

Legislative Assembly of Alberta

Title: **Wednesday, May 12, 1993**

2:30 p.m.

Date: 93/05/12

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

Our Heavenly Father, we thank You for Your abundant blessings to our province, our country, and ourselves.

We ask You to ensure to us Your divine guidance and the will to follow it.

Amen.

MR. DINNING: Mr. Speaker, I have messages from His Honour the Honourable the Lieutenant Governor, which I now transmit to you.

SERGEANT-AT-ARMS: Order!

MR. SPEAKER: The Lieutenant Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1994, and recommends the same to the Legislative Assembly.

Please be seated.

head: **Presenting Petitions**

MR. SPEAKER: Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. I beg leave to present a petition from 16 citizens of Edmonton and area petitioning the Assembly

to urge the government to afford clefted children full access to proper dental care so these children may grow to be healthy functioning parts of Alberta's future.

MR. SPEAKER: The Member for Lesser Slave Lake.

MS CALAHASEN: Thank you, Mr. Speaker. I beg leave to present a petition from 890 citizens from and around or visiting Lesser Slave Lake requesting that the government look into resolving the concern of the low lake levels in Lesser Slave Lake.

head: **Presenting Reports by
Standing and Special Committees**

MRS. B. LAING: Mr. Speaker, pursuant to Standing Order 93 I wish to report that the petitions for private Bills that have been received by the Assembly have been taken under consideration by me as chairman of the Standing Committee on Private Bills and that all the petitions received complied with Standing Order 86.

Furthermore, Mr. Speaker, pursuant to Standing Order 91(2) the Standing Committee on Private Bills has had under consideration the acceptance of a late petition presented earlier today by me, being the petition for Bill Pr. 21, the Shelly Simone Komant Adoption Act. The petition has otherwise complied with the advertising requirements under Standing Order 86. The committee recommends to the Assembly that this petition be allowed to proceed despite the late filing under Standing Order 91(2) and that the Assembly do now deem this petition to have been read and received.

Mr. Speaker, the Standing Committee on Private Bills has had certain Bills under consideration and wishes to report as follows.

The committee recommends that the following Bills be proceeded with: Bill Pr. 17, the Cory Brad Irwin and Shawn Lee Irwin Adoption Act, and Bill Pr. 27, the Calgary Chinese Cultural Centre Association Tax Exemption Act. The committee recommends that the following Bill not be proceeded with: Bill Pr. 21, the Shelly Simone Komant Adoption Act. The committee will further consider Bill Pr. 18, the Gerald Edwin Crabbe Adoption Act, when petitioners are able to meet with the committee.

Mr. Speaker, I also wish to report that the committee resolved to recommend to the Legislative Assembly that alternative ways of dealing with adult adoptions be considered.

Thank you.

MR. SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

head: **Tabling Returns and Reports**

MR. TRYNCHY: Mr. Speaker, I wish to file four reports of the gas Alberta operating fund for the year ended March 31, 1992.

head: **Introduction of Special Guests**

MR. MOORE: Mr. Speaker, it's a pleasure today to introduce to you and through you to members of the Legislature Rev. Jim Hearne, seated in your gallery. Rev. Hearne has served the Lacombe parish of the Anglican church for the past 17 years and is now going into retirement, like a lot of the members around this Legislature. He's up here visiting us, seeing what we do before he leaves his position in Lacombe, and we welcome him here today. I would ask the members of the Legislature to give him the traditional welcome and a bon voyage into retirement.

MR. SPEAKER: Edmonton-Calder.

MS MJOLSNESS: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you and to members of the Assembly members of the local 6 negotiating team of the Alberta Union of Provincial Employees: Guy Smith, Linda Karpowich, Noelle Mahura, Doug Schwartz, and Carol Sekiya. They're seated in the public gallery, and I'd ask them to rise and receive the warm welcome of the Assembly.

MR. SPEAKER: The Minister of Justice.

MR. FOWLER: Thank you, Mr. Speaker. It's my privilege to introduce to you and through you today 54 students and three professional educators from the Ronald Harvey school in St. Albert. They're here to view the proceedings today and are seated in the members' gallery. The teachers are Mrs. Mary Stoker, Mrs. Peggy Bergmann, and Mr. Tony Sware. I would ask that they please rise and accept the acknowledgment of this House.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and to the Assembly 20 visitors from the Adult Development Centre in my riding. They are accompanied by their group leaders Tammy Otto, Pat Feduk, Sheila Little, and Kirsten Kachuk. They are in the public gallery. I request that they stand and receive the warm welcome of the Assembly.

head: **Oral Question Period**
Leadership

MR. MARTIN: Mr. Speaker, it's nice of the Premier to drop in, but we haven't missed him. We see his nice shining face on billboards. Well, it certainly is more pleasant to have him there than here; that's for sure. He cares. He listens. Well, this is a Premier who obviously doesn't care about this Legislature, doesn't care about democratic procedures.

MR. SPEAKER: Order.

MR. MARTIN: What's wrong with that?

Mr. Speaker, the under-new-management Premier – let's look at what's been happening here to see precisely what I'm talking about – delayed the call of the sitting. He refused to table a complete budget. Today we get one; it's only half done. He conducts government spending by special warrant. He thinks closure is routine government business. They give information to Conservative candidates that they don't give to opposition candidates. This is a Premier that cares only about his political hide and that listens only to his right-wing friends. My question to the Premier is simply this: how can the Premier pretend to be under new management when he continues the tired, old Conservative ways only more so?

2:40

MR. KLEIN: Mr. Speaker, you know, caring and listening is a matter of delivering on promises, and when we went through the leadership campaign, there were a number of things that I said that I would do. I said that this government would be a highly visible government, and indeed it is. Our ministers are out and about throughout this province listening to people, paying attention to their concerns, and responding to those concerns. We said that we would bring in a budget that would be the first year of a four-year plan to eliminate the deficit, and that has been done. We said that we would reduce the size of government starting at the top, and we did that by reducing the size of cabinet from 26 to 17. We did that also by reducing the number of caucus and cabinet committees from 26 to 4. We said that we would reduce the size of the public service but do it in a caring way, showing dignity and respect to our public service employees, and as I speak today, we have eliminated something like 2,750 positions without any layoffs. We said that we would bring forth an economic plan; we have done that. Caring and listening is also about keeping promises, and we have done that.

MR. MARTIN: Well, Mr. Speaker, he talked about job creation; nothing there in the budget. He's talking about massive cuts in the public services; that's not what he promised. He promised freedom of information; now we have a discussion paper. It's nonsense that he's been listening.

As with the whole operation of this government, yes, they're visible, if they can afford to buy up billboards; certainly not visible in this Legislature. I want to ask this question to the Premier: isn't it true that the only thing the Premier cares about is the next political election and clinging to power? That's the only thing he cares about.

MR. KLEIN: Mr. Speaker, I care about people, and I care about this province.

MR. MARTIN: Well, if you cared about people, you wouldn't be bringing in the budget that you're doing. We'll talk about that

in the election. Why don't you tell them the truth about what's going to happen to them?

Now, I want to say to the Premier that instead of leadership we're getting a cynical government. I'd say "he scares, he procrastinates" should be the actual billboard that he has up there. What we now have is government by polls. Is the poll good enough to go? Gee, what leadership: oh, we'll have more polls; we want to make sure it's okay before we go to the people. That's called leadership. Cynicism, Mr. Speaker. My question to the Premier is simply this. Let's quit the charade. Screw up your political courage and call the election. Let's do it, Mr. Premier.

MR. KLEIN: There was no question there, Mr. Speaker, so obviously there's no answer.

MR. SPEAKER: Second main question, Leader of the Opposition. [interjections] Order.

MR. MARTIN: They're getting a little excited over there, Mr. Speaker. [interjections] You notice who's talking the most? The double-dippers over there.

AN HON. MEMBER: Shame.

MR. MARTIN: Shame. Well, it's true. Look around.

Mr. Speaker, I'd like to designate the second question to the Member for Vegreville.

Closure

MR. FOX: Mr. Speaker, closure is used by governments when they're running scared, when they want to shut down debate and ignore the concerns of Albertans. Closure was not used to ram legislation through this House once by the Lougheed Conservatives in over 15 years. It was used 13 times by the Getty Conservatives in their seven-year reign of error, but the Klein Conservatives under new management have declared war on democracy by planning to use closure nine times in less than five weeks of debate in the Alberta Legislature. I know all they care about is the election, but why doesn't this Premier recognize that Albertans deserve to be heard and represented in this Legislature through their duly elected MLAs and that using closure on a daily basis is a slap in the face to the people of Alberta?

MR. KLEIN: Mr. Speaker, I'll defer to the hon. Government House Leader.

MR. KOWALSKI: Mr. Speaker, matters such as those addressed by the Member for Vegreville are usually dealt with by the Government House Leader.

In January and February we had a very efficient and a very effective session of the Alberta Legislative Assembly. If we've heard anything from the people of this province, in the same way that Canadians have said it to their parliamentarians in Ottawa, it's that they're simply tired of the games that are played by people who are supposed to be honourable men and women in the Legislative Assembly. Now, we're elected to come here to do the people's business. We're not elected here to come and listen to the same speech given ad nauseam 75 times by the same individual. I'm sorry. When I look at the attendance, we all know what the recorded votes have been for various people.

We have been dealing with business. We are dealing with business. That's our intent. As an example, we are going to pass the MLA Pension Plan Amendment Act, 1993 (No. 2), and the

NDP and the Liberals have voted against it. They've also voted against retroactive reductions back to 1989 in a vote in this Assembly last Friday, a recorded standing vote, and all of the citizens of Alberta can see it. We're about business, and we're about efficiency, and we're about effectiveness.

MR. SPEAKER: Vegreville.

MR. FOX: Thank you, Mr. Speaker. The Premier can put up signs trying to convince Albertans that he cares and listens, but the record proves otherwise. He doesn't care about the concerns of Albertans and doesn't want to listen to them in this Alberta Legislature.

Is the Premier proud of the fact that under his so-called new, open government they shut down debate and use closure on almost a daily basis, making it the rule rather than the exception?

MR. KLEIN: Well, as far as I know, Mr. Speaker, closure is proposed for one Act, and that is the pensions amendment Act. I can understand why the NDs and the Liberals are fearful of closure: they do not want to lose their pensions.

MR. FOX: Nine times in five weeks, Mr. Speaker. Every time these guys use closure to shut down debate, Albertans suffer. They used it to sell AGT, and it's cost us millions of dollars and thousands of jobs. I'd like to ask the Premier: why doesn't he understand that when he uses closure, be it on boundaries, pensions, game ranching, or labour legislation, democracy is abused and the people pay the price?

MR. KLEIN: I reiterate, Mr. Speaker: I suspect that the only reason the ND and Liberal opposition oppose closure relative to this very sensitive issue is that they don't want to lose their pensions. [interjections]

Speaker's Ruling Decorum

MR. SPEAKER: Order please. [interjections] Order. [interjections] Order on both sides. [interjections] We're not waiting for God, hon. member. You're one of the members that the Chair is waiting for to stop the constant interruptions, because you must be up to about 19 so far.

Edmonton-Glengarry.

2:50 Provincial Budget

MR. DECORE: Thank you, Mr. Speaker. When the current Premier first came to this Assembly in 1989, the debt of Alberta was some \$10 billion. After this fiscal year the debt of Alberta will be \$25 billion. When the Conservative government three budgets ago promised a \$33 million surplus, the current Premier stood in this Assembly and crowed – I guess calling it a promise might be taking it a little too far – about the government plan that would lead to a balanced budget. The Premier was wrong. Instead of a surplus we got a \$2.2 billion deficit, and the plan crashed. Now the Premier is crowing again, saying: trust me; trust me; we've got a plan to put the deficit and debt under control. My first question to the Premier is this. Of the \$700 million in suggested cuts \$200 million is included in what is called a local employment transfer program, a onetime-only program. Mr. Premier, how can you use that onetime program to show a \$200 million cut of the \$700 million?

MR. KLEIN: Fundamental to the hon. leader of the Liberal Party's question, Mr. Speaker, is the fact that we have a plan.

We have a four-year plan to eliminate the deficit, which is far more than the Liberals have, I might add.

With respect to a matter of trust, it's a lot better to trust me than to trust him; I'll tell you that for sure.

MR. DECORE: Well, Mr. Speaker, we get deflections from the Treasurer on answering questions on the budget. I guess we could almost expect the same thing from the Premier: not to answer questions.

Mr. Speaker, I think it's important for Albertans to know. No doubt the Premier didn't hear the question. Explain to Albertans, Mr. Premier, how \$200 million of the \$700 million in cuts comes from a onetime-only program. Explain that so that we can understand.

MR. KLEIN: Mr. Speaker, relative to details of the budget I'll defer to the Provincial Treasurer.

MR. DINNING: Mr. Speaker, clearly in our budget last year we invested some \$200 million in a local employment transfer program with the hopes that municipalities would invest those dollars to create jobs. We chose not to renew that program this year, and clearly that is a reduction in spending from last year's program.

Mr. Speaker, let's be clear about the plan. The hon. member talks about a plan.

MR. McEACHERN: You don't even understand yourself.

Speaker's Ruling Interrupting a Member

MR. SPEAKER: Forgive me, Provincial Treasurer. Order please, Edmonton-Kingsway.

MR. McEACHERN: He doesn't know what he's talking about. We should get the former Treasurer to explain. He doesn't even understand his own books.

MR. SPEAKER: Edmonton-Kingsway. [interjection] The Chair has no intention of throwing the member out, because it seems to be what the hon. member wants. [interjection] Hon. member, please. I understand that you are a teacher by profession. There are students in the gallery here. Let's not get into this.

MR. MARTIN: Oh, come on.

MR. SPEAKER: Order, hon. member. Come on is what's happening. There's no need for this constant heckling going on across the floor. Hon. leader, you're aware of it, and hopefully you can discipline your own caucus.

Provincial Budget

(continued)

MR. DINNING: Mr. Speaker, I was talking about a plan, and let's make a distinction here. We have a four-year plan that we have put in place, and we've taken action on that plan right now, this year. We're not holding back.

The NDP plan, on the other hand, is to tax. According to the Ron Collister show the NDP want to emulate the policies of the NDP government in Ontario. Wouldn't that be fine for the province of Alberta? They'd take Alberta to where Ontario has become now. I look across the way, Mr. Speaker, and they simply do not have a plan. They don't know how long it's going to take

to balance the budget. In Spruce Grove the hon. member talked about five or six years. In Smoky Lake he talked about . . .

MR. SPEAKER: Thank you, Provincial Treasurer.
The last question, Edmonton-Glengarry.

MR. DECORE: Mr. Speaker, the Premier has talked about openness and accountability. It's just today that we got the government estimates, half of it. We got part of the estimates of an open and accountable government, a government that the Premier says is going to be new and different. It looks to Albertans, Mr. Premier, like these estimates are being made up as you go along. I'd like you to tell Albertans why it is that Albertans have not seen all of the estimates, the complete estimates for this budget, like they usually see the day the budget is brought down.

MR. KLEIN: Mr. Speaker, if the hon. leader of the Liberal Party would take the time to go through the primary budget document that was tabled by the Provincial Treasurer, he will see a complete and full summary of all the estimates. [interjections]

MR. SPEAKER: Order. [interjections] Order please. [interjection] Order.

MR. FOX: Shape up, Stockwell. There are kids in the gallery.

MR. SPEAKER: I trust they're all in the gallery.
Fort McMurray, followed by Edmonton-Strathcona if there's time.

Edmonton Oilers

MR. WEISS: Thank you, Mr. Speaker. My question is directed to the Premier. I know the Premier is aware of the controversial issue surrounding Mr. Pocklington, the Edmonton Oilers, Northlands, the city of Edmonton, and of course the NHL Board of Governors. Earlier the Premier indicated that the province would not be involved in this situation. I'm wondering now if he could advise the Assembly if he's taken any subsequent action to ensure that the Oilers remain in Edmonton as an important economic benefit not only to Edmonton but to all Albertans.

MR. KLEIN: Mr. Speaker, I've written Bruce McNall, the chairman of the National Hockey League Board of Governors, and have copied all the other governors expressing the concern of the people of this province over the possibility of the Oilers moving from the city of Edmonton. I expressed to Mr. McNall - and I'll be happy to table the letter - that I'm deeply concerned, and I'm sure all Albertans are deeply concerned, about the possible move of the Oilers and the implication of such a move for this province. Therefore, I appealed to Mr. McNall on behalf of Albertans and to the National Hockey League to assist the city of Edmonton in its efforts to preserve its professional hockey franchise.

MR. WEISS: Well, Mr. Speaker, I hope the Premier's efforts bear fruit.

Mr. Speaker, the Premier is a Calgarian. Would he perhaps alleviate the concerns and fears of us in the south and the northerners in particular that it isn't a Calgary plot to eliminate the Oilers as direct competition to the Flames?

MR. KLEIN: No, I can assure the Assembly, Mr. Speaker, that it is not a Calgary plot. I mean, the Flames wouldn't be the Flames without the Oilers.

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

Consumer Protection

MR. CHIVERS: Thank you, Mr. Speaker. Last Friday the Minister of Municipal Affairs informed department employees that consumer education and mediation services were being eliminated. The destruction of the department of consumer and corporate affairs under the new management will deprive Alberta consumers of any protection against unscrupulous marketplace practices. Yesterday it was reported that the consumer affairs minister had offered to mediate a dispute that saw several families evicted from Mobile City Estates trailer park in Spruce Grove with only four days' notice. To the Minister of Municipal Affairs: how does the Minister of Municipal Affairs propose to conduct this mediation in view of the fact that he's eliminated the department that provided the service?

DR. WEST: Mr. Speaker, there has been a direction given to consumer and corporate affairs through the budgeting process that there will be changes in the future. The mediation process in the province of Alberta has evolved over the years to a point where many individuals can take the responsibility of themselves to many private agencies that can help them in mediation. As well, we have 31 Acts that will be enforced in the province of Alberta under consumer and corporate affairs that cover everything from the Collection Practices Act to the Condominium Property Act to the Direct Sales Cancellation Act and so forth.

In place today there are many private-sector directions where people can find mediation. I have a list here: Better Business Bureau of Calgary, Insurance Bureau of Canada, disputes settlements, Alberta Arbitration and Mediation Society, Canadian Bar Association, new home warranty programs, Edmonton community mediation services, Association for Residence Maintenance for Seniors, or ARMS, Parlee McLaws. Some of these local law firms will be offering . . .

MR. SPEAKER: Thank you, hon. minister. Save a few more of them, please.
Supplementary.

MR. CHIVERS: Mr. Speaker, in view of the cost private mediators are simply not a realistic alternative for victimized consumers. Contrary to the minister's view, the role of the Better Business Bureau as a private member-sponsored body is no substitute for a vigorous public consumer affairs body. The closure of consumer affairs says to Alberta consumers that the regulators are out of business and that it's open season on consumers. To the Provincial Treasurer: does the Treasurer's recent budget statement about the government getting out of the way of business really mean that consumers are going to be left without any watchdog and that the consumer affairs laws will be unregulated and unenforced?

3:00

DR. WEST: Mr. Speaker, I'd like to give an update on the current status of corporate consumer affairs. After budgeting, there will still be 82 positions remaining. These will handle the mandated responsibility required by legislation, as I said, by the 31 Acts. This includes licensing certain businesses, mainly those with trust accounts or where there have been numerous complaints or consumer losses in the past; ensuring minimum financial stability requirements are met through bond and other means; handling

bond claims; monitoring and examining trust accounts of those firms holding public funds; and overseeing endowment care funds where required. Contraventions of legislation will continue to be investigated. Enforcement action will be taken where large numbers of consumers have been disadvantaged or significant losses have occurred. Family debt and money management counseling services are under review at the present time.

Gambling

MR. WICKMAN: Mr. Speaker, when the minister of lotteries pushed ahead with the installation of gambling machines in Alberta, this caucus cautioned the minister on the impact on revenue sources toward the nonprofit community-based groups. The latest community activist to express outrage about these gambling devices robbing community groups of much needed revenue is the government handpicked chairman of the Premier's council on Albertans with disabilities. To the minister: what steps is the minister prepared to take to monitor the impact of these gambling machines on nonprofit groups throughout the province?

MR. KOWALSKI: Mr. Speaker, I have ongoing consultations with the chairman of the Premier's council on disabilities, and this matter has never been raised with me.

Secondly, Mr. Speaker, tomorrow we'll be issuing a news release indicating to the people of Alberta the consultant that we have now selected to undertake a review of the incidence of gaming and gambling in the province of Alberta. That will be done tomorrow.

MR. WICKMAN: Mr. Speaker, is the minister prepared as part of this plan to consult with these nonprofit groups before he moves any further towards his goal of 8,500 such gambling devices throughout this province?

MR. KOWALSKI: Mr. Speaker, it was several months ago that we had inserted advertisements in the major communication papers in the province of Alberta asking for consultants to come forward with a proposal to look at the incidence of gaming and gambling and the impact on the people of Alberta. We've had a large number of consultants submit submissions and proposals, and I would sincerely hope that as the prime consultant, who was selected and will be announced tomorrow, continues his work, he or she will have an opportunity to consult with all nonprofit groups.

Mr. Speaker, the policy that we had announced in the spring of 1992 is one that we will be moving forward with. We have in the gaming area a high amount of applications that come to us. As an example, under the Alberta Gaming Commission a nonprofit organization that would now want to get a casino licence in either Edmonton or Calgary in essence has a waiting period of 18 months, 18 months to wait to have the right. The seven casinos in the province of Alberta are being utilized by the nonprofit sector in our province with a great deal of access and rapidity.

I repeat the answer where I began, Mr. Speaker: I've not had any consultation with the gentleman that the Member for Edmonton-Whitemud is talking about in terms of this being a negative. No one has talked to me about that yet.

MR. SPEAKER: The Member for Little Bow, followed by Edmonton-Beverly.

Western Premiers' Conference

MR. McFARLAND: Thank you, Mr. Speaker. My question today is for the Deputy Premier of Alberta, the Minister of Federal and

Intergovernmental Affairs, as it relates to the Premier's visit with Premier Harcourt of B.C. this past Monday. I understand that the topic of discussion was the Western Premiers' Conference which is coming up this following week. Would the Deputy Premier please indicate which items were discussed and which items will be on the agenda for this upcoming Western Premiers' Conference?

MR. ELZINGA: Mr. Speaker, as the hon. member has indicated, our Premier did meet with the Premier of British Columbia, whereby we did go through an overview as it relates to the items that are going to appear on the agenda when we do gather together in Canmore next week as a group of western Premiers. The main thrust and all the agenda items relate to further economic development in western Canada. The Premier of B.C. also suggested to our Premier that there was greater availability to work more closely so that we could have mutual projects for both British Columbia and the province of Alberta as it relates to further economic development.

MR. SPEAKER: Supplementary, Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. Would the Deputy Premier indicate which of these items that were discussed, if any, might deal with closer co-operation or joint projects which would be mutually beneficial and at the same time be beneficial to Alberta?

MR. ELZINGA: Mr. Speaker, there was quite a broad range of topics discussed, but let me just highlight three. Number one was the removal of interprovincial trade barriers, which will be on the agenda for the Western Premiers' Conference that is taking place next week. In addition to that, Premier Harcourt indicated to our Premier that he saw greater opportunities for the exportation of goods produced within the province of Alberta to the Pacific Rim. As I'm sure members are aware, Premier Harcourt has exerted a concentrated effort amongst the Pacific Rim countries, and he felt that there was a greater role for the province of Alberta to play. Plus, in essence, we are working, as the Premier has indicated, in a more co-operative way with governments of all levels. That was mainly the initiative of the visit itself.

Municipal Grants

MR. EWASIUK: Mr. Speaker, due to provincial downloading many of my constituents and homeowners throughout Alberta are facing increased local taxes this year. The Alberta Urban Municipalities Association estimates that provincial support for 12 major programs has declined significantly since 1989, and without budget details we don't know the extent of the cuts for this year. In many municipalities over 50 percent of the property tax goes to services other than municipal services, primarily education, which has also declined from provincial support in the last while. As a result, tax increases for education have already been announced in some jurisdictions. My question is to the Minister of Municipal Affairs. How can the minister support this government's claim that there are no new taxes as a result of this year's budget, when Albertans will surely pay more local taxes to pay for this government's mismanagement?

DR. WEST: Mr. Speaker, the municipal assistance grants, which are unconditional grants that go to municipalities, had a zero increase or decrease this year. The municipalities were all

consulted, and they were aware of this well ahead of time. Most of them had budgeted for a zero increase in those grants.

MR. EWASIUK: Well, Mr. Speaker, in 1990 this government brought in a comprehensive process called Local Government Financing Review. The present Minister of Municipal Affairs assured the AUMA earlier this year that he would meet with the authors of that report and make it public. My question to the minister is simply this: why isn't the minister releasing this report?

DR. WEST: Mr. Speaker, the report is under review as an internal document to the department. We have taken forward some of the recommendations in it and will be having further discussions with the people that gave their time and contribution to this document.

Let me give you an example. One of the recommendations was to find equity in education. I see that this year \$30 million was taken out of the lottery funds and put into equity in education and, as I said, met one of the recommendations of this financial review. We'll be going over this document in the future with the urban municipalities, RIDAA, and some of the other players involved, and we'll be coming back to this Assembly in the future to report.

MR. SPEAKER: Calgary-McKnight, followed by Drayton Valley.

School Amendment Act

MRS. GAGNON: Thank you, Mr. Speaker. Bill 41 was introduced in the Legislature in 1992 by the present minister of finance. He advised the House in response to my question of June last year that it took at least 10 years of consultation to draft the Bill. In this session the present Minister of Education introduced amendments to Bill 41, amendments which answered many of the concerns expressed through the summer and so on and raised at the time of second reading. The Bill has now gone through Committee of the Whole with support from all sides. My question is to the Minister of Education. How much longer will this government keep school boards in this untenable position of uncertainty and inability to plan?

Speaker's Ruling Anticipation

MR. SPEAKER: Forgive me, hon. minister, but questions are out of order on the matter after it's gone past second reading.
Drayton Valley.

3:10 Seniors Advisory Council

MR. THURBER: Thank you, Mr. Speaker. Seniors in Alberta know and respect the good work that the Seniors Advisory Council has done over the past few years. These Albertans, who are the mainstay and the pioneers of our communities, are really upset with some of the comments made by the opposition in this House regarding the future of the Seniors Advisory Council. I would like to ask the chairman of the Seniors Advisory Council, the Member for Bow Valley, if he could comment on the future of this council to give them some comfort.

MR. MUSGROVE: Mr. Speaker, I presume that the member is speaking of some comments made on May 7 by one of the opposition members who said something about the elimination of the Seniors Advisory Council. I have to state that this is not true. The seniors council is alive and well. It concerns me that some people would use these kinds of scare tactics to confuse and frighten the senior citizens of Alberta. Right now, with the help

of the secretariat, we're actively supporting seniors week, June 6 to 12, to recognize, along with a lot of others, the contribution that seniors have made to Alberta.

MR. SPEAKER: Supplementary, Drayton Valley, followed by Edmonton-Calder.

MR. THURBER: Thank you, Mr. Speaker. The supplementary is to the chairman again. Could you detail some of the consultation processes that are in place and have taken place over the past period of time?

MR. MUSGROVE: Mr. Speaker, we have recently met with a lot of seniors' organizations all over Alberta to deal with policies that came out as recommendations in our annual statement. We're also currently working with several groups, including the Kerby Centre in Calgary, on elderly abuse. We receive up to 1,600 phone calls a month at our office requesting information about seniors. We put out our senior citizens book that outlines all of the benefits, both Canadian and Alberta, for seniors. We mail out approximately 1,600 copies of those a month, and we're constantly meeting with groups and listening to their concerns and bringing those back to the government.

One of the things that we hope to do is to have an annual seniors conference this fall. [some applause]

MR. SPEAKER: Is the applause for his tie or the fact that most of us will be seniors at the conference?

Social Workers Contract Negotiations

MS MJOLSNESS: Mr. Speaker, yesterday I asked the Minister of Family and Social Services if he would be willing to meet with negotiators from local 6 to resolve basic issues, such as excessive caseloads, that have been on the table since 1990. The minister indicated that his department had met on Tuesday, referring to negotiations, which by the way are not going anywhere. To the minister: given that no progress is being made in these negotiations, will the minister now commit to intervening personally to ensure that long-standing issues are resolved?

MR. CARDINAL: Mr. Speaker, I'd just like to indicate again that as the minister I am open to meet with the employees, and I have met a lot of employees in the department: frontline workers, managers, administrators, and so on. In relation to the negotiations, they are ongoing. The negotiations are continuing today. I would like the Minister of Labour, no doubt, to supplement as far as negotiations. In addition to that, I am planning on meeting the president on an informal basis next Wednesday, May 19, to discuss general issues about my department's activities in the future.

MR. SPEAKER: Supplementary, Edmonton-Calder.

MS MJOLSNESS: Thank you, Mr. Speaker. We're talking about the minister's involvement at this point to resolve some of the issues, because it has been three years since this government promised publicly to deal with these issues. Caseloads are still increasing, and they're placing an intolerable burden on the workers. As well, Albertans' lives are being placed in jeopardy. I'd like to ask the minister: given his previous answer about not getting involved, how does this minister justify this inexcusable delay and his lack of regard for not only members of his own department but Albertans that are being placed at risk by this minister's inaction?

MR. CARDINAL: Mr. Speaker, I'd just like to indicate to the hon. member that the negotiation is under way, and I think the Minister of Labour may want to supplement my final answer. I'd like to advise the hon. member that when she talks about caseload, in the past four years we've increased the staffing by 347 in the department. I will continue assessing the workload needs and the performance appraisals of the staff and make sure that the services delivered to the clientele are the highest quality in Alberta.

MR. SPEAKER: The Minister of Labour, briefly.

MR. DAY: Well, Mr. Speaker, I can repeat that negotiations are ongoing, and certainly I don't think it would be effective to intervene when you're dealing with people on all sides of the issue who are responsible, mature individuals. I believe they're going to come to a negotiated conclusion, and that's the best way to allow this to happen.

MR. SPEAKER: Edmonton-Avonmore, followed by Calgary-North West.

Alcohol and Drug Abuse Commission

MS M. LAING: Thank you, Mr. Speaker. My questions are to the minister responsible for AADAC. Two days ago I raised questions about the 12 percent cut to AADAC's budget without receiving any answers. The chair of AADAC is trying to stall Albertans' learning the truth by telling us to wait for the estimates. However, AADAC officials are not hiding the truth and have indicated that while administration was indeed cut, education and prevention are also being cut, client monitoring and program evaluation are being cut, treatment programs are being cut, and a user fee is being introduced. Wouldn't the minister agree that there will be long-term consequences to society as a result of the reduction in treatment for teens provided by the adolescent treatment program in Edmonton?

MRS. MIROSH: Mr. Speaker, teens are very important to society, and it's this government's priority to continue delivery programs to teens who are addicted to drugs and alcohol. There are many programs around Alberta that we are evaluating. We're evaluating the results of these programs. There is a program in Calgary that doesn't require any funding. We're looking at all these programs to be very effective for drug and alcohol addiction of teens. Of course, we all know that we're under budget cuts. That's already been described by our Provincial Treasurer. I would like to just reiterate that there are no program cuts.

MS M. LAING: Well, Mr. Speaker, I didn't ask about Calgary; I asked about the program in Edmonton.

My second question is to the chair of AADAC. The Northern Addictions Centre in Grande Prairie cost taxpayers \$9 million and was built with detoxification, treatment prevention, and education service capacities. The facility was opened in 1991 with 50 percent capacity, and AADAC is now planning to reduce services to 25 percent. Even if we are to believe the chair's assertion that service will not cut back to 25 percent, how does he justify and explain this gross mismanagement of taxpayers' dollars and the wasted potential of this important facility?

MR. HYLAND: Mr. Speaker, to the hon. member. The Northern Addictions Centre, as she said in her preamble, has never operated at the total amount of beds available because of the funding. The detox unit will continue to operate at roughly the same level that

it's operating now. But due to lack of funding the remainder of the facility will operate as it has since the opening, without the additional beds.

MR. SPEAKER: Calgary-North West, followed by Calgary-Fish Creek.

Alberta Opportunity Company

MR. BRUSEKER: Thank you, Mr. Speaker. In the budget proposal the government has proposed as a cost-saving measure to streamline and combine the Alberta Opportunity Company, the Alberta Agricultural Development Corporation, and the Motion Picture Development Corporation as a single entity. My question today is to the Minister of Economic Development and Tourism. Given this government's failure to provide us the details, including things like estimates for this department, can the minister respond as to why AOC is getting an increase in funding of \$3.4 million as shown in the Treasurer's document?

3:20

MR. SPARROW: Mr. Speaker, Albertans have told us over and over again that we should be looking at all of the agencies, boards, and commissions. As you know, a task force worked very diligently on this for several months. That task force recommended that this amalgamation take place. I fully agree with it. In recent meetings with the chairman and president of AOC, they are looking forward to that. Shortly after July 1 the details of that amalgamation will be available, and there shall be substantial savings. I'm sure my colleague the Minister of Agriculture, Food and Rural Development could supplement my answer as he will be quite involved in that amalgamation.

MR. BRUSEKER: Well, Mr. Speaker, that was an interesting answer to a question I didn't ask. The question was: how can you save money by spending an extra \$3.4 million?

My supplementary question is: will the minister admit that the extra \$3.4 million that's going to AOC as shown in the Treasurer's document is simply an attempt to cover up the losses in the export loan guarantee program, in which last year you wrote off \$3.1 million?

MR. SPARROW: Mr. Speaker, that's totally misleading and not a fact. Definitely, it is not.

MR. SPEAKER: Calgary-Fish Creek.

MR. McEACHERN: Where's the rest of it?

MR. SPEAKER: Order.
Calgary-Fish Creek.

Calgary Health Services

MR. PAYNE: Thank you, Mr. Speaker. Earlier today I received an unusually high number of phone calls from concerned constituents in Calgary. These calls were triggered, apparently, by media coverage of the Calgary health services plan to provide at taxpayers' expense free condoms to some tuxedo rental shops in Calgary. Apparently, the intention is to supply a package of condoms with each tuxedo rented out for high school graduation functions. I'm wondering: can the Minister of Health clarify her department's policies with respect to this type of program spearheaded by Calgary health services?

MRS. McCLELLAN: Well, Mr. Speaker, in response to the hon. member I would be pleased to clarify the role of Health in this. Calgary health services is responsible to the Calgary health unit board and, ultimately, to the Health minister. However, it would be only under very rare circumstances that I would intervene in a program. It is my understanding that because of the public concern Calgary health services is considering postponing implementation of that program.

MR. SPEAKER: Supplementary, Calgary-Fish Creek. [interjections] Order. I know we're all tempted to make interesting comments on the issue.

Calgary-Fish Creek.

MR. PAYNE: Well, Mr. Speaker, I have to add parenthetically that I'm puzzled by the New Democrats, who regard this as such a humorous issue. I can assure them and their New Democrat candidate in Fish Creek that it's a very serious concern among my constituents.

I'm heartened by the minister's reply, however, of Calgary health services' apparent intention to postpone. I was unaware of that. At the same time, however, I would be reassured if I could have from the minister herself her assurance that she'd convey these concerns directly or from her staff to Calgary health services.

MRS. McCLELLAN: Well, Mr. Speaker, certainly because of the member's concern and because of public concern that has been received in my office, that information will be conveyed to Calgary health services through the Calgary public health unit, to whom they're responsible.

MR. SPEAKER: Thank you.

Point of order, Westlock-Sturgeon.

Point of Order

Explanation of Speaker's Ruling

MR. TAYLOR: Thank you, Mr. Speaker. Perhaps you could clarify the reason you ruled out the hon. Member for Calgary-McKnight's question. It's under *Beauchesne* 409(12). It says, "Questions should not anticipate a debate scheduled for the day, but should be reserved for the debate," which is quite correct, all right. But the question on the third reading of Bill 41: although it's on the Order Paper, it is not on the agenda that the Government House Leader circulated. If you use the argument that it's on the Order Paper – and I thought we went through this a couple of years ago – literally everything's on the Order Paper. By the end of a long session you could get so that all we could do is grunt because everything would be on the paper in some way or another. So I thought what would not be allowed should only be what has been circulated by the House leader on the agenda for the day.

MR. SPEAKER: Thank you, hon. member. First, while any member can raise the issue, the tradition of the House is that the member who feels aggrieved should raise the matter herself. Secondly, though, we have a number of precedents in terms of anticipation. Once a Bill has got past the second reading stage to the committee stage, it is no longer subject matter for question period. Thank you.

Now, if those of you who have urgent business perhaps would like to leave the House, I'll deal with the matter of purported privilege. Like the wind please, hon. members, like the wind. Let's not stop and visit, hon. members. If we're leaving, please go.

Privilege

Access to Budget Estimates

MR. SPEAKER: Thank you. I'm glad that other members are here to hear this particular issue.

On May 10, 1993, the hon. Member for Edmonton-Strathcona rose on a matter of purported privilege. Proper notice was given in accordance with Standing Order 15(2). In his submission the member stated, and I quote:

Last Friday the public of Alberta learned that the Deputy Premier provided to some or all Conservative Members of the Legislative Assembly a breakdown of government spending plans in their respective constituencies which detailed all public works, capital projects, and hospital and nursing home projects being undertaken in their constituencies for the 1993-94 fiscal year. The focus of concern is the release of government spending plans in their respective constituencies which detailed all public works, capital projects, and hospital and nursing home projects being undertaken in their constituencies for the 1993-94 fiscal year.

The Deputy Premier on page 2651 of *Hansard* stated, and I quote:

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.

The Deputy Premier goes on further, and I quote:

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 1993-94 year . . . 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.

A further quote:

I received no request from any member of the opposition since Friday morning for any additional information with respect to any projects.

And in concluding his remarks on page 2651 of *Hansard*, the minister further stated, and I quote:

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.

3:30

On page 2652 of *Hansard* the Chair requested Edmonton-Strathcona to provide additional citations. The Chair also requested the Deputy Premier to supply

examples of information that were given out to various members of the government benches.

On May 11 the Deputy Premier agreed to supply the requested material. On May 11 during question period the Member for Edmonton-Strathcona sent a letter to the Chair with his citations. The citations submitted by Edmonton-Strathcona include Standing Order 2 and sections 8, 9, and 10 of the Legislative Assembly Act, with particular reliance on section 10(2)(b) of the Legislative Assembly Act. While these citations do deal with a member's privilege, the Chair does not find them relevant to the specific issue as raised by the Member for Edmonton-Strathcona. However, the Member for Edmonton-Strathcona does cite page 115 of *Erskine May*, and the Chair does concur that this citation is relevant, and I quote:

Generally speaking, [the] act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any Member or officer of such House in

the discharge of his duty, or which has a tendency, directly or indirectly, to produce such results may be treated as a contempt even though there is no precedent of the offence.

The Chair's responsibility in determining a prima facie case of privilege is to identify on the surface, does it appear that there has been an act or omission by the Deputy Premier that has impeded the Member for Edmonton-Strathcona in the discharge of his duties to this House and his constituents? There has indeed been some confusion in the method of the tabling of budget estimates for the current fiscal year. The pattern of procedure of at least the past 15 years has been altered. The recent tradition of this House has been to have all budget documents and estimates tabled in the Assembly as a whole. This has not been the case this year.

Edmonton-Strathcona's particular stated concern relates to various documentation related to public works on a constituency breakdown basis and that such material was not given to all members of this House. The Deputy Premier has stated that the material was and is available on request. The minister further stated that no requests for such information were received from opposition members as of May 10, 1993. The Deputy Premier informed the Chair on May 11 that while some constituencies have projects under way, other constituencies have none. Therefore, information is not available for every constituency.

In examining the material submitted to the Chair by the Deputy Premier, it appears on the surface, or prima facie, that the specific dollar information contained in the 1993-1994 approved capital projects by constituency would be the same dollar figures contained in the estimates. However, the Deputy Premier has also stated in the material submitted:

These profiles of approved capital projects provide the following information:

- (1) total project cost;
- (2) expenditure forecast to March 31, 1993;
- (3) 1993/94 approved budget;
- (4) future years requirements; plus a precis briefing on each project.

To further quote from the Government House Leader:

In my Ministerial briefing book I have a complete overview of all capital projects under my jurisdiction. For each project there is a statement of expenditures to March 31, 1993, a programmed amount for fiscal 1993/94 and a requirement for future years' expenditure. A precis briefing on each project is also included.

This information is not "Estimates" information. Rather it is information for the Minister and it has always been my policy, as a Minister, to share information contained in my Ministerial briefing book on a discretionary basis.

The Chair is not fully able to evaluate each and every constituency's documentation. What is apparent is that the information provided by the Deputy Premier covers projects for both the fiscal years '92-93 and '93-94. The Chair cannot confirm that the constituency profiles, to use the quote of Edmonton-Strathcona, detailed . . . [all] public works . . . capital projects . . . [and] hospital . . . [and] nursing home . . . projects, as stated in Edmonton-Strathcona's purported point of privilege.

However, the Chair shares the concern of some members of the House that this year's budgetary process is indeed a substantial departure from the fairly long-standing practices of this House. Therefore, and in concurrence with the *Erskine May* citation as referenced by the Member for Edmonton-Strathcona in his letter to the Chair, what is actually before the House is a possible contempt and not a prima facie breach of privilege.

Page 192 of Maingot's *Parliamentary Privilege in Canada* states, and I quote:

Each House also claims the right to punish actions which, while not breaches of any specific privilege, are offences against its authority or dignity.

A further quote:

Such actions, though often called "breaches of privilege" are more properly distinguished as contempts.

The Chair finds that a contempt of the House did occur when partial '93-94 budget detail was released prior to being tabled in this House.

MR. KOWALSKI: Mr. Speaker, I have great respect for the office of the Chair, and I have great respect for the ruling of the Chair. If there was anything that I have done by way of bringing a contempt understanding, I would want to sincerely apologize not only to the Chair but to all hon. members of this particular Assembly. It was certainly not my intent to ever find myself in a situation that would bring this suggestion of impropriety on myself personally, if that is such the case. If it is the case, I would again sincerely apologize, and I would hope that all hon. members would accept it in that light.

MR. CHIVERS: Mr. Speaker, I appreciate the comments of the Deputy Premier, and I would simply request him to make available similar information to other members.

MR. KOWALSKI: Mr. Speaker, that would be something I would do.

MR. SPEAKER: Thank you, hon. members.

Of course, our decisions at all times in this House are on the basis of the responsibilities and functions which we perform, and never at any time is there any hint at all of any personal bias involved in it.

The Chair heartily thanks the House and thanks the Member for Edmonton-Strathcona and in particular thanks the Deputy Premier for his generosity of spirit in the parliamentary tradition.

head: **Orders of the Day**

head: **Government Bills and Orders**
head: **Third Reading**

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

MR. DINNING: Mr. Speaker, it's a pleasure for me to move third reading of Bill 68, the Public Sector Pension Plans Act (No. 2).

Mr. Speaker, this Bill having received pretty good scrutiny at second reading stage as well as committee stage, I would simply ask all hon. members to support the motion to perform third reading on this important piece of legislation.

HON. MEMBERS: Question.

[Motion carried; Bill 68 read a third time]

Bill 66
Members of the Legislative Assembly
Pension Plan Amendment Act, 1993 (No. 2)

MR. SPEAKER: Deputy Premier.

3:40

MR. KOWALSKI: Thank you very much, Mr. Speaker. It was a few days ago that we introduced the Members of the Legislative Assembly Pension Plan Amendment Act, 1993 (No. 2). We've had debate on second reading dealing with the principles, and we've now moved through committee with respect to this matter as well. There has been extensive debate on this particular Bill. Mr. Speaker, when we were rising out of committee last evening,

I did thank all of the hon. members of this Assembly for their participation in this debate.

I would now move that Bill 66, the Members of the Legislative Assembly Pension Plan Amendment Act, 1993 (No. 2), be approved as amended.

MR. SPEAKER: Edmonton-Strathcona.

MR. CHIVERS: Thank you, Mr. Speaker. As the Deputy Premier has indicated, this Bill has moved through the stages of the Assembly to where it presently is, at third reading. I won't belabour the comments that have been made in previous sessions. Suffice to say that I do wish to place on the record the reasons why the Official Opposition will not be supporting this Bill.

We all know the history of the issue as it has evolved in the present sitting of the Legislature, first with the MLA pension Bill No. 1 and the inadequacies of that Bill. That was clearly recognized by the government. That Bill, of course, sought to deal with the issue only in respect of the future. That Bill, Bill 62, proposed a 35 percent reduction in pensions in the future and changed the age and service formula to age 65 and eliminated double-dipping in the future. Of course the history of the matter is that the government at that time took the position that they could not legally do anything about the past. When that issue reached the public forum and debate ensued, it turned out that indeed there were not legal impediments to dealing with the past, and as a consequence of that it became clear to the government that it would be necessary to address the past in some fashion.

Hence we come to Bill 66. The question now becomes not whether or not it's legally possible, whether there's any legal impediment to addressing the pensions issue with respect to the past, but a question of how the past should be addressed. Bill 66, of course, provides the government's answer to that dilemma: how to address the issue of pensions with respect to the past. The problem that I submit exists with the government's solution is that the public have quite rightly identified the problem as being excessive pensions. Now, how those excessive pensions came into being is where the focus of the inquiry should be, is where the focus of the solution lies. Unfortunately, Bill 66 has not adequately addressed that issue.

I submit, Mr. Speaker, that the proper way of addressing the issue is to ascertain what is the principle underlying the concerns and what is the reality of the reasons for the extravagant pensions that have come into existence with respect to MLAs as a result of certain increases in 1989. I submit that the appropriate principle is to go back to the period before the election in 1989 and to identify the principle that I submit that all members ran on at that time. At that time they ran on an understanding that there would be in force and effect a pension plan which dealt with certain specifics and provided a certain formula for calculating pension benefits. What they did not run on was a reasonable anticipation of what the future would hold as to the rates of remuneration, the allowances under the statute for MLA pensions, the factors that are taken into account in terms of ascertaining the calculation of the pensions.

Now, in the debate on Bill 66 the opposition, as it did first with its predecessor, Bill 62, attempted to propose to the Assembly, on the invitation of the Premier, to deal with the principles involved on the basis of going back to 1989 and proposing a rollback which would indeed deal with the calculation of pensions as of the rates that were in force and effect at that time. Of course Bill 62 was withdrawn, and Bill 66 was presented to the Assembly. In dealing with Bill 66, the Official Opposition once again proposed a solution for the dilemma in accordance with the 1989 principle

and proposed that for the purposes of calculating pensionable salary, the Legislative Assembly would deem in force and effect those rates that were in force and effect as of March 20, 1989, the time when members ran for re-election.

We also proposed two other series of amendments to Bill 66, the second amendment being what has come to be termed the double-dipping amendment, which would result in payments which were made as a result of double-dipping between March 20, 1989, and plan closure being repayable by recipients to the general revenue of the province. The other amendments that were proposed, very briefly, are amendments to section 8 and in particular section (2.1), where we proposed a change of wording, which is an important change of wording, to delete the date for entering into prior service agreements as being the date of plan closure, which is the date of the next provincial election, and to substitute for it, "April 30th, 1993," namely the last date of sitting of the Legislature before Bill 66 was entered into. We also proposed that there be a change in the age and service formula. Finally, we proposed, Mr. Speaker, with respect to the benefit adjustment formula that the same provision that applies in other pension plans, namely the income tax regulations, also apply to the MLA pension plan schedule 2. Of course, it does apply to schedule 1.

Now, Mr. Speaker, the point that I'm making with respect to third reading on this Bill is simply that none of those amendments were adopted by the Legislature. I submit that they were fair and reasonable amendments which if adopted would have met the majority of concerns of the public. The reality is that those concerns have not been addressed . . .

Speaker's Ruling Items Not Debatable

MR. SPEAKER: Thank you, hon. member. I'm sure you appreciate the difficulty the Chair has. The Chair has allowed a certain amount of leeway. You've given that background, and the Chair expects that other members will not bother replowing that ground. *Erskine May*, of which all of us are students, I must quote from page 509.

Debate on third reading, however, is more restricted than at the earlier stage, being limited to the contents of the Bill. That's where things that have not been passed in terms of the amendments in committee are no longer part of the contents of the Bill at third reading. I'm sure all hon. members appreciate the difficulties involved, but perhaps now in the balance of your debate you will take that guidance.

Thank you.

Debate Continued

MR. CHIVERS: Mr. Speaker, thank you for your comments, and I will take your directions. I appreciate the latitude that you've shown me with respect to this matter, and I won't belabour any further the omissions of the Bill.

However, there is one addition to the Bill, one amendment that has been approved at the various stages of debate that I want to again register concern in respect of, and that is a change in wording with respect to a change from "salary" to "remuneration," which I submit has some very significant impact with respect to the possibility of having a multiplier effect with respect to certain pensions. I am concerned with respect to that.

The sum total, Mr. Speaker, of the comments that I've made and the debates that have taken place at the various stages is that unfortunately the Official Opposition is not in a position to support this legislation and will be voting against it.

MR. SPEAKER: Thank you.
Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. Just a few remarks at third reading to get on the record. The Liberal opposition will not be supporting this pension Bill, with regret. As all members know, the Liberal caucus has submitted a Bill that we think has some superior qualities and would have introduced a plan that would be fair to MLAs and taxpayers alike.

3:50

Mr. Speaker, just a word or two of history. I believe there have been some serious mistakes made. The public has complained vigorously and righteously and I believe with propriety about the double standard that we have here. Oddly enough, when someone studies our salaries – and I have reiterated over and over in this House that we should not be setting our own salaries – we want to compare our work here to the private market, but when it comes to pensions, we don't want to do that. I think that was a clear mistake made some years ago in how these pensions as a defined benefit were developed. These were compounded by the potential for double-dipping, by the immense increase in the indemnity in 1989. It did command a sense of real outrage and cynicism from the taxpayer and the public in general.

Mr. Speaker, Bill 66, the son of pension Bill that we're now dealing with, was developed after a week or more of massive criticism from all sides: criticism from inside the House, criticism from want-to-be candidates from outside the House, and certainly from taxpayers. It was in response to the anger that came from all parts of this province.

Mr. Speaker, the current Premier told us that retroactive changes were illegal and couldn't be allowed. Then he said that they would be immoral because it was a contractual arrangement and that MLAs leaving would sue and so on. Then he changed his mind and brought in this Bill. He has bent to public criticism, and we see it as a move based on political expediency.

The old pension plan was a defined-benefit plan. We understand that and how it was calculated, and I suggest that that was a mistake. The Peat Marwick report on remuneration for MLAs stated that the benefit formula was too high and the age-plus-service of 55 was too low, and they recommended some changes. In this case, Mr. Speaker, we would have some slight adjustment to that but not significant.

The substance of the new Bill I suggest, Mr. Speaker, provides for several different categories of MLAs: those who retired before '89 will continue to collect all of their pension benefits; MLAs elected in the coming election will receive no pension; MLAs in the middle, who were elected in '89 for the first time, will have their contributions returned to them and government contributions given to the general revenue fund. The fourth category, those who were elected prior to 1989: this is the most problematic section of this Bill. These MLAs were the cause of most of the controversy since they are eligible for pensions of up to \$83,000 a year. Under the new plan they'll still get a pension, but it will be recalculated. For all service prior to '89 the benefit formula will still be 4 percent; for service after '89 the benefit formula will be 3 percent. This Bill, therefore, only accepts part of the Peat Marwick report. It doesn't change the age-plus-service requirements from 55 to 65, as Peat Marwick recommended. I submit to you, sir, and the House that the changes are relatively small. The pensions available are still very, very large. The total is reduced perhaps from \$40 million to \$35 million.

I think we've all been disappointed by the changes in positions that we've seen: first one Bill, then another Bill that is quite

different, very different as a result of public pressure, neither of them being acceptable, in my view. I think we have to stress that this Bill before us today does not address the problem of large payouts to departing MLAs. Before this, the payout to the 28 retiring MLAs was \$40 million; after the Bill we're down to \$35 million.

The Liberal caucus did submit a Bill that, I believe, would have been fair and fair to all. The Liberal Bill was based on a defined contribution. It would create three categories of MLAs. If I can have your indulgence, Mr. Speaker: former MLAs who are retired, who retired, or were defeated in March '89 or prior currently would continue as before; MLAs newly elected after the next election would participate in a defined contribution plan; MLAs, however, who sat in the 1989-93 session after the next election would participate in the plan as do MLAs newly elected. The purpose of our retroactive changes would be to create an RRSP type of fund for every MLA who sat between '89 and '93. The fund would be topped up by the government so that it would be as big as it would have been had it existed for the MLA's entire career. I submit that this would have been a fair plan. It would be one that the taxpayer would believe to be fair. It would be one that is comparable to that which we find in the private market. It would have a defined contribution that would be understood by the electorate and would provide support to the MLAs.

Mr. Speaker, I regret that this plan was not given its due consideration. I regret that we are now dealing with a pension Bill that we cannot support because we believe it is a Bill that was developed in speed, in haste, and out of political expediency. I don't think it is a Bill that will serve past MLAs. It will serve them perhaps too well and in a way that the public does not find supportable. It will not serve incoming MLAs in a way that will encourage people of all ages and stations to undertake what I believe to be a very important function, and that is of public life.

Mr. Speaker, with regret the Liberal caucus will not support this Bill.

MR. SPEAKER: Thank you.
Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Speaker. Bill 66 is essentially a character issue. This is the first time that our brand-new Premier has been under sustained political pressure on an issue from the public, the news media. The reaction in this case is more instructive than I think the government would like in terms of how political pressure is handled by that person and by this particular government.

To be sure, as the previous speaker has mentioned, there's more than a little bit of deception involved in the way this Bill has been presented under the guise of eliminating the MLA pension plan. In fact, what has happened is that gilt-edged pensions for life have been guaranteed without funding, without any indication where the funding will come from. As my colleague from West Yellowhead observed, many of the participants will have exhausted the money they paid in within months of retirement, let alone years, and the taxpayers will be stuck with a very large bill. A quick calculation of 25 members of the current Legislature who are known to be retiring – that's not to mention any of those who will be retired by the electorate – shows that they will be collecting almost \$1 million in annual pensions under this particular Bill, for an average of \$40,000 per member for life. Some of them being not that much more than 40 years of age, that's a princely sum of money indeed, depending on what assumptions you make about life expectancy.

I'm told by some of the government members that there's an element of vengeance in this Bill as well. Somebody didn't like the fact that some other members were raising questions that they didn't like raised, so they decided to nab them by the provisions of the Bill. But what I think is more serious by far is that it's clear to me that we have a Premier in this province who will do absolutely anything to gain the upper hand politically on an issue if he thinks that that's needed. Absolutely anything. You can take what you want from that, but I think you can take that if that individual does become the Premier, we have no right to know what to expect.

4:00

I don't know how the Deputy Premier, when he spoke yesterday on this Bill, could say, and I quote:

I certainly hope that no one . . . in the future will say, "Well, by doing what you did in May of 1993 means that you now have provided yourself with all the doors that will allow you to open to go after . . . all the others in our society."

I don't know how he could say that, because in fact that's exactly what's happened with this provision in this legislation. We have a Premier who will do literally anything to gain the upper hand politically, and if anybody out there thinks that they're safe from that, they're sadly mistaken. I think the Deputy Premier is mistaken as well. What has happened clearly is that a generation of retiring politicians has reached into the future and grabbed the retirement benefits of the next generation for themselves for a golden retirement and has closed the door thereafter. If you don't think that that could happen to others in our society, then you're very sadly mistaken.

It's also been an insight into the character of the members for Lethbridge-West and Calgary-Currie, both of whom spoke against the Bill in various stages of debate and both of whom put their running shoes on every time it came time to vote on this Bill so that they would not have their votes recorded. In one case, the member came back in seconds after a vote was taking place. Imagine members quaking in the lobby not to have their votes registered on the Bill.

MR. SPEAKER: Third reading of the Bill now, thank you, hon. member.

MR. McINNIS: It also indicates that . . .

Point of Order

Referring to the Absence of Members

DR. WEST: Point of order.

MR. SPEAKER: A point of order. The Minister of Municipal Affairs.

DR. WEST: Yes, Mr. Speaker. Making reference to somebody's attendance in the Assembly . . .

MR. GIBEAULT: Citation.

DR. WEST: . . . especially in such an area as votes, I believe is a contravention of Standing Orders.

MR. SPEAKER: It is indeed, from *Beauchesne*. The Chair is interested to hear the shout from Edmonton-Mill Woods about citations. I'm glad to see that you've got it together in that respect, and the Member for Edmonton-Jasper Place knows that he is indeed called to order on that point.

MR. McINNIS: Okay. Anyway, the record does speak for itself.

Debate Continued

MR. McINNIS: I would say that while this Bill may not have a tremendous impact on individual taxpayers, it must be observed that the people who made this decision are in the majority beneficiaries of the plan as amended, which is an interesting note.

Then there's another group that supported these changes who are members of Executive Council. I think it should be known for the world that it makes a great deal of difference in terms of one's ability to make independent provisions for your retirement if you have an income which is considerably in excess of a hundred thousand dollars a year, if you drive a government car, if you operate most days of the week on a government expense account. The ability to provide for one's retirement without pension plan is dramatically different than it is for anyone else. So if you take away the people who are going to, in effect, be the super lottery winners out of the budget, out of the pension plan and those who are independently wealthy by virtue of their income, that constitutes those in the majority who are voting for this Bill. I think it's wrong, but more importantly I think it's a penetrating insight into the character of the individual who leads the government, and I think it's a shame.

MR. SPEAKER: For the record, the reference that was referred to moments ago is *Beauchesne* 481(c) and (e). Subsection (c): "A Member, while speaking, must not . . . refer to the presence or absence of specific Members," and also subsection (e): "must not . . . impute bad motives or motives different from those acknowledged by a Member."

Calgary-Buffalo.

MR. DICKSON: Thank you, Mr. Speaker. I was present in the Chamber when you gave your admonition earlier about what one should speak to on third reading, and I'll be mindful of that. I'll incorporate by reference into my comments everything said by the Member for Edmonton-Gold Bar.

I want to make this observation, sir, that if we put this in context, there are an awful lot of Albertans who are currently unemployed, a great number of Albertans that are fearful of losing their job. I think they look to the MLA pension as something with tremendous symbolism, and they look at the government's reaction to their anger as being a very important symbolic reaction. It's clear that the members opposite have recognized the anger that Albertans have. I guess what's disappointing is that the government is not being responsive to that anger; the government is not being responsive to the genuine concern Albertans have that we do in effect have a different world and a different set of expectations that apply to those fortunate enough to be MLAs. We have this unique opportunity to be able to fix the terms of our employment, something no other employee in Alberta can do. People have seen that, in my respectful submission, being abused in terms of what happened in the past, in terms of the pay hike, and then what's being done with the MLA pension.

I think, Mr. Speaker, that if the government were a retailer and the electors and Albertans generally were the consumer, they would have reason to go to consumer and corporate affairs and complain that what's happened here in effect is a kind of bait-and-switch technique employed by the government in terms of basically telling Albertans that this particular Bill, Bill 66, is a response to their concerns. Well, with respect, sir, this is no response at all. In fact, what's happened is that the government has represented this as a reaction to Albertans' concerns, and it

really moves in a very different direction and is not in any sense responsive.

I think that when Albertans are angry and focused on MLA pensions, they will see Bill 66 for what it is: basically a diversion, basically a response which does not in any meaningful way deal with the biggest concern, the biggest concern being excessive pensions that retiring MLAs are going to enjoy. I'm just exceedingly disappointed, sir, that although the government understands or at least now listens to the anger and the frustration that ordinary Albertans are voicing, they are not responding in a way that really addresses that disappointment and that concern.

Mr. Speaker, I think that when we look at the pensions that will be enjoyed and accessed by outgoing MLAs, we will recognize that the benefits are excessive by any standard, by any measure you wish to use. In all of the debate that we've listened to from members on any side of the House, there's still been no adequate justification, I think, for Alberta taxpayers and Albertans generally for the excessive pensions that departing members will be able to access and enjoy.

So I just say again with regret: Bill 66, no matter how it's represented by the provincial government, does not address the issue which has been raised time after time after time in this session of the Legislature. I expect Albertans, sir, are going to see through what I'll call the bait-and-switch technique that's been employed by the government in terms of trying to divert attention and suggest to them in quite an inaccurate sense that their concerns have been addressed and dealt with.

Thank you, Mr. Speaker.

MR. SPEAKER: The Member for Fort McMurray.

4:10

MR. WEISS: Thank you, Mr. Speaker. It's difficult for me to rise today, because some would say that my point would be biased. I think my constituents would be the first to say, "No, we think what you'd say, you would speak with sensitivity and with fairness and would represent us to the best of your ability." I hope that's what I'm able to convey today, because there are difficult decisions and tough choices made in this Bill. It is a no-win situation, yet I believe it is fair and responsible in today's economy and today's realities.

Bill 66 is a tough one, Mr. Speaker, and we've heard various representations made by opposition members, members of the government side as well. We hear the divergent views, and we hear them expressed to perhaps make a one-sided interpretation of what should or should not be coming out of the Bill.

As I said, I personally have some difficulty with retroactivity. I've supported the Bill in all its stages and, as I've indicated, will in the third reading stage as well. It's because I believe that there has to be some compromise made in this as well, and politics is the art of compromise. I've listened to the hon. Member for Edmonton-Gold Bar, for whom I have a lot of respect. She knows that, and I certainly don't wish to say anything derogatory at all, but when she spoke about the members elected prior to '89, I sat and said: well, I am one of those members, as are many in this Assembly.

Mr. Speaker, a little background prior to that. I can recall very clearly when then Premier Lougheed spoke to me and encouraged me to run, to allow my name to stand. I remember it, as I say, very clearly, and I would quote. He said to me, "There is no greater reward than serving in public life." Maybe he said or expressed that to many of you as well, as I'm sure he stated in this Assembly on various occasions. Well, I'm sure that he wasn't referring to the pensions, because I didn't even know what it was

then. I had no knowledge, no indication. To be quite honest, I couldn't even tell you what an MLA's salary was at that time. I got into it because I believed in it, because of the principle. I felt that if I were to be elected, I could put something back into our community for what I had taken out, because I was a small businessperson and the community was good to me, good to my family. I believed that I would have an opportunity to come into this Assembly and speak for my constituents, as it has provided me in the last 14-plus years, to represent their views. I say "their views," not my views. That's the tough one that we all face on many occasions.

When it comes to finances, Mr. Speaker, I want to make it loud and clear to the hon. members - I'm sure many of them today share this same view, because I heard a member today stand up and say that he was financially in a position that he could run and be a member of this Assembly if he were to be elected - that I made more money than I do today. It isn't the monetary view that we stand and allow ourselves to be elected for; it's because of the principles we believe in.

One of the things that isn't brought out clearly is that with regards to the pension, I had no choice, Mr. Speaker. I opted in. I didn't opt out, but it was there. I didn't have a choice of somebody coming to me and saying, "How would you like to invest in an RSP program?" I perhaps would have been better off. I know when it talks about finances, some of the issues are not clear: the sacrifices by members that have served 20 years, 22 years, and others. I'm not complaining, Mr. Speaker, because I knew full well what I was giving up. It was a commitment I was making to my constituents, and I am so proud and fortunate to have served them.

I look at the financial investment. Somebody said I've made good ones over the years. I've certainly made some poor ones. I would refer to one of the poor ones, and as it relates, it's an analogy about pensions or investments or why don't we provide for ourselves. I purchased a small condominium in 1979 when first elected - I'll share this because now it's before the Ethics Commissioner with regards to evaluations - for \$64,500. I paid cash for that from my savings, because I wanted to provide a standard of life for my family rather than stay in hotels and on the strip, as some of the people were forced to do at the \$25 per diem allowance. I wanted to provide a stable background to what I believed was my priority: my family. My family are still with me today, perhaps as a result of that decision. That investment at \$64,500 wasn't made from savings or any financial gain from being an MLA. It came from my pocket. Do you know that that \$64,000, if I'd invested it in an RSP, would have given me today some \$230,000? Today I'm lucky if I can get \$45,000 from the sale of that condominium. I don't know if that's a sacrifice, Mr. Speaker, but it's a personal commitment that I made because I believed in my family and my constituents.

I think it also should be pointed out with regards to Bill 66 and some of the conditions within it that we're changing, that prior to this stage all members of the opposition and all committee members not only supported the position but in most cases proposed the changes and now, because of a possibility of pre-election views, would have the public believe and interpret that it was their views that were not being supported today. Contrary, Mr. Speaker. Let's have it loud and clear in this Assembly: all hon. members supported all positions and views as related to previous decisions made that reflected the pensions of all hon. members in this Assembly.

[Mr. Deputy Speaker in the Chair]

Mr. Speaker, when we talk about pensions, there have to be comparisons made. I know the report that was tabled was a very fair one and a very accurate one, because it spoke to all members of the Assembly. It sought their views. I thought that it was a most fair, comprehensive one. That's why I felt that I, too, should be part of the discussions as it relates in the House today, but I wanted to make a little comparison in my own community in regards to the private sector.

I recognize that I live in a very fortunate community where the average salary is perhaps higher than in most places in the province of Alberta. The resettlement or re-establishment allowance, as it's referred to, and the pension programs and severance programs with the corporate sector in my community are even much higher than what MLAs are receiving. The pensions are much higher. I would like all hon. members to make some comparisons as it relates to the corporate sector and, let's not forget, union and labour groups. It's very interesting. When I checked into some of them in eastern Canada to find out what they were receiving with regards to severance packages and pension programs, I found that our programs are not anywhere near comparable to what they will receive. But I'm sure the hon. members of the opposition won't want to bring that out. That's not good news when you start to make comparisons in elections, because you can only oppose; you can't speak for something.

The personal sacrifices that have been made by the '89 class, including the Premier and others, have been tremendous. I think they're incomparable and unheard of. When I know what personal sacrifices will be to those members, I recognize it and I thank them for that. As I said, I think that was a collective decision made. That's why I can stand today saying that I don't support retroactivity, but I can stand and say that because of others' decisions as well on what they were losing, I'm prepared to stand and support as well.

It was interesting in my own constituency as well, Mr. Speaker, to have the candidate today for the Liberals publicly state – I say “publicly state,” and I hope the Member for Edmonton-Gold Bar will correct him on this, because he is representing their caucus and the views of the leader – and had it published in the paper that the reason that the people are so upset about the pension plan is because MLAs don't pay anything into it. Well, isn't that interesting, Mr. Speaker? I guess I've been putting that money in for nothing, because that 10 percent that each of us has contributed over the years is a long way from nothing, as that member would have led us to believe and have the general public believe.

4:20

I think the concern that I share, as most hon. members do, is: let's only deal with the facts; let's not deal with fiction. Let's follow the truth. I stated in this Assembly before, Mr. Speaker, that my principles are that I'll never lower my principles to be a politician. I follow the truth where it leads me. I believe what is happening today to be the most fair . . . [interjections] Well, some hon. members might think that's a joke, but I think my constituents over the last four elections have probably thought otherwise. I didn't know I would be given a mandate by my constituents to be elected for a first term, a second, a third, and latterly a fourth term. For their faith in me I thank them. But when that was taking place, it was a part of my life when I wasn't thinking of the stage I'm in today. What do I do? I'm now going to be 58 years of age. People talk about the pensions and say, “Well, isn't that great.” But let's also say: isn't it great; who will hire me at age 58? What qualifications do I have to offer? We're restricted from working within government and other factors as well.

My point is that it would have been most difficult at those various stages to opt in and out of any plan, not knowing the future. I think that's where the key factor is: there was a contractual arrangement that was made, and I as a member accepted and lived to the terms of that. Today, because we face new terms and as we face the decade of the '90s, the key word is “change.” I am one of those persons prepared to accept change, and that's what this government caucus has when they supported the overall changes in the principle.

So, Mr. Speaker, it's a most difficult one, as I've said. It's a tough one to gain support. It's a no-win, and that's being repetitive. I say that because you'll have people who will always disagree and who will always make comparisons. I guess wherever we go in our walks of life, we'll be able to make those comparisons. Some of us will say: “What if we did this?” or “What if we did that?” We can't second-guess. We have to do what we think is fair, and that's the tough part about making any decisions. There'll always be those that will question them. There will always be those that will say: if you had done this or had done that.

The interesting part is that the opposition are only in a position to condemn and be critical. While they've made some amendments that I've not supported, I don't think any one member has said: I can accept that as the other members have because it's fair. They are not sharing that view because they have other reasons behind what they believe in.

Mr. Speaker, I've had an opportunity to say some things today. It perhaps may be my last opportunity as a member of this Assembly if what we hear is true with regards to an election. But I want to thank all hon. members, regardless, for their courtesy and for their understanding too. While we may share diverse views and argumentative positions to some, we do know that we all share one common goal as we are elected members of this Assembly, and that's to work for our constituents. I don't deny that of any elected member, because that's what they're there for: to serve in the best capacity. We go down different roads sometimes, and we don't have those same views, but we know at the end of the day that we're accountable to one and to ourselves and to our leaders and to our makers.

Mr. Speaker, in view of the time I would beg leave to adjourn debate.

MR. DEPUTY SPEAKER: Having heard the motion of the hon. Member for Fort McMurray, all those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: Carried.

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

4:30

[Eight minutes having elapsed, the Assembly divided]

[Mr. Speaker in the Chair]

For the motion:

Adair	Fowler	Paszkowski
Ady	Gogo	Rostad

Bogle	Hyland	Schumacher
Calahasen	Isley	Severtson
Cardinal	Jonson	Shrake
Cherry	Kowalski	Sparrow
Clegg	McClellan	Thurber
Day	McFarland	Trynchy
Dinning	Mirosh	Weiss
Drobot	Moore	West
Elliott	Musgrove	Woloshyn
Fischer	Oldring	Zarusky

Against the motion:

Barrett	Gibeault	Mitchell
Chivers	Hewes	Pashak
Decore	Laing, M.	Sigurdson
Dickson	Martin	Taylor
Fox	McInnis	

Totals: For - 36 Against - 14

[Motion carried]

head: **Government Bills and Orders**
 head: **Second Reading**

Bill 67
Deficit Elimination Act

[Adjourned debate May 11: Mr. Weiss]

MR. DINNING: Mr. Speaker, I have a motion on the Order Paper which I would now move.

Be it resolved that the debate on second reading of Bill 67, the Deficit Elimination Act, shall not be further adjourned.

MR. SPEAKER: Having heard the motion, those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

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

4:40

[Eight minutes having elapsed, the Assembly divided]

For the motion:

Adair	Fischer	Oldring
Ady	Fjordbotten	Paszkowski
Bogle	Fowler	Rostad
Bradley	Gogo	Schumacher
Calahasen	Hyland	Severtson
Cardinal	Isley	Shrake
Cherry	Jonson	Sparrow
Clegg	Kowalski	Thurber
Day	McClellan	Trynchy
Dinning	McFarland	Weiss
Drobot	Mirosh	West
Elliott	Moore	Woloshyn
Elzinga	Musgrove	Zarusky

Against the motion:

Barrett	Gibeault	Mitchell
Chivers	Hewes	Pashak
Decore	Laing, M.	Sigurdson
Dickson	Martin	Taylor
Fox	McInnis	

Totals: For - 39 Against - 14

[Motion carried]

MR. SPEAKER: The Member for Fort McMurray, speaking to the Bill.

MR. WEISS: Mr. Speaker, in view of the . . . I'm sorry; I was not aware. I was caught up in some other items that I was attending to at the time.

Mr. Speaker, I feel I made my comments in the prior discussion, and I don't have anything to add at this time. So I appreciate the opportunity, but I feel the input I've made is sufficient.

Thank you.

MR. SPEAKER: Thank you.
 Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Speaker. I think on balance Bill 66, the Deficit Elimination Act, is bad legislation. I think the intent of the Bill has some merit, and it's certainly worthy of discussion. I think most members of the Assembly are probably agreed that we do have a serious problem on our hands, that since 1986 we've been accumulating deficits that on average have been greater than \$2 billion a year. We're now looking at a net debt, less whatever the value of the heritage savings trust fund is, in excess of \$20 billion. Now, some economists that I've talked to don't see our total debt position as being necessarily bad. They would argue that if you looked at all the assets of the province that we've accumulated over the years - all the hospitals, the schools, the parks, the recreational facilities, and that sort of thing - the net debt of the province of Alberta pales in significance when you look at our overall assets.

[Mr. Deputy Speaker in the Chair]

However, I think the view of these economists is somewhat limited, because unlike a family where you might have considerable assets and you fall on hard times, it's very difficult to sell off the provincial assets to deal with your net debt position. If you're fairly wealthy at one point in your life, you own a big mansion, it's filled with all kinds of antiques, fine furniture, paintings, and you fall on hard times, you can sell off some of the paintings and fine furniture and maybe even sell the property itself, move into a smaller house, and you can survive. I'm not sure that we can sell the Walter C. Mackenzie hospital or Kananaskis Country to deal with our overall debt position.

MR. McINNIS: Don't give them ideas.

4:50

MR. PASHAK: Well, my hon. colleague for Edmonton-Jasper Place said that I shouldn't give you some ideas. Maybe Kananaskis Country will be up for sale to the Japanese, and Albertans will have to pay a fee to get in there. But that's not my idea. I'm not advocating that you sell Kananaskis Country.

Now, the real problem, I believe, is with the size of the annual debt and how it's managed. I think it's about time that this

government woke up to the reality of our fiscal situation and is proposing to do something about it. I mean, I think they're to be commended for that. But in point of fact, Mr. Speaker, it would have been a lot easier to have started to address this issue back in 1986, when we first became aware of it, rather than postpone it until today.

Ever since I've been sitting in this House, the government has had real difficulty in even being able to estimate what its financial position would be at the end of the fiscal year when budgets were being introduced. I know as the Energy critic that at first the ministers of Energy were always giving bad advice to whoever the finance minister was at the time – the Member for Lethbridge-East? Constantly our revenues from the energy sector were overestimated. We were always given a rosy picture on budget night, but the projected deficit at the end of the year never was realized. The deficit was always at least one billion, sometimes two, and in one case three billion dollars greater than what was estimated. So the government has had some real problems. Even this year in terms of the budget that was brought down, the Treasurer says: well, we're going to have a \$700 million reduction in the deficit this year. Well, when you look at it, it really disappears. That's not really very accurate. Most members know that a year ago when the budget was introduced, we were looking at about a \$2.3 billion deficit. Since that time, the deficit has soared to over \$3 billion. He's really taking the \$700 million reduction not off the \$2.3 billion; he's taking it off the \$3 billion-plus.

MR. DINNING: Oh, Barry, read the document.

MR. PASHAK: I did read the document. That's how I read it.

MR. DINNING: You didn't read the document.

MR. PASHAK: You're still estimating a deficit over \$2 billion.

In any event, the point I'm making, though, is that if we'd started to take steps back in 1986 and had done some more reasonable cost prunings at that time, which the opposition had long advocated, we wouldn't have the problem we're currently confronted with. I recognize that the Treasurer has to do something about it. In his budget that he brought down the other night, he's even estimating, in fact, that the debt charges for this fiscal year will be \$1.44 billion. That's a lot of money, Mr. Speaker. That money could obviously be much better spent. I think people in Alberta would appreciate it if that money were spent on our health care system, on our schools, and on social services rather than having it just in a sense going to, in some cases, foreign debt holders.

MR. DINNING: Or maybe kept in taxpayers' pockets. A capital idea.

MR. PASHAK: Or kept in taxpayers' pockets, a portion of that. Nobody has any problem with that, provided, that is, that we don't reduce critical and essential services in the province of Alberta.

Now, I must say, Mr. Speaker, that my major concern with this Bill 67 as it's presented to us is really that it doesn't provide an effective plan for dealing with the deficit. It just says we're going to do it. There's going to be a chopping, there's going to be a cutting, but it doesn't show where you're going to effect those reductions. That's why I can't support this particular Bill. In fact, just to set this problem into context, I want to say that I appreciate the problems the Treasurer has. We're not a federal government.

We can't control interest rates. We can't control the money supply. So these are difficult issues that are before us.

If members of the Legislature or members of this House are interested in how a federal government might address this problem, I'm sure all of you get that regular bulletin that's put out by the Committee on Monetary and Economic Reform. There are some interesting suggestions in there in terms of what we ought to do. We all know that at the federal level what we've been plagued with are a government in Canada under Mulroney, a government in the United States under Reagan, and a government in England under Thatcherism, which have been more concerned about controlling the rates of inflation and transferring wealth to the property-owning class. If anyone is interested and wanted to look at those statistics, you'd see that poor Canadians and poor people in these countries generally are becoming relatively poorer all the time – in fact, absolutely poor – whereas the upper fifth in terms of income earners and property owners are becoming increasingly more wealthy. Those are the real issues that have to be addressed, but I admit that at the provincial level it's difficult to get at those issues. These are really federal issues.

Well, what are the alternatives? What could provincial governments do? Well, we've looked at what the provincial government is planning in Bill 67, which is just to chop. That approach that the government is suggesting here is very similar to what I saw emerge from a round table discussion I took part in in Red Deer recently. At the last moment I was invited to participate. I did sit in for the whole two days, sat in on one of the panel discussions. I found the discussions often quite interesting. There were about 20 people, I'd say, on average who participated in my group, and a lot of useful suggestions came forward. But I must say that the person who reported back to the larger assembly on the deliberations that took place in our group didn't reflect all the views that were expressed in the group. The majority of the members in the group that I was in seemed to come from the finance community or they were officials in towns in Alberta and this sort of thing. They had one view and one view only, it seemed, in terms of how the deficit ought to be addressed, and that was to cut. In some cases the recommendation was by 10 percent a year over the next four years. Some thought the cut should be more drastic, 15 percent, and some even more drastic than that, 20 percent. Invariably, these people suggested that these cuts should also be matched with a supplementary goods and services tax that would be added on to the federal sales tax, maybe 2 or 3 percent, and in that way you could achieve a balanced budget.

In the group that I was in, a lot of other suggestions came forward in terms of how these cuts could be made, suggestions as to how maybe we could save money in health care by converting more of the active treatment beds in this province to long-term care facilities, maybe by moving more in the direction of regionalism of health care services and this sort of thing. There were suggestions made about how community health centres might reduce the overall cost of operating the health system.

On the side of education, people made suggestions that if we could consolidate school districts, this not only would be a step towards equity funding but large savings could be achieved there.

But the point people were making, or at least the minority point of view in the group I was in, was that it's inappropriate for governments just to cut. Governments have to provide direction. That's why people are elected to a Legislature. They're here to take some responsibility and to determine a hierarchy of priorities. If cuts have to be made in programs, it's up to the Legislature itself.

Now, we've prepared a paper that would address these issues. We've shown where up to a billion dollars in savings could be

realized through responsible cuts, Mr. Speaker. I'd just like to say that there are other approaches that could be taken.

Our party and the New Democratic government in Ontario have introduced the concept of a social contract. They're sitting down with members of public-sector unions. Currently public-sector expenditures are at about the \$43 billion level in Ontario, and they propose to cut \$2 billion from that total, reduce it by \$2 billion. The way they've chosen to do that is, as I've indicated, through the concept of a social contract. What this means is that the public-sector workers will have been invited to have a say in terms of how this reduction is to take place. Flexibility, Mr. Speaker, is a key to these talks. For kind of giving up the \$2 billion, what the workers would get instead are such things as improved retraining packages, easier access to other jobs in the public sector, and stronger and better union rights when it comes to including such things as the right to strike.

Now, Mr. Speaker, one of the real advantages that comes out of that for all citizens in Ontario is that part of this social contract allows and would establish a mechanism whereby government officials and front-line workers would get together to talk about the ways in which improved efficiencies could occur. Who could object to that? I think that's a very reasonable approach, and it's certainly something the government should have included in its Bill 67, more effective ways of dealing with the deficit than just to say cut, cut, cut.

Finally, Mr. Speaker, I'd just like to say what I think is the real problem with this Bill and why it won't obtain the result that I think the Treasurer would like to see it obtain. It's essentially this: he's just proposing cuts in public spending, no increases in taxes whatsoever.

5:00

MR. DINNING: Where's your plan, Barry?

MR. PASHAK: I'll give you a plan right now, hon. Treasurer. We do have a plan, and I will be specific, Mr. Treasurer. I won't back off that at all.

Now, Mr. Speaker, I just want to go back to the basic issue here. The problem for social democratic governments during the 1970s was to take this excess wealth that was being created, or this plenty . . . [interjection] Well, let me back up just a little bit then. Excess wealth. We were selling a lot of grain at good prices. We were selling a lot of uranium in Saskatchewan at good prices. If you can recall, the price of oil and natural gas was skyrocketing, and potash in Saskatchewan. Now, let's be clear on what actually happened here. We were generating an awful lot of wealth in this province, and so was our sister province Saskatchewan. The problem during the 1970s was to find some mechanism to ensure that all citizens benefited or gained from that production of wealth that was occurring.

Well, everybody now understands that the situation has quite reversed itself in the 1990s. Those margins aren't as great. The profit margins of our corporations aren't as great. We're not getting the same royalty benefit from the sale of oil and gas that we did then, although there's some optimism that we can expect on the sale of natural gas and this sort of thing. But the problem is that we're in a period of financial constraint. Nobody denies that, Mr. Speaker, so we have to find some way of getting the citizens of the province to begin to deal with that.

What the hon. Treasurer is proposing in this Bill is that only a few people should bear the brunt of that financial constraint, and that's what's wrong, Mr. Speaker. I'd just suggest to the Provincial Treasurer that if he wants to get the support of the people of Alberta on board for any attempt to deal with the financial mess

we're in that this government has created since 1986 – and it is a financial mess – we have to get everybody involved in looking at deficit reduction. Okay?

Now, my plan . . .

MR. DINNING: You're opposed to that.

MR. PASHAK: Oh no, we're not. [interjections] We're not. We're opposed to doing it in the way that you've proposed. We're opposed to the Treasurer's proposal, Mr. Speaker.

What we're saying, in fact, is that we could reduce government expenditure in certain areas. We've indicated where at least a billion dollars worth of savings could come about. We don't need all of the boards, for example, that you have. We don't need to pay MLAs to sit on all those useless commissions, et cetera.

Now, Mr. Speaker, the other thing we can do – and I want to point this out – if we're going to address this problem in any serious, rigorous way: everybody has to take up part of the burden. One of the ways in which you can do that is to recognize that in the province of Alberta we have the lowest corporate taxes in Canada, we have the lowest personal tax rates in Canada, and we have the lowest fuel taxes in the country. I'm just saying to all members, all cabinet ministers on the other side that if you want to get the compliance and the support of Albertans in any kind of attempt to get this deficit problem under control, you're not only going to have to address the problem of cutbacks in government spending but you're also going to have to look at the revenue side and introduce a system of fair taxation.

MR. DEPUTY SPEAKER: The hon. Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. If I may make a note or two . . .

MR. FOX: Conservative election slogan: make the poor pay.

MR. DEPUTY SPEAKER: Order please.

MR. FOX: That will go over big.

MR. DEPUTY SPEAKER: Order, Vegreville.

MR. TAYLOR: It's quite a rallying cry that goes out through northern Alberta about every four years – pick Nick – so they're just joining us; that's all.

In speaking to this motion, it leaves you with a rather peculiar feeling, you know, when you look at the motion. It's a motherhood motion. They've certainly got their intentions in their plan. But when you study the parliamentary system and realize that Parliament is supreme, all we've really done in this motion is import campaign literature into the Legislature. A great deal of promises. There's nothing really wrong with it. After all, they're going to clear things up in four years. The point is: can you do it? Will you be able to live up to it?

I think the government over there is a little bit like King Canute. I don't know how many scandahoovians there are over there, but King Canute was a Scandinavian that ruled England back before Alfred the Great's time. He, like the Tories over there, after about 20 years in power got a very big head and one day decided he'd command that the tide should not come in. Canute put out his hand: "Tide, thou shalt not come in." Well, it did. He drowned, I think, which wouldn't be the last Swede to drown, I suppose. Nevertheless, what I'm getting at is that this is the same type of

thinking we're using here: abracadabra – whatever it is – deficit, thou shalt go. Well, we can make all sorts of things, and we can agree with you. I can agree with you. If you want to get rid of it in three years, four years, five years, that's a great plan, but you've never kept a plan up to now.

Now, I know the Christian tradition is that you can sin and sin again and you're always forgiven. Every time the sun rises, you get another chance at it, and I'll have to support you. If you can't keep this deficit Bill and in another month you want to make another Bill, I'll have to support you again. Just as the Speaker says, when you apologize or when you say you've committed a fault – mea culpa, mea culpa – we all have to come along and agree. It's the same way with this Bill.

You've now decided – it was only a year ago, even less than a year ago – you couldn't borrow a certain amount. That's gone by the by. That resolution's gone. Well, making New Year's resolutions in the Legislature and then asking us all to vote for them is good. You must have a lot of other things. I've heard people say they've quit drinking. Others have quit smoking. Now you're going to get rid of the deficit in four years. It's all in the same category. Really, do you think the public believes you out there? Furthermore, do they really give a damn? I think they want to see what kinds of actions you're going to do. They'll judge you by your actions. There again, Member for Red Deer-North, by their actions thou shalt know them. He can go on and on and quote from there.

AN HON. MEMBER: By their fruits.

MR. TAYLOR: By their fruits. Well, I don't like that word. Nowadays when we talk about equal, when we talk about a number of other things, “by their fruits you shall know them” doesn't carry the same connotation it used to have. I'd rather stick to “by their actions you shall know them.”

5:10

So to go out there with a campaign motto that we're going to balance it in four years . . . If you fail, for instance, what's the penalty? Of course, the point is that you're not even going to get a chance. You'll probably be out of government in one year. But if by some trick of fate old Bible Bill Aberhart is correct that the public has not suffered enough and they want to suffer some more and put you back, what penalty have we got four years from now if you don't make it? There's no penalty there at all. The point is, folks, why put a penalty in? You can decide, abracadabra, get rid of the penalty, so there's no sense there at all. Also, how do you implement it? How do you make it . . . It's a lovely road sign if you can live up to it, which is fine, and we'll cheer you on. Admittedly, something has got to be done to curb the government's appetite. There's no question that it is tough to do so and we like your commitment, but do you really think any government in this day and age would get up and say, “We're not going to get rid of the deficit?”

[Mr. Speaker in the Chair]

We're saying wonderful. We will be voting to support you, because as I say, better more joy in heaven for one sinner that repents than anything else. Certainly there will be great joy on this side that you have repented and now seen and you're going to come back and try to get rid of the debt in four years. All I'm saying is that maybe you are insulting the intelligence of the public. They expect you to get rid of it. Do you have to spell it

out? Spelling it out has not meant anything to this government before. Seven budgets they said they were going to balance, and every one went down the river. Every one went down the drain. They were sewered. Mea culpa, mea culpa, back to the public.

So why should this be any different? All it is is a recitation of your goodwill, your New Year's wish for the year, and like most New Year's wishes, they'll vanish when you get dried out. It's the same idea here. It's almost an inebriate's plea to the public: “Stick with us; I'm going to reform. Four years from now we're going to be all right.” Well, what are you going to do? What are you going to give up? What are you going to give up if you don't make it? Drinking? Smoking? Governing? There's no penalty at all there. To the extent that it is a small glimmer, Mr. Speaker, a small glimmer that they realize some responsibility . . . [interjections]

MR. SPEAKER: Order.

Point of Order Questioning a Member

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

MR. SPEAKER: Point of order.

MR. DAY: Mr. Speaker, I just want to know if the member opposite would entertain a question at this point in his debate.

MR. TAYLOR: Mr. Speaker, I think I will, just for the heck of it. Just in case it's intelligent, I'll put my hearing aid in.

MR. SPEAKER: Minister of Labour.

MR. DAY: Thank you, Mr. Speaker. I am honoured that the member opposite would deign to listen. In terms of talking about a plan, is there anything on the Liberal agenda other than the resurrection of the MLA pension plan?

MR. TAYLOR: Mr. Speaker, just to disabuse you of any idea that I might have planted that question, I didn't. He thought of it all by himself, and I will be glad to enlighten him.

Yes, Mr. Speaker, we have a plan. Sure. We're going to get rid of the deficit, and we'll be working on a balanced budget in the four- to five-year plan. In the first year we're going to knock off about \$800 million, between \$800 million and one billion.

As far as the pension plan is concerned, certainly we would continue it because the federal government put in a pension plan just for people like you that throw themselves on the back of the taxpayer when they're 65 and expect to be looked after. The federal government put tax incentives in and said, “Okay, you can take a certain part of your salary and set it aside.” Hopefully, you would set it aside so you would not become a charge upon your relatives and the taxpayers when 65 rolled along. So when this government decides to just do away with the pension plan, they're going counter to every trend since 1920, Mr. Speaker. The trend has been to portability of pensions, to try to keep pensions going. The only thing wrong with our pension is it's out of whack.

MR. SPEAKER: Thank you, hon. member. Hold the horses for a moment.

MR. TAYLOR: I only gave him one forkful of hay. He's got a whole bale coming.

MR. SPEAKER: Order.

MR. SIGURDSON: He might have a supplementary.

AN HON. MEMBER: Turn your hearing aid up.

AN HON. MEMBER: Another tough question.

MR. SPEAKER: And now, after those refreshing comments, could we return to Bill 67 instead of 66?

MR. TAYLOR: It's nice of you to make sure they don't heckle me too much and take me off my path. But I did want to throw some light, because that member usually only sees the light when he falls off his donkey on the way to Tarsus.

Debate Continued

MR. TAYLOR: Nevertheless, Mr. Speaker, back to this Bill. All I can say is that it is a glimmer that they are responsible for trying to balance the budget and get rid of it. To that extent it's a good intention. The taxpayer must feel like the much abused spouse that's been promised for the umpteenth time that they will not drink tomorrow, they will not drink too much at the party, and they will not try to drive the car home. To the extent that we now see they're going to try to balance the budget in four years is wonderful. After seven years of never being able to turn down a drink, they're suddenly going to try to go out and tell the public . . . So for good intentions, yes, I've got to praise them.

Consequently, Mr. Speaker, I don't think there's any doubt it's an imperfect way, but still we have to support it. It would be crass of me, un-Christian, uncharitable, and everything else from our caucus not to say: "Bravo. Go ahead. Try it. Try it." In other words, it's a good intention. After all, it sort of dies in our throat when we realize the poor suckers are never going to get a chance to implement it anyhow. It'll be all over in about six weeks.

MR. MARTIN: Mr. Speaker, it's hard to know whether to take Bill 67 seriously if you take it the way we have in the past. I remember last year they had a spending restraint Bill. Well, they forgot about it later on. We've had promises, as mentioned previously, about balanced budgets in the past. I recall a \$33 million surplus. I remember a promise five years ago, '88 or '87, for a balanced budget. I believe now we have mainly a PR Bill here. We got a new Treasurer. The mighty Goliath over there is tough and he's going to tackle the deficit to the ground.

Mr. Speaker, I'm going to take it that this Bill should not be taken very seriously to begin with. Let's look at the merits of the Bill. There would obviously be some penalties in there. There would obviously be penalties. If he wants it to be like the American system, in Colorado they go to jail. They go to jail in Colorado. Now, I don't believe in the principles of the Bill, and I'll come back to that. But if you're serious, if you really believe

this is the Bill you should go with, then you have to have penalties. If they don't make it in one year, they push it on to another year or a third year, and if they don't do it – I believe the Treasurer said "the court of public opinion." What nonsense.

Now, listen, I've made a deal here, Mr. Speaker. If they will bring in an amendment where there will be a public hanging of the Treasurer and the Premier, we will support this Bill. We will support it. I'm even against capital punishment, but I'll change my mind just for this Bill. If this was anything more than a PR Bill, if they were really serious about the Bill, there would be penalties in it. It's like saying: if you break into a jail, we don't need a court, we don't need any penalties because public opinion will say that you were a bad boy, you broke into the jail.

It is ludicrous to be spending all this time on this particular Bill. But let's go on the other assumption. I'm going on the first assumption. If they are serious about a Bill, it's a continuation of the Americanization of our system. That's simply what this is. They always want to be Ronald Reagan over here. Twenty years after it's too late, Mr. Speaker. But there they have spending restraint Bills – Gramm Rudman – and guess what's happened to their deficit even with their great spending restraint Bills? Their deficit is skyrocketing. Politicians find all sorts of ways to get around it. And they have penalties in theirs. They have penalties in theirs. All they would be doing if they follow this Bill, if it was really a serious Bill, is downloading it on local authorities. These people don't want to make a decision. If their budget is true – we've talked about 30 percent cuts and they go around saying, "Business people, hospital boards, school boards, you old people, you figure out how to do it." It would lead us to economic anarchy if this Bill ever went through and they followed their budget.

5:20

Mr. Speaker, I'm not going to take it very seriously, because all they want to do is get through another election. That's what this is all about. This is a PR Bill. As I come back, I said that if we follow their budget in this Bill, it's a good example of what Clinton was talking about when he kicked Bush out: trickle-down economics, the idea that if we throw enough money at the wealthy and they don't pay their taxes, some of it will trickle down to the rest of us. Well, I want to tell the Treasurer that the people in Alberta don't feel trickled down upon. I can assure him about that, and they'll find that out in the next election.

I see you're getting uneasy, Mr. Speaker, so I guess I have to sit down.

MR. SPEAKER: Thank you for your concern. I don't feel uneasy at all. However, in accord with Standing Order 21, the question must now be put.

[Motion carried; Bill 67 read a second time]

[At 5:22 p.m. the Assembly adjourned to Thursday at 2:30 p.m.]

