 billion worth of expenditure.

What's very revealing about that level of expenditure is that it represents the equivalent of one-third of last year's budget. It looks to be about one-third of this year's budget as well. It was done, Mr. Speaker, based upon last year's level of expenditure, almost equivalent to the first four months of last year's level of expenditure. Last year's level of expenditure, of course, brought this province to a \$3.2 billion deficit position. So when faced with whatever rigour the Spending Control Act could impose upon this government, they merely stared down that Act blatantly, without a glimmer of conscience, and said, "We're simply going to dispense with it."

Mr. Speaker, the question that therefore arises is: why would anybody – anybody – believe for one instant that this government will adhere to its own Deficit Elimination Act, even were it to be re-elected after it calls the next election – we hope this week – which of course simply won't occur?

The fact is, Mr. Speaker, that this is an election initiative. It is pure, cynical politics. It is designed to do nothing more than mislead Albertans into thinking that this government has some kind of commitment, some kind of political will to do what is difficult to do. Of course nothing, but nothing, has been demonstrated since December 6 to give us any confidence that that would be the case. If the government were going to be different, clearly it wouldn't have broken its own Act, the Spending Control Act. If it were going to be different, it wouldn't have said yes to Gainers \$9.3 million, because we don't have the money. If it were going to be different, if we were going to give Ralph a chance, he would have said no to the \$50 million to Canadian Airlines, but he didn't. Now, as was the case – I can remember the day so vividly when the former Treasurer got up in the House and presented the Spending Control Act and was literally laughed out of this Legislature. It's déjà vu to see a Deficit Elimination Act, which would be meaningful only if there were political will and wouldn't be required if there were political will. All this is is electioneering in the most coarse, most crass, and most hypocritical way.

You know, Mr. Speaker, I get the feeling we're seeing what happened in Saskatchewan to the Devine government. Mr. Devine couldn't get the budget he wanted, so they just failed to call the House. He just canceled the Legislature and said, "That's okay; I'll govern de facto by fiat." Well, we've seen the first step. "We don't like what the Spending Control Act is doing to us. We could call the Legislature, but we're not going to. We'll just govern de facto. We'll govern by fiat." Now, of course, what this conjures up is their fear that they're down in the polls, which we know they are. They're not going to call the election until they get up in the polls, so we've been delayed a week. My feeling is they'll delay us another week. What would bring them back?

Nothing. If they wait another week, they'll wait till the fall. If they wait till the fall, they'll be waiting till the spring. Eventually, they'll call an election at the last possible moment, and they will have done nothing more than guarantee their loss. Of course, then they'll lose whatever political ammunition they might be able to derive from this Deficit Elimination Act. Although why would they expect that anybody in Alberta would have any confidence, any belief in the credibility it would require this government to have if they meant anything – anything – with this Act?

This Act and this government are simply without credibility, and anybody in this Legislature who is knocking on doors these days, talking to people, listening to people will find that that is the case. I'm sure the few members who are running again on that back bench must be facing that every day. I'd just love to see them bring out the Deficit Elimination Act and say, "Look at us; this is our commitment." You know what it's worth, Mr. Speaker? It's worth the paper it's printed on, and it is worth absolutely nothing more. They should be ashamed of themselves. They should be embarrassed. I wonder how many of them back there actually supported this thing. I wonder how many of them supported the Spending Control Act.

Did the Member for Smoky River stand up and say, "You know, Mr. Treasurer, I'm so proud of this Act, and I'm so proud of the way that we demonstrated our commitment to balancing the budget over the years and over the last five months since the new Premier became the Premier"? Did he stand up and say, "Yes, I support this," or did he say: "Let's see some action. Let's see what it takes to make this a credible . . .

#### Point of Order

#### Reflections on a Member

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

MR. DEPUTY SPEAKER: The hon. Member for Smoky River has a point of order.

MR. PASZKOWSKI: Yes, I'd gladly stand up if I am given the opportunity, Mr. Speaker. I certainly defend the Bill.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Meadowlark.

MR. MITCHELL: Mr. Speaker, then I guess the Member for Smoky River must have supported the breaking of the Spending Control Act. He seems consistent in his desire to see this – he must have supported the breaking of the Spending Control Act. What an appalling admission.

4:50

#### Debate Continued

MR. MITCHELL: There are some fundamental weaknesses in this Act even as it is written, quite apart from the possibility that it would ever be implemented. First of all, it addresses the question of special warrants and says that you can't do them, I guess, unless – big "unless" – the Treasurer feels there is an emergency worthy of special warrant funding. So what would be new, Mr. Speaker? The Treasurer must have looked at the books early in March and said: "You know, we have an emergency. We need \$4.5 billion worth of special warrant funding." If this government needs the excuse of an emergency for special warrant funding, every day when they get up they look at an emergency in expenditure control in this province. This fiscal regime is under emergency circumstances minute by minute. The Treasurer, unencumbered by anybody – certainly not by the Member for

Smoky River, because he's allowing this thing to be passed. In fact, he stood up here and bragged about supporting it. He'll probably vote for it. The fact is that this provision for special warrants under emergency circumstances, however they might be defined by the Treasurer, makes this Bill absolutely meaningless.

We're struck by the manner in which this changes the vote structure in the estimates as well. I think we all understand that government, until the Spending Control Act, was never allowed to transfer money between votes because the vote of the Legislature was the final authority. They could transfer money within expenditure groupings under a single vote, but they could never transfer money between votes. Well, in the Spending Control Act they made short shrift of that, and they said that doesn't exist anymore. They're coming back a bit from that, which I guess is an improvement, but again in a highly cynical fashion they say, "We're not going to encumber ourselves by that restriction, because we're just going to make fewer votes." So now there won't be the restriction of not being able to transfer money between and amongst seven or eight votes in a department. No, certainly not. Wouldn't want to limit the Treasurer in that regard. They'll simply be able to now have much, much bigger groupings of expenditure, and so the transferring of money amongst and between these subgroupings within a vote will be much, much more easily done.

What is the implication of that, Mr. Speaker? Well, if you get some area in a department that manages well and actually underexpends its budget, the Treasurer, unencumbered by any legislative requirement, will simply be able to scoop that money out and put it into an area where they have overexpended the budget. That doesn't sound to me like this vote-by-vote supply initiative, this reduction in the number of votes initiative of the Treasurer is going to further efficiency, further the reduction of waste and mismanagement in this government at all. In fact, what it is is a backdoor release for the Treasurer to be able to squirrel money away and scoop it up without anybody ever seeing what's being done until it's far too late to see the consequences of it.

The Treasurer makes this initiative or this offering that he'll provide us with updates. He doesn't say what's going to be in the updates. He doesn't indicate how much detail. And why would we believe there would be any credibility in this kind of reporting? The last update we got – the first one the Treasurer did, of course – still denied the consolidation of the deficit. He kept talking about only the general revenue fund deficit and never did consolidate properly in that document or never did express the consolidation to the public with the capital fund and so on, which would have raised the deficit significantly. So why would we expect there to be credibility in this kind of reporting procedure? In fact, Mr. Speaker, the very Premier who's saying "We're going to give you better reporting" is the first Premier/Treasurer tandem since I have been in this Legislature, and for as long as most Albertans could probably remember, that brought in a budget without estimates detail. So now we're to believe that somehow we're going to get good updates, effective, detailed updates, when the long, time-honoured tradition of providing estimates with a budget has just been broken. Bang. Didn't see them. Why would we care? Why would they care? Because they can't back up whatever budget projections they were making.

I'd like to emphasize as well that there is an incentive in this Bill to amortize all kinds of expenditure. Capital expenditure, of course, would be the most likely. This government could do a billion dollars worth of capital expenditure in a year and only have to expense the \$100 million in interest that it would have to pay each year. So that would give it a \$900 million cushion of expenditure which would fall within the limit set by this Deficit

Elimination Act but which would cost Albertans literally hundreds of millions of dollars more because this government would be driven by this Bill to amortize the future. Let's see the political will to stop borrowing money to build all these projects that we pay for for 35 years into the future.

It is a question of credibility, Mr. Speaker. Why would anybody believe this government could achieve the objectives set out in the Bill? Why would anybody believe that? First of all, if we look at the assumptions, if we look at what information we've been given about this year's budget, it is very, very clear there are so many gaps in it that they simply will not meet this, quote, unquote, \$700 million deficit reduction target.

[Mr. Speaker in the Chair]

First of all, they find themselves an extra \$165 million through a reduction over last year's valuation adjustments. Of course, we see no detail about that, although we do know that valuation adjustments are probably applied to loan guarantee losses, for example. Well, they've allocated \$112 million for valuation adjustments, and \$102 million should be written off on MagCan right now. There are many other losses that are on the books that need to be booked and should be booked this year. Mr. Speaker, they have just found themselves \$165 million that helps them reduce that deficit by \$700 million, but the figure is without credibility.

They have just found themselves, in addition, \$200 million by the elimination of the Alberta local employment transfer program. This, of course, is a onetime transfer of money, Mr. Speaker. It is literally found money. It isn't sustained from budget year to budget year, and so it makes a mockery of this \$700 million reduction.

Mr. Speaker, they have also miraculously changed the financial position of various funds and agencies from net deficits to net surpluses, with the overall effect of a \$245 million turnaround in one year. Of that, \$130 million is going to come from the Workers' Compensation Board, which has a \$600 million unfunded liability at this time. They're simply going to scoop out \$131 million. Love to see the accounting assumptions that allowed them to do that.

So why would we in fact believe that these targets are going to be met in the first year? In the subsequent three years we see no assumptions by the Treasurer about growth, about unemployment, about oil and gas prices, about how much he's going to recover from the sale of Crown leases. We see none of that, Mr. Speaker. Anybody could pick any figure, I suppose, and that's exactly what this Treasurer, of course, has done.

I'd like to address also for a minute, Mr. Speaker, the \$150 million savings the Treasurer says he's going to find in the Department of Family and Social Services through reductions in the supports for independence program. Their argument is that they're going to reduce the people on supports for independence by 10,000. Well, of course, that's to have the effect of \$150 million this year. But we're starting from zero reductions today on the number of people who are on supports for independence, and so to average 10,000 people and the payments they would otherwise have received over the year, they're going to have to reduce it by 20,000 people by year-end. The figures simply don't jibe. If they are to get \$150 million, they have to reduce it not by 10,000 but by an average of 10,000 people over the year. Starting from zero at the beginning of the year, you'd have to get to 20,000 evenly distributed throughout the year in order to average 10,000 people. It's a joke. It is absolutely a joke, and these members know it.

Mr. Speaker, I would like to mention one other quote that is very, very interesting in this context, and that's by the now Premier when he was a candidate for the leadership of his party. He said: I intend to balance the budget by 1995 and will introduce a law to ensure that the government doesn't try to wiggle out of it later on when it might not be convenient to stand by that promise. It was only three months later that he wiggled out, squirmed out, slithered out of his own Spending Control Act. This Act is about credibility, and the figures that underpin the Act, the projections inherent in the Act, are simply without credibility.

5:00

It is also true that whatever we have seen in the actions of this government over the last eight years, and certainly underlined and emphasized since December 6, 1992, would give us no cause to believe that the credibility required to make this Act work or believe in this Act has in any way, shape, or form been enhanced. This Act is not believable, and the political will that would back this Act and make it believable is simply nonexistent. This is an Act that reflects very much the tenor of this new premiership. It reflects very much the symbolism without substance that we see day after day after day on the part of the Premier in this Legislature and wherever else he may be in and around this province.

Mr. Speaker, this government should be ashamed of itself for presenting this Act to this Legislature. They should be ashamed of themselves for breaking its predecessor, the Spending Control Act. They simply will not receive the support of any reasonable members in this Legislature.

MR. SPEAKER: Edmonton-Avonmore.

MS M. LAING: Thank you, Mr. Speaker. I, too, rise to speak against this Bill. None of us would deny the worrying nature of the deficit and the debt, but this Bill will not do the trick in terms of ending either of those problems we face. For one thing, we see that it is replacing another Bill, the Spending Control Act, which was supposed to do what this Bill would say it would do, which is to control the debt and the deficit. We also see that this Bill is without penalty for noncompliance. In addition, we need to look at the questions that have come forward in question period in the last three days, questions about a board that was to be established to review MLA pensions, and when the Deputy Premier was asked about the statutory requirement not being honoured, the response was that the government had found or chosen another way. We would note that the Act had not been repealed, so we have to say: so much for being bound by statute.

Mr. Speaker, this Bill is not landmark legislation. It is a smoke screen not unlike the many budgets I have witnessed brought forward in this House in the last seven years, when the Treasurer can write anything he or she desires to write and hopes that because it is written, people will believe it. Most of us have learned to challenge the written word as well as the spoken word. This Bill is simply an attempt to hide the real difficulties Albertans face in these difficult times. That's why the Spending Control Act had to be repealed; it didn't address the real issues that face us in this province. That Act did not solve the problem, and neither will this. Our problem will be solved when all employable Albertans have jobs available for them.

The deficit is not caused by overspending. It is caused by unemployment: too many Albertans not working, not paying taxes, and requiring government assistance. Cuts in spending create more unemployment, more people needing assistance, fewer people paying taxes. So this Bill is wrongheaded. The problem is not a spending problem; it is a revenue problem. A more

appropriate Act would be an unemployment elimination Act or an Act to reduce the human deficit created by unemployment and poverty.

Mr. Speaker, the Treasurer says that Albertans have told him to cut spending, trim the deficit, but they are also saying: protect our universal health care system and our education system; maintain programs for seniors without means tests. I have to wonder then: with whom did the Treasurer consult, and for whom is he speaking? Did he consult with single mothers on social assistance or parents whose adult children cannot find jobs and have returned to the parental home with their young children? Did he talk to the 50 percent of seniors who live near or below the poverty line, sometimes deep in poverty, seniors who are too proud to undergo means tests, the very seniors who through a life's work have built this province and cannot stand to be asked to prove their worthiness? Did the Treasurer talk to parents, low-income parents whose children are excluded from school activities due to user fees or parents whose children will not be able to attend postsecondary education institutions due to quotas or high tuition fees? Did he speak with them? Did he talk to the young mothers who take their babies to the health units? I would suggest he did not and that this Bill does nothing to answer their questions and their concerns and does not reflect their wishes.

This Bill comes from incomplete consultation. It comes from a perspective of those who oppose fair taxation, the perspective of people who believe in survival of the fittest and too bad about the rest of the people. It comes from the people who hold social spending as the problem but ignore the \$2 billion lost in economic development spending. Mr. Speaker, I daresay you could not spend the \$2 billion – as they have wasted in the area of economic development – on social spending, on human development and have nothing to show for it. This Bill is ill-conceived in its provisions and also in the philosophy it perpetuates. The lack of detail in the budget process suggests secrecy and paternalism, a “trust us; the government knows best.” Even in allowing for special warrants, where is the accountability? They obviously are saying: we know best for the rest of you. We also see a focus on spending without attention to revenue – and yet the two must go together – and a failure to look at a cost/benefit analysis of any initiative that requires money.

But more importantly and most dangerously, in this Bill the government fails to honour the social contract and to understand the justice and dignity that should be accorded to all human beings. It fails to understand the role government has to play in providing a framework of justice and equity for all its people. We must therefore renounce this Bill.

Thank you.

MR. SPEAKER: The Member for Stony Plain.

MR. WOLOSHYN: Thank you, Mr. Speaker. With some reluctance I'm entering this debate. After having listened diligently to the previous three speakers, I had no alternative. I found it rather interesting to note that the man who represents the party of the biggest hypocrites was preoccupied with hypocrisy for a good portion of his talk. I was hoping he would look in the mirror to see who he was describing, but I don't think he quite did that. I also found it very interesting that the member from the Liberal Party was questioning with great intent as to where the government would make certain cuts in terms of social spending. In his most eloquent dissertation, I'm sure he made all recipients quake in their shoes. That was followed very quickly by the hon. Member for Edmonton-Avonmore, who said don't cut any social spending.

Well, Mr. Speaker, this is Bill 67, the Deficit Elimination Act. That Act outlines very well for the opposition, for the people of Alberta, and indeed for the government that there has been a direction set to address what is considered probably the most important problem facing not only Alberta but every province in this fine land of ours, the federal government, the United States, and just about every government in the modern world, and that is: spending more than the revenues they collect.

5:10

I have a real problem when we start saying things like this government was irresponsible when it put \$9 million into a company it owns, namely Gainers. I was very disappointed in the fact that hon. members from the New Democrats supported very strongly the infusion of money into a government company in order to maintain the 1,200 Edmonton jobs and the 4,000 jobs on a broader scale. If the Member for Edmonton-Meadowlark is so narrow of vision to think for one moment that not having put in that \$9 million would have made this a better province . . . We would have dumped 4,000 people into the unemployment market instantly, we would have shut down a company needlessly, we would have inconvenienced the farmers of northern Alberta, and in question period that member over there from Meadowlark would have been standing in this House saying: why did you do that? He forgot to mention that over the three-year period that this \$9 million covered, \$12 million of that went directly into the coffers of the city of Edmonton in the form of either utilities or property taxes. I believe the residents of Edmonton are taxpayers in this province the same as any other group outside the city. So I think the funding of Gainers was a very responsible act, and as a government member I hope very sincerely that in the near future as Gainers gets to be a more productive company and the economy turns around, it can in fact be sold and sold in such a way that the people of this province actually benefit from it.

Now, getting back to the Act at hand, I notice there was a lot of reference by one of the members to things like accountability. I would suggest that in his hurry to criticize the government, he forgot to look at the whole Act. There's a section 4 which deals directly with how the deficits are going to be or not going to be transferred. Section 5 deals specifically with surplus revenues in any given year and spells out that they are not going to be put off to offset spending in another year but are going to be applied directly to the debt.

Mr. Speaker, we can't question the fact that the Provincial Treasurer has given a lot of thought to this Bill, has pointed out to the people of Alberta that he has in fact provided a four-year plan . . . [interjections]

MR. SPEAKER: Order.

MR. WOLOSHYN: . . . to lay out to the people of Alberta that there is going to be . . . [interjections]

#### Speaker's Ruling Decorum

MR. SPEAKER: Forgive me, hon. member. I keep hearing from various parts of the room. People seem to be forgetful of Standing Orders.

Stony Plain, please.

#### Debate Continued

MR. WOLOSHYN: Thank you, Mr. Speaker. I appreciate your support. But you know, when you're in a zoo – and there's a zoo

over there – sometimes you have to ignore the chattering of the monkeys. I choose to direct my comments to you, Mr. Speaker, and we'll let the monkeys chatter over there.

As I was saying, the Provincial Treasurer has laid out very carefully a four-year plan which will be followed.

I think hon. members from across the way have overlooked a couple of other significant principles in this Bill. There's going to be an audit committee established. Members over there may chuckle and say it's not going to happen, but I think they have to appreciate that since Premier Klein came in on December 6, we've had the most vigorous exposure of government spending to the closest possible time to the current date that we've ever had here. I would say to you that this is just the beginning of what is going to be a very open and honest government and an exposure of what's on the books to members of the Legislature and, more importantly, to the people of the province.

The Member for Vegreville has difficulty breathing. I think the problem is not so much that I am the one speaking, but he can see the merits of this legislation. He's having difficulty seeing before him a Bill that he in conscience will actually support but in public posturing may not be able to, due to the fact that over there he has to oppose. Very strict party discipline. The Bill goes on further, Mr. Speaker, to point out that the Provincial Treasurer is also going to be accountable to the Lieutenant Governor in Council on a very regular basis and again in a public way.

I find it very interesting that in the debates with respect to Bill 67 we hear a lot of talk about spending control, yet during question period we have a lot of pressure to increase spending. Now, we can't have it both ways, Mr. Speaker. Yes, we are going to have spending control. There's got to be; there's no question about it. Once spending control comes, I assure you that people such as seniors, whom I've spoken to and I know the Provincial Treasurer has, are very, very proud to be a) Albertans and b) Canadians. I say that in that order – Albertans and then Canadians – because in Alberta they have enjoyed some of the most lucrative programs seniors anywhere in this country have been exposed to, and for that they are very proud. I am very happy that up to this point they have been able to enjoy it.

Mr. Speaker, I go on further to say that these seniors are very pleased with what is being done for them currently, and many of them have also offered to pay some of their way. Now, I won't get into details of how and where, but I'm speaking to you about responsible seniors who appreciate living in this province. Nowhere in the budget is there any taking away from them. But I would say to you that if the members opposite talked to some of these people, they would understand that seniors don't like to see any more waste than is necessary. Seniors don't want to be treated any differently from other citizens, and they are quite willing to pay their own way.

I would say to you, Mr. Speaker, that all the social programs will be protected. Obviously, they have to be protected. They may be readjusted for efficiencies as time goes on, and some of these readjustments undoubtedly will reflect input we've had from things like The Rainbow Report as is happening in health. I would suggest to you that as this comes forward, you're going to get very large support from the public and also from the members opposite. Currently social services is under review, and I don't hear any public outcry against directions taken but rather support for what the minister is trying to implement. What he is trying to implement is a guarantee that the needy in this province will end up getting the help they need. I was glad to see that that program is starting.

The Member for Edmonton-Meadowlark had some interesting numbers. As usual, when you take a figure out of context . . .

He was playing with 10,000 and 20,000, and for the life of me – and I'll go back to *Hansard* – I don't think he made any sense to himself or to the House and certainly not to this member. I'll let it go at that.

AN HON. MEMBER: What was the principle of it?

MR. WOLOSHYN: The principle of it was lost on me, hon. member.

The question was asked: why would the public believe in the objectives of this Bill? Well, I will say to you, Mr. Speaker, that the public does believe in the objectives because they will be met. There is a commitment made. It's laid out by the government that these commitments are going to be met, and you can rest assured that they will be. The public is going to be aware of what these commitments are, and contrary to what may be conjured up for *Hansard* mailouts from across the way, the public is going to be quite supportive of this kind of legislation, because what it lays out is a plan of action, a plan of action that addresses a very, very serious problem, something called the deficit, a plan of action that is being implemented already, a new direction.

5:20

I recall the opposition wanting a downsized cabinet. They got a downsized cabinet. Now there are complaints that the votes won't be broad enough. Well, you can't have it both ways. If you have fewer portfolios, you're going to have a consolidation of spending. I would say to you that if you're going to have a consolidation of government services, there's going to be a need for less fragmentation of it, because it's just the way things work out. So the cabinet itself being downsized so quickly and starting to take hold so quickly, the fact that we had a voluntary manpower reduction in the government service that has been going on so well are good indications of the sincerity of the statements that are being made here. One of the things I personally appreciate: in all departments there aren't the arbitrary, harsh, brutal, slash-and-burn kinds of cuts for staff. It's all through voluntary leave or attrition that there will be cuts. I'm not aware of any impending layoffs; consequently, people who work for the government are quite comfortable in the fact that they are working for a benevolent employer.

Certainly the Member for Edmonton-Avonmore made a very good point when she said that what we need is employment. I agree with that totally, because with employment you have a smaller demand on all the social programs. You have a broader tax base. The only difference is that I don't believe at this particular time you can spend your way, from the government aspect, into employment. This is where the hon. member and I would differ. This is not the time for the government to dump money it does not have into the economy and to create false little blips that would get expectations up and then all of a sudden we'd have collapses. The government of Ontario indicated that it wanted to spend its way out of the recession, and it didn't work. They're now having to go into worse cuts than they would have had to implement in the beginning.

I would say to you, Mr. Speaker, that we can argue this any way we want, but the bottom line in terms of this particular bit of legislation, Bill 67, is that the intention of it is to lay out two things: the fact that the government does have a timetable to reduce the deficit to zero and then get on a program of reducing the debt. There are significant directions outlined in that legislation that will have to be followed that will eliminate criticisms the opposition has had in the past, the accusation of providing one budget and then coming through with a different spending plan.

There is going to be ongoing accountability throughout the year, every three months I believe. We can't argue that these directions will do anything but enhance the credibility of the government. They will make it more accountable to this Legislature and certainly to the people of Alberta.

Mr. Speaker, on that note I'd like to adjourn debate.

MR. SPEAKER: Before dealing with the Deputy Government House Leader, earlier today, when dealing with the matter of privilege, the Member for Westlock-Sturgeon raised a purported point of order. The Chair has been able to check back to Westlock-Sturgeon's question. Written Question 383 was rejected

on April 22, 1993. That was obviously some time prior to budget night of May 6. Therefore, the purported point of order was just a dilatory tactic on the part of the member.

Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Speaker. I move that when we reconvene this evening at 8 p.m., we do so as committee to consider Bill 66 and that the House does now stand adjourned until the committee does rise and report.

[The Assembly adjourned at 5:25 p.m.]

