

## Legislative Assembly of Alberta

Title: **Thursday, September 2, 1993**

8:00 p.m.

Date: 93/09/02

[Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated.

MR. KOWALSKI: Mr. Speaker, I wonder if I might request unanimous leave of the House to put forward a notice of motion.

MR. SPEAKER: Excuse me, did I understand the hon. House Leader to ask permission for unanimous consent to revert to Notices of Motions?

MR. KOWALSKI: Yes, sir.

MR. SPEAKER: Is there unanimous consent to do that?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? So ordered.

Hon. Government House Leader.

head: **Notices of Motions**

MR. KOWALSKI: Mr. Speaker, the notice of motion is simply an adjournment motion that when we rise tomorrow, in essence we would return here on Wednesday, September 8. Not having done this, if we rise tomorrow, we would be back on Monday at 2:30. In order to get it through the process, we have to go this way. I'll just read into the record the notice of motion:

Be it resolved that when the Assembly adjourns on Friday, September 3, 1993, at 1 p.m., it shall stand adjourned until Wednesday, September 8, 1993, at 2:30 p.m.

head: **Committee of Supply**

[Mr. Tannas in the Chair]

head: **Interim Estimates 1993-94**

MR. CHAIRMAN: Hon. members, order. For the benefit of new members your new Chairman is going to go through a little bit of an introduction. First of all, welcome to the first Committee of Supply of the 23rd Legislature. For those in the gallery, understand that the House rules are relaxed during committee stage. People are allowed to take off their jackets, if they so desire, to have coffee, juice, water, but no food. They're allowed to wander around. You do not have to be in your place except when you wish to speak. I feel quite at a disadvantage trying to recognize some of the people once they're out of their seats and roaming around. That might prove interesting as the night wears on. I want to say at the outset that I may not always be right, but I'm always willing to be forgiven, and if you can keep that in mind, I think we can get along.

I would let you know that I am partially deaf and have trouble when there's a scrum around here. For new members that might not be so clear, but if you would indicate to me that you wish to speak to the supply issues tonight, please send me a note. We'll put you down, and I'll try alternating from one side to the other, depending on how it goes.

With that, I would call upon the hon. Provincial Treasurer for comments.

MR. DINNING: Well, thank you, Mr. Chairman, and may I congratulate you, sir, on your new duties as Deputy Speaker and

Chairman of Committees. I look forward to just a few nights and days ahead in dealing with matters in your committee, this being the Committee of Supply.

Mr. Chairman, we are here in Committee of Supply to debate for tonight and tomorrow interim supply schedules, three in number. The government came forward to seek Her Majesty's approval for supply twice earlier this year, having given notice during the January/February session earlier this year that we would bring forward a special warrant prior to the end of the '92-93 fiscal year. We did so in order to provide for supply through to the end of June. That special warrant was approved in the last week of March 1993. Then subsequent to a rather joyous event on June 15 we sought Her Majesty's approval through a special warrant because the House had not yet been created and the Deficit Elimination Act contemplated such a situation. We asked Her Majesty to grant through special warrant a second set of supply to take us now through to this point in time.

Mr. Chairman, as you are slightly hard of hearing, and I take it my friends across the way with their hands cupped to their ears are waiting with bated breath for all the pearls to drop, I'd ask our gentleman friend above the clock to crank up the noise. That's something I'm sure Mr. Chairman will look after.

We are here now to seek approval in the Legislative Assembly for supply that will take us from this point through to when we estimate the Legislature will grant full supply for the entire fiscal year ending March 1994. Why we are here is to seek that approval, Mr. Chairman, but also to effectively approve the previous two special warrants passed in late March and in the last week of June, bringing us to this date in providing supply to the government.

Mr. Chairman, there are three schedules: one being a schedule of the general revenue fund that provides supply for the Legislative Assembly as well as the 17 government departments including the department of the Executive Council; a second schedule, the Alberta capital fund schedule, that provides supply for the capital expenditures of government in five government departments in total; and, finally, supply sought for the capital projects division of the Alberta heritage savings trust fund with some seven government departments seeking approval for funding under the capital projects division of the Alberta heritage savings trust fund.

Mr. Chairman, my colleagues are here this evening, many of them members of Executive Council as well as other members who serve as chairmen usually under the vote of the Executive Council, including my colleague the MLA for Cypress-Medicine Hat, who would be happy to answer questions on things such as the Alberta Research Council.

I appreciate that the schedule before you has only a few numbers, Mr. Chairman, but in the absence of the budget, which will appear before the full Assembly at 4 o'clock on September 8, Wednesday next – in the absence of that full and complete material I'd ask all hon. members to turn to what has been tabled in the 22nd Legislature, which can be found in the Legislature Library, all of the necessary materials that effectively back up the numbers that are spelled out in the documentation in front of you, full accounting for those dollars. This is a procedure that we're obliged to go through as we move towards a budget, in preparation of that budget, and we will have that, as I said, September 8. In the interim we're asking the committee to grant Her Majesty the necessary supply to carry the Legislature and the government through until such time as we've approved the final estimates for the entire 1993-94 fiscal year.

So with that, I would turn to my colleagues on both sides of this House and hopefully engage in an exchange not so much of lengthy debate, if that's helpful to you, Mr. Chairman, but

hopefully exchange by way of questions so that we may answer questions of members of the opposition, indeed of government members who may have a deep interest in any particular subject. All ministers are here, and we'll try to answer questions, and if not, we will provide answers through a later committee or by letter form.

**8:10**

**MR. CHAIRMAN:** Okay. Before I call on Edmonton-Whitemud, I've been apprised by the sound people that the sound system has a problem; they hope it's temporary. If we could have the kind of order that you've displayed while the Provincial Treasurer was making his remarks, that would be most helpful. They have to shut down the whole system in order to try and fix it, so if we could refrain from carrying on lively debates and discussions in the corridors of the Chamber, that would be great.

I now call on Edmonton-Whitemud.

**DR. PERCY:** Thank you, Mr. Chairman, and congratulations on attaining your position as Deputy Speaker.

I'm going to speak against the interim supply motion, and I have a number of reasons for doing so. First, though, I would like to congratulate the Provincial Treasurer. The Provincial Treasurer is doing a number of things that I think are right. First, he does answer my letters and does provide me with information on a timely basis on occasion, and for that I'm very appreciative. More importantly, I think the move to a set of consolidated accounts does give us a far better appreciation of our fiscal position on an ongoing basis. I think a move to quarterly financial reports is a very significant, positive step forward.

However, we have to ask: what are we being asked to approve here? First, we're being asked to approve two special warrants, the total of which is \$6.4 billion. One passed on March 18 for \$4.52 billion, on June 23 another for \$2.45 billion, and now we're looking at an incremental \$2.51 billion to take us to the end of December. That is 75 percent of the program expenditures. That is not open and accountable government. We have two days to debate this. Then subsequently when the new budget comes forward, we will debate more. At this stage we're being asked to approve 75 percent of this budget, and this is not what Albertans had expected when they asked for accountable, open government.

Let me start detailing the problems I see with the process. First of all, what happened to the Spending Control Act, which attempted to put a cap on special warrants? That was a mechanism that would have worked, ought to have worked, but it had no teeth. It's gone by the wayside, and in fact it was this Provincial Treasurer that blasted through the ceiling set by the Spending Control Act. This is one of the reasons we on this side of the House feel very strongly that there have to be mechanisms of accountability built into the Deficit Elimination Act. There has to be a penalty for overshooting, other than waiting four to five years down the road. I think the inability of the Spending Control Act to cap special warrants is a classic example of what happens when there are no teeth in financial legislation.

Now, we on this side of the House supported the Deficit Elimination Act. That Act sets out targets which we think are extraordinarily important to meet. The deficit, \$3.1 billion on a consolidated basis, is far worse from the perspective of Alberta than virtually any other province. When you look at the magnitude of our nonrenewable resource revenues and look at the size of that deficit relative to the flow of our sustainable tax base, it is large. It has to be dealt with. So we are in agreement with the targets set out in the Deficit Elimination Act. That is not a question here.

What we are concerned about – and certainly this interim supply enhances our concerns – is the absence of any coherent plan. Setting out targets is not a plan. I would draw the Provincial Treasurer's attention to the fact that in the first quarterly financial report that was issued, program expenditures were \$279 million above those projected in the May 6 philosophical document, which many of us in fact thought was a budget – \$279 million – and that's the first quarter.

What we are seeing here is the fact that there is no rational process at work for restructuring government. What we are seeing is an attack on targets of opportunity rather than getting at bad programs. We have across-the-board cuts that leave in place bad programs. Maybe 5 percent is knocked off, but what about the good programs that are being hammered? So there's no prioritization of programs. We do not see any effort at efficiency audits, trying to find out how we can reduce expenditures without necessarily reducing services. The cuts that are being imposed do not have to be as heavy and ham-fisted as they are. In fact my greatest concern is that the process by which these cuts are being implemented is setting the stage for subsequent tax increases, because there is no evidence whatsoever that there's prioritization or any effort to get rid of waste and mismanagement, and that is what Albertans wanted.

All of the members here were knocking on doors up to June 15. What was said? Get rid of the bad programs; get rid of government that seems to operate on a division of the spoils basis rather than delivering services and programs to individuals that are required and doing so in a cost-efficient manner. We're not seeing that. This interim supply motion, where 75 percent of the program expenditures are going to be approved with only two days' debate, really just reinforces that perception that there is no accountability, that there is no real mechanism, and that there is no role for members of this House to try and effect change. Albertans are cynical about the political process. We all know that from our experience at the doors. It doesn't help matters when we approve in two days 75 percent of the program expenditures.

Now, why then are we overshooting by \$279 million? The point I made is that there is no effort to try and restructure government. What we see really is a high-cost government process in place with tinkering on the margins, with nothing happening to change the structure of government or the structural factors that are generating this deficit.

You look at health care, for example. We have the youngest population in Canada. Our health care costs should be proportionately lower because we have such a young population. They're well above the national average. Why is that? It's the structure by which we're delivering these services. There seems to be some confusion as to whether the role of the health care system is generation of employment as opposed to delivery of health care services. That seems to dominate a number of the core programs that we have. We've lost sight of the fact that they deliver services; they're not to deliver necessarily employment. If we're concerned about the rural sector, if we have an agricultural problem, we have a rural development policy, and we deal with it that way: directly, cleanly, not confusing several programs and policies. So that is of real concern to me.

As I say, if we go about this process of broadaxed cuts, what's going to happen? There will be a ground swell out there for tax increases. And what will happen? We'll just be taxing spending, and we'll leave the same level of high-cost government in place without having effected fundamental changes. If we don't do that now, Albertans will look at this House, these members and say that a valuable opportunity was lost. What is wanted is a reduction of waste and mismanagement and elimination of those

programs that are really driven by special interest groups and division of the spoils and have nothing to do with delivering effective services to individuals. We ought to see programs in this House that are based on a very simple principle: the money follows people. If you're in health care or you're in education, what we want to see is really cleanness in the way programs are formulated and delivered. We want to see efficiency audits. We want to see an enhanced role for the Auditor General so that he not only looks at whether or not money has been spent legally but whether it has been spent efficiently.

So as I've said, what we see right now are budget cuts being imposed on programs that are easy to cut, not those that ought to be cut. If we go about approving 75 percent of the program expenditures, we're just reinforcing that and leaving the fundamental structure of government, inefficient as it is, in place. So there has to be a change in the process by which we scrutinize the budget.

It's clear that there are a number of arm's-length reports out there that signal very clearly what ought to be done. There's the Auditor General's 1991 annual report on improving the financial administration of the province. The Auditor General made eight major recommendations, only one of which has been implemented. There are seven others out there that deal with appointments to boards, with trying to set out performance indicators, and that's not being adopted, at least not to date. The Financial Review Commission made 24 recommendations, only eight of which have been implemented. So if you don't listen to us on this side of the House, there are all these arm's-length reports out there that set out very clearly what has to be done in order to reduce the high-cost structure of government, and we ought to be pursuing that.

8:20

Now I'd like to turn my attention, in fact, to the Treasury Department in particular rather than my general comments. There are two things that are happening in Treasury that really concern me. The first is the elimination of the Alberta Bureau of Statistics. This is a time when we need more information than ever about the structure of the Alberta economy, our trade links with the rest of the world, efforts to get a handle on tradable services. This is our vehicle for getting a better window on the Alberta economy, providing information to government, providing information to Albertans. It's gone. Any of you who have ever dealt with Stats Canada know that we're in for a pretty rough time if we're going to try and get information on a timely basis on what is happening in the Alberta economy and in some way be able to respond to whatever initiatives emerge from the federal government or trade initiatives, for that matter. So just the casual elimination of that without much debate I don't think has done much of a service to the Alberta economy or to Albertans.

There's another issue that I want to discuss in Treasury which really does concern me in addition to the elimination of the Alberta Bureau of Statistics. On one hand, we see this government committed to trying to ensure cost recovery for the provision of government services. That's laudable. Nobody in their right mind should object to that. On the other hand, many of these governments that in fact are imposing these user fees in effect are monopolies. They have no competition. They set the fees. That's fine. On the other hand, there's an increasing tendency now for these departments to have the funds that they capture earmarked to their own use. That's a recipe for disaster. You're going to see administrative bloat that's going to be beyond belief. I would like to see that as we go down this path, sure, let us ensure cost recovery, but that money belongs to the Provincial Treasurer. That money ought to be allocated across departments on the basis of

need, not on the basis of internally generated demands by departments who see more money. That will just generate the same high-cost structure of government we have, and this is happening very casually, and we're not debating it.

The final point is what was sprung on us in the House today with the privatization of the ALCB. Again, in principle privatization is an excellent idea. On the other hand, where's the money going to go that arises? I would hope it is a windfall that will be used and applied against the debt. It ought not to go into general revenues as a one-shot effort to try and reduce the deficit. It doesn't belong there. It's a windfall. It goes against the debt.

Mr. Chairman, in my comments let me just say again that 75 percent of the program expenditures are being approved in a two-day period. We see no progress on this side of the House at least in efforts to try and change the structure of government. We are committed to the Deficit Elimination Act, but we want to see a process in place in which bad programs are eliminated, in which programs that are driven by special interest groups are eliminated unless they can be justified on a cost-efficient basis, in which we see an effort and move towards zero-based budgeting, an imposition of sunset clauses on Bills. That is what Albertans expect and want. They want to get rid of waste and mismanagement and inertia in government, but they do want the services, and they don't want the cost of NovAtel, MagCan to be borne by the most vulnerable groups in our society. They want to get rid of bad programs, not target the poor.

Thank you.

MRS. McCLELLAN: Well, Mr. Chairman, I would like to just make a few comments in reply to some of the comments the hon. member made about the Health department and the programs that we offer in Health. I'm disappointed that the hon. member has not heard the discussions that we've had indeed in this House over two days, the extensive discussions that have been held throughout many areas of media on health roundtables. A very successful two-day roundtable was held in Red Deer just last week, in which two of the opposition members participated and I think found quite an interesting process.

I've outlined before that the reform and the review of the Health department and the health delivery is not new. It has been occurring for a period of about two years plus, and when I say "plus," I go back to The Rainbow Report, which was delivered to this government and which was responded to. Many of those recommendations have been put in place.

We've continued to work with the service providers in health as to how we deliver health programs; for example, in the area of mental health, where a great deal of interest was given to community-based programming. We have moved a great deal of our programming into community based. I would draw your attention to the program that is being delivered to the communities through the Alberta Hospital Ponoka program, which is a new and innovative way to deliver mental health to the communities based on the identification of the needs in the community and the delivery suiting that.

Now, restructuring takes some time, particularly in an area as complex as health and one that is as important to the province. It is indeed important to every person that resides in this province. I said in my comments in Red Deer when we opened the roundtable that we have an excellent health system, and we have enjoyed an excellent health system. While it does need review and restructuring, that doesn't mean that what was there was wrong. It was right for the time that it was in place, but technologies, delivery techniques have changed very rapidly in the last very short years. It's important that we put aside the notion of

blame or that the system has somehow been wrong all along and move into the future. It has not been wrong. The institutions that were built at the time they were built were built for the right reasons for the population that they served at that time.

We are moving forward with discussions on how we deliver health services, and I think we're doing it in the most appropriate way by including the people who provide the services, from the broad spectrum of service delivery to the people who use the system, who indeed are many. I found the two-day workshop in Red Deer a very positive affair. I found all of the people there, bar none – whether it be labour, doctors, nurses, the allied health services, or indeed the public or the MLAs that took part – in a very positive mood with a desire to work together to ensure that in this province we continue to have a quality health system and one that we can afford.

The consensus from the group was – and there was a talented pool of people in that room – that, yes, we can continue to deliver a quality health system in this province, one that identifies with the changes that we are seeing in delivery, new diagnostics, new procedures, new pharmaceuticals, and that we can indeed do it with less dollars if we change the way we are doing things. We have made it very clear on this side of the House that we are open to change, that we are open to working in a very positive way with all people in this province in the delivery and the consumer section to ensure that that change does occur in an orderly fashion, that we continue to deliver the health services that are needed by the people that live in this province, wherever they live. We intend to continue that process.

I would invite my colleague from Calgary-Glenmore, who will be carrying the next round of roundtable discussions, which will be held in at least 10 communities in this province, where there will be an opportunity for public consultation as well as workshop sessions, to expand on this very important area.

### 8:30

I want to assure the hon. member that while we are dealing with the health needs of today within the structure that we have, we are changing that. We have done it through identification of health goals for Albertans, of which there are nine. You can read for yourself the role statements that our various delivery systems have done. We have them for our health units, for our acute care section, for our long-term section. We have just gone through an extensive consultation with the mental health planning area. That report I will be dealing with very soon, and that will be included. I think the general consensus is that we can no longer think in isolation; we can no longer think in sectors in health. We have to think in whole health. We have to talk about people taking a personal responsibility for their health and for how they access the health system. I know that this minister is open to ideas, constructive ideas, from all members in this House, and I am willing to work with all of you to ensure that we have a health system for our children and for their children into the future. The biggest danger we have in health care in Alberta today is that we do not address the issue, that we allow it to continue to grow unchecked, without change. That is the danger to the health system.

MRS. ABDURAHMAN: Mr. Chairman, I rise to speak against the interim estimates motion. What an irresponsible way to do business. What Albertans are looking for is accountability, fiscally responsible government. To have a government sit here this evening and ask us to support this and demonstrate that they have no short-term or long-term budget ability – no wonder we've got a \$25 billion debt.

I look across at the hon. Provincial Treasurer. I look at the hon. Minister of Health. I could go on. I would say to you that if a municipality, a hospital, a school conducted their financial responsibilities in this manner, every one of the hon. ministers in this House would be jumping all over them. No wonder Albertans are disillusioned and have no trust in the politicians. I stand here as a politician ashamed of this House, the way we behave in it. If there's anything that's needed in this House, it's parliamentary reform. We might get some civilized behaviour and be able to do something about the significant debt that you have accumulated. Efficiency audits are essential for sound fiscal management planning, and I certainly support my honourable colleague. We have a promise in the Speech from the Throne of open and accessible government, a changing government, a caring government, and here we are with these estimates. In view of the unfocused nature of the expenditure reductions – and the hon. minister has raised it in the health care area – it's obvious that we have no credible process in place in developing budgets or even, after the reality of the expenditures, to assess indeed how these moneys were spent.

I didn't think I'd get nervous when I got up here – and I'm sure that will be in *Hansard* – but I have.

I would suggest that this government look at what's happening in the state of Texas. They initiated a Texas performance review in January of 1991 to examine all the operations of governments and programs. The Texas performance review has released two reports – and I'd urge the government to get them and read them – that demonstrate that they have identified \$4.5 billion worth of savings. A second report in January of 1993 identified an additional \$4.5 billion of potential savings. Thus far the Texas Legislature has implemented recommendations which have saved the state taxpayers \$2.4 million. I would suggest to the hon. Provincial Treasurer that he should do some homework by seeing what's happening in Texas. I have since found out that 27 other U.S. states have performance review models in place and that the U.S. federal government initiated its own national performance review as of April 1993.

Now, getting back to the lack of rationale in our present budget cuts, whether it be in health care or social services, I would suggest to the hon. Minister of Health that for the past 15 years people have been telling this government that it's a wellness system that should be in place. It's taken us over 15 years to get to where we are in home care. I'd also suggest to the hon. minister that it wasn't this government that initiated Alberta Hospital Ponoka's program in the community; it was by the sheer will of that board. If I recall, it created some havoc in rural Alberta that caused some political pain to this government. I would suggest that if this government had listened to what health planners have been saying for the past 15 years, we wouldn't be making these – and yes, I'll use our hon. leader's words – ruthless cuts if we were the government. [interjection] Or rather, “brutal” – I'm being corrected here. I would suggest that we would look at all the past studies that have been done – and probably if I put them here, they would be up to this height – on health care, on social services, on education. If they had been implemented in an orderly manner, we indeed wouldn't be here today looking at interim supply estimates and looking at removing services from Albertans.

I would also suggest to the hon. minister that instead of rationalizing or restructuring this health care system, we indeed are setting about destroying it. When you hear from people within the health care industry telling you that they're being told halfway through a budget year that their budget's being reduced 10 percent,

what does that do to planning and what does that do to programming? And yes, I'll share the example with you next week.

We also hear that the fee schedule for physicians is being tinkered with to the point that we won't be able to ask physicians to budget plan, to do their own fiscal planning. I'd ask the minister to update herself in that area. I wasn't going to raise these things tonight, but because the hon. minister was trying to tell us what a good job they're doing in the health care area, I felt it was important to point out some of the weaknesses in that system.

8:40

We have what I call the toothless tiger, and I have the honour to chair it: the Public Accounts Committee. I gather that my fellow members and also the government members think they've been sent to Siberia if they're placed on it. I think it's shocking for previous members to suggest that you've sat for year after year on a committee that you've viewed as a waste of time. We have an Auditor General's report. We have the Canada council on public accounts telling you how to make it an effective tool to review past budget expenditures. I would ask that you, the government members, if you're going to be fiscally responsible and accountable to your constituents and all Albertans, quickly implement the recommendations of the Auditor General and the Canada council on public accounts. I'll look forward to seeing you indeed do that.

If in reality it had been a meaningful committee, we wouldn't be dealing with Olympia & York's unrealistic lease agreements. In fact, it's a disgrace when you look at the lease agreement that this government entered into in February of '93. We're paying \$22.86 per square foot, or approximately \$9.1 million per year, to lease space in the Olympia & York building. That is \$10 per square foot above the current rental market values for similar prime office space in downtown Edmonton. I would ask you: is that being fiscally responsible? I'd also ask this government: what are you going to do about it?

Mr. Chairman, in good conscience and representing Albertans and asking for a fiscally responsible and accountable government, I certainly will not be supporting this interim supply Bill.

Thank you.

MR. CHAIRMAN: Wainwright.

MR. FISCHER: Thank you, Mr. Chairman. I, too, would like to congratulate you on your appointment.

I would like to say at the outset that I've listened now very carefully to the members for Edmonton-Whitemud and for Clover Bar-Fort Saskatchewan discuss the time limits that we have on these estimates. Then I hear about a third of our time taken up on a lecture instead of asking questions. If we want to get this and learn something from it, we should ask questions. We can do our maiden speeches and our other speeches; we'll have three months to do that.

Now, I would like to ask the Minister of Community Development. We do have a \$14 million expenditure under the rural park development program. I would like a little clarification on where those dollars were spent.

Another one that we have - this is under the Alberta heritage trust fund - is the Pine Ridge reforestation nursery. There's a \$350,000 capital expenditure there. I thought that last year we had privatized a lot of those services, and I wonder what the need is now of more capital expenditure for that project.

One other one we have here that is a little bit confusing is the \$700,000 under the Alberta Family Life and Substance Abuse

Foundation. I know that program was set up. I didn't realize that it was going to that extent that we have a \$700,000 expenditure there.

I have one other one here in Municipal Affairs. It's nonbudgetary disbursements of \$60 million. I would like an explanation or an update on that, please.

There is one more, and it is to do with agriculture and the grazing lease enhancement. That is with the heritage trust fund as well. There's \$3.7 million there. So I would like the ministers, if they could, to update me on that.

Thank you.

MR. CHAIRMAN: The question arises now as to whether or not the ministers wish to respond individually to the questions of members at this time or whether we go on with the questions. It's your committee. [interjections] It's agreed, then, that we ask the ministers to respond now?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Opposed? Carried.

Would the ministers please reply.

MR. MAR: Mr. Chairman, I would be pleased to review the question from *Hansard* when it's available and reply to the hon. member in writing.

MR. CHAIRMAN: Hon. minister, do I take it from that that if you got a written copy, you'd want a few moments? Or are you talking about replying to it tomorrow?

MR. MAR: I thought about replying to it tomorrow, Mr. Chairman.

MR. CHAIRMAN: Okay.

Hon. Minister without Portfolio.

MRS. MIROSH: Yes, Mr. Chairman. I, too, want to congratulate you on your win as an elected Member of the Legislative Assembly next to my constituency, Calgary-Glenmore, and I'd also like to congratulate you as Deputy Speaker. I know that you hear quite well.

I want to just respond to the Member for Wainwright with regards to the Alberta Family Life and Substance Abuse Foundation. This foundation was legislated in June of 1991. At that time it was given a budget through the heritage savings trust fund of \$5 million. Through the grants awarded from this fund between April '92 and '93, there were commitments made to various groups like the Calgary Distress Centre/Drug Centre, the Action North Recovery Centre, Business Against Drugs, and Edmonton Social Planning Council. There were commitments made through a contract. We just recently as a government have amalgamated the Alberta Family Life and Substance Abuse Foundation with AADAC. This foundation is currently being wound down and combined, and it is our intention to fulfill those remaining commitments that will take us up to March 31, 1994, through those contractual expenditures and commitments that we have made. We'll retain those commitments up to \$700,000.

MR. CHAIRMAN: I'm sorry, Wainwright. I may have missed some of the ministers that you were directing to.

The Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Chairman. The question basically was asked: what was the \$3.712 million regarding grazing leases, and how has that expenditure taken place?

As you know, we play an active role in the cattle industry. We have fully 41 percent of the total cattle production in Canada. Almost half of our gross national income in the agricultural community takes place with the red meats industry, so it's playing a very significant role. It's one that we have worked closely with the cattle industry in developing, and certainly grazing leases have contributed very significantly.

As far as the number in question, it primarily consists of maintenance: of re-establishment, of seeding, of equipment such as fence material, of keeping the tree growth down, recultivating. Obviously, as you are well aware – you're a farmer yourself – a pasture basically has to be regenerated over a period of time, so that's what the \$3.712 million is placed for. It comes out of the heritage trust fund and is for maintenance of our grazing reserves that are in place now.

#### Point of Order

##### Questions by a Minister

MR. WICKMAN: On a point of order, Mr. Chairman.

MR. CHAIRMAN: A point of order.

MR. WICKMAN: Just questioning a new procedure where ministers ask other ministers questions and they respond. This is rather new.

MR. CHAIRMAN: That, hon. member, was what I . . . [interjections] Do you want to talk to the Chair? That's what I was asking the committee, whether you would like the ministers to respond, and I got a rather weak "agreed." If the committee of the Assembly would like to change the routine, that's fine with me. I'm here as a facilitator and not as a dictator. It's our understanding here, if the Chair can talk this way, that the minister was responding to the questions put forward by the Member for Wainwright. If he was not, then I'm in error because I interpreted it as that way. Are you saying that he was not responding to Wainwright's questions?

8:50

MR. WICKMAN: Well, it's very, very unusual, Mr. Chairman, if you want to get into a debate on this, for a government member to be answering another government member's question and responding and occupying good time that would otherwise be put to better use by members of this side.

MR. DAY: Mr. Chairman, on the point of order. Not being a medical expert, there is no way I can explain the amnesia being suffered by the Member for Edmonton-Rutherford. He's been here apparently for six-odd years, and to him it's been fairly odd.

AN HON. MEMBER: Five.

MR. DAY: Five or whatever it is.

MR. CHAIRMAN: Are you on the point of order?

MR. DAY: Yes, this is on the point of order.

Night after night after night we go through the process of people asking solid questions to ministers. Now, this side of the House and the four respectful members on the other side can't help the fact that when the opposition has their opportunity, they get up

and spout slogans and get into chanting. One member tells us that to solve all the problems, go to Texas and find out how to save a few bucks. Maybe she wants a trip to Texas; I don't know.

This process has been an accepted process for the years I've been here. People are asking questions. Ministers are responding. The opposition is embarrassed. Let's just leave it at that and get on with it. You're doing a fine job, Mr. Chairman.

MR. CHAIRMAN: As I said a moment ago, if we wish to change the procedure that we agreed to tonight, that's fine with me. If we're going to go with the ministers responding to the questions, I will go from one side to the other in terms of the questions, and naturally the ministers will respond. If we would prefer not to do that, then that's fine with me, but right now we agreed before to do that, so let us finish with the minister answering the questions from the Member for Wainwright. Then we can redécide if you want.

The Minister of Health.

#### Debate Continued

MRS. McCLELLAN: Well, mine is not to the Member for Wainwright; it's for the Member for Clover Bar-Fort Saskatchewan. I detected perhaps a question. I think so. [interjections] Well, there was allusion to home care, and I wanted to tell the hon. member that if she wanted to check the estimates that were tabled before, there was an increase of 6.4 percent allocated to home care in this budget. Indeed, home care funding has grown over a hundred percent over the past five years, a very good program, one that I think we need to continue to work on.

The question that I detected, or rather an allusion to something, was on physician fees, and tinkering with it I think is the way it was put. I'm very surprised and I would want to seek from the hon. member something on that, because we have in this province a negotiated agreement with our physicians, and that agreement carries with it the schedule of fees that they are paid. It allows for utilization for new technologies to be introduced. I think that if that is the case, I would want to hear that. I think that's quite serious.

MR. CHAIRMAN: Are there any other ministers that are going to respond to the Member for Wainwright's questions this evening?

If none, then I call on Edmonton-Glenora.

MR. SAPERS: Thank you, Mr. Chairman, and congratulations on your election to Deputy Speaker.

As a participant in the recently held health roundtables in Red Deer, as a participant in the Alberta Health health goals project, and previously as a participant in the health indicators consultation held by the Edmonton board of health and also as a co-author of a response to The Rainbow Report, I agree that money can be saved in health care and that there are efficiencies to be achieved in the delivery of services. These savings and efficiencies must be pursued because of course this is the right thing to do, not just to meet a political need.

Now, I appreciate the minister's efforts to consult about changes in health care and health care reform. However, decisions regarding health spending must be based on health needs, and priorities must be established against all other budget needs. Of course, in order to do this, we need a budget. Unfortunately, the government has not seen fit to provide one for the review of the people of Alberta. The fact that this government is unwilling to expose its fiscal plan for debate in the Legislature tends to

diminish the parliamentary process and in fact marginalize the role of all private members.

How can I support these interim supply Bills when the government hasn't fully informed the Legislature as to how they fit into the increasingly fractured puzzle being forced together? On behalf of my constituents I must vote against these Bills because all they accomplish is giving more money to a government that seems to know only how to spend and not how to plan. If granted, the interim supply given to the Department of Health would see funding of less of the same old thing. Certainly this may force some new efficiencies, but what is needed is comprehensive system reform. After all, there is no point in doing efficiently that which perhaps should not be done at all.

A plan based on the carefully assessed health needs of Albertans is called for. This plan, covering the range of needs and services from health promotion and illness prevention through to palliative care, must be accompanied by a detailed budget subject to careful review. Instead, what we have is a failure to plan and no budget. This has prompted the government to use the admitted dumb way of budget reduction: across-the-board cuts. Across-the-board cuts punish efficient providers and reward inefficient ones. Across-the-board cuts assume that all services and all providers are equal, and of course they are not. Across-the-board cuts come from the search for a one size fits all solution to a complex problem. What we know is that this results in a one size fits none response.

Government must take on the tough job of providing leadership in health reform and get on with reforming governance models, determining practice standards, preparing a health workers' labour readjustment plan, and setting goals for health outcomes. The health of Albertans depends on this action being taken. Being accountable for how tax dollars are spent depends on this action. Therefore, I cannot support these Bills that would see another \$2.5 billion allocated to health without a budget, and even more problematic, almost \$5 million allocated to unreviewed capital projects.

MR. CHAIRMAN: Are there any ministers who'd care to reply? No, there are no questions. All right.

MR. DINNING: Mr. Chairman, may I take a stab at a reply, sir?

Here, certainly here – and gosh knows, I see angst on the other side of the House, a real pent up, pit bull-like fury to really get into the meat of our budget. Members can appreciate that given the desire for the government to seek supply for only as long as it was needed before we got into the House, we're now in sort of a time warp whereby we require this supply to get us through on an interim basis until we can exhaust the debate. God knows, you will certainly exhaust the debate and exhaust yourselves in debating the Department of Health, the department of social services, the Labour department, and the Minister of Community Development, who's just as anxious as ever to get up and speak passionately about his responsibilities. There could be as many as 10 times that you could call the Minister of Community Development before this House for as many as four or five or six hours at any one time, and I can see how excited he is at the prospect.

This is a time when I can say to the hon. Member for Edmonton-Glenora – who in his righteous indignation gets up and says that of course we shouldn't grant supply – that the bills of government, whether you like them or not, must be paid between now and the time that we make those changes, between now and the time we approve the whole budget. Hospitals will still run on existing budgets. They require those dollars to pay for nurses, to pay for the Calgary board of health and preventive health services, to pay grants to the John Howard Society, which I know the hon.

Member for Edmonton-Glenora has a vested interest in hearing about.

Mr. Chairman, I would encourage members that this is the time, at interim supply before we get into individual ministers, the first opportunity where they can – they were at the doors, and I've heard even some nomination speeches. Even old Mikey over there had some passion in his voice at one time, and he's got some issues that he wants to deal with the Treasurer on. I'd be happy to answer your questions about 75 percent, about the Spending Control Act. I will right now, Mr. Chairman. But ask those questions. Put those views, not the rhetoric. Put the questions, and ministers are here in the House ready to respond to your specific questions.

9:00

To the hon. Member for Edmonton-Whitemud. He spoke of 75 percent. Yes, it is 75 percent, because that will take us through. He knows some of the rules of the House, because I know he has been an ardent watcher of the House. As a Liberal member destined to be forever in opposition, he has forever been interested in the proceedings of this House. He knows the rules. He could give lessons to the other people behind him, and he should. They need it. This will take us through to November and, you know, given that the hon. member across the way wasn't sworn in until four or five weeks ago, we could hardly have sat prior to that. That is another rule of Her Majesty's Parliament, of British Commonwealth practice. We couldn't sit until we were all sworn in, and you were only sworn in five weeks ago, or so. So here we are now able to debate supply, and that's why it is 75 percent through until the end of the year. If the hon. member wishes to move motions in this Assembly that would stop supply and reduce, maybe even repeal, maybe take away the Provincial Treasurer's salary or all of the other grants – to the John Howard Society or to the Jubilee Auditorium – he has that opportunity when we get to Committee of Supply on the whole estimates and when the minister appears before the committee.

The Spending Control Act, breaking special warrants – Mr. Chairman, just so everybody knows, the Liberal opposition in mid-May voted along with the government, stood side by side with the government. We were wondering that day, but it was a wonderful experience when they stood beside us, and they voted to repeal the Spending Control Act. They voted to repeal the Spending Control Act because it was ineffective, it didn't do the job, and the Deficit Elimination Act, which they fully agreed with, because they stood in unison – they fully agreed with that Deficit Elimination Act. So that is why the Spending Control Act isn't even a matter before this Legislature anymore, because it was repealed in full agreement between the Liberals, then the second opposition, and the government of the day.

So, Mr. Chairman, when the member talks about efficiency audits and things like that, a golden opportunity to debate that when we come to the budget debate. But here you've got ministers willing, ready, chomping at the bit to answer specific questions as much as they can to the interest of the members opposite and their constituents, and I would encourage, rather than the rhetoric we've heard so far, let's try and answer some of those questions that are of interest to the constituents and the people of Alberta.

MR. CHAIRMAN: Thank you.

Little Bow.

MR. McFARLAND: Thank you, Mr. Chairman. May I take the opportunity as well to congratulate you on your recent election –

a first time ever. I'd like to congratulate you, too, on your recent election as Deputy Speaker. You've been a neighbour and a colleague for a number of years, and I've picked up a lot from you.

### Chairman's Ruling Speaking Order

MR. CHAIRMAN: I'm sorry to interrupt you, hon. member. I'm getting signals; somebody's trying to tell me that I'm not following back and forth.

If a response is made to an opposition question, then the next one goes to a government member, and then a response can be made to that. We're not counting the response as going back and forth. That was the question a long time ago, and that's my understanding. [interjections] If we could talk through the Chair, it would help a lot. Calgary-Buffalo, is that not what we're agreeing with? Just to explain, though, to the newer members what it is I'm doing. Okay.

Little Bow, if you'd continue. Sorry for the interruption.

### Debate Continued

MR. McFARLAND: Try it again? Is this the parliamentary secretary speaking tonight? [interjection] I'll take it.

Mr. Chairman, I would like to congratulate you for the third time. I don't want you to get rattled with what I have to say.

I'm hearing quite a bit of contradiction. Some of it seems to be in the direction of what we think is a Bill proposing an interim supply here. On one hand, we need to fund the operation, the ongoing business of government; on the other hand, we've got people saying that the process is wrong, that we're wasting a lot of time, but they're not prepared to ask any questions. The contradictory portion that I hear is that the Liberal caucus is proposing renovations in their offices far in excess of \$200,000, which I understand comes out of Public Works, Supply and Services.

SOME HON. MEMBERS: How much?

MR. McFARLAND: Over \$200,000.

AN HON. MEMBER: And children are going short.

MR. McFARLAND: At the same time, we're being accused of depriving young children of school supplies, and I know that in the riding that I come from that \$200,000 would pay all the school supplies for all the kids on welfare.

Now, I guess, Mr. Chairman, that the one thing that rather upset me as well was Edmonton-Whitemud making reference to a poor method, a closed system of acquiring an interim supply Bill. Now I haven't been here that long, but at another point in my life I was on a county council for a number of years. I can assure you, whether I was on the board of education or the county council, if this government had closed the door, stopped the flow of money which the counties, the MDs, the IDs – for those of us in the rural areas who can appreciate this kind of thing – it would have put us in a very, very precarious position because we relied heavily for funding of teachers' salaries, funding of nursing staff in our hospitals, funding of people in all of our facilities that the counties, the MDs, the small towns, and the cities help provide funding for.

He also made reference to the privatization of the ALCB, which according to popular opinion in today's paper was endorsed by around 86 percent of Albertans who think it's a hell of a good move. Now, whether it's a windfall that's questionable or not, I don't know, but I have a good feeling that if this government feels

that there's been an excessive return of revenue, as the Provincial Treasurer did last year with the disposition of AEC shares, if there happened to be a horrendous windfall, surely it would go towards offsetting our deficit.

Edmonton-Whitemud also made reference to the lack of sunset clauses, and I would just wish that they would go back to the Speech from the Throne and see that in fact sunset clauses are going to be provided in any new rules and regulations and that they're going to be reviewed every couple of years. So please read the Speech from the Throne and don't read yesterday's paper.

Perhaps the members opposite would like to take the time to quit criticizing the process that we've got here and maybe ask a couple of other questions. I think it's very important that things that we've got to face in rural Alberta . . . One of the questions that I would have for the minister of agriculture – and I'm sorry he's not here right now, but I know he'll get back to me – was under Irrigation Rehabilitation and Expansion, some 24 and a half million dollars for an ongoing program, on which I might like to give a little bit of history for those who don't understand that some of these canals are very, very old, from the turn of the century nearly. They do require constant upgrading to provide the spin-off benefit that irrigation is bringing to our agricultural sector.

### 9:10

The second question I had was to the Department of Education on their operating expenditures. Seeing that the minister is not available to be here tonight, I'll follow up with a written question to him.

Mr. Chairman, I know that accountability is very important, and I think that's something that all of us did get elected on. It was a promise that we made to our electorate. I don't know that I've seen anything that is more positive than the steps that the government has taken in the past number of months to directly, in a humane way alter the scheme of things for this province to bring us back on track. I don't know of a broken promise to date; I see nothing but positive changes by the government departments, no matter which ones they may have made.

I would like to give some credit to the present Minister of Labour, who chaired the committee called the Premier's Council in Support of Alberta Families. As chairman of that committee at that time his committee identified 39 different programs and areas within government that partially, totally, or to some degree overlapped or duplicated certain things that happen, and that was one of the things that all of us wanted to get rid of: the duplication in government. To his and his former committee's tribute, they set up a grid system which is now being copied throughout the world – not throughout the world, but they've had inquiries from a number of countries who like the system that this government helped put into place. That's a system where any rule or regulation passed in this Assembly has to meet a checkoff list through all the deputy ministers in the various departments. That's a positive thing because it identifies those programs that tend to overlap, duplicate, and cost a lot of money. It helps to prevent any further occurrence of that nature.

We've heard in the past two days about the lack of social conscience on the government's part. Just so that we're not accused of throwing stones, I would like to remind all of us that there are members in this Assembly here tonight who in their other lives have made a living in a profession that was totally funded directly from various levels of government taxation: teachers and nurses, who, in my lifetime on county council, which spans some 15 years, never did take a rollback and never did take a reduction in pay. I don't consider that – to be speaking out of one side of your mouth – as a social conscience. On the other side, you can't help but remember that your salaries in your other life came



directly from municipal, from provincial, and other municipality taxes.

Mr. Chairman, I don't want to belabour the point. I've made a couple of questions here that I'll follow up with the ministers responsible. I think it's only fair that everyone else have the time to ask a couple of questions.

Thank you.

MR. CHAIRMAN: Edmonton-Roper.

MR. CHADI: Thank you, Mr. Chairman. I don't want to make you feel left out. I do want to congratulate you, too, on your election to Deputy Speaker and Chairman of Committees.

I rise to speak against the motion of interim supply. Being new in the House, sir, I have no idea what this was all about, these evening sessions.

MR. DINNING: Green.

MR. CHADI: That's right, Jim. I am green. It's too bad, you know, I can't call upon my good friend Jim Dinning to assist me at times.

There's something, Mr. Chairman, that I want to make perfectly clear, and that is that this side of the House never once said and never will say that we want to stop the flow of money, as the hon. member has suggested. [interjections] Never. We have always said and will maintain and continue to say that what we have to have here is a plan and a coherent plan that we can debate and discuss. We cannot go on any longer in this House discussing interim supply, interim money. Goodness gracious, that's almost like going to the bank and asking the banker for an overdraft without the courtesy of a reasonable explanation of how we're going to repay it.

[Mr. Clegg in the Chair]

I find it difficult to accept the fact that we are here this evening discussing the motion of interim supply for 1993-1994 when we're almost six months into our fiscal year. How? This is the third time this administration has had to resort to special warrants. The first was for \$4.52 billion which covered April to June, the second was June 23 for \$2.45 billion which covered from July to the end of August, and this interim supply is to carry us to December '93. This hide-and-seek game involving billions of taxpayers' dollars without a budget is simply not acceptable to Albertans. Mr. Chairman, the people of this province expected more and deserve more. Accountability in this process simply does not cut it.

This government is now seeking approval for \$8.91 billion in spending. This amounts to almost 75 percent of the total program expenditures for 1993-94: \$8.91 billion in spending warrants before giving the Legislative Assembly the opportunity to fully debate the May 6 budget, if indeed we're going to call it a budget. The Premier has described it as a philosophical document, so I don't know how we're going to describe it. That, Mr. Chairman, is precisely why we're in the House today discussing yet another interim supply.

This makes it abundantly evident that there is no plan, as this government has often alluded to the fact that they have a plan. Where is your plan? Given this government's continued refusal to submit its budget for detailed review before the members of this Legislature and the people of Alberta, given the lack of specifics presented in the May 6 philosophical document, given the shooting from the hip budgeting of the Treasurer over the past six months, and given the continued resort to special warrants, this member in

all conscience cannot accept the Treasurer's request for interim supply. Mr. Chairman, we need a coherent plan and a system in place that gives Albertans confidence that a plan is on course. Otherwise, I am not prepared to support the government's request.

Thank you.

MR. THURBER: Mr. Chairman, I too would like to congratulate the Deputy Speaker and the Chairman of Committees and yourself, sir, as the Deputy Chairman of Committees. I've known these two gentlemen for quite some time, and I can assure this House that they take their jobs quite seriously, as you will find out over the next few months.

I find it interesting when the Liberal opposition gets up in here and says: we don't want you to have any interim supply for three months; we're not going to support it. What you're honestly saying – and my colleagues have answered part of it – is that you want most things in Alberta to come to a halt for three months. You want the schools to stop; you want the road construction to stop. If we don't have money to pay people, they're not going to work.

Now, you're in here defending the little kids, the so-called cuts to welfare, and the so-called cuts to health. Most of these things have gone up for so long that somebody has to do a careful review of them, but all you're saying is that you want us to stop Alberta for three months while you debate. Sounds interesting to me. The Liberals said that they wanted brutal cuts. Well, that'd be the first one: shut down Alberta for three months. The grants that go out from the different departments of this government keep the economy alive in Alberta, and they have to go out. There's no doubt in my mind whatsoever. I wonder how the city of Edmonton would have felt if we hadn't sent out the grant in lieu of taxes that went out just a short time ago. How would Calgary, how would the other parts of Edmonton, how would Fort McMurray feel if they didn't get their grants in lieu of taxes? Boy, you guys wouldn't be very popular out there.

9:20

Somebody made mention that we go on with unreviewed capital projects in the countryside, that we're still building hospitals that haven't been reviewed. Ask your friend from Fort McMurray how many times his hospital's been reviewed. Ask the people from Peace River that have had projects approved and disapproved and changed for 10 years. You say that they haven't been reviewed? Ask the people. Go back to your people and say, "No, we want to shut things down for three months because we don't want the government to have the money to carry on its business of every day."

I listened to one hon. member from the other side that was the chairman of a hospital board not too long ago, and I can remember getting letters from her that they needed more funding. They wanted this and they wanted that. Now she wants to shut the hospital down for three months while they wait for funding. I don't understand this coming from so-called Liberal people that want to make the province grow, want to make things happen. All you're doing is saying: we don't want to spend any money.

You talk to us about brutal cuts? That's unprecedented cuts, to just shut things down for three months. I just wanted you to know what you're proposing to this province when you say that we're not going to support any interim supply. Business has to go on. You know that. Construction jobs are in process. People would be laid off. The province would come to a halt.

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Chairman, and may I congratulate you on your presentation.

I am rising to speak – and I will direct my question to the hon. Mr. Dinning, the Treasurer – because I'm very concerned about the fact that there is a lack of information within this House. Considering a number of us are new members, I'm almost seeking it for my own clarification. I'll make my point, and perhaps the hon. Treasurer can assist me.

There seems to be a consensus from my colleagues that we have no plan – that seems to be something that comes back at us – and a concern that the finances of the province cannot proceed using the accepted procedures and regulations that have been processed for a good number of years and which, as my colleague from Little Bow has mentioned, have served to assist a number of municipalities, boards, unions, et cetera, as we proceed with our financial concerns.

My question is to the minister. Did we not pass an Act called the Deficit Elimination Act prior to the election in the spring? My understanding and one of the reasons I'm sitting on this side of the House today is that that outlined a very clear plan for me and for the constituents of Calgary-Currie and for a great number of constituents in the province, that the plan of this government was to eliminate the deficit within four years. That was backed up with some strategic areas of concern, some specific strategic plans with respect to health care, education, and social services. We've not deviated from that plan. In fact, I'm surprised that we are not recognizing more fully in this House that the financial institutions, the various chambers of commerce, the significant number of Albertans who voted for my party also recognized that that particular Act demonstrated a very concrete plan that we could base some strategic planning on and plan for appropriate use of our dollars and appropriate use of our manpower and resources.

Wasn't that it, wasn't that our plan, and have we not by going forward with the strategic roundtables and various ministries looking at reviewing their budgets, having asked through the Premier on Tuesday when they did the Speech from the Throne, asking every department and every budget in every area to be concerned for the changes that we need to bring into place? My question to the minister is: was that plan not enough to give you some guidance as you proceed with the rules and procedures of the House?

MR. DINNING: Mr. Chairman, I will do my best to be brief, but I could go on with a rather lengthy answer to a very good question, a very good series of questions from my new colleague for Calgary-Currie. Quite simply the answer is yes. This government put forward a document on May 6 which spelled out in pretty clear terms what our four-year fiscal plan was all about, and in that same document we described how we were going to approach it in '93-94.

I think it's important to go back to what was said on page 9 of the budget papers, which said that the goal of the four-year fiscal plan was

a prosperous Alberta with open, accountable government that lives within the taxpayers' means and delivers quality services at low cost.

There are four strategies to achieving that goal, to achieving the plan. The first strategy is to "legislate an enforceable plan to balance the budget by 1996-97." We've done that. The hon. member was absolutely correct. We passed the Deficit Elimination Act, and despite their initial reaction and despite their voting against it at second reading and despite their voting against it in Committee of Whole, the Liberals in the House at that time stood in the Assembly, stood with the government and passed the Deficit Elimination Act that prescribes and spells out very clearly what the

annual, allowable deficits are: that for '93-94 it may exceed no more than \$2.5 billion, and by 1996-97 there will no deficit, and in each subsequent year there shall be no consolidated deficit.

I think one very important element of that Act is that there is a requirement for ongoing quarterly reports, for the Treasurer to report publicly on the accuracy of the budget estimates and on revenue and expenditures to date. What we've said very clearly, Mr. Chairman, is not only that we would report where we are on track or off track, but we would take action to ensure that we stayed on track. I know that there are some members opposite who would suggest that we were \$119 million off track at the end of the first quarter. Some would even suggest that it was as much as \$279 million, but what's important is that that deviation, some eight-tenths of 1 percent in a \$14 billion budget, was corrected. It was stopped. It was reversed, such that the plan was put back on track. Any notion on the opposite side of the House that in a \$14 billion-plus budget there are not going to be some alterations, adjustments along the way just shows that the NDP is alive and well, living on the other side of this House.

Mr. Chairman, let me briefly go to the three other elements of the plan. They're spelled out. I would refer all hon. members to the document that is available in the Provincial Treasurer's office. It's on file in the Legislature Library, and if any members across the way need to get an explanation or learn some lessons on how to use a library, ask the hon. professor for Edmonton-Whitemud. He's a professor at the university, used several libraries, probably even knows how to use the one under this Chamber. I'd encourage them to take that lesson. There are some very fine people who work in the Legislature Library, and they would be happy to show them around to these accounts, to the accounts that go back all the way to 1905. God knows that's what they should spend their time on, because they're never going to be in government.

Another element of the plan is that we are clear, that based on the input of Albertans, we're going to set clear priorities, and we're going to stick to them.

The third element, Mr. Chairman, is to "act on Alberta's economic and job generation strategy." I hope the hon. Minister of Economic Development and Tourism may be able to answer questions in future Committees of Supply and that we might have that as part of our budget debate.

Fourthly, "change the way government does business: increase openness and accountability to Albertans," and we've done that through the Deficit Elimination Act. "Eliminate waste and duplication," and we did that to the tune of nearly \$135 million in the first year alone, Mr. Chairman: \$134.9 million of elimination of waste and duplication and excess size of the provincial government. Thirdly: "improve cost-effectiveness of programs, encourage innovation and creativity, and establish new partnerships."

9:30

Now, Mr. Chairman, that is the plan that we have spelled out in that kind of a framework. What the hon. members across the way are perhaps looking for is each and every step designed for the road along the way to the destination. That's what the hon. members across the way would do if they ever got in government, God forbid, because they would prescribe from under the dome, from their caucus chamber, from their Executive Council chamber how every step along the way must be done. Mr. Chairman, we don't believe that. We believe that Albertans have all the knowledge and the tools and the responsibility and the authority to help us achieve the objectives spelled out in our plan. That's why one of the fundamental elements of our plan is to consult with Albertans. My colleagues the Minister of Health and the

minister responsible for the roundtables have begun that. The minister of advanced education is doing the same thing. The Minister of Education is beginning it in October with roundtables in Calgary and Edmonton. That is just the first in a series of roundtables and consultations we will have with Albertans to achieve the objectives spelled out in that plan.

I appreciate the hon. Member for Calgary-Currie raising an intelligent question that could be answered with the facts backed up by documents that have been tabled in this Assembly. I think she sets a model for the kind of questioning and the style and the manner in which we should approach the Committee of Supply tonight and in the days ahead.

MR. DEPUTY CHAIRMAN: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you. My question is to the Provincial Treasurer. He keeps referring to the budget estimates. Well, there's a bit of a paradox here. There's a budget coming down on Wednesday. The Premier has said: this is a philosophical document; the details are coming next week. What do these numbers mean? If this is the budget, then why are you releasing it early? Why are we going through this charade next Wednesday? If these are the numbers, if these are the questions which we should be addressing and they are going to change next week, you know, what use is that? Or is this going to be identical? Are you just going to recycle the same budget? Let's get serious.

MR. MITCHELL: He's going to change the valuation adjustments and everything will balance.

DR. PERCY: Yeah.

So you can go on with your rhetoric. You can say: refer to the estimates. What's going to happen next Wednesday, Mr. Treasurer? Are these going to be the same estimates?

MR. DINNING: Mr. Chairman, again, the rules of the Assembly, of Her Majesty's parliament, are that officially in this 23rd Legislature the budget that was presented but not passed at the end of the 22nd Legislature does not exist in the 23rd Legislature until the Provincial Treasurer stands, reads the document, and presents estimates to the Assembly next Wednesday afternoon, September 8 at 4 o'clock. I encourage all members to be here.

Mr. Chairman, we've made it clear. We went to the people of Alberta with a plan, and part of that plan was the '93-94 government estimates of the general revenue fund and all of the other documents that are in the members' hands. What I would suggest is that the hon. member can go to this document and ask questions of it because it relates in large measure directly to the material that is before this committee this evening. Rather than throw his document down in righteous indignation, theatrics as it were, what I'd suggest is if he's really interested, why wouldn't he turn to the Treasury Department or turn to the Community Development department or the Health department and ask the ministers: "What does that mean? What are you doing with those millions or thousands of dollars, such that you're achieving the objectives that your government has spelled out?" I know that my colleagues will do their best to answer those questions. I would too. But we are at this point, except for the government side of the House, unquestionless from the other side.

MR. DEPUTY CHAIRMAN: Thank you.

The hon. Member for Three Hills-Airdrie.

MS HALEY: Thank you. Special congratulations to the Deputy Speaker on his election and to the Deputy Chairman of Committees on his election.

I rise to speak in favour of the interim supply Bill. We are here this evening to discuss the interim supply Bill, and as a new member here and a little bit unsure as to what's going on as well, I find myself feeling that I'm being lectured and that for some reason – God only knows why – I should be ashamed to be part of the government. I find that just a little bit amazing as we were only at the polls less than three months ago. We had Mr. Decore, the Leader of the Opposition, in my constituency at least four times promising no less than \$4 billion worth of expenditures and only a \$1.1 billion slash-and-burn policy on the deficit side. I thought that was interesting, because he didn't account for the billions of dollars he was going to charge. [interjections] Oh, I listened to you guys. Lighten up.

The Member for Clover Bar-Fort Saskatchewan asked if we were going to be fiscally responsible, and my comment is that we are being fiscally responsible. This government . . . [interjection] No, you can just relax. I'll get to it.

Fiscally responsible? The answer is yes. We've got roundtable discussions going on in health care. They're coming up in education, and they're coming up on the seniors' programs. Fiscal responsibility means involving Albertans, and we're going to be doing that, and I'm very pleased about that.

I do have a question for the minister in charge of AADAC. We have a program being run right now at Wood's Homes that Canadiana is involved in. I'm wondering if there is any plan to expand that program to look after the kids that have drug abuse problems here in Alberta rather than sending them out to the United States, if we're working toward that direction.

Thank you.

MR. DEPUTY CHAIRMAN: Thank you, hon. member. I thought for a minute that you liked the look of these people over here better than you did the Chairman. Through the Chair is where you should go.

Madam Minister, would you like to answer the question?

MRS. MIROSH: Yes, Mr. Chairman of Committee of Supply. I want to congratulate you, too, on your win and your position here this evening. I know Dunvegan is in for a treat for another four years.

To the Member for Three Hills-Airdrie: I welcome the question with regards to AADAC. I would like to just point out to the House that the Member for Calgary-Bow is the new chair of AADAC, and I also would like to congratulate her on that position. Wood's Homes is in the Member for Calgary-Bow's constituency, and she may wish to supplement the answer.

I am very familiar with the program Canadiana as well as the program AARC. Neither one of those two programs is funded under the current AADAC funding program and agencies, but we are currently reviewing those programs for the youth and would like in the future for 1993 to develop a new program for the youth and have those programs help the youth and readjust some of the other programs that we have currently in the 1992-93 budget. We are trying to reduce our budget 11.7 percent, and reorganizing this Crown agency will make a significant difference.

The treatment program has shown already that 84 percent of the clients remain abstinent three months after inpatient treatment, and 63 remain abstinent with outpatient. So there isn't any significant difference. I think programs like Canadiana and AARC have proven that the outpatient method has certainly on a long-term

basis been much more effective. The Wood's Homes, as well, has been a great centre for treatment for young adolescents.

I would like, Mr. Chairman, to ask the Member for Calgary-Bow to respond with regards to the Wood's Homes treatment centre.

MR. DEPUTY CHAIRMAN: The hon. Member for Calgary-Bow, would you like to say a few words? Okay.

Edmonton-Manning? The hon. Member for Edmonton . . .

MR. MITCHELL: McClung.

MR. DEPUTY CHAIRMAN: Oh, that's that help I've got.

MR. MITCHELL: Excuses, excuses. We don't blame the help.

Thank you, Mr. Chairman. I'm interested to note that the Treasurer is quite gleeful in his effort to establish that somehow this document fulfills the need that we've been expressing for information. Well, it is almost incomprehensible to me that the Treasurer would have the gall to say that. The fact of the matter is that this budget document was obsolete the moment it was presented to the Legislature. It was never passed in the Legislature, and what's very much more telling is that since it was presented to this Legislature, his own Premier and the Treasurer himself in their quarterly report have already indicated that it's out by about \$279 million. What we have never been told, the information that we have never been given is: exactly where do we find the \$279 million by which it is out? So when the Treasurer stands up and says, well, here's the information; here's the detail, I say: well, is it this vote that's out by \$279 million? If it is, then that detail isn't very useful. Or maybe it's this vote that's out by \$279 million, and if it is then that's not very useful either.

9:40

Mr. Chairman, let's take the health care budget for a minute. These new members can absolve themselves of some responsibility because they weren't here when this budget was written. They should be ashamed of themselves for absolving themselves for not now taking it up and saying: exactly how was this budget determined? There are \$144 million in cuts in this budget document for health care, and you know, I've never seen anything like it. You know what it's left to? Public consultation. There's no specification. But you know what? It's not really \$144 million in cuts at all. It's really \$122 million in cuts, because the way they account in this document - you know what they do? They somehow wash out an increase in health care payments, in medicare payments, and it works out to \$122 million in cuts.

You know what else isn't actually right about the information in here, Mr. Chairman? The fact of the matter is that we don't really have a \$3.2 billion budget for health care. We really have a \$4 billion budget for health care. You know why that is? Because they don't compare revenue against real expenditures. So what they say to the people of Alberta and the people in this Legislature in this document is: "We're not really going to tell you what we spend on health care at all. We're going to say we spend \$3.2 billion, but in fact we spend \$4 billion on health care."

Now, since this document was brought in with its vague assumption about \$144 million in cuts, the Health minister said de facto that this document is obsolete. You know why? Because she came out with across-the-board cuts of \$67 million to acute care facilities. We don't know exactly how she determined that figure. Where was that figure picked up? Here? Or was it picked out of here? Or was it picked out of here? Sixty-seven million

new dollars like that. So then we come to the Legislature, some fresh-faced, energetic new MLAs, and we think: "You know what? We're going to get some information on \$8.6 billion worth of interim financing." They pull out the Health budget, and they say: "Information? \$2.5 billion." Well, I will say that it goes down to the single digits: \$2,552,957,495. That's detail, Mr. Treasurer. That is detail.

Now, let's get to the heart of it. I want some answers from the Health minister. For example, how much of this \$2.5 billion has gone to assessing essential needs in each community around this province so that when we see 1.5 percent across-the-board cuts to rural acute care facilities, we know that she's assessed the need in Swan Hills and the capacity of that hospital and she must say that it's equally inefficient or equally efficient as the hospital in Mayerthorpe and the hospital in Whitecourt and the hospital in Hanna and the hospital in who knows where? If she hadn't assessed it and found that out, I would assume that she would have cut those hospitals differently, because they're not all equally inefficient, and they're not all equally efficient, and they don't all meet the same level of demand.

So how much of the \$2.5 billion in this document has been spent on assessing essential needs in the communities across this province? How much of the \$2.5 billion in this document has been spent on assessing alternative ways of developing health care so that we don't go out and build a Westlock hospital for \$10 million, which we may or may not need and which may or may not provide the proper kind of health care service delivery that could be provided by better alternative measures? For example, community-based health care delivery supported by emergency services that are adequate and technical and sophisticated, supported by an ambulance service that gets people to a sophisticated, well-equipped facility somewhere where they will get the kind of health care they need - how much of the \$2.5 billion has gone into that kind of study? I'll bet you none of it.

I wonder if this minister can tell us how much has gone into the study of outcomes. Dr. Guenter made a very, very significant point at the roundtable. He said: "You know what? We can jump from one health care model to another health care model, and you know what we get? We jump from one model for which outcomes haven't been studied and assessed to another model for which outcomes haven't been studied or assessed." Well, how much of the money is this government going to be spending on studying and assessing outcomes so that Albertans have some confidence that these across-the-board cuts that say that Swan Hills with its 30 percent utilization rate is just as inefficient or just as efficient as Mayerthorpe? How much confidence can they have that the outcomes in those two places match the demand, match the requirement, match the needs of those people with the capacity or overcapacity of the facilities which should have been studied and which I would argue, Mr. Chairman, simply have not been studied?

Now, let's get down to capital investment. How much of this capital investment, this \$2.5 billion, has been spent to investigate capital projects by this government, which are proceeding now despite the fact that that roundtable has said no more capital projects? Are we going to get a hospital in Drumheller? If we are, let's see the studies of that hospital in Drumheller that say that it is needed, that say that the outcomes are going to match the demand. Let's see a study that says what are the demands. Are we going to get a hospital in Stony Plain? Because that was promised during the election by the once New Democrat member, now newly found Conservative Whip of that particular party. Are we going to meet that promise, and how much of this money has gone to study to see whether in fact that's needed?

Mr. Chairman, here are some questions. What we don't have is any kind of information or detail upon which to base the kind of analysis that we need to do. That this Treasurer would stand up in this Legislature – you guys should be ashamed – and ask you to vote for \$8.6 billion two-thirds of the way into a fiscal year in which we have had no chance for legislative approval for this kind of expenditure, that he would ask you to vote for that, to put your necks on the line to commit Albertans' money, \$8.6 billion, without anything more than a single- or a double-line entry on each department, well, you should be ashamed of yourselves. You should be standing up and saying, "I don't want just answers to questions; I want some information."

MRS. McCLELLAN: Mr. Chairman, I would like to respond to a couple of points, and I'll try and be brief to allow other members to get in.

One of the areas that the hon. Member for Edmonton-McClung discussed was outcomes measurements. It is an area of concern to us, and we are involved in Alberta Health, in fact, with a national program on that. One of the concerns that is raised throughout the health community is indeed the fact that we do not have as good information as we would like anywhere in Canada, in fact lacking in many countries, as to the effectiveness of the programs and the treatments and the outcomes. We have been a participant in the development of a management information system for hospitals, the health information processing strategy. So I'm sure the hon. member would want to know that.

We also have been involved in the establishment of a Provincial Advisory Committee on Health Research, and certainly one of the areas that we are hoping to achieve a great deal of research in is in outcomes measurements. I know the hon. member participated in the roundtable and heard repeatedly that we must match our delivery system with solid information on outcomes as much as we can and have been challenged on the number of treatments and services that are offered that may indeed not have a positive effect on outcomes.

The hon. member is aware that we have an acute care funding plan for the larger hospitals in this province and that we have been working with the smaller hospitals on a funding plan for them. I know that the hon. member also heard at the roundtable and probably has heard before that in the acute care side of hospitals in Alberta we are quite above the national average in patient beds. I know that he also heard that because of changing technologies, ways of providing services we no longer need the number of patient days in hospitals, and of course that is very positive for the patients. So on that basis, of course, some of the changes have been able to be made in the acute care side. I think that was important. I hope you understand that because we have had in place for two years the acute care funding plan for hospitals of a larger size, we are better able to evaluate their needs than we perhaps have been on the smaller hospitals, but we are working on that. I know that the hon. member will follow with considerable interest the continued discussion on health review and reform and how we deliver the system and, I hope, with very positive input to that system.

9:50

MR. DEPUTY CHAIRMAN: The hon. Member for Medicine Hat.

MR. RENNER: Well, thank you, Mr. Deputy Chairman. I, too, congratulate you on your recent election to your office.

I rise to speak in support of the motion. As all members are probably well aware, I too am a new member in this House. I

really wasn't planning on speaking this evening because I wasn't exactly sure of the process that we were going through, and I thought I would just sit back and listen to what was going on and try and get a bit of an idea for what the procedures are here tonight. As I sat and listened to the members opposite, it reminded me of the election forums during the recent election campaign and listening to my Liberal opponent in that campaign. I really think that it's important that something is understood by me here tonight, and that's why I rise to ask a question of a minister. I plan to ask the question of the Treasurer.

The members opposite have been saying throughout the evening that we need fundamental restructuring of government; we can't be making across-the-board cuts. Certainly all members on this side agree. That is the process that we are in right now. That is the reason we are going through the roundtable process in the forum that we have right now. This was the same argument that was being put forward a few months ago by the members opposite. They were saying that they would put fundamental restructuring into place but they would take a year to study the situation. They would do all of the process, sort of what we are doing right now. I'm not exactly sure what their process was for this fundamental restructuring, but in a year from now they would let us all know what their fundamental plan was. In the meantime they were going to let spending continue at its present levels. Well, our government has made a decision that in addition to the fundamental changes that are required, we are going to stop spending right now. We are going to make some cuts. We are going to bring the basic inefficiencies out of the system. My question to the Provincial Treasurer is: if we were to adopt the philosophy of the members opposite – do the roundtables and then decide where the fundamental changes need to be made – what would be the net result on the deficit reduction plan of the loss in cuts that are being made this year in that we would have to wait a year for these plans to come to fruition?

MR. DINNING: Well, Mr. Chairman, it is an excellent question, because what the hon. member is suggesting is what the Liberals have said. You know: wait and see, and trust us. There would be a loss of at least some \$700 million in expenditure reductions this year, and presumably, if they agreed with the Deficit Elimination Act, like they did, that would be made up in the later years, in the out years. In the meantime our debt would have gone up higher. We would be paying higher interest costs because our debt would have gone up higher, and, more importantly, our bond rating from any one of the four major agencies on the continent would have dropped. They would have downgraded us.

What the hon. member does is give me a golden opportunity to remind all members that the Canadian Bond Rating Service did a review of our plan, of our books, of our accounts. They confirmed our current rating. They could have downgraded us. They were never going to upgrade us under these situations, but they chose because they had confidence in us to maintain and confirm the rating. The Dominion Bond Rating Service did the same review, careful analysis. What did they do, Mr. Chairman? They confirmed our bond rating. Then the folks from Moody's and Standard and Poor's in New York City came to visit in July, and they did a thorough, exhaustive review of what we laid out before Albertans. What did both of them do in the latter part of August? Not to be so overly theatrical about this, both of them confirmed our existing bond rating. They could have dropped it, but because they had confidence in the plan that we laid out, in the determination and the steel to focus on the bottom line and to eliminate the deficit by 1996-97, they confirmed our existing rating. I think, Mr. Chairman, that it's one thing for us here – and there are always

these partisan politics. Members opposite are bound to be critical, a little supportive where they feel they can be, and we on this side of course will promote the merits of our plan and show Albertans, who approved and adopted that plan, by the way, the merits of it. But people from afar, from a distance, arm's length, objective, no crosses to bear, no whatever: they've put a stamp of approval on our plan. The hon. member has asked the question: what would have happened if we'd followed the Liberal plan? Well, you know what? Albertans made the wise decision to avoid that one-way downward spiraling roller coaster. Instead, they accepted our plan.

MR. DAY: Mr. Chairman, given the hour and given the fact that we see many more hours, days, weeks – yes, even months – of this stretching before us, I would suggest we contemplate that in our own individual way for the rest of the evening and therefore move to adjourn and reconvene at 10 o'clock tomorrow morning.

MR. DEPUTY CHAIRMAN: Mr. Deputy Government House Leader, I think you should make a motion, too, that the committee rise and report.

MR. DAY: Mr. Chairman, since it's your first time in the Chair we're running a little test by you. You've passed. So I do move, as you have suggested.

[Motion carried]

**10:00**

[Mr. Deputy Speaker in the Chair]

MR. DEPUTY SPEAKER: Deputy Chairman.

MR. CLEGG: Thank you, Mr. Deputy Speaker. The Committee of Supply has had under consideration certain resolutions relating to the interim supply estimates of the general revenue fund, the capital fund, and the Alberta heritage savings trust fund capital projects division for the fiscal year ended March 31, 1994, reports progress thereon, and requests leave to sit again.

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

SOME HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed?

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: It is so ordered.

[At 10:01 p.m. the Assembly adjourned to Friday at 10 a.m.]