

## Legislative Assembly of Alberta

Title: **Monday, February 28, 1994** 1:30 p.m.  
Date: 94/02/28  
[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

At the beginning of this week we ask You, Father, to renew and strengthen in us the awareness of our duty and privileges as members of this Legislature.

We ask You also in Your divine providence to bless and protect the Assembly and the province we are elected to serve.

Amen.

head: **Presenting Petitions**

MR. SPEAKER: The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. I have a petition today signed by 97 parents of students of St. Rita school in Ranchlands community in my constituency expressing concerns about the government "plan to restructure the educational system."

MR. SPEAKER: The hon. Member for Edmonton-Centre.

MR. HENRY: Thank you very much, Mr. Speaker. I beg leave to introduce a petition as well. It's signed by 509 citizens of primarily southeast and southwest Calgary. Briefly, the petition urges the Legislative Assembly to urge the government not to pursue the restructuring changes in education and to ensure that superintendents of schools actually report to elected members of school boards.

Thank you.

MR. SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you, Mr. Speaker. I seek your leave to introduce a petition "to reconsider the proposal to eliminate Community Schools in the Province of Alberta, as proposed by the Minister of Education." The petition bears 70 signatures of Calgarians, sir.

head: **Reading and Receiving Petitions**

MR. SPEAKER: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Yes, Mr. Speaker. I request that the petition which I tabled on February 17 in this Assembly now be read.

CLERK:

We the undersigned petition the Legislative Assembly to urge the government to maintain the Misericordia Hospital as a Full-Service, Active Hospital and continue to serve the West-end of Edmonton and surrounding area.

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

MS LEIBOVICI: Thank you, Mr. Speaker. I request that the petition I submitted on February 17, 1994, be read and received by the Legislative Assembly.

CLERK:

We the undersigned petition the Legislative Assembly to urge the government to maintain the Misericordia Hospital as a Full-Service,

Active Hospital and continue to serve the West-end of Edmonton and surrounding area.

MR. SPEAKER: The hon. Member for Edmonton-McClung.

MR. MITCHELL: Thank you, Mr. Speaker. I request on behalf of the people of Edmonton-McClung and Edmonton-Meadowlark that the petition I presented on February 17 be read and received.

CLERK:

We the undersigned petition the Legislative Assembly to urge the government to maintain the Misericordia Hospital as a Full-Service, Active Hospital and continue to serve Edmonton and surrounding area.

head: **Tabling Returns and Reports**

MR. KOWALSKI: Mr. Speaker, I'd like to file with the Assembly today the Gaming in Alberta, 1991-92 review. This is a joint report of the Alberta Gaming Commission and the gaming control branch.

MR. DINNING: Mr. Speaker, I am filing with the Assembly today responses to motions for returns 159 and 171.

As well, Mr. Speaker, I am filing with the Assembly the details of expenditure by payee from the general revenue fund for the year ended March 31, 1993.

As well, Mr. Speaker, I am filing with the Assembly details of expenditure by payee for the year ended March 31, '93, from the capital fund; the heritage savings trust fund, capital projects division; and the school foundation program fund.

MR. PASZKOWSKI: Mr. Speaker, I am pleased today to table in the Assembly copies of the 1993 annual report of the Alberta Veterinary Medical Association.

MR. ZWOZDESKY: Mr. Speaker, I'd like to file with this Assembly nearly 400 individual letters received from Albertans throughout the province who are urging the government to please retain the important services provided by Access TV and CKUA radio.

head: **Introduction of Guests**

MR. WICKMAN: Mr. Speaker, I have the opportunity, the pleasure to introduce two separate guests. First, to you and through you to Members of the Legislative Assembly I'd like to introduce a young student from Mary Butterworth school who aspires one day to become an elected representative at the civic level, at least to start. He's in the public gallery. His name is Michael Deurloo, and he's accompanied by teacher aide Craig Wilson. If the two of them would acknowledge their presence in the public gallery and receive the warm welcome of this House.

My second one, Mr. Speaker, to you and through you to Members of the Legislative Assembly a constituent of mine now living in Edmonton-Rutherford, formerly of Fort Saskatchewan, likewise sitting in the public gallery: Jennie Grams. If she could stand and receive the warm welcome of this House.

MR. SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly two women from Olds, Alberta. These two women have been

tireless in their efforts to improve community and family life. I'd ask Donna Gole and Lorna Frere to please stand and receive the warm welcome of this Assembly.

MR. ZARIWNY: Mr. Speaker, I'd like to introduce to you and through you to the Legislative Assembly Marilyn Robinson, who is a former resident of Fort Saskatchewan and is now a constituent of Edmonton-Strathcona. I ask that she stand and we give her a warm welcome.

MR. SPEAKER: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Yes, Mr. Speaker. It's my pleasure to introduce to you and to all members of the Assembly the executive director of the Association of Human Services in Alberta. Mr. Walter Walchuk is in the public gallery, and I'd ask him to stand and receive the welcome of all members.

MR. DAY: Mr. Speaker, I'd like to introduce to you and the members of the Assembly today Dr. Harold Hoffman from Edmonton. Dr. Hoffman is working on the University of Alberta occupational medicine program, has a meeting with myself and will be meeting with other officials in my department to improve occupational health and safety in the province. I'd ask Dr. Hoffman to stand and receive the welcome of the Assembly.

head: **Ministerial Statements**

MR. SPEAKER: The hon. Deputy Premier.

#### 1994 Olympic Winter Games

MR. KOWALSKI: Thank you very much, Mr. Speaker. I would ask all members of this Assembly to join the government in recognizing the tremendous achievements of Canada's Olympic athletes at the 1994 Winter Olympic Games, that concluded yesterday in Lillehammer, Norway. Canada came home with a record number of 13 Olympic medals from these games: three gold, six silver, and four bronze. This is the same overall number of medals achieved by the United States, with a population roughly 10 times the size of Canada.

It is not so much the number of medals, though that is a marvelous accomplishment, but what those medals mean. In the true spirit of the Olympics all of our athletes gave their very best, everything they had and more in competition with their peers from around the world. It is that supreme effort and the high esteem that we feel for those who resolutely made that effort that those medals stand for.

#### 1:40

I also want to say how very proud we are and how proud are all Albertans of the stature and importance of Albertans, athletes and coaches alike, at these just concluded Olympics and in the world of sport generally. Seven of the 23 players on Canada's Olympic hockey team are Albertans, all proudly wearing a silver medal. Together with their coaches, Tom Renney, Dany Dube, and the president of Hockey Canada, Ron Robinson, they should be proud of how well they represented their country. Twenty-six percent of all of Canada's Olympic competitors at Lillehammer were Albertans, a figure that has even more impact when you realize Alberta's population is just over 9 percent of the total population of Canada, and that number is up from 19.6 percent at the 1988 Olympics in Calgary and 2 percent at the 1984 Winter Olympics in Sarajevo.

The legacy of the 1988 Winter Olympic Games facilities and expertise continues to exert an important influence on Alberta's prominence and on hosting world-class sport competitions in Alberta. In recent months Alberta has been host to the Canadian National Figure Skating Championship and the Grey Cup. In Red Deer later this week the Labatt Brier goes ahead. From March 6 to 12 the 1994 Arctic Winter Games begin in Slave Lake, and the Alberta Winter Games in St. Albert will be held March 3 to 6. Other future events coming to Alberta are the World Wheelchair Basketball Championship in Edmonton this July, the Olds Centennial Cup, which begins in April, the 1995 World Junior Hockey Championship in Red Deer, and the World Figure Skating Championship in Edmonton in 1996.

I was most pleased, Mr. Speaker, yesterday in Calgary following the Canadian national alpine ski championship at Nakiska to join the president of Alpine Canada Alpin in announcing that Calgary and the province of Alberta have won the Alpine Canada relocation bid. Alpine Canada Alpin and the Canadian alpine ski team recognize the excellence of Alberta's training facilities, resident expertise, strong economy, our quality of life, and the availability of world-class ski areas. As a result, another national team following in the blades of Hockey Canada, luge, and bobsled is going to make its home in Calgary: Canada's alpine ski team. Ski tourism marketing benefits, community benefits, a net of 30-plus new jobs and associated economic benefits, and the addition of a prestigious national organization to our Olympic-calibre sport infrastructure have been realized. In the future no doubt even more Albertans will bring us Olympic honour.

Mr. Speaker, congratulations to Canada's Olympians and in particular to Alberta's Olympians. You fill us with pride at your accomplishments.

Thank you.

MR. DECORE: Mr. Speaker, I wish to join the Deputy Premier in expressing our congratulations to all of the Canadians that were medal recipients and in fact all of the Canadians that were able to go to the Olympics. I think it is worth repeating that in terms of our population and in terms of the number of people on the Olympic delegation Alberta does an extremely powerful job in representing more on that team on a per capita basis.

Mr. Speaker, I in fact would entertain and ask the Deputy Premier to move a motion that those recipients who received medals receive the congratulations of this Assembly. If he's prepared to do that, I'm prepared to second that.

MR. KOWALSKI: Mr. Speaker, it is a bit inappropriate at this point on the agenda, but the intent of the ministerial statement is to in fact convey to all of our Olympians the best wishes of this Legislative Assembly, and if that requires a motion, I'd be very, very honoured to move that and would ask the Leader of the Opposition to second it.

MR. DECORE: Agreed.

MR. SPEAKER: All those in favour of the motion moved by the hon. Deputy Premier and seconded by the Leader of the Opposition, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried.

MR. DECORE: Mr. Speaker, the last part of the ministerial statement I have more difficulty with. I like to believe that the natural beauty of Alberta, the fact that we have Nakiska, Sunshine, and Lake Louise, that we have a tremendous infrastructure after hosting the Olympics out of Calgary would be reason enough for Alpine Canada or for any national organization to locate itself in the Calgary, Canmore, Banff areas. It seems to me that when we have the kind of difficulty with our deficit and debt that we do, when we're shutting down kindergartens, when more students are finding it impossible to get access to postsecondary education, when seniors are being taxed because of the loss or the lack of revenue and they have to pay more for health insurance premiums, when 400 teachers have been given their walking papers in the Calgary public school system alone and 750 in Edmonton are anticipating getting their walking papers, a million dollars, even though it's lottery moneys – those are moneys that belong to the taxpayers – could be better used to look after the needs of Albertans.

So, Mr. Speaker, I agree that we should be proud of the things that we've achieved as Canadians, but when we have to use taxpayers' moneys to lure people to our province – I think we can do it on our own, and we don't need to use our money.

head: **Oral Question Period**  
**Provincial Tax Regime**

MR. DECORE: Mr. Speaker, the Premier has repeatedly said that Alberta has a spending problem not a revenue problem. Over the weekend our caucus identified 80 – that's 80 – new sources of revenue, new taxes in the provincial budget. Even Mr. Getty wasn't that prolific. Mr. Treasurer, when the Premier said that we don't have a revenue problem, why did you create 80 new sources of revenue in this budget?

MR. DINNING: Mr. Speaker, let's look at the facts in the book. We said that there were no new taxes in this province. I'll go down the list on page 44 of the budget book: personal income tax, no new taxes; corporate income tax, no new taxes; fuel tax, no new taxes; tobacco tax, no new taxes. It's in the book. It's very clear. There are no new taxes in the provincial budget brought down last Thursday.

MR. DECORE: Mr. Speaker, a taxpayer has the same pocket. Since there is only one taxpayer, I'd like to ask the Treasurer: what's the point of also off-loading some 33 different program costs to the same taxpayer at the municipal level?

MR. DINNING: What the member opposite is suggesting is that all Albertans having, say, paid for the construction of the likes of the Fort McMurray Oil Sands Interpretive Centre or the Ukrainian Cultural Heritage Village – all taxpayers paid for those important capital facilities – should subsidize the access or entry of Albertans and non-Albertans into those facilities. What the member is saying is that all Albertans should subsidize the cost of catalogues that individual Albertans or non-Albertans might buy from the Queen's Printer bookstore under the Public Affairs Bureau. There is a fundamental difference between the member opposite and this government in that we want to make sure that there is a connection between Albertans accessing those services and knowing that there is a price of entry and that there is a direct cost associated with using those services. [interjections]

1:50

MR. SPEAKER: Order please. The Chair was unable to hear what the hon. Provincial Treasurer was saying in the latter part of his answer.

The hon. Provincial Treasurer.

MR. DINNING: I would be happy to continue, Mr. Speaker.

There is a difference in that this province, this government believes that Albertans are willing to pay the extra incremental cost specifically related to the delivery of that service, and I'll use the example of the health care insurance premiums. We have a very expensive system. We're delivering a health care system this year in the order of three and three-quarter billion dollars. Albertans are proud of that system and are as anxious as this government to see it reformed and restructured to deliver even better services.

Mr. Speaker, what we're trying to do is run that system more like an insurance business, one that provides access to all. In doing so, asking Albertans to pay health care insurance premiums that cost less than 14 percent of the total cost of the health care delivery system is a reasonable and fair incremental price to pay.

MR. DECORE: Mr. Speaker, on October 18 that Treasurer stood in this Assembly and gave us a lesson on how there was but "one taxpayer" in Alberta, one taxpayer. I'd like the Treasurer to just admit that the Premier has broken his word. The bottom line in this whole business is that you have increased taxes, Mr. Treasurer.

MR. DINNING: Mr. Speaker, I will say no such thing. I will say that Albertans are willing to pay for the incremental cost of accessing those specific services. The hon. member across the way is saying that things like lightning rod permits and other fees that individual Albertans are being asked to pay for should be borne by all taxpayers. We simply do not agree with the hon. member across the way, and I would refer him to his so-called guru in the United States, the Texas efficiency audit system. When I look at reports from the gentleman in Texas who's responsible for those efficiency audits, what does he say? What does he say? He says that those paying fees get direct and immediate products or services for their money, and he advocates that the fees in the state of Texas be raised by \$1 billion.

MR. DECORE: Mr. Speaker, by the Treasurer's own words in this Assembly the taxpayer is the same person. The same person. Of these 80 new taxes, Mr. Treasurer, 23 of them at least we can quantify and determine that there is a \$274 million increase in revenue over the next three years. In the other 57 areas, where we can't quantify, I'd like the Treasurer to tell us how much those areas will reap over the next three years.

MR. DINNING: Mr. Speaker, there is contained within the budgetary plan a reduction in spending by this government as promised on May 6, as agreed to by Albertans on June 15, as recommitted on September 8 and again last week. There is a \$2.7 billion reduction in this government's spending. There is in the plan very clearly laid out a \$217 million increase in fees and premiums payable by Albertans. But I should remind Albertans through this Assembly that our revenues in this year's budget did not go up; our revenues overall have gone down by some \$91 million. So the notion across the way that we have somehow increased taxes or increased tax revenue is something that only the members across the way would want to mislead Albertans about.

MR. DECORE: Mr. Speaker, I have to believe that the Treasurer didn't hear the question. We know what 23 new taxes or areas give us in terms of quantifying that. I want to know from the Treasurer, who has the details, how much more in revenues do 57 new tax area increases give to your government. How many?

MR. DINNING: Mr. Speaker, I answered the question the first time around. I will remind the hon. member that we are not going to do it the Liberal way, the way Ottawa has done it, because while the Liberal government in Ottawa has bragged that they are cutting spending, in fact their own documents show that the Liberal government is going to raise its spending this year by \$3.3 billion, and at the same time they're going to increase revenues from taxpayers by \$9.3 billion. So the notion that the federal Liberals, perhaps emulated by the Liberals across the way, are going to do the same thing to this province . . .

MR. SPEAKER: Final supplemental.

MR. DECORE: Mr. Speaker, most of what the Treasurer has done is give us a great big PR show. That's all he's done. I'd like the Treasurer to tell Albertans why he hid these taxes in the business plans. Why did you do that?

MR. DINNING: Mr. Speaker, there isn't a government in this country who has laid out the comprehensive plan that this government has. I think that there isn't another provincial government who's laid out a four-year balanced budget plan backed up by a Deficit Elimination Act, plus a set of three-year business plans and an overall government business plan that spell out not just revenue and expenditure but focus clearly on explaining what results, what goals and objectives we have laid out for our government, for our individual departments, how those goals and objectives will be achieved strategically and budgetwise, and then, of equal importance, how we will measure the results and be accountable to Albertans for the achievement of those results.

MR. SPEAKER: The hon. Government House Leader wishes to augment.

MR. DAY: In terms of supplementary information, Mr. Speaker, on this side of the House we're accustomed to the misleading approach that we see, but Alberta citizens are not. For instance, so-called extra taxes . . . [interjections] They've asked the question, and we're trying to give them some extra information. Extra fees would involve, like, an acreage owner wanting to install a septic tank and therefore having some environmental permits, somebody installing a propane tank for . . .

MR. SPEAKER: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. Again and again we've heard that there is only one taxpayer, and we know that fiscal sleight of hand or a resort to semantics cannot obscure this fact. Since the increase in fees and licences so far identified is actually equivalent to 3.2 percent of the personal income taxes collected in this province, how can the Provincial Treasurer claim that there are no new taxes or tax increases in this budget?

MR. DINNING: Well, Mr. Speaker, I'll go through the list again just like I did at the start of the question period. I just want Albertans to fully know the facts. They need to look at page 44, as the hon. member across the way will acknowledge. To go on with the rest of the list: pari-mutuel tax, no tax increase; hotel

room tax, no increase in taxes; financial institutions capital tax, no new taxes.

MR. SPEAKER: Supplemental question.

DR. PERCY: Thank you, Mr. Speaker. Well, we have 17 pages here of new taxes and tax increases.

My supplementary is to the hon. Provincial Treasurer. How come the Treasury did not do an economic assessment of the costs of collecting these taxes since in many cases it's going to cost more to collect them than they're going to yield, lightning rods for example?

2:00

MR. DINNING: Mr. Speaker, here are the hon. members across the way saying that all Albertans should subsidize Albertans who might access video rentals out of the department of agriculture. There's a direct connection between accessing the service and a point of entry into parts of the system and receiving the benefit for that service. The hon. members across the way would say that all Albertans should subsidize the lifetime fee for having a branding iron. The hon. members across the way would say that whether it's lightning rods or whether it's catalogues from the Queen's Printer bookstore, they're willing to have all Albertans subsidize the cost of accessing those services and those programs, and Albertans have said no. They are willing to pay a fair and reasonable fee for specific government-delivered services.

MR. SPEAKER: Final supplemental.

DR. PERCY: Thank you, Mr. Speaker. Since the 33 programs that have been off-loaded onto local government come with a collective price tag of \$57 million for this year alone, does this not constitute a massive shift of the tax burden onto either the business tax or property taxes?

MR. DINNING: Mr. Speaker, I know my colleague the Minister of Municipal Affairs might want to supplement the answer, but we've made it clear that this government is going through a process of restructuring and renewing the delivery of government services. We have found that we're going to do government a better way. What the provincial government has said is that we have taken the strings off a number of previously conditional grant programs and given them to municipalities without those strings attached, just as I'm sure the minister would advise us about the Alberta Urban Municipalities Association, the Alberta Association of Municipal Districts and Counties, all of whom said: take those strings off so that we know how to set priorities in our own local community. In this case we believe those local municipal councils can do just that, but perhaps the Minister of Municipal Affairs would want to supplement.

DR. WEST: Well, Mr. Speaker, I'm sure we're going to have some great debates during estimates in this Assembly. I don't know how long you're going to let me respond to this, but I would like to go through a history. I would like to go back and look at some of the reports that were brought through in consultation with the AUMA along with the counties and municipal districts, the improvement districts, and other forms of government in this province. As far back as 1982 the Minister's Advisory Committee on Municipal Finance called for conditional grants to be limited and for all existing and future grant programs to be consolidated to a form of . . . [interjections]

MR. SPEAKER: Order please.

As the hon. minister has pointed out, a number of these points will no doubt be raised during the debate on estimates and the budget.

The hon. Member for Grande Prairie-Wapiti.

### Grande Cache Correctional Centre

MR. JACQUES: Thank you, Mr. Speaker. The announcement last Thursday afternoon regarding the closure of the Grande Cache Correctional Centre was greeted by shock and concern in the town of Grande Cache and in surrounding areas such as Grande Prairie. My question is to the Minister of Justice and the Attorney General. Given that this institution was only built in 1985, why is it being shut down when there are older and inefficient institutions in the province?

MR. ROSTAD: Mr. Speaker, there are indeed older institutions in the province. However, when you look at a prison, it isn't just the age of the prison, that context; it's the catchment area. This particular area, vis-à-vis Peace River or Lethbridge or even Edmonton, does not have a large population surrounding it where inmates may be found. That was the main focus in the sense of selecting that particular project.

MR. JACQUES: Well, would the minister confirm that a possible option includes the federal government assuming operation of the institution? [interjections]

MR. ROSTAD: Mr. Speaker, the hon. Member for West Yellowhead, whose constituency this belongs to, has been in communication with me on this, and if his caucus members would frankly shut up and listen to the answer, it might be helpful.

MR. COLLINGWOOD: Mr. Speaker, a point of order of that.

MR. ROSTAD: Mr. Speaker, one of the things this government has done this year is bring forward three-year business plans. When you do that, that has a magnificent benefit in allowing a department and the government to project where you're going for three years with a current year's budget that you debate with specificity. One of the disadvantages is that you have to put into process your thoughts as to where you might effect your saving. In this particular instance, we do have Grande Cache penal institution on the board for shutting down next year. We have a number of policy things that we are trying to work our way through before we come to the final decision. One of those, frankly, is talking with the federal government, which is looking for another prison. We will, through our negotiations, try to effect that. By trying to compromise the negotiations, I don't think anybody is winning.

MR. SPEAKER: Final supplemental.

MR. JACQUES: Thank you, Mr. Speaker. What is the annual financial impact of that institution on the town of Grande Cache in terms of payroll and goods and services?

MR. ROSTAD: Mr. Speaker, there's absolutely no doubt that the closure of the institution would have a significant effect on Grande Cache as a community, and that has not been taken lightly in formulating this decision. The budget is about \$8 million through there, and I think it's \$1.2 million to \$1.5 million that are goods and services, and the remainder is in salaries. As I mentioned,

we are looking at a number of options so that in fact we do not have to deliver that final call in next year's budget. Time will tell.

Thank you.

### Provincial Tax Regime

(continued)

MR. CHADI: Albertans told the Tax Reform Commission and the Tax Reform Commission recommended to this government to simplify the tax regime in this province. Instead what this government has done is increase or create 80 new fees, licences, or whatever fancy name the government wants to use. My question, Mr. Speaker, is to the Provincial Treasurer. Are user fees your idea of simplifying the tax regime in this province?

MR. DINNING: Well, Mr. Speaker, what the Tax Reform Commission did say on page 64, and I quote:

While fees for government services are not generally considered taxes, they are . . . sources of government revenue.

In several cases, suggestions to increase specific fees were made. Motor vehicle licences, for example, could be raised to the average amount charged in other provinces.

What the commission said was:

While the Commission did not review the range of fees charged for government services, it does support the use of specific fees for services.

MR. CHADI: Eighty new taxes, Mr. Speaker. That's some? That's incredible.

Provincial Treasurer, is this tax system, which is regressive with hidden fees and licences, your vision of prosperity?

MR. DINNING: Most certainly not, Mr. Speaker. What it is in the case of the Liberal Party is that their alternative is to hide these costs in government and then ask taxpayers to pay them in higher income taxes. That is the Liberal solution.

2:10

MR. CHADI: Shame on him. Mr. Speaker, 4-H members now have to pay membership fees. Shame on him.

Mr. Speaker, my supplementary to the Provincial Treasurer: why have you not at least implemented the most modest recommendations of the Tax Reform Commission and decided to just ignore it all?

MR. DINNING: Well, on the Tax Reform Commission, Mr. Speaker, we've advised the Assembly and all Albertans that we are reviewing that report in the days and weeks ahead with the objective of coming back with how and what parts of it will be implemented.

I know all hon. members didn't hear what I said earlier, Mr. Speaker, but it is not our position that we want to raise income taxes. The only ones who are talking about raising taxes are those across the way. We agree with Albertans who've said to us that for those who receive a direct benefit or a direct service where a fee can appropriately be charged, they're willing to pay a fair price for the delivery of those services.

MR. SPEAKER: The hon. Member for Bow Valley.

### Seniors' Health Care Premiums

DR. OBERG: Thank you, Mr. Speaker. When I was in my constituency office on Friday, I had a very interesting event occur. A senior citizen walked up to me and handed me a cheque for his share of Alberta health care premiums stating, and I quote:

"Thank you for allowing me to pay health care premiums. Would you ask the Minister of Health . . ." [interjections]

MR. SPEAKER: Order. [interjections] Order.

MR. N. TAYLOR: We just want to know which relative. [interjections]

MR. SPEAKER: Order, hon. Member for Spruce Grove-Sturgeon-St. Albert. The Chair is just reminding the hon. member of her pledge.

The hon. Member for Bow Valley.

DR. OBERG: Thank you, Mr. Speaker. If this man were my father, I would be happy to have him as my father.

"Would you ask the Minister of Health to accept this cheque in payment of my premiums?" Mr. Speaker, I have one question and one question only to the Minister of Health. On behalf of my constituent, Madam Minister, would you see that this cheque is delivered? [interjections]

MR. SPEAKER: Order. [interjections] Order.

AN HON. MEMBER: What a waste of time.

MR. SPEAKER: The hon. members who are making all the noise are wasting the time.

The hon. Member for Bow Valley has asked the hon. minister for some information. The hon. Minister of Health.

MRS. McCLELLAN: Yes, Mr. Speaker.

#### Senior Citizens' Programs

MRS. HEWES: This government is punishing the vulnerable in our province: more taxes, more cuts, and now infinitely more anxiety. My problem is with the hurt that is being caused to our seniors. I want to ask my questions of the minister responsible for seniors. How can the minister claim he's consulted with seniors? For heaven's sake, don't tell us that one day with 66 seniors in Red Deer is a consultation.

MR. MAR: Mr. Speaker, the consultations that have taken place with seniors have taken place over a number of years, and they've taken place through ministers who were previously responsible for seniors. The consultation process does not begin and end with a single roundtable or a single visit by a minister, but it is an ongoing process. As we've gone throughout the province of Alberta and as we've continued to go throughout the province of Alberta, we've found that a number of principles have emerged. The principles seniors would like to see in the programs they have are that they want us to protect lower income seniors, they want us to reduce and streamline our administration, they want to monitor cumulative impacts of programs on seniors, they want us to continue to consult with seniors, they want to make sure that those who are able to pay do pay, and they do not want a means test.

Accordingly, the government has responded by putting together a program, the Alberta seniors' benefit program, which responds to all of those principles. Indeed we are protecting lower income seniors. Those 35 percent of seniors at lower income levels will receive a better benefit than they currently enjoy. We are streamlining our administration. Instead of having five programs administered by three departments, we now have one program

administered by one department. We are monitoring changes cumulatively upon seniors, and we are consulting. While Liberals slept in this weekend, this minister and members of this government were consulting with seniors throughout the province of Alberta.

MRS. HEWES: Mr. Speaker, seniors did make recommendations a year or two ago to the Member for Olds-Didsbury, and they got shredded. We all know that.

Mr. Speaker, the minister now muses to seniors that these decisions are not carved in stone. The budget is here, Mr. Minister. It's fixed. What seniors' benefits, exactly what benefits, Mr. Minister, if any, are negotiable? Give us the straight goods now.

MR. MAR: Mr. Speaker, in budget year 1992-93 this provincial government spent \$1.1 billion on programs to benefit seniors. In our three-year business plans that amount of money is moving from \$1.1 billion to \$916 million. Within that \$916 million there are a number of programs which benefit seniors, and the Alberta seniors' benefit is one of those programs. We are looking at how seniors can have a better benefit with the programs within that \$916 million envelope.

MRS. HEWES: Mr. Minister, you shouldn't fool around with people's lives.

Mr. Speaker, I'd like to ask the minister: what is magic about \$17,000 a year, above which seniors will have to pay Alberta health care premiums? Is the minister telling us that \$17,000 a year is well off?

MR. MAR: Mr. Speaker, I have never said that \$17,000 as an income for an individual senior is wealthy, is well off, is rich. I've never said that. However, very clearly from consultations with seniors they have said: we are prepared to do our fair share of eliminating the deficit as long as it is fair and it is reasonable. The government has responded by putting together a program that says: \$17,000, we think, is fair and reasonable. We now go out in the consultation process and ask seniors throughout the province of Alberta: "Do you agree? Should it go up? Should it go down? Are there places where we can save money elsewhere to put into the Alberta seniors' benefit program?"

MR. SPEAKER: The hon. Member for Pincher Creek-Macleod.

#### Community Health Councils

MR. COUTTS: Thank you very much, Mr. Speaker. As all hospitals are presently defining regional hospital boundaries, smaller rural health care facilities and providers are eager to learn about the structure at the local level. My question today is to the hon. Minister of Health. How will these local concerns be identified, addressed, and relayed to the regional level?

MRS. McCLELLAN: Mr. Speaker, in the document from the health plan co-ordination project action plan part 1, if hon. members would refer to about page 7 in that document, which is freely available to everyone, there are some criteria for regions. On the top of page 7 there is a strong recommendation from the steering committee that community health councils would be considered for individual communities. I believe it was the feeling of the steering committee that through the community health councils at a local level they would have a very major role

in ensuring that their community concerns and interests and health needs would be relayed to the regional health authority.

2:20

MR. SPEAKER: Supplemental question.

MR. COUTTS: Thank you, Mr. Speaker. What, then, will be the policy these councils will be governed under, and who will set that policy?

MRS. McCLELLAN: Mr. Speaker, the health plan co-ordination project committee suggested that some work should be done in developing criteria or a set of guidelines for community health councils. They have agreed to do some work in this area and, while they are consulting with areas on boundaries, to receive input from the individual communities and get their ideas as to what those guidelines should be. I have had the opportunity to meet with a number of groups over the course of time. I have passed that on to those groups also: would you please give us your best information as to how you see them functioning and under what guidelines or governance they should operate?

MR. SPEAKER: Final supplemental.

MR. COUTTS: Thank you, Mr. Speaker. Then, will the community health councils be structured in the same way across the province, Madam Minister?

MRS. McCLELLAN: Mr. Speaker, I would prefer to wait till we have some of that input from the communities. We have said consistently that communities vary across this province. They have certainly some anomalies and idiosyncrasies that may require some adjustment. I think the basic principles or basic guidelines should be common across the province, but I do believe we may find that there is a request for some flexibility in how they operate in the individual communities.

### Health Care Premiums

MR. MITCHELL: Earlier today the Treasurer actually stood in this Legislature and tried to convince all Albertans that somehow a health care premium increase of 20 percent is not a tax increase. Well, if it feels like a tax, if it looks like a tax, and if it raises 100 million extra dollars for this government's bank account, then you know what, Mr. Speaker? It's a tax, and it's a tax increase. My question is to the Minister of Health. How can her government argue that her 20 percent health care premium increase is not a tax increase, when she's reaching into the very same taxpayer's pocket to get it?

MRS. McCLELLAN: Mr. Speaker, there has been in place in this province for some number of years a health care premium, a health care insurance fund. I believe it came in 1966, and that has been a policy of this government. There has also been some increase over that period of time as we move along.

There was significant representation made throughout the public consultation and the roundtables that indeed the health care premiums did not in any way reflect the cost of delivering health care, and indeed that is true. Health care premiums that are collected are much less than one-fifth of the cost of delivering health services in this province. Many people raised this issue. They said: we pay more for cable TV, we pay more for our car insurance, for our home insurance, and other insurances than we do indeed for our health insurance. They suggested that we might

look at an increase in that premium. We are raising the premiums from \$30 a month for singles to \$32 and to \$64 for couples. We are looking at a staged increase over the period of the three years. We are doing that strictly on the best information that we have from the consultation process, which I think even the members of the opposition have to agree was quite complete and that every person in this province had an opportunity to provide input, either through the 10 regional meetings, the Red Deer roundtable, or by writing or telephoning their information.

MR. MITCHELL: I wonder whether the minister could cut through all of that rhetoric and just answer one question for the people of Alberta. How does she explain to a family earning maybe \$30,000 or \$35,000 a year or even less in 1996 that \$860 a year for health care premiums isn't a tax?

MRS. McCLELLAN: Well, Mr. Speaker, it is not a tax. It is a premium. It is a policy that has been in place in this province since 1966. We do have a subsidy program in our health care insurance to ensure that lower income Albertans either pay a partial premium or indeed in many cases in this province no premium. That is a policy. I should also outline that many other provinces indeed do fund their health care by tax, and it's called a sales tax. This province does not have a sales tax.

MR. MITCHELL: We hear over and over again, Mr. Speaker, that it's not a revenue problem, that it's an expenditure problem. If that is the case, then could the Minister of Health please explain to us why it is that she feels she must raise an extra \$100 million per year through this tax in order to fund what she says is simply an expenditure problem?

MRS. McCLELLAN: First of all, I will repeat: it is not a tax; it is a premium for an insurance program that is a policy and has been a policy in the province of Alberta since 1966. In addition to that, Mr. Speaker, we made a commitment as a government, I made a commitment as the minister to go out and listen carefully to what the people of this province told us. Without exception, in the roundtable discussions that were held publicly in this province, the issue of health care insurance premiums was raised, and the consensus was that indeed health care insurance premiums should be raised. I guess the great thing would be to pick and choose . . .

MR. SPEAKER: Order.

The hon. Member for Calgary-Fish Creek.

### Arts Funding

MRS. FORSYTH: Yes. Thank you, Mr. Speaker. My question is to the Minister of Community Development. After the recent Budget Address and cuts to essential programs, I notice an increase to the arts. How can we rationalize this as a government?

MR. MAR: Mr. Speaker, the \$350,000 referred to by the hon. member, the increase for the Alberta Foundation for the Arts, is in fact a transfer of programs and funds from the Alberta Multiculturalism Commission in the area of heritage arts. In the interests of cutting back on administration, it was felt that a more streamlined approach would be for all groups in the province in arts funding to approach one window rather than two.

I would also want to point out that with respect to the cuts that were made in the department support for the arts, that collectively has resulted in far greater than a 20 percent reduction in support for the arts in this province.

MR. SPEAKER: A supplemental question.

MRS. FORSYTH: Yes. Thank you, Mr. Speaker. With our ongoing commitments to arts and artists in Alberta, can the minister explain what value arts has to the Alberta advantage?

MR. MAR: Mr. Speaker, as I'm sure the Deputy Premier might wish to say, the Alberta advantage is made up of many different things. It's made up of a low tax regime. It's made up of an educated work force, natural resources, and infrastructure. Over and above that, it goes to the issues of quality of life. When you ask corporations why they locate where they locate, why they choose to live where they live, in part it's because of all the things the Deputy Premier would talk about, but it's also because of quality of life, a clean environment. It's because of libraries. It's because of the arts. It's because of culture. Those are an important part of the Alberta advantage.

MR. SPEAKER: The hon. Member for Calgary-Buffalo.

2:30

### Public Safety

MR. DICKSON: Thank you, Mr. Speaker. Albertans want to be safe: safe in their homes, safe in their neighbourhoods. Public safety is not negotiable, yet we see the government proposes to cut the police grant, the government proposes to cut back on Crown prosecutors, to close jails, to close courts, and also to cut back in social services and education. My question to the Minister of Justice: since this government refuses to protect Albertans, who will?

MR. ROSTAD: Mr. Speaker, the utmost priority of this government is public security. In fact, if the hon. member who went around: it's only a guess, only an estimate, but 30 percent for sure they've gone down – we did 14.8, and we've done a lot of it already. In terms of specifics with the police grants, the crime rate has dropped significantly, such that the police chief in Edmonton will say he's never in his 28-year history seen the drop in the rate of crime as it is right now. We have that concern of public safety and ensure that it's still there.

MR. DICKSON: Well, since the minister raises the question of local police response, I want to ask: will this government allow local police forces to charge user fees to victims of crime?

MR. ROSTAD: Mr. Speaker, I had not had that representation made to me by anyone until the hon. member just did.

In supplementary to the previous one, the community is getting far, far more involved in terms of law and order and protection, and that is showing results. The recently retired superintendent of Edmonton Police Service, Chris Braiden, implemented the community policing model in Edmonton, which Calgary is copying and is implementing and has turned out to be great, in spades. It isn't the central government that has to do everything. The community is more than willing to stand up and help.

MR. SPEAKER: The hon. Member for Calgary-Currie.

### Free Trade

MRS. BURGNER: Thank you, Mr. Speaker. Recently the free trade agreement and NAFTA were signed by the federal government. However, the implementation of these agreements lies within the purview of the provincial government. The free trade agreement implies the movement of goods and services, and that

is critical to our economic strategy in Alberta. My question is to the Minister of Economic Development and Tourism. Could the minister please explain how and when we will be able to see the access of the free movement of these services across the borders?

MR. KOWALSKI: Mr. Speaker, the free trade agreement with the United States takes full impact and full effect over a 10-year period. Such will be the case as well for the full impact of the North American free trade agreement. In terms of benefits, we can see them now. In fact, exports out of Alberta into the United States of America have risen rather dramatically in the last couple of years, so much so that fully 85, 86, 87 percent of all exports out of the province of Alberta go to our number one trading partner, which is the United States of America.

MR. SPEAKER: Supplemental question.

MRS. BURGNER: Thank you, Mr. Speaker. Will professionals be able to transfer freely across the border to access other markets?

MR. KOWALSKI: Mr. Speaker, there has been an increase in the export of goods and services in the professional side in recent years. When the full implementation of the North American free trade agreement comes into effect, in essence mobility within North America, Canada and the United States anyway, in terms of the provisions of this agreement will become very, very much more accelerated than it is today. In fact, in the end, if there's enough good spirit over a 10-year period, 12-year period, even this whole exercise of customs houses and border crossings hopefully will be eliminated, and the opportunities for Canadians to work in the United States and Americans to work in Canada will become quite accelerated.

MR. SPEAKER: Final supplemental.

MRS. BURGNER: Thank you, Mr. Speaker. Could the minister please identify if there are any plans to standardize professional associations in order to fully implement the movement of their services within Canada and the United States?

MR. KOWALSKI: Perhaps, Mr. Speaker, the best person to answer that question is not myself. Perhaps the member who is the chairman of professions and occupations, the hon. Member for Calgary-Varsity, might wish to supplement. [interjections]

MR. SPEAKER: The hon. Member for Calgary-Varsity.

MR. SMITH: Thank you. I can really appreciate the difficulty that the front row experiences, Mr. Speaker, in trying to answer these questions for the benefit of the House.

Indeed, the interprovincial study that's taken place with the department of intergovernmental affairs will be addressing this as part of the overall trend to reduce interprovincial trade barriers and to have increased portability and lessened regulation throughout the western trade bloc.

MR. SPEAKER: The hon. Member for Sherwood-Park.

### Environmental Protection Fund

MR. COLLINGWOOD: Thank you, Mr. Speaker. Alberta now has a new environmental protection fund. The money for this



fund will come from user fees and royalties on those who use our renewable resources, such as the forest industry. No money will come from those who take our nonrenewable energy resources. To the Minister of Environmental Protection: in coming up with this new green tax, why discriminate between these two groups of users?

MR. EVANS: Well, first of all, Mr. Speaker, I'd like to say that this is not a tax. This is taking a reasonable charge for the use of our renewable natural resources. This is an initiative of my department, and, as the hon. member across is fully aware, the Department of Environmental Protection is responsible for and the steward of renewable resources in this province. That's specifically the reason why we have looked at our renewable resources and specifically why we are trying to ensure that those who use those natural resources are paying a reasonable charge.

MR. SPEAKER: Supplemental question.

MR. COLLINGWOOD: Thank you, Mr. Speaker. For those who use our nonrenewable resources – when will the minister ask the energy sector to pay its fair share of this green tax to the fund?

MR. EVANS: Mr. Speaker, the Minister of Energy may wish to supplement my answer. The position of our government is clear that those who are using resources in this province should pay a reasonable fee for those resources. Now, the hon. member across the way is well aware of the amount of royalties that this government obtains from the oil and gas industry in this province. To suggest to Albertans that such a fee, such a charge, is not charged to the industry, one of the major industries in this province, is quite clearly incorrect.

#### Point of Order Supplementary Responses

MR. SPEAKER: The time for question period has expired. The Chair has received communication of two points of order.

The hon. Member for Edmonton-McClung first.

MR. MITCHELL: Thank you, Mr. Speaker. I rise under *Beauchesne* 410(10) and 410(16). Earlier today the Minister of Labour rose to provide supplementary information to a question that was asked of the Treasurer. As we all know, it's a tradition in this House that that can occur, but there is at least one proviso, and that is that the minister providing the supplementary information should have within that minister's portfolio responsibility some kind of suitability or relevance for being able to stand and provide that information. As we heard today, the Minister of Labour provided what might have been interesting information, but of course it bore no relationship to his portfolio responsibility. If you were to allow that to continue, then we'd have members from the very back bench rising to provide supplementary information; we over here would be happy to rise to provide supplementary information or to continue the debate. Of course, there has to be some relationship between the information that's being requested, the minister who is originally answering, and the minister who would rise to provide supplementary information. That link simply wasn't established today in that particular instance.

MR. SPEAKER: The hon. Government House Leader.

MR. DAY: Mr. Speaker, there's just one point of difference with this point of order the member has raised and the ones that he

usually raises. Usually they are of no relevance at all. This time he is correct on one point: some of the things I said were interesting. That part was true.

I'd like to go on to say that the material that I was advising the Assembly of was entirely relevant, because the misleading questions had to do with increased or other areas of taxation, and I was giving a very clear example of areas where there are fees for the user, which are indeed not taxation as the members opposite were trying to indicate. [interjections]

2:40

MR. SPEAKER: Order please. The Chair would urge hon. members to try to reduce the number of adjectives they characterize things with, and "misleading" is one of those adjectives.

In response to the hon. Member for Edmonton-McClung's point of order, the Chair really has no control over what answers are given, but the Chair has noticed there's an increasing tendency to call on other ministers, other members of the government to help with the answering of questions. The Chair would say that this has not been the general practice on frequent occasions and would urge the government to have ministers responsible for answering the questions answer the questions without extending the time, because every time somebody else has to get into it that takes time. Of course, there are the general rules for answering of questions in *Beauchesne* 410, and the third one is, "Time is scarce."

I think the Chair will leave that point of order with those comments.

#### Speaker's Ruling Parliamentary Language

MR. SPEAKER: With regard to the point of order that the Chair has received notice of from the hon. Member for Sherwood Park, the Chair I think understands what the point of order is. The Chair would point out that "shut up" and other phrases that involve the use of those words have been ruled unparliamentary over the last six years. The Chair had to rule itself unparliamentary in that regard last session. The Chair would ask the hon. Minister of Justice if he might reconsider the use of the words he used in question period. Perhaps all of us, the Chair included, can think of other ways of describing the situation, of trying to cure it.

The hon. Minister of Justice.

MR. ROSTAD: Thank you, Mr. Speaker. In the heat of the moment, yes, I did not use the proper phrase to characterize my feeling, and I withdraw.

MR. SPEAKER: Thank you.

#### Privilege Access to Budget Information

MR. SPEAKER: On Wednesday last notice of two questions of privilege were given to the Chair. At that time the Chair decided because of the absence of the members who were involved with those questions to defer those matters until today. The hon. Member for Edmonton-Centre was involved in one of those. Perhaps we could deal with those matters now.

The hon. Member for Edmonton-Centre.

MR. HENRY: Thank you, Mr. Speaker. To briefly recap, my point of privilege related to the fact that it was my information that at least one and perhaps many of the Conservative government MLAs had distributed to school boards a detailed account of the amount of funding that they would be receiving through the

Alberta government. The document that I provided to you was dated the 15th of January, 1994. I also indicated that this information was not provided to opposition members so that they could provide the same information to their constituent school boards.

Mr. Speaker, I refer you to Standing Order 15(1), (2), and, I believe, (3) of this House, which outlines the procedure for filing a point of privilege. I believe, as you mentioned last week, I did adhere to all of those principles.

I'd also refer you to *Beauchesne* 32(4). Specifically, Mr. Speaker, it talks about privilege, and it says:

As Parliament has never delimited the extent of privilege, considerable confusion surrounds the area. Recourse must therefore be taken, not only to the practice of the Canadian House, but also to the vast tradition of the United Kingdom House of Commons.

Of course, as we all know, *Beauchesne* refers to the traditions of the Canadian House. So then I looked to *Erskine May*, which refers to the practice in the United Kingdom, as we well know. If I can briefly quote from page 69 of the 21st edition of *Erskine May*, it states initially:

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

Further, the second paragraph of that page:

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

And it continues.

Mr. Speaker, I put to you that the government by providing certain information to government members in advance of tabling the budget in this House – and I stress that this is not a matter of budget secrecy but a matter of members of one political party in this House having access to information for their constituents, allowing their constituents to do some planning that other members of the House did not have. I think every member of this House, pro or con, will agree that there's been a significant amount of change in the school funding and in the operations of schools in this province over the last few months because of policy changes and funding changes of the government.

One of the major concerns of school divisions around this province has been the ability to get information from the government in order that they may plan and be able to communicate that information to their parents, teachers and other staff, and stakeholders. Mr. Speaker, I'm aware of more than one member who has had this information and has been able to provide it to their school board in advance of other members of the House – i.e., the Liberal opposition members being able to have this information – and I suggest to you that in essence we've created two classes of MLAs.

I'd also refer you to the *Hansard* of May 10, 1993, and May 12, 1993, where a very similar breakdown by constituency and by division was provided by the then minister responsible for lotteries. The Speaker at the time ruled this a contempt of the House. I'd refer you to those items.

In summary, Mr. Speaker, I would ask that you find that there is a prima facie case of privilege at the most and at the least certainly a case of contempt here. If we are going to have equality and democracy and we're going to have a democratic system work in our province, all members of this Legislature

regardless of which political persuasion they may be must be treated equally, must have access to information, and must be able to represent their constituents and convey information to their constituents in order to uphold the democratic processes which we all hold dear.

I will leave it at that, Mr. Speaker, and wait for your ruling.

Thank you.

MR. SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. I appreciate the fact that you delayed dealing with this until I was able to be in the House, as the member opposite has named me in his letter to you. I would just like to go through a little bit of the background on this with you so you have a good understanding of where this information came from and why the information was disseminated as it was.

Mr. Speaker, I certainly have the most respect for the rules and traditions of this House, and I really am hurt that the member opposite would think that I would abuse the rules of this House. I certainly would in no way attempt to abuse the privileges and rules of this House.

Mr. Speaker, if you'll remember, on January 18 the Minister of Education publicly announced the provincial education grants for the entire province of Alberta. At that time I was working in my office here in Edmonton. I contacted the minister's office and asked if I could get a breakdown of those provincial education grants as they would relate to the school boards in my own constituency, that being the Medicine Hat public and the Medicine Hat separate. I understand that a number of my colleagues also contacted the minister's office and requested that same information. That information came to me at my request. I took it home with me on the weekend, and on the weekend I met with both school boards, and I did discuss the figures with them. I think I was doing my job as an MLA to provide the information as best I can so that they can do the planning that is necessary for them.

I remind you, Mr. Speaker, this was public information. This was not information that was out of the budget documents. It's my understanding that in fact school grants are announced in late January, early February on a very regular basis no matter when the budget is announced. So there is no point of privilege here. As a matter of fact, as I said earlier, I am very hurt that the member opposite would accuse me of abusing the privileges of this House. I ask you to rule accordingly.

2:50

MR. DAY: Mr. Speaker, looking at the actual submission by the member, it refers specifically

to evidence which suggests that government MLAs have been provided with detailed budget information pertaining to the budgets of school boards within their constituencies.

The Member for Medicine Hat has already aptly shown and very clearly that in fact this was absolutely not the case. This is totally public information that was available to any MLA who had the gumption to go out and ask for it.

However, Mr. Speaker, I want to make a point based on *Beauchesne* 31(5). I'm very careful to preface my remark by saying that there is in our view absolutely nothing to suggest that there's any kind of budget information being leaked or anything. However, even if that were the case, *Beauchesne* 31(5) could not be clearer.

Budget secrecy is a political convention, and if breached, the Minister may be attacked through a substantive motion, but not through a question of privilege.

## Privilege

### Access to Budget Information

MR. SPEAKER: As the Chair pointed out, there were two questions of privilege concerning budgetary questions raised last week. A very similar one was raised by the hon. Member for Calgary-North West. With the permission of the Assembly the Chair proposes to hear argument on that one and then will decide whether to reserve for a final pronouncement on these two questions. If that's agreeable, we'll proceed in that way.

The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. You're correct in that the argument I intend to make is similar to that put forward by my colleague from Edmonton-Centre, so from that standpoint I won't cite the quotation from *Erskine May* at page 69 that the member did refer to earlier on.

Mr. Speaker, my concern in this particular incidence deals with an announcement by the Member for Whitecourt-St. Anne, who also serves as the minister responsible for Transportation and Utilities, talking about: the Whitecourt hospital will be in the budget for this coming year. This comment was made in a number of places and reported in a number of locations. The concern here again is that of information being provided to some members and not to others.

In addition to the *Erskine May* quotation cited earlier, I draw your attention to *Beauchesne 97*, which says:

The Speaker has stated: "While it is correct to say that the government is not required by our rules to answer written or oral questions, it would be bold to suggest that no circumstances could ever exist for a prima facie question of privilege to be made where there was a deliberate attempt to deny answers to an Hon. Member, if it could be shown that such action amounted to improper interference with the Hon. Member's parliamentary work."

The mention by the Member for Whitecourt-St. Anne occurred substantially before the budget. In fact, I would like to table four copies of a letter written by the Minister of Health to the member representing Fort McMurray constituency, dated January 17, 1994. The Member for Fort McMurray constituency asked the Minister of Health about the Fort McMurray regional hospital on December 21, 1993. The minister responded in part, and I quote one line here. There are four copies for the House, Mr. Speaker.

It would be premature for government to make any decisions about specific deferred capital projects until these structures are in place. The minister is referring to area structures. So indeed here was a case where one of our members did ask a specific question about a specific project and was denied that information. As *Beauchesne* suggests, while it's not inappropriate to deny answers, this member then expects to come to the House and have equal opportunity in this House to debate an item in the budget that says \$47 million for various hospital projects. That was in the budget that was finally tabled Thursday last. So what we have here is a situation wherein there seems to be, based on the evidence that I've provided, a variety of viewpoints. I would suggest that the provision of spending plan information to some members of the House and withholding it from other Members of the Legislative Assembly does constitute a breach of the privileges of the members of this Assembly and a contempt, certainly, of the Assembly as a whole.

Thank you.

MR. TRYNCHY: Well, it's with some regret that I rise to answer a trivial concern raised by the Member for Calgary-North West. I look at the letter he provided to you, Mr. Speaker. It says:

will refer to evidence . . . that the Minister . . . [was] provided with detailed budget information prior to the release of the provincial budget.

It goes on to say that I made some comments in regards to the Whitecourt hospital.

Mr. Speaker, let's look at what they provided to you. I say to you and I say to Albertans and I say to this House: where is that document? Where is that evidence that they talk about? Where is it? You know, I searched the budget high and low after it was presented. There was no comment, not one word in regard to the Whitecourt hospital. So what information did I have? I asked for no information before I had my general meeting. I received no information, verbally or otherwise, from anybody in regards to that. So what did the Member for Calgary-North West have his information from? He picked up an article in the *Edmonton Journal*.

I want to say to the members in this House that the article he got excited about was written by a reporter that has difficulty with the truth, because the same reporter – the same reporter – sometime previously suggested that the car driven by the minister of transportation has a trailer hitch on it. Right away quick the Member for Edmonton-Whitemud jumped on the bandwagon and took the bait hook, line, and sinker. I see the smirk on his face in regards to that. He went on to condemn the member and to support the article. Well, this reporter has trouble, as I've said with the trailer hitch. So the Member for Calgary-North West took the article from the paper and went on to say that, as I read the quote, "The Whitecourt Hospital will be in the budget for this coming year."

Now, Mr. Speaker, how do we answer that accusation?

MR. N. TAYLOR: Your constituency president said the same thing. Remember?

MR. SPEAKER: Order, order.

MR. TRYNCHY: The Member for Redwater says that my constituency president said the same thing. My constituency president did not say one word, so let that be clear.

Mr. Speaker, let's look at what took place. In October of last year we had a budget approved. I look at the budget that was approved: for the general hospital in Whitecourt, planning and design, a million dollars. Funding was intended to complete the design. Well, design is in progress, Mr. Speaker, and with the year-end of this budget on April 1 that design will not be completed. So I said – and I've said this on a number of other issues. I did a report card of my constituency, and I said that the design and planning will continue and will be in the budget. That is a fact, because we have a carryover. I did not talk about construction dollars, did not talk about anything else but planning and design, which was approved last year and is not completed.

3:00

I went on to say that highway 751, base course, Anselmo to MacKay, will be in the budget, and it will be. That road is 50 percent completed. So there again the statement that I made is true. It wasn't a budget leak; it was funds that will be in the next year's budget to complete that job.

I went on to say that Highway 43, the Moose Row, from Whitecourt to Fox Creek, will be in the budget because it's not completed, but it'll be funds that have to be carried over to complete that program. So, Mr. Speaker, when the reporter wrote the article – and I don't know what the reporter was

thinking – is it what the reporter heard, or is it what the reporter wanted to hear?

The leader of the Liberal Party says that this smells. I agree that it smells. It smells because of the Liberal Party's intentions to try to embarrass myself in regards to what they think I said. I know the Liberal leader has no respect for me. He's been after me for years, and unfortunately it doesn't help him to be after me, but that's the case. So when he says that it smells, I agree, but the smell comes from that bench across the way in regards to that.

As I've said, I was asked by the reporters did I make a comment in regards to funding for the Whitecourt hospital. I said: I did not. But I did comment on the design and planning to continue, which it must before you do anything. The planning and design will be completed in May, June, or July. It's only after that time: "Will that project come to the table, and will it continue or will it not?" depending on priorities.

So, Mr. Speaker, no information was given to me. No information was asked for. I'm going to work as hard as I can for my constituents. Of course, that's my role. For the hon. members across the way to suggest that I had something they didn't have is nonsense, and to suggest that I gave the information or other information that they don't have to my group of people is also nonsense.

So, Mr. Speaker, there is no point of privilege here, and I ask you to rule on that.

MR. DAY: Mr. Speaker, clearly there are two processes at work here. One is the political process, and one is the parliamentary process. The degree to which . . . [interjection] Listen to Larry carefully there, Frank; he might help you out.

MR. SPEAKER: Order please.

MR. DAY: Sorry, Mr. Speaker; I take that back.

The degree to which a person uses the political process for opportunistic purposes is the degree to which you can measure the character of the man. Now, here we have a situation. We all know how the game works. We know how the game works: if you're a member of the opposition, you can stand up and say virtually anything, make any kind of statement. It rarely gets proper scrutiny. If you're a member of the government and you say something, it's going to get full and complete scrutiny by the media, and so it should. The opposition members have a luxury, and that is that the things they say will often be quoted without scrutiny, and they are aware of this. They are also aware that when it's quoted and it raises a question in the minds of the public, it doesn't matter if then it is properly addressed by the minister concerned. It doesn't matter. Their goal has been achieved. They've already achieved their goal today. They have put question marks in the mind of anybody who has read these newspapers or read the accounts. They've put question marks there. That is their sole goal and intent. I would ask each opposition member to hold a mirror up to themselves in terms of their own character and ask what they are doing in terms of reflecting on the name of another individual.

Now, referring specifically to *Beauchesne* 31(5) – and I will close my remarks, even though members opposite, for *Hansard* purposes, for those who may read it, are shrieking in agony at this. Again, the Member for Whitecourt-St. Anne – and I might say a member who has been elected and re-elected more times than any other member in this House, a member who stands before his constituents on a regular basis for full and complete scrutiny – has already proven beyond a shadow of doubt that the supposed events here that have raised this question are totally,

totally without substance. Even if they were, though, Mr. Speaker, and I'm making it clear that they are not – I might just add that that reference to *Beauchesne* 97 was so off the wall that I won't even try to bring it into the arena of this discussion. But *Beauchesne* 31(5) is right on the mark, for the assorted group of lawyers, et cetera, across. It says:

Budget secrecy is a political convention, and if breached, the Minister may be attacked through a substantive motion, but not through a question of privilege. It's as clear as can be. In this case there was no breach, but even if there had been, which there wasn't, there is no point of privilege here.

MR. SPEAKER: The Chair has heard the arguments on both sides and will give a judgment tomorrow.

head: **Orders of the Day**

head: **Government Motions**

**Provincial Fiscal Policies**

7. Moved by Mr. Dinning:  
Be it resolved that the Assembly approve in general the fiscal policies of the government.

[Adjourned debate February 24: Mrs. Hewes]

MR. DECORE: This is the opportunity for the Liberal opposition to reply to the Budget Address that was given last Thursday. Much has been made by the Premier and the Treasurer and members of the Conservative government of a so-called blueprint for the future. Mr. Speaker, I would like to take this opportunity for the next few moments to give what I think the future will look like in the next five years; that is, five years down the road with the kind of process planning or lack of planning that the Klein government is using.

This is what I see for Alberta in five years. I see an Alberta where a particular family's child is able to go to kindergarten because they had a good financial year, but I see a neighbour's family who couldn't go to kindergarten because the family had to pay for their aged mother's care in a now private nursing home. Five years from now I see an Alberta where an older child in a family isn't coping very well in a classroom of 40 other students. Five years from now I see a family having less money because that family's elderly parents can't afford the health premiums that exist now, let alone other new taxes. I see a family five years from now having an aunt who's on a six-month waiting list for surgery, and that aunt can't afford to pay for that surgery because it's going to be done at a private clinic. Five years from now I see a nephew of someone's family flipping hamburgers because that nephew couldn't make the university admittance requirements with his 75 percent average. I see a sister of a family in Alberta being a brilliant computer programmer now having moved to Vancouver, where there is real opportunity for her particular skill level. I see five years from now Albertans having to wait some three days for a policeman to arrive at their home to talk about the stolen car that disappeared in that family. I see five years from now people being driven out of their homes by rising municipal taxes because of downloading. I see five years from now people not caring the way they should be caring for their neighbour's children and how they're going hungry. The Premier calls his blueprint for the future A Better Way. Well, Mr. Speaker, that's not the better way for me, and it's not the better way for the Alberta caucus.

This budget has no hope in it. In fact, this budget closes more doors than it opens. In May of last year the Premier of Alberta

promised 110,000 new jobs, new jobs that would be created. In fact, the Premier went so far as listing, showing, and categorizing the areas where those new jobs would take place: in tourism, in manufacturing, and so on. Well, since May – and these are statistics from Statistics Canada – those statistics show that we have lost 29,000 new jobs. Even the jobs that the Premier and the government used to say that there has been some kind of change, some kind of an Alberta advantage created, even the jobs that they talk about, two-thirds of those jobs, again according to Statistics Canada, are part-time jobs. So they try to fool Albertans into believing that something better exists than really does.

### 3:10

People want to be able to count on their future. People want to be able to feel something better than insecurity and now despair. This budget does nothing in terms of providing for security or for that despair in that it does not deal with jobs except for a few thin references to some initiatives with NAFTA and in the Far East. In fact, Mr. Speaker, Informetrica Limited, the group of economists from central Canada, in their analysis of the Klein plan say that by the year 1997 there will be a loss of some 40,000 jobs in Alberta and the growth rate and the GDP will slow down by a half or 1 percent each year. The areas, I think, that are most troublesome for us as the opposition are in the areas of education and advanced education, because when you cut back opportunity on young Albertans, you do not give hope. You do not provide for a future.

There were a number of things that this budget could have done and should have done to have stimulated the Alberta business economy, and we gave a number of those suggestions last week during question period. I asked the Premier and the Treasurer whether they would consider reducing the small business tax from 6 percent to 4 percent as a way of stimulating activity, as a way of creating jobs. We didn't even have the courtesy of a reply to that question. I suggested and our party has suggested that the GST exemption be raised from \$30,000 to \$50,000 for small business, that the government join us to lobby the federal government, as we have, to get that exemption increased. Again we didn't have the courtesy of a positive response. So when the government says that the Liberal opposition is preaching only doom and gloom, I want to remind them that we have given positive suggestions. Here are two of others that we have given, where we haven't had the courtesy of a response. I guess the government isn't interested in getting jobs created in Alberta.

Mr. Speaker, talk about a government not being fair or honest with the people of Alberta. They keep talking about the fact that there are no new taxes, and there are 80 new taxes in this budget – 80. Semantics aren't the way to put this. I want to just bring some quotations forward that have been given in this Assembly. One of them was from the Treasurer himself on October 18, 1993, when he said, "We're talking about one taxpayer." The hon. Deputy Premier says, "There's only one marketplace that's called Alberta and there's only one taxpayer that's called the Alberta tax citizen." He then says at a later date: "There's only one taxpayer. That one taxpayer must be protected, and that one taxpayer must be defended." The hon. Member for Calgary-Bow says: "The governments of both Canada and Alberta [should] realize that there's only one taxpayer in our country. No government can simply offload its problems onto another [level of government]." Well, 80 new taxes in areas of user fees, service charges, licence fees, cost-recovery charges. Just in the 23 taxes that we can quantify, because that's all the detail that we can pick out of the budget, only the detail on those 23 areas, we calculate that those 23 new tax areas will generate some \$274 million in

new revenues over the next three years. Those new revenues will come from seniors; they'll come from students; they'll come from small businesses; they'll come from single mothers; they'll come from the unemployed; they'll come from the working poor; they'll come in fact from all of us. There are some 57 other areas where we aren't able to quantify the exact amount that Albertans will see in terms of revenue.

It was sad for me to put the question to the Treasurer today, ask the Treasurer, who's supposed to know this detail, who's had all kinds of opportunity to quantify each of these areas, "Where and what would these additional revenues be in the other 57 areas?" and not get an answer. Well, we'll have to keep working and digging to find out exactly how much more money will come out of those areas. There are millions more dollars that we and Albertans can expect to pay, and I want to go back to the fact that there's only one taxpayer, according to the hon. members on the other side. The Premier said at one time that raising taxes was a no-brainer. I wonder if he's sorry that he put it that way.

Mr. Speaker, I should suggest that there's a certain amount of chaos that this new budget brings with it. The business plans, I suggest, are proof that there is no real plan. There isn't consistency in those business plans. In fact, in one of them, in advanced education, I recall that the objective of the ministry is to satisfy the cabinet and the Premier on the analysis that the department in fact provides to the Premier and the cabinet. If that's an objective and if that's what a government thinks is the way to provide and scope out and detail a business plan, then my suggestion is that no bank manager would – in fact, the bank manager would laugh reading that kind of a business plan. Those business plans contain motherhood goals. Another one that I remember reading was about how the department of advanced education is supposed to, as its objective, prepare students for postsecondary education. Of course, that's right. But my goodness, give us something. Give a bank manager or give somebody that wants to know what's going to happen three years or five years down the line a vision of what it is that is going to happen. Don't give us motherhood statements that students should be prepared for postsecondary institutions.

There are no specific targets. There is no way of measuring these targets. In fact, the Treasurer made light of the fact that our party has referred to the Texas way of doing efficiency audits. The Texas and the Oregon way, in fact, Mr. Treasurer, members of the government, shows measuring devices, sets out specific targets, sets out the vision of what's going to happen three or five years down the line.

The next area that I want to paint a picture of for Albertans is the kind of new world, the new kind of society that is being created in our province. This is a society of dog eat dog, a society of new values and new rules. This budget is a blueprint for nothing more than a massive new social experiment, and I suggest that it tears our social fabric apart. It re-creates a meaner society, one which the wealthy are pleased with and happy with, one which the healthy are pleased with and happy with, one which the employed are pleased and happy with. But if you're not rich and you're not employed and you're not healthy, you've got a lot of trouble in Alberta for the next five years. Mr. Speaker, the voters told Albertans – told us and they told the government – to get the deficit and debt under control. Nobody can argue with that, but they didn't say to rip Alberta apart in the process. The Premier didn't have permission to do that; this government doesn't have permission to do that.

### 3:20

This is an initiative whereby a government is experimenting with our lives and our children's future. The sad part is that we

are dealing with human beings. You can correct mistakes when we're dealing with the price of a bottle of beer or the price of a glass of wine, but when we make it more difficult for students to get into technical schools or colleges or universities, or when we deny students the opportunity to go to kindergarten, or when we deny children opportunity in English as a Second Language programs or in special programs for the disadvantaged, there is no way to rectify those harms and those hurts. That's what's wrong with this budget.

MR. SPEAKER: The hon. Member for Lethbridge-West.

MR. DUNFORD: Thank you, Mr. Speaker. [some applause] It's not necessary; it's not.

Mr. Speaker, in discussing the budget document today, I want to frame my comments around five key points. One will be my basic agreement with the initiative taken by the Treasurer. I'd like to go back, on the second point, to talk about some real-life experiences that I've had during the recent election campaign. I'd like to talk about some constituency concerns, and I'd also like to go back to the speech I made on Wednesday evening when I tried to draw the analogy of the white paper and the black marks on that. In just reviewing the material for the comments that I want to make today, I realize I didn't explain very well perhaps what MS and what SS were. Of course MS, as most people would have gathered, would be: Mr. Speaker. SS, however, certainly while the description might fit, did not stand for superspeaker. It, in fact, was of a more personal note. But I'd like to get back, you know, to black marks on white paper in terms of this budget document at some point later. Then I'd like to go through the document itself and then, time permitting, perhaps make some comments on the remarks of the Leader of the Opposition.

First of all, again I keep wanting to refer back to my real life, which was involved in both the corporate world and the small business world for 25 years. Continually, people that I advised, departments that I ran, we always had to be on side in terms of budgets. There just wasn't any other choice. Now, there were years of course when we would find ourselves through a catastrophe or unforeseen circumstance that might happen and we might be allowed some forgiveness for a year, but certainly the general managers or presidents above them would want a full explanation. You can bet that that certainly didn't allow us to roll those funds that were required to handle that catastrophe into next year then as a common occurrence. We certainly couldn't have gotten away with that type of operation. So I have noticed, and I agree with the initiatives, then, and with the people that indicate that there has been a recent history – and we might say that from 1986 until Thursday there was a tendency on the part of governments to attempt to throw money at a problem in order to reach a solution.

I don't think there is anybody in this Assembly, and I certainly don't meet anybody on the street, particularly in my constituency, that is prepared to accept that in 1994, after all of the money that we've thrown into education, all of the money that we've thrown into health care, and all of these other services that are provided, we are better off as individuals or as corporations or as families than we might have been in 1989-1990. The addition of money in these particular areas simply has not created an offsetting increase in quality. So where I am on side, then, with what the government is attempting to do in this particular area is I see that; I recognize that. I think that just like business, when you have to get into some leaner times, when you have to start to focus on how you're going to be able to meet your objectives with reduced and with finite funds, then you start to create a situation of innovation, but also you start to focus on what your basic job is

that you're trying to achieve. I think now all of that is possible with Budget '94.

Some of us have gotten into this political situation perhaps at midlife – maybe it's the midlife crisis that some of us are facing, actually, to get ourselves into these kinds of positions – but at some point for all of us there would have been a night or a day or there would be some period of time where the decision was finally made that we have to get into this situation. We just cannot stand back and see the situation continue as it has been. In my particular case the situation I was referring to was expenditures that were out of control. Anybody who wanted to look at the situation could clearly see that there were going to be restrictions on revenue. We saw that through the early recession of '81-82. It happened to us again in '84 to '86. You could see what was happening all over the world, and anybody that sat and thought about it knew that we were going to pay the price at one point or another.

As I mentioned the other night – and I'm trying not to use the same speech – in my particular case that night came with a documentary on television. It was virtually that simple. It happened to be New Zealand. We've heard all kinds of comments coming from opposition members, coming from media, coming from people I meet on the street that we have some sort of concept of what a New Zealand plan might have been and that now we're trying to implement that. Well, I heard the Premier say and I can say as well that I have not met Sir Roger Douglas; I have not read the book *Unfinished Business*. The point that the Premier I think was making is that we've sat and we've listened to this man. I listened very attentively to him. But the point I want to make is why I got involved in politics: from that television program I got off the couch and I said, "Hey, I've got to get involved before we have to relive the New Zealand experience." So I think that with this Budget '94 we now start to have the culmination or the conclusion perhaps of the sort of things that I was talking about then in the campaign of '93, where I went in front of forums or banged on doors, whatever it took, and talked about how we needed to eliminate the deficit. I made one campaign promise during that whole campaign, Mr. Speaker, and I made good on that promise between January 1 and 14; that was that I would take my new bride on a honeymoon. That was the only promise that I made. It was the only promise that I felt compelled to make, other than the fact that if they sent me to Edmonton, I would do whatever I could to ensure that this deficit would in fact be eliminated, that we would find ways and means in which to do that, and of course, that we would find the ways and means to do that in a caring and co-operative fashion, and I think Budget '94 does that.

### 3:30

One of the interesting things I find with the current situation is that those people that voted for me – and everybody knows the slim majority that I held. Not every one of those people have I met directly, but I think we can synopsise their thoughts by the fact they agreed that the deficit had to be eliminated and that they wanted to be part of the solution. Well, what this government has done is we've managed to take on practically every group in this society at one time or another. We announced welfare reforms, so we went through a lot of discussion with constituents. We had letters, we had telephone calls, but we got through the welfare reform. It's no longer an issue. There are people, however, who are still out there that continue to need the help of the MLA and to need the help of the structure, and that's really what we're there for. But the overall situation about welfare reform, everyone is onside.

Then came health, and we went through a series of consultations, but the phone was ringing off the hook not only in the

constituency office but in my home to the point now where my wife and I have had to develop a little signal system so she knows that it's me in fact that is calling. Thank goodness that's working out fairly well. You know, the phone calls really picked up. But, sir, it was nothing – it was nothing – until we decided to restructure education.

Now, we all know that health is important, and we all know that we have to use those facilities some day, but most of us tend to think those kinds of things happen to the other guy. But in education there is no question. When you start tinkering with education, then you're affecting almost everybody every day, so you're going to get feedback. Well, sir, we didn't tinker. I mean, we went in there with a massive array of tools, and we have restructured this thing. The Leader of the Opposition spoke briefly about his vision of what he's going to see in Alberta, and I hope to get a chance to get back to that because I, too, have a vision particularly in education that I think is going to be very, very beneficial to Albertans.

Well, one of the things I like is when somebody says, "Look, I'm willing to be a part of the solution." I hear the talk, "You know, I'm willing to be a part of the solution." The buddies in the coffee shops say: "Hey, you know, you're doing great. You're doing great, and I'm willing to be a part of the solution." Now, with this budget we're going to find out, because at last what we've done here is – and I've been using this phrase in public: "now the other shoe has dropped." We now are no longer talking about just the four big budget items, but now the whole plan has been revealed to the public. There is not one of those people when I now go back into the coffee shop that doesn't have some point or some area in this budget that he can point to where he's been affected. I don't see that as a negative at all. I see that as a positive, because these people have wanted to participate. They have wanted to be able to contribute in some way to this solution.

Seniors are the same way. Yes, I had phone calls Friday, Saturday, Sunday, and we're getting them at the office today. If I sit down soon, I'll go and get on the phone in order to get back to them. Again the overwhelming need is for people to be part of the solution.

I suggest that what we've done with this document is we have given them ample opportunity for ways in which they can become part of the solution. Yes, it means many times dipping into their pocket, but every time they dip into their pocket, they are dipping in for something that they are using directly and that they think they're going to have a benefit from.

I maintain that you pay for quality, and when you pay for that increased fee, that is a vote. That is a vote monetarily, physically, and psychologically that they are in favour of that situation. So some of these increased fees – I think you're going to see a tremendous response on the part of all people within Alberta in being able to participate in that manner. What I really like about that type of thing is that they're voting with their dollars, and I think that is extremely important in a democracy.

The black marks on the white paper once again. There's no question that the most difficult draft of any document is that first run-through. I don't know how many times the Provincial Treasurer must have had to write and rewrite Budget '94 to get to the final printing stage. It must have been a horrendous task, but what I am extremely pleased about is that now it is out there. Not only do we have the budget document, but we have A Better Way in which the three-year business plans are presented. We now have an opportunity for all of the opposition, not only here in the House but anywhere within our society, to start to focus, because opposition and disagreements are an essential part of not only the

workings of this particular House but in a manner in which we have to go about our business just in day-to-day life.

I don't mind disagreements. In fact, I'm starting to worry a little bit about the fact of how much I enjoy getting into these forums and getting into these public meetings where there are all kinds of people willing to take us on. I enjoy that part of it, because to me what it signifies is that the ordinary citizens are getting out and they're getting involved in the particular process. It's absolutely critical that when we get into these disagreements, we have it based on knowledge, that the information is there. If somebody wishes to attack the government that I support, or if I wish to make a comment in support of the government that I am supporting, then I need the information so that we can have dialogue. We might be diametrically opposed, but that is fine, because it is only out of the stress of those opposing factors that we are finally able to arrive at situations and at decisions that the majority can then finally agree on. We have to know both sides. This document, I think, is just tremendous, and I want to congratulate the Provincial Treasurer on the document A Better Way.

I've lost track of the time, so I'm not sure just how much further we have to go. [interjections] I didn't realize that so many people were listening to what I had to say. Now I'm nervous. I thought I was just standing up here talking to you, Mr. Speaker. Now I'm starting to feel a little nervous.

AN HON. MEMBER: What makes you think the Speaker's listening?

MR. DUNFORD: I wish I could be so witty on my feet.

As a matter of either character or the way I personally handle myself, I don't ordinarily talk about opposition comments, but I do want to make a short reference today to the Leader of the Opposition and his vision. There were a number of points that he talked about in terms of larger numbers in classrooms, surgery in private clinics, people excluded from university, people leaving the province, and those types of things. This is his vision of the Budget '94 document. As far as that goes, I mean that's fair play. He's entitled certainly to make those particular comments.

I believe and why I'm standing here today trying to articulate my support of Budget '94 is that I think the very points he makes – if we had not done something in '93 and '94 and '95 and '96 and '97, the vision that he saw for Alberta would in fact actually come true. We would have now been in a situation similar to New Zealand had we not done something, where all of those would have had to take place. There would have been no recourse. To reduce a budget over four years is one thing, but to have the International Monetary Fund or banks or whatever just say, "Listen, Alberta; you're broke, and there ain't no more" – this vision that he has articulated today perhaps would have come true.

I'm here to say that because of the initiatives now of the Klein government and the initiatives of the Budget '94 by the Provincial Treasurer, we actually have stopped, we have prevented that vision from coming true. Instead, what I see is a vision of a leaner and a kinder and a more caring Alberta and an Alberta that will be more economically viable so that we can then truly start to pay for this fantastic social network that we have in this particular province, because that's what it finally gets down to. We can have all of the wishes we want. We can have all of the thoughts and the fantasies, but what we really need is the buck to provide the kinds of services we want.

Thank you.

3:40

MR. SPEAKER: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. It's hard to criticize the budget in one sense, in terms of the direction. That's the first sense, and let me make it clear: in terms of direction but not in terms of implementation. If you look at where we were in 1992-93 with a deficit of \$3.4 billion, a debt of \$29.6 billion, it's very clear that escalating debt and the rising debt-servicing costs would have squeezed out our ability to finance those types of programs that give Alberta a sustainable future: education, advanced education, health care, the safety net. So there's no quibbling on this side of the House that something had to be done. That again is why this party had supported the Deficit Elimination Act. That is on record. But there are disagreements, and this is where I disagree with the hon. colleague from Lethbridge-West. There are different ways of going about meeting the objectives of the Deficit Elimination Act.

Let me just first start out by noting that if you look at the Deficit Elimination Act, it calls for a very orderly reduction in the size of the deficit: the deficit in '93-94, \$2.5 billion – at least in theory that objective appears to have been met – in 1994-95, \$1.8 billion; in '95-96, \$0.8 billion; and in '96-97, a balanced budget. Now, if you look at the reality of what is occurring, Mr. Speaker, in fact the deficit is being reduced even faster than set out under the Deficit Elimination Act.

Now, members on that side of the House may view that as a good thing, but I do not, because I do not think you should cut before you have a plan in place. First you plan, then you cut. That is why those on this side of the House had run on the notion that you'd have a moratorium on capital expenditures to buy you that year so that you could do the planning, the prioritization, the liquidation of the heritage savings trust fund. Right now we have many billions of dollars in liquid assets in the heritage savings trust fund earning 4 and a half, 5 percent, and we're paying on average 6 percent on the debt. There are funds there that could have been used against the debt, and there would be an interest savings to the province.

So there are a variety of things that could have been done, and I won't go through those in detail, but the point is that there is a cost to us cutting the deficit even faster than set out under the Deficit Elimination Act. I mean, if you look at the numbers that are set out in the budget, in '94-95 we're going to reduce it by an incremental \$250 million; in '95-96, an incremental \$300 million; and in '96-97, in theory a surplus of \$212 million so that we will be there \$700 million faster.

What that means though, Mr. Speaker, is that there's going to be more pain and less gain, because we're doing much of this right now before we have the structures in place, before we have the regional health boards in place, before we have the regional school boards in place. Surely, what you would do is have these structures in place, then cut, because if you combine the two simultaneously, there's a lot of waste, there's a lot of pain that you could have avoided. It's not an issue of saying no to the Deficit Elimination Act. It's an issue of saying you don't put the cart before the horse. We should actually try and get these structures in place, then try to orderly reduce the size of the deficit. So on one hand, as I say, I think the direction is right. On the other hand, I have my concerns that we're in fact cutting too deeply too fast.

Let me say, on one hand, that one could have a benign interpretation of why the government is doing this. The benign interpretation is that in point of fact there is an expenditure cushion being built up for unforeseen occurrences. On the other hand, you might have a less benign interpretation and view it in fact as a fund being set up as we approach an election. Which is the correct one? We won't know until we get there. I mean,

there are those competing interpretations of why we would do this. I do say that there are costs of doing this too fast without the structures in place. The costs are that we are going to in fact have a system that's going to be much more disjointed than it need have been if we had done this in an orderly fashion. There is a big difference, then, between planning, then cutting and cutting, then planning. That's one point I wanted to make in the context of the budget.

The other point that I want to make is that we all have to be aware in this House that as we cut and as we focus on the expenditure side, the reality is that there will be a level of expenditures in per capita terms in this province that will be below the national average. If we cut in the way that we have, we will be below the national average in virtually all the big four, whether it's education, advanced ed, health care, or a social safety net.

Now, is it feasible, Mr. Speaker, that we can provide at national average levels of education, advanced ed while being significantly below the national average in terms of expenditures? Well, the answer is: it depends. It depends whether or not we have the structures in place that allow us to deliver those services more efficiently. It depends whether or not we have in fact used the most up-to-date instructional techniques in our education system, our advanced education system, that we have in fact a health care system that operates as a system, where it is a focus on preventive health care, a focus on at-home care as well as a focus on institutionalization. It strikes me that if we go about this too rapidly, if we go about this without a plan in place, we are going to then end up with a system three years from now that will not allow us to be competitive even within Canada let alone competitive with United States or our global competitors. So I have serious concerns in that regard, and I think we are in a sense putting the cart before the horse as we undertake some of these cuts by cutting first and then planning.

I would argue that when you look at what has made Alberta the province it is today, there are a number of factors, one of which is that there has always been sort of a vitality and a risk-seeking attitude in this province that has made us different than other regions. It could be because of the structure of our resource base and the volatility of those price movements or the vagaries of nature: a good harvest, a bad harvest, dry wells, a flush. Who knows? But there has been a different attitude here. There's not the pervasive old wealth here in the sense of a class system that you sometimes find in other parts of Canada. So it is different.

It also, though, has a long history of having one of the best educational systems in the country: a system where access was open to all, where there were no barriers; a system of advanced education that was open to all that did deliver. This is where, in fact, I would take exception with my hon. colleague from Lethbridge-West who said: well, are we better off as a result of having spent that money in education, advanced ed from 1986 on? It certainly appears to be the case, Mr. Speaker. If you look for example at the length between levels of education and levels of employment, the probability of being unemployed declines much more rapidly as you have higher levels of education. Your ability to hold on to people increases with your willingness to invest in their education. If you send somebody to Kingston or to Western Ontario for their degrees, odds are they may stay there. If you send them to UBC or University of Victoria, they may stay there. We want to hold on to our Albertans. They are our people. They are the future of this province.

As we try in a sense to path and restructure and start giving bus tickets to not only people on social assistance but start giving them to our students to go elsewhere, we're going to be the losers. We're losing Albertans at all ends of the spectrum. And they are Albertans. They helped build this province. So there is a



responsibility of society, a responsibility of government to allow access and opportunity in this environment.

### 3:50

I do see then, as we impose the cuts and the way that they're being imposed, the emergence of a two-tiered educational system and a two-tiered health care system. When I see the words "core health care" and "core educational system," it signals to me very clearly, Mr. Speaker, that you're entitled to this core, but everything else is an add-on, and you can have the add-on if you've got the money. I don't think that's what Albertans want for this province. I think they want a system where there is accessibility.

Let me give you a frightening example of this. Those of you who have looked at the business plans, I'll just give you one example: advanced ed, where it says that those programs where there are high default rates, 35 percent or more – well, we're not going to give student loans, then, to those programs. Now, what does this mean, Mr. Speaker? It means that if you're young and poor and you want to go into that program, you can't get in, because on average they think you might fail. But nobody thinks they're going to fail, that they're not going to get employment. Everybody who goes into this thinks they're going to do well. The system that's being put in place here says: "No, on average you're a loser. We're not going to let you into this program." On the other hand, if I had money, I'd be able to get into that program.

I don't think that's fair. I don't think that's what Albertans want in their system: one where you can get into a program because you have money and one where you can't get a student loan because the default rate is too high. They're saying, "Well, on average, you're going to fail." But nobody thinks of himself as the average person. So I think there's a serious problem there when we start putting in vehicles like that which basically stream people, but they don't stream people on the basis of ability. They stream people on the basis of money. That's not what we're about as a country. It's not what we're about as a province. I really find, then, as I go through the business plans and I keep seeing reflections of these types of two-tiered systems – I worry about the type of society that we're going to turn into.

Let me just talk briefly about the notion of planning, Mr. Speaker, because on one hand although the government has shown considerable vigour in the way that it has reduced its expenditures, there's been a lot of flux here. Let me just give you an example of this. For example, we have plan A. On September 8, 1993, there was projected \$636 million in program spending cuts in 1994-95. Suddenly plan B on February 24 projects \$956 million in program spending cuts, a \$320 million discrepancy in just five months. I mean, what happened? Plan A on September 8 projected \$263 million in additional revenues for 1994-95 based on a 3 percent growth rate. Plan B on February 24 projects a \$91 million decrease in revenues based on a growth rate of 2.8 percent, a discrepancy of \$354 million in just five months. We're not talking over the budget cycle. We're talking over 5 months. Plan A on September 8 projected \$963 million in revenue growth over the next three years. Plan B projects \$704 million over the next three years, a discrepancy of \$259 million again just in five months. We're not seeing here a very structured planning process, and it really is of concern that you can have your financial magnitudes jump around to that extent.

Let me briefly turn to the issue of business plans. In the budget it says that these business plans are going to be the road map for Alberta, the road map for the future. I'm not trying to be critical. I read them with a lot of hope, because I think benchmarking makes a lot of sense. I think what Oregon has done and Texas

has done in terms of setting out quantifiable benchmarks makes a lot of sense. Because if we're spending \$11.3 billion, Mr. Speaker, we'd like to know what we're getting for it in quantifiable terms: in terms of numbers of beds per thousand, in terms of retention rates in our school, in terms of proportion of our students in postsecondary education, in terms of job growth. Whatever criteria you want – mortality, fertility, whatever – there are quantifiable objectives that you can define, but when you go through the business plans, they're not there. What you see is a discussion of what the performance measure would be had they bothered to put it in. Nor do we see in a sense a three-year tracking of these performance measures, and that's critical if you're having a business plan. Because what you want, then, is to track how you're achieving those goals through time, but we don't see that. More often than not what you see in the business plans is what they're going to cut.

A business plan doesn't tell you about expenditure reductions. A business plan tells you about the process of achieving your performance targets. It tells you your strategies. Cutting isn't a plan. Achieving something positive is a plan, and that's what you expect to see in business plans. In terms of the specification of quantifiable performance measures, in terms of benchmarking I think the business plans are deficient. In many cases they're internally inconsistent. You go to the Justice business plan, and it talks about the magnitude of the cuts, and it says: the result? Reduced crime. Well, give me a break, Mr. Speaker. It just doesn't work that way. If you look at community policing, it has been successful. It's higher cost, community-based policing, but it provides results, and that's what should be assessed: the results of the expenditures. We're not seeing that happening.

The budget document talks about priorities. We've cut Education less and we've cut advanced ed less than we've cut other departments. Again, if you look at where this province is going to be a decade from now, this province is going to have a future and a strong future if it continues to have the most highly educated labour force in this country, if it has a labour force that is fully computer literate, that has very strong quantitative skills, that they not only know what to do but why they do it. That's what postsecondary educational systems do. That's what a good educational system does. It teaches you not only how to do it but why you do it, and sometimes that's a little more costly, but if you want people that think and perform and can respond to the type of economic environment that we have, you want to invest in education.

Now, I fully agree with the hon. members that throwing money at any system – whether it's social assistance, whether it's education or advanced education – is not the solution, but that is not what is being said on this side of the House. What we're saying is: have a system that is accessible, give people the ability to fail, but open up the system. Give them student loans if they need them. Give them the opportunity, and if they fail, fine. But many of them will succeed, and they're going to be our future. I have a real concern when I see business plans that talk about on average putting a screen, and that screen is based on money, because who knows when people develop, when they in fact get the bit between the teeth and strive to succeed? I don't want to see us move to two-tiered education and two-tiered health. That's too American of a system for me.

There are many aspects of the American system one could admire. Again, there is an entrepreneurial vigour there, but the absence, then, of safety nets, the willingness to marginalize certain individuals – I don't think that is what we view ourselves in Canada as incorporating, and I don't think it's what Albertans want in our society. We want to be efficient. We want to have

a deficit-free province. I mean we're rat-free, and it would be nice in fact to be deficit-free. It's not a question, then, of closing the deficit. It is a question of process. It is a question of what's important, what set of values is important. As I see the array of fees and licences that emerged in the budget, as I see what's intended in the business plans, I do worry about the type of society that we may turn into.

Let me just conclude by pointing out that if you were to look at the two biggest challenges that face us, clearly it's globalization, and that's now a platitude that incorporates the fact that capital is mobile. Under the free trade agreement labour is mobile. We liberalized our trade policies, so there's competition in virtually every market. The second problem that we face, Mr. Speaker, is the pace of technological change in our society. In fact, small is beautiful has hit us with a vengeance. Many people in their 40s and 50s have skills now that the market no longer desires. People who once earned \$55,000, \$60,000 a year are now lucky if they can get a job earning \$15,000 a year. We have to train those people. We have to give them new pursuits, and we're going to have to have an educational system that does that. It was no fault of their own that they had invested in these skills, that they had worked productively for 20, 25 years and now suddenly they're cast off. We call that progress. We know that income in our society as a whole is going to be better off, but there are certain groups in our society that really are bearing the cost. We need an educational system, a technical training system, a system of lifelong learning that will address those types of individuals.

**4:00**

As well, Mr. Speaker, we have cohorts of students 18 or 20 coming out who haven't got the right set of skills for the labour market, and they're bouncing into the social safety net and then bouncing into a Greyhound bus on the way to British Columbia or to Ontario. We have to now make sure that we have an educational system that takes them and gives them the skills, which perhaps doesn't have the same focus on university training that has historically been the case but any type of technical training.

Again, when I go through the business plans and I see that funding for apprenticeship systems are being cut back, when I go to another business plan and I see that there are cutbacks in business incubator type programs, I do worry that the mechanisms we have in place for promoting self-employment, the mechanisms we have in place for bringing people back into the labour force are being taken away. The net result will be that those people will leave. Some will say, "Fine," but I say: that's our loss. Those people are Albertans. Their parents, their grandparents helped build this province. They have a right to be here. They have a right to be productive here.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Member for Wainwright.

MR. FISCHER: Thank you, Mr. Speaker. I, too, want to talk about the pleasure that I have with this budget, and I'd like to congratulate the Treasurer in bringing forth a budget like this. This budget makes me extremely proud to be a member of the PC government that brought it forward. There are a lot of Canadian provinces and the federal Liberal government that could take a look and could be following this budget to help get this country back on its feet and not creating more and more and more debt.

This is a budget that is going to have our province debt free, and I think even the members across the way will agree with us that that has to be the number one priority. In my estimation, it would have been nice to have been starting this budget three or

four years ago. I look at the federal situation, and they could have started it maybe earlier than that even. With the provinces in Canada now continually going further in debt, I really applaud this government for the direction that we have taken. To think that we've taken it without increasing our taxes and without the sales tax is something else that's going to be extremely beneficial to us as time goes by.

[Mr. Deputy Speaker in the Chair]

We all know that it's going to be a tough budget on individuals. Naturally when we're taking away from people and we're making changes, then it is going to be disruptive. It's going to create some hardships. There are going to be jobs that have to be changed, and that is unfortunate. But we cannot stay in a spending rut, if you like, funding inefficiency and have a budget that'll work in this country.

**Point of Order  
Questioning a Member**

MR. BRACKO: Point of order.

MR. DEPUTY SPEAKER: Point of order, hon. Member for St. Albert.

MR. BRACKO: Would the Member for Wainwright entertain a question, please?

MR. DEPUTY SPEAKER: Hon. Member for Wainwright, the hon. Member for St. Albert has asked if you'd entertain a question at this time.

MR. FISCHER: Surely. Fire away.

MR. DEPUTY SPEAKER: But it has to be short.

**Debate Continued**

MR. BRACKO: Yes. Thank you, Mr. Speaker. To the hon. Member for Wainwright. Throughout the budget and throughout his statements they talk about a debt-free province. Now, there's a difference between deficit free and debt free.

SOME HON. MEMBERS: Question.

MR. BRACKO: The question is: when will this province be debt free?

MR. FISCHER: My answer to that is that we have to be deficit free first, and then we'll work on the debt.

I listened to the Leader of the Opposition preach about the job situation. Certainly there is a loss of government jobs when we are trimming down. When you say loss of jobs, these people have shifted, in many cases, into something else. I want to just give you some numbers. A year ago we had a 10.1 percent unemployment rate. We trimmed off nearly 3,000 jobs in government, and this year we have 9.3 percent. So that has to tell you something about what is happening in our economy. Yes, it's difficult for people to make those job shifts.

I just want to say, as our educated people have said and the Member for Edmonton-Whitemud had mentioned as well, that many, many people do have to change their jobs. People are trained for some kind of a job, and if the service isn't needed and the product or whatever they're producing isn't needed, naturally they have to change. Many of our educated people say it's going

to happen six times in the lifetimes of our young people today. Well, this is part of that change now. If they're going to change their jobs six times, then this is one of them. In many, many cases – and I could relate a lot of stories – when people changed their occupations, many, many times they changed for the better. I don't think we should overlook that one little bit.

The figures that our Member for Edmonton-Whitemud mentioned on the Alberta heritage trust fund of about 4 or 5 percent investment – he is on that committee and he knows perfectly well that there was \$940 million that came in on a \$12 billion investment last year, and that is very close to 8 percent. We still have loans out there to Quebec, for instance, that are paying, I believe, 16.4 or 16.74 percent or somewhere in there, 16 something. There's a lot of money that was invested long term that still is bringing a pretty good return. I will say that, yes, some of the new money that has to go back into short-term investments now is going in at a lower rate, but I don't like to hear that kind of misinformation.

Education and access to education provides for people to get expertise in a certain area and then come back into Alberta and stay here. One of the things we do is protect through our unions a tremendous amount of jobs and inefficiency. Many of our contracts have tenure programs. Maybe some of that regulation and so on should be removed in order to let the new, talented young people come in here that we would like to keep.

I just want to talk about our economic growth, and I want to read you just a little bit here from Diane Francis from the *Financial Post*. She said that the Alberta government's sensible and dramatic cost-cutting measures will turn the province into even more of a tax haven than it already is and should attract both individuals and enterprises from the rest of the deficit- and tax-ridden Canada. I think people should think about that a little bit before criticizing us so severely about what is happening to our economy and to the job situation in this province. I should remind you that government jobs are nonproductive jobs in many, many cases. The private sector is what makes the economy grow.

#### 4:10

I also want to use a number here. We have a \$72 billion GNP a year in this province. Governments spend \$13 billion, or \$11 billion that we're going to be down to. We are trying to cut off three of that. It might be 3 percent that we affect the economy. Now, granted, I know we get into individual services and so on, but it's a 3 or 4 percent effect on our total economy when you take into consideration the job situation. We are doing a lot of things in this province – and our Tax Reform Commission suggested a number of things – to make us more competitive. If you think of the \$72 billion and don't think of some of the small government items – yes, they're important if they're a service – then some of the regulations, some of the things that we are doing regarding the tax structure are extremely important to us here in Alberta.

I say to everyone in this House: we have a lot of great people out there that want to be free from regulation. They want the opportunity to go ahead and do things; in agriculture, for instance. I just want to relate some of the feelings of my constituents on agriculture. Certainly we are getting trimmed a little bit with the sacred, if you like, fuel tax, and that's 2 cents. I haven't heard one complaint from our people out there. They said: "Yes, it's going to be a little tougher, but, yes, we want to share in getting our books in order. If you would just get rid of the Crow rate, if you'd just get our continental barley market, if you'd just get the barriers between Saskatchewan and us and B.C. and us away so we can go and do our own business, that's what we're asking for."

The free trade situation, going into the States and back again. Free trade, in my mind, is the wrong word for that. It's a little bit more fair trade, but there seems to be so many barriers that are interfering with people doing business. There are nontariff barriers. We need a better policing situation. It's so beneficial to us; we have to trade. They are our biggest trading partner. Alberta especially, with 70 percent of the products that we produce traded outside of this province, must have those markets. Sometimes we're not always in the best position to make the rules, but I do say that the free trade rules and the NAFTA rules are much better. They're not perfect by any means, but they're much better than they were in the past.

One other trading item that is so important to agriculture is our GATT agreement. We're doing a Japanese study now to get our products into Japan. We do \$500 million worth of business. Japan is now the second biggest trading country with Alberta. It's really, really important that we go ahead and find ways of getting into that market. Certainly it's very difficult. Individual companies can't do that without the help of our government. I have to say that there are a lot of people out there who feel that government can get out of the way, that we should get rid of our trading houses and embassies and so on. But around the world it's just automatic that you have to have the comfort of another government, one government to the other, before trading takes place. I do hope that our government does pursue that to the very highest extent they can.

I also would like to mention just a little wee bit about our seniors in our new budget. I have talked with a number of the seniors, and overall they feel very comfortable with it. I couldn't help but think of the cheque that the Member for Bow Valley showed us today in question period. There have been a lot of people that have asked, "Please, let us help pay." We've done an excellent job, I think, in helping the needy and the ones that are less fortunate. We must always be our brother's keeper with that, but we do have to have people that can afford to pay help us, and they want to. I've talked to a number of people. Even if you go down to Phoenix country, one of the things they're concerned about is that they want to have some health care in Alberta. They look at what they've got down there. They said: "Please let us pay some of it, and let's keep our health care system. Don't dismantle it." So I think this government has done an excellent job with planning for our seniors.

I know that there are going to be some people that are affected. I can go home on a weekend and not hear very much about anything until I come back to Edmonton and read in the papers how much doom and gloom there is about one small issue. Yes, when you're doing something for a whole province, there are going to be some people who get caught that's unfair. We have said that we are going to fix it if it's unfair, and I don't think you can ask anyone to do better than that. We must take a look at the way that our funding goes to our seniors. We must be careful that the ones who really need it get it, and I think that's happening. So I'm very pleased about that.

I just want say congratulations to the Treasurer and to our government for doing it. We've got all kinds of people in Canada saying that we're doing the right thing, and I say thank you to our Treasurer.

Thank you.

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

MR. MITCHELL: Thank you, Mr. Speaker. I must say that I'm considerably less impressed with this budget than the former

speaker was, and while I don't question his intentions, I do question his naiveté. I believe he is construing this budget – and I'm sure that he believes it – in a way that simply does not reconcile itself with reality.

There is no question that this government over the last seven years created a huge fiscal problem for Alberta, for Albertans. I want to remind them that they created a \$3.7 billion deficit last year, and this culminated in \$30 billion worth of debt creation over seven years. There may be some out there, in fact possibly even the Treasurer, who really believe that you can solve this deficit problem by increasing government revenues. We've seen today that he has implemented 80 new government revenues to the tune of \$274 million in extra revenue. There are those who believe you can solve this deficit and debt problem by increasing government revenues.

I want to put the deficit in perspective. If the Conservative government had doubled income taxes the year that they incurred a \$3.7 billion deficit, if they had doubled both personal and corporate income taxes – and of course many of us would put nothing past them – the fact of the matter is that they would still have incurred a \$300 million deficit. It is almost incomprehensible, Mr. Speaker, that this government could have launched itself on an expenditure program that was so divorced from reality that it bore absolutely no relationship to the kind of income that could reasonably have been expected for this government to have earned or to have raised. We are not going to solve this \$3.7 billion deficit by revenue increases, and in fact the kind of revenue increases we saw today I think are a surreptitious way to take this government's managerial responsibilities off the hook.

4:20

These problems were created by poor management. They were created by loan guarantees to companies that failed. They were created by interventions in an economy by a government that said it didn't believe in intervening. They were created by a Premier and six or seven of his cabinet ministers who sat around the table January 1, 1991, and signed a \$525 million loan guarantee to NovAtel 15 months before it failed and lost \$700 million. That, Mr. Speaker, is at the root of why we are in this problem: managerial incompetence which has driven a \$3.7 billion deficit \$30 billion in debt. It was created by political decisions, loan guarantees that weren't market driven by any way, shape, or form but were done because they were politically expedient or could sell well, they thought, amongst the public. They were driven by health care decisions that weren't based upon health care criteria but were based upon economic development decisions or upon simply building an edifice because that would buy votes.

Mr. Speaker, what we see at the same time is more rhetoric, and this is what's very disconcerting, I think, to many observers. Many of the problems were created by blatant, ill-conceived political decisions, and much of what we see at one level selling this budget is political rhetoric that isn't backed up by the substance of the budget. The government has said out of the one side of its mouth that we're going to get less government, but out of the other side of its mouth it says that they're going to take \$1.3 billion in extra revenue away from school boards and they're going to control it. That doesn't sound like less government for the Premier of this province, for his cabinet colleagues, for his many private members. It sounds like less government for everybody else. The government has said that somehow they will consult, that they will find out what people want. Yet when people ask to be consulted on things like what's going to happen to their hospitals or health care in cities like Edmonton and Calgary, there simply is no initiative to consult people and find

out what in fact it is that they would truly like to see happen with their health care institutions.

This is one that I find particularly galling, Mr. Speaker. They said: no new taxes. Well, there are 80 new taxes, and they are raising \$274 million in new money for the Treasurer's bank account. What would that be if it weren't a tax? How is it that these fees are paid if they're not paid for out of income? The fact is that they can try doublespeak, they can try to cloud the line, but it is a tax. Health care premiums is a particularly obvious case. The government raises, unlike eight other provinces in this country, almost 20 percent as much again over and above its income tax in health care premiums. So this isn't an insignificant amount of money. In fact, for many people it is much, much more than 20 percent of what they pay in income taxes because lower income people pay this flat tax regardless of whether they're earning half as much or a third as much or a quarter as much as people who are earning very, very much more and would have much less difficulty paying a tax of that nature.

No new taxes, Mr. Speaker. It is incomprehensible that the Treasurer would stand in this Legislature and have the gall to argue that there were no new taxes. They are taxes, and I'll bet you his knees were shaking when he said: not off-loading. "There's only one taxpayer. That one taxpayer must be protected, and that one taxpayer must be defended." The Deputy Premier said that. "We're talking about one taxpayer." It was the Treasurer who said that. This is the one I like. This is the Member for Calgary-Bow:

The governments of both Canada and Alberta realize that there's only one taxpayer in our country. No government can simply off-load its problems onto another.

There are 33 cases, Mr. Speaker, of where this government is off-loading its problems onto another. There won't be less government; there will be different amounts of government in different places. They grab the \$1.3 billion that they want in education – they can make some sort of political gain out of that – and they dump 33 other programs onto another level of government, other jurisdictions that are going to have to raise and will raise that money somehow else. Those will be taxes. How can the Treasurer stand here and argue that he's not creating more taxes?

Jobs. They were going to create 110,000 jobs. In fact, Mr. Speaker, since the Premier made that fateful promise, he's reduced the number of jobs in this province by 29,000. In fact, in his own budget document the Treasurer is now saying – maybe the Premier doesn't know; he might have missed that meeting – that the growth in the economy will drop by about one-half of one percentage point and that this will no longer allow them to project 27,000 jobs per year, which somehow would add, I guess, to 110,000 over this promised period of time. They will project now 17,000 jobs per year; 27,000 to 17,000, dropped 10,000. A week ago they're arguing adamantly that their 35,000 new jobs, that their 110,000 job objective is on target. Now, somewhere buried in the bowels of all of this material, we read that no, no, no, we're changing our minds now; we're going to create not 27,000 jobs a year but 17,000 jobs a year.

Mr. Speaker, what confidence can we have in a government that seems to have lost whatever fix it might have thought it had on some sense of what is really going on out there? We have a Premier who's launching this province on fundamental, philosophical, structural changes ideologically driven who can't define what a charter school is. Can you imagine – I'll put this in terms that the Conservatives can maybe understand – the president of IBM saying in a major announcement on behalf of his or her company that a new product line they're going to be bringing out – and

let's imagine that it's the think pad, and you know what? The first question is: could you please define exactly what that product is? The president couldn't tell you if it was a laptop computer or a desktop computer, couldn't tell you whether it came with a printer or it didn't come with a printer, couldn't define how powerful it was, how much memory it had, could do none of those things. Could you imagine? Of course it would never happen, but the Premier of Alberta with a \$15 billion corporation at his disposal can't define what a charter school is. I guess he missed the meeting. I guess he missed the meeting. Of course, he couldn't pick up the phone and get a briefing just to make sure that where he was directing his government was the right way to go. No inclination.

Can't tell you what privatizing parks really means. You know why? I guess he missed the meeting. Well, isn't that something that would instill confidence.

Can't tell you whether Safeway is going to be part of the free market for liquor. Well, he can tell you at 9 o'clock in the morning: yeah, I think it is. Four o'clock in the afternoon: whoops, made a mistake; can't tell you; I think it isn't. This is the Premier of a province who is experimenting with children, with people who are trying to get jobs, with people who are afraid to lose their jobs, with people who may never get jobs again. This is a Premier who cannot explain . . .

#### Point of Order Imputing Motives

MR. EVANS: Point of order, Mr. Speaker.

MR. DEPUTY SPEAKER: Hon. Deputy Government House Leader, rising on a point of order.

MR. EVANS: Thank you very much, Mr. Speaker. I've been listening to the member opposite, and he used the term "experiment" referring to the Premier and used that in the context of the Premier not caring, not knowing what was going on, and I cite Standing Order 23. Clearly, this is imputing a motive to the Premier. It is quite clearly offensive as well to the good offices of the Premier and is not even substantiated by any fact. The hon. member is getting his information from the front page of the *Edmonton Journal*. He's had ample opportunity, Mr. Speaker, to hear from the Premier in this House.

4:30

MR. DEPUTY SPEAKER: Hon. member, would you care to reply to the point of order?

MR. MITCHELL: I would have had ample opportunity to hear from the Premier, but the first day after the budget presentation the Premier is in Ontario selling the budget to Bay Street. I'd love to have him come and explain this himself. Bay Street needs to know. We don't.

MR. DEPUTY SPEAKER: I think the hon. Opposition House Leader knows that by custom the reference to people who are not at the moment in their chair is not proper. If you would address yourself to the comments that the Deputy Government House Leader made with regard to his purported point of order.

MR. MITCHELL: Well, Mr. Speaker, the last thing that I would want to do would be to impugn the Premier's motives. In fact, it would be very difficult to do that for somebody who says that he didn't know about privatizing parks and his reason for that is that

he missed the meeting. I don't think that's motivated at all. In fact, I'd say that's quite demotivated.

MR. DEPUTY SPEAKER: I think perhaps the Deputy Government House Leader might see the awkwardness of the moment here. We're just getting into more of the same instead of less of the same. If I heard the Deputy Government House Leader say it right, he was reckoning that 23(i) might address "imputes false or unavowed motives to another member." Perhaps it more properly makes an allegation whether someone knew or did not know that that might be.

In any event, you have, if I'm not mistaken, Edmonton-McClung, withdrawn what appeared to be the offending remark, and I would invite Edmonton-McClung now to continue with his speech.

#### Debate Continued

MR. MITCHELL: Thank you, Mr. Speaker. My point is that it's very difficult to have confidence in this government, confidence in a Premier who can't define charter schools even though that is an essential and core feature of his education policy, confidence in a Premier who's not aware of what's happening with his parks which are to be privatized because he says that he missed that meeting, confidence in a Premier who says, "Well, what's wrong with having some volunteers help with the education system in the schools?" and a Premier who obviously doesn't know that this school system runs with the support, the essential and integral support, of volunteers, confidence in a Premier who one month says he's going to cut \$600 million out of the budget and five months later – was it? – he cuts another \$320 million out of the budget. He does that beyond the limits of his deficit reduction program, and it raises the question, in which we can have little confidence of course, as to why he would do that. He would do that because three years from now he's going to have excess money, and he's going to begin to buy Albertans' votes back without any concern, I would argue, with little concern for the consequences of what that means today for children who don't get into kindergarten, for students who want to return to school to finish their postsecondary education and their secondary education and who simply will not be able to do that.

[Mr. Speaker in the Chair]

Mr. Speaker, much of this budget's impact, the government would argue, is based upon the question of these business plans, and I use that term very, very loosely. It is almost, if it isn't exactly, a cruel irony that these business plans would be worded and espouse some of the things that they espouse without having any basis in action or reality. Let's look at the health care business plan. This is one of the issues that they note and they're going to respond to: "Desire on the part of Albertans to be fully involved in decisions about their health and their health care." Well, Edmontonians and Calgarians want to be consulted on what's going to happen to their hospitals. There's no initiative whatsoever to have that occur. There is a concern with the increase in hazards affecting air, water, soil, and food chains with resultant direct impact on human health as well as increased public concern,

but there is no action that underlies that there's some kind of commitment to that particular initiative or that particular statement in this business plan.

For example, I moved in the heritage savings trust fund that there should be money allocated to do a study of the incidence of asthma across this province, asthma which costs at least \$60

million a year out of our health care system, much of which could be manageable if we could identify why it occurs and where it occurs. That was defeated by this government. Growing concern about quality of life in the final days until death, but is there an initiative in this budget to support palliative care? There is no initiative in this budget to support palliative care. Concerns that protection from malpractice suits may be increasing the number of tests conducted. Is there initiative in here to address the question of physician and health care worker liabilities and ways that would reduce their concern with suits, as is now being done in some places in the United States?

This is a criterion here:

In order to provide a continuum of high quality health services in appropriate settings and locales, co-operation of health providers and organizations through a consumer driven system based on community priorities will form the cornerstone of future health service delivery.

Of course, Mr. Speaker, there has not been any consultation with communities like the west end of Edmonton or the southeast side of Edmonton or the central core of Calgary to find out what their priorities might be, although the minister of course pays lip service to that essential component by saying that the regional bodies will have the responsibility to consult the community. The regional bodies in Edmonton and Calgary won't be in place for about four or five months, maybe even six months from now. Yet \$100 million worth of cuts' decisions are being made, have to be made on April 1, because that's when their money is gone.

Only health services having demonstrable benefit or a reasonable potential for benefit to the recipient will be publicly funded.

No criteria laid out as to how that will be defined. No basis for public discussion as to how those essential services might be defined.

Mr. Speaker, what is said in these business plans and what is included in the budget bears in many respects very, very little relationship, one to the other. What is most disconcerting, though, about this budget, if you step back and consider it at an aggregate level, is that it represents a fundamental and disconcerting shift from a sense of fairness in the way that government has related to people in this province to a sense of prioritization, the creation of elites, the creation of two-tier health care systems, and, perhaps more disconcerting than any of that, the creation of a two-tier education system.

Kindergarten. If you have money, Mr. Speaker, you will be able to get the same amount of kindergarten as a child is getting this year, and if you don't have money, you won't; that is, two separate, distinct views of education at the kindergarten level. For those who would argue that it doesn't matter, I think there's ample evidence that it does matter. The Head Start program, especially for children who do not come from privileged backgrounds, and that kind of program are particularly important for establishing them not simply when they're five years old but for setting a pattern that will determine the quality of their lives, their ability to succeed, their ability to contribute as productive members of our society throughout their lives.

What we see, Mr. Speaker, is an ideologically driven budget which uses the gloom and doom that they portray when they talk about the deficits they've created and the debts they've created, which uses that as an excuse to bring in a very, very insidious ideological change to this province, a change which means that this province is much meaner than it once was, a province that doesn't reflect, unfortunately, the sense of generosity, the sense of caring, the sense of understanding of other people that is simply a given feature of what Albertans are. The irony is that government should be an extension of what the people of their jurisdiction are, of what the people of this province are, what they

believe, how they conduct themselves. What we have created in this budget is very clearly a government that simply has divorced itself from many of those basic values.

I'm going to use an example, and I've used it before in this Legislature. It's the example of the young girl who was abused sexually by her babysitter and whose mother approached the province to get help. What was she told? She was told: you chose the wrong babysitter. There is not an Albertan who would walk by a six-year-old girl in duress and not do something to help her, but the government that should reflect that sentiment on behalf of Albertans walked by that six-year-old girl and stopped to help her only when they were embarrassed publicly to do it.

#### 4:40

Mr. Speaker, what we have here is, yes, a budget that may or may not end up in balancing the books of this province, but what we have is a budget that is based on only one side of the equation. Yes, this Premier and this government have a mandate to balance the budget, but you know what? You can balance the budget just by writing small enough cheques to hospitals and small enough cheques to schools, small enough cheques to whomever. Good government, great government says, "We're going to balance the budget and we're going to do it because we still have a mandate on the other side of that balance," which is to say: to provide quality education and to provide quality health care and to create fairness and justice and equality in our society.

What we have is an ideologically driven, obsessive government that has focused on one side of that balance sheet, that has yet to learn to walk and chew gum at the same time and uphold those important values and services that Albertans gave them and . . .

MR. SPEAKER: The Chair regrets to inform the hon. member that his time has expired.

The hon. Member for Calgary-Egmont.

MR. HERARD: Thank you, Mr. Speaker. Quite frankly, I'm excited to be part of this government and I'm excited about this budget because we are staying the course, because we are keeping our promises. But I am very, very disappointed at what I hear from the other side. We heard the hon. Leader of the Opposition talk about what he sees in the next five years, and I took some notes. I couldn't believe what I was hearing, so I took some notes.

This is what the hon. Leader of the Opposition sees. He sees an Alberta with no kindergarten. He sees an Alberta with 40 students in a classroom. Well, that might be his plan, but it certainly isn't ours.

Let's look at that for a minute: 12.4 percent is what is to come out of the Education budget . . . [interjection] Over four years; thank you. If you take away the 3.4 percent that it went up last year, you're down to 9 percent. If you take away the 5 percent that may come with respect to the wages and benefits package, you're down to 4 percent. Give me a break. The people of Alberta aren't stupid. They know there's at least that much fat in the system, 4 percent.

The hon. leader goes on and says that families will have less money; they won't be able to afford health care. He talks about an aunt that is going to wait six months for an operation and won't be able to afford it because she'll have to go to a private clinic. My goodness. What an insult.

On another point he says that he sees a nephew flipping hamburgers. Again, an insult to the people who are out there in the fast food industry.

He talks about Albertans waiting for three days for police service, people driven from their homes. This is the vision of an opposition leader?

The ultimate insult, though, Mr. Speaker, is when he says that he sees an Alberta where Albertans won't care for each other. That is the ultimate insult. Albertans care for each other, and that's why this plan is going to work, because they will be part of the solution and not part of the problem.

He goes on to say that there's no hope in this budget. Then he says one positive thing; he says that people want to feel optimistic. Well, I agree. That's what the people of Alberta want to feel, not this fear mongering that we hear from the other side. But he backs that up by saying: but there's despair, Informetrica surveys of 40,000 job losses, and all of this sort of stuff.

Mr. Speaker, I think it's a pretty sad day when in three days of research all the opposition can come up with, after doing all of this work, is trying to equate fees for goods and services, things that you go out and buy . . .

MR. MITCHELL: Like health care?

MR. HERARD: Okay. Fees for goods and services perceived by some Albertans as new taxes. Well, the people of Alberta won't buy that.

The leader goes on to say that there's chaos and that the business plans prove there is no plan. Mr. Speaker, this is the biggest bunch of megakaka I have heard in a long time.

If the people of Alberta want a vision for the future, they'll see an education system where decisions are made at the local level, a partnership in excellence between the school boards, the schools, the teachers, and the parents, a system that they can afford, and finally a system that is funded equally across the province, that has an equal opportunity to succeed.

What they'll see in health care, Mr. Speaker, is a system based on regions within Alberta getting together with communities of interest, Albertans looking to eradicate duplication and waste, to make their own decisions with respect to what is needed in their system, a system that provides community-based services where they are needed.

Albertans from all over this province are excited about the changes and are urging us to get on with the job of changing the legislation so that they can get on with the job of building the new health care system that we can afford and a system that we can all be proud of.

Albertans will see a province where those truly in need will be assisted with our social services programs. Employable Albertans five years from now won't be on welfare anymore; they'll be working and will return to the dignity that jobs create in people. They'll be productive, proud Albertans.

In conclusion, Mr. Speaker, I want to quote from an article in the *Globe and Mail*, Saturday, February 26, 1994, where it says in part:

In sticking to this plan through its first two budgets, the Conservative government of Ralph Klein has already done more than any government in Canada in recent history to restore order to its finances.

It goes on to say,

We confess to having grossly underestimated Mr. Klein: at the time of the election, neither his record nor his campaign suggested he would be true to his word. Indeed, the saddest part of all this is the decline of the Alberta Liberal party. Under Laurence Decore, the Liberals seemed to have become born-again fiscal conservatives: in recent weeks, they have reverted to form, resorting to the same fearmongering . . . as their federal counterparts.

Thank you, Mr. Speaker.

MRS. ABDURAHMAN: Mr. Speaker, I rise to speak to the budget. Something that brought me to this Legislature was fiscal responsibility. I would agree that indeed any government is irresponsible if you don't run on a balanced budget. We have seen a decade of irresponsibility, and we've seen time after time budgets not being balanced. Unfortunately for Albertans, we've accumulated a massive debt. Something I believe I'm hearing today, and from the same government, is what I saw happening over the past decade: a government that can't believe it could be wrong. They didn't believe it then, and I'm sad to say as I sit here, I don't believe that this so-called Conservative government could ever believe they could be wrong again.

Why do I say that? I would say that anyone with an ounce of common sense knows that you can't undo a chaotic mess in a shorter time line than you created it. So I would put it to this government: yes, we must get rid of deficits and debt. We must balance the budget, but I would question the relevance of trying to do it in the time line that this government has set itself. Why do I say that? Because I think you're playing with the future of all Albertans. I think we just need to look around the western world, whether it's Britain or whether it's New Zealand, and look at what happens to the social fabric of those countries when they have not taken a commonsense approach to balancing budgets.

The future of any nation is in its children, and it's through education. What are we looking at within our educational system? I would say we're looking at a system that is under threat. When I came to live in Alberta, Canada, one of the things that I felt Albertans should be proud of was the educational system. Now what we're trying to do is throw the baby out with the bath water. Over the past 10 to 15 years, I saw an educational system that . . .

4:50

DR. WEST: I've never seen a baby in the bath . . .

MRS. ABDURAHMAN: No, I'm sure you've never seen a baby in a bathtub, hon. member.

What we saw happening was a government that through their own policy allowed parents to lose their right to have a say in the educational system. In fact, I can remember well as a parent being told not only by the senior level of government but also the local level of government that parents were interfering in the classroom. Why am I bringing this forward or, indeed, daring to question administration? I would say that by looking at experiments and not knowing what the definition of a charter school is going to be, you're indeed risking future generations. I left Britain to get away from two-tiered systems, because in essence if you came from the working class or the middle class, you certainly didn't get the same treatment as the elite in society. What we're seeing now is an Alberta that I came to in 1968 being suggested through the policies of this government to be changed.

Yes, our Provincial Treasurer took great pride in quoting what was written in the media. I want to read it to you. As one newspaper puts it: we're going to see more change in the next three years than we've seen in the last three decades. Well, my immediate reaction to that was: God help us, because you haven't demonstrated, Conservative governments, that you know how to manage, and here you're coming in with a document . . .

MR. LUND: Stick around.

MRS. ABDURAHMAN: I will stick around, and I'll be here to evaluate what you do in three years, I can assure you of that, because it won't be anything like what Albertans believe that they have today.

Just let's take a look at health. For 15 years we've been talking about a wellness system. We've still got nowhere near there, and I would say the kind of environment that you're creating in Alberta today doesn't lend itself to psychologically feeling well and feeling positive. That's the first criterion for a wellness health care system. It's not there.

How do you tell your children that they shouldn't feel apprehensive that in September they may not have a job, and they don't know how they're going to be able to pay their mortgage? I don't think that I'm a rare family, but that's what some of the members of our families could well be facing. That creates fear. It doesn't allow you to manage your family with any reasonable confidence. We used to say – and I'm going back six years: don't stay in the urban centres; go to rural Alberta for jobs. My family did that. They went to Chip Lake; they went to Yellowknife. They did what needed to be done to get a job. They loved it once they were there, but those same family members are insecure. So how do you create a wellness of positive thinking?

Now, I'll take it a step further than that. I would challenge the hon. Minister of Health that when you're doing health care planning, the first thing that you should have is mortality and morbidity studies to show you indeed what's happening to the health of Albertans so that you can plan in a meaningful way where your expenditures should be directed. That hasn't happened, and it should have happened many years ago in this province, because without that information your programs that you may be delivering may be totally inappropriate. That is an inefficient and an ineffective way of delivering health care, without that information.

Also, when you're dealing with wellness and health, your environmental concerns become part and parcel. I heard my hon. colleague talk about her asthma. I think one of the areas that we have to address within the province of Alberta, once again to ensure that we are expending our health care moneys in an appropriate way, is looking at the whole area of autoimmune diseases. Whether it's asthma, whether it's lupus, whether it's MS, we know that these are on the increase. They have a significant cost not only to the well-being of Albertans and the quality of their lives and the outcomes of their lives, but they have a significant impact on the cost of a health care system. That has to be seriously looked at.

Now, I raise that also in conjunction with environment, and I have some concerns as to where we're going in that area. I can remember well being mayor of Fort Saskatchewan and indeed having to use the media and having to do private testing before we could get some independent environmental monitoring. To the minister of environment: I hope the days when we Albertans felt insecure about the quality of air and water are not going to return to this province. Unless we have radical lobbying, in looking at the business plan and the direction that you're taking, I would suggest that there's a possibility of that. That's tied in to health. We know that. So you must ensure that we have a business plan and that we also have policies which ensure that industry meets its full responsibility when it comes to the security of our environment.

MR. LUND: Tell us how you worked with those mayors of Edmonton to get a landfill.

MRS. ABDURAHMAN: I think I'm offering you some very positive suggestions, and all I'm getting is some ridicule about the mayor of Edmonton and landfill sites. Is that what you want to talk about? [interjections] Well, let's look at landfill sites. That's tied back into the department of environment, and I just

want to take it a step further when we're talking about health. Deep well injections, the gypsum ponds on the North Saskatchewan River: I could go on and on for we've not addressed these issues. We've asked the government of Alberta for the past decade to address these issues. We make light of the landfill site. It's minuscule in some respects in comparison to some of the other problems.

I'd like to move on now to the justice system. What's that got to do with health? It has a lot. We know our correctional systems have many, many mentally ill who are wrongly placed there. I'm very apprehensive when I look at what's happening in our justice system, also with the reduction in the grants for our law enforcement agencies. When we see the reduction in the law enforcement agencies, the people who are on the front lines don't have the time to deal with people who need that special attention, whether it be the mentally ill or whether it be the elderly within the province of Alberta. That becomes a social problem. Where are our mentally ill going to go? I haven't seen anything to this point in time that shows me that there are sufficient moneys in community health to support the wellness system, the community model. It's all very well downsizing in hospitals – and I've been all for that – but this government has moved too slowly. Here we are in the next three years trying to reinvent the health care system without the moneys being redirected, whether it's in mental health or whether it's in community health. If our mentally ill are discharged – and they're being discharged prematurely right now – they'll last so long in that community system and they'll either end up back in the active treatment beds or they'll end up in our jail. That is destroying the social fabric of this province.

5:00

Now let's look at the seniors. I don't think there's any wealthy senior in this province that would get the support of average Albertans that they shouldn't pay their fair share. But when you start saying to seniors who have an income of \$18,200 that they're going to have to look for an extra \$2,000 – and that's what I worked out when you look at property taxes and all the other expenditures – that once again is not fair treatment. It's destroying your social fabric of this province. I would abhor if I knew that my mother, who lives in that other country, was being treated like that. I ask this government: don't play with our seniors. Let's be realistic. Whether it be \$35,000 or \$50,000, surely we can have enough of a social conscience to make sure that those seniors who built this province that's given my husband and myself a wonderful life get back equivalent treatment in the last years of their life. It's not something we should treat lightly.

Now, we talk about a better future. To have a better future, we need a positive economic environment. I'm glad the Provincial Treasurer is with us to hear my comments. The great disappointment in this whole budget is that the Tax Reform Commission's recommendations have not been addressed. What does that do to my constituency? It creates insecurity. When I get businesspeople coming up and saying to me, "I'm not sure whether my property tax is going to be increased 20 percent, 25 percent, 46 percent," how can they plan? Now, this has been going on not for one year or two years. As the hon. members in cabinet know, the M and E has been debated backwards and forwards for nearly 15 years. We still haven't got a government that has the political courage to make a decision one way or another. So when are you going to remove that uncertainty?

Now we'll look at the petrochemical industry. What they say is: to have a future in global markets, we need partnerships, we need co-operation to be competitive. It doesn't just have to happen in Alberta. It has to happen in Canada because we're dealing in a global marketplace. If anyone thinks that you can



stay in your own little island in Alberta and survive in that global marketplace, your economic growth isn't going to come. So what you've got to do is ensure that those petrochemical industries, whether in Ontario or whether in Alberta, know what the tax advantage is going to be or what that Alberta advantage is. You haven't told us that in this budget. I'm still looking for it, and I'm sure that they are as well.

MR. LUND: You wanted to follow your leader with a sales tax.

MRS. ABDURAHMAN: I must be getting to you.

So what I would suggest is that if you indeed are serious about being competitive . . . [interjections]

MR. SPEAKER: Order in the Assembly, please. The hon. Member for Clover Bar-Fort Saskatchewan has the floor.

MRS. ABDURAHMAN: If we're going to be secure and find our place in the global marketplace, I would say, Provincial Treasurer and cabinet – I won't say what I was going to say because I think you'd rule it out of order, Mr. Speaker. I would suggest that they get off you know what and make some sound decisions when it comes to the Alberta advantage, when it comes to tax reform, and I hope it'll be in the very near future.

I just want to . . . [interjections]

MR. LUND: She was on too many committees before.

MR. SPEAKER: Order please. The hon. member's time is slipping away, and she has the right to conclude.

MRS. ABDURAHMAN: The hon. member to my right is saying that I was on too many committees, but you know the two boards that . . .

MR. N. TAYLOR: Don't let him throw you off. Just go right ahead.

MRS. ABDURAHMAN: No, he's not throwing me off. The two boards that I served on taught me something about the senior level of government, and that was that you could take sound recommendations, and they would procrastinate, and they would procrastinate, and they would procrastinate. They're still doing it. We don't have our wellness system. We have not acknowledged that where we need to deregulate, we've deregulated. So I'm glad that you mentioned the two boards that I was on. I really appreciate that.

Mr. Speaker, I want to share something with the House, and it's Adam Smith. He says:

The wealth of nations on the workings of the free market economy, has as its fundamental truth, about human behaviour, the observation that human beings, given free choice will act in their own self interest.

This is something this government still hasn't learned: get out of the way of business, and let them do the business of this province.

SOME HON. MEMBERS: Agreed.

MRS. ABDURAHMAN: Well, do it.

This basic human instinct is the foundation for all modern free market economies.

We've had a substantial recommendation about small business tax. Let's see it. Put your money where your mouth is. Let's deregulate in the appropriate places. Let's get on with showing

us where the Alberta advantage is. Let's work with the government of Canada and other provinces to make sure we have a rightful place in the global marketplace. You can't go it alone, and anyone who believes that in the province of Alberta I would say is not street smart.

Mr. Speaker, I will close with those comments. Thank you.

DR. WEST: Mr. Speaker, what I've heard recently would lead me to believe there are individuals here in the House, on this side over here, excepting those sitting in that corner, that haven't been living in Alberta the last 20 years. There's a change going on here, and I'm very pleased to be part of it.

In 1986 I was elected to this Assembly. Standing at a nomination meeting one night I promised a tremendous amount of change in fiscal management and what the role of government would be in the future. Until June 15 I thought I had failed my constituents, because fighting hard against the status quo for some seven years, I didn't think we were going to make the move. In the last six to nine months I have seen more changes and more focus and direction in Alberta than indeed, as the member just said, has been seen in 20 to 25 years.

### 5:10

Saturday, February 26, the *Globe and Mail*, "Hope from Alberta":

It is hard to overstate the importance of what is happening in Alberta. It is important not only for what it means for the province, but for the nation, and not merely for what it says about our economic prospects, but about the ability of governments to govern in this country.

Simply put, the government of Alberta has taken the conventional wisdom of the last 20 years – that the encroachment of the state upon society can at best be contained, but never rolled back – and turned it on its ear.

How has the Klein government been able to carry out such remarkable changes? Political will plays a part, certainly, but will supported by two pillars. First, the government has entrenched its deficit objectives in law.

As I could go on, I will table this here. I will leave a copy. Maybe some of the other members would like to read it. Certainly that article entrenches the focus that Albertans have on their future.

As I start in my discussion to the budget speech, I want to go back in time. In 1967 I came to this province through a port called Wild Horse in the southern part of the province. I moved up on a bright, sunny day to a place called Manyberries and stopped at an agricultural research centre to have a drink of water. I was only going to come to this province for two months. I was traveling for the first time in Alberta from Ontario to Lethbridge to practise veterinary medicine for a two-month period and returning to Ontario. When I saw this province in 1967, it was a breath of fresh air from where I had just come from. Ontario at that time, maybe because of lack of planning or from lack of vision, was starting to grow into a place where I couldn't see a good future but in Alberta: wide open spaces, people with the spirit of free enterprise, the private market system, vast resources, low population, and a spirit that said let's build a future and standard of living bar none in the world.

Each one of us in this Assembly could go back to 1967. Think about it, and think about 1994. What have we built in this province in those periods of time? Think about the 2,000 schools that we have in this province today, the 28 board-governed institutions for advanced education, four universities, some 15 private schools, and other advancements. Think of the tremendous network of highways that we have, the telecommunications

system, the resources that we have in supplies of fossil fuels and the ability to move them out into the public for sale. Think of the 135 hospitals that we have, the nursing homes, the auxiliary nursing homes, the lodges, the senior programs. Think of the 125 museums, the hundred and some libraries and library systems that we have here, the social services programs. Think of Swan Hills waste management. Think of the agricultural research centres, the advancements we've made in agriculture. Think of the types of programs we have in research in human medicine. Some of the best known heart or lung surgical teams in the world are in this province. Think of our cities. Look at Calgary and Edmonton, the new structures all built since I came here in 1967. Think of the dams and irrigation systems. Think of those programs to look after those that can't look after themselves: in mental health, disabled programs. Break off into our parks, the wonderment of our parks and the protection of the environment. Think of our tourism, things from Drumheller right through to Head-Smashed-In Buffalo Jump to the Ukrainian Village. Think of the massive opening up of the north. Think of the tremendous development in industry such as the forestry industry, in silviculture. The list is only beginning, Mr. Speaker. If the rest of you put your minds to it, what did we build in those years since the mid-60s till now?

MR. N. TAYLOR: Alberta Wildlife Park. Poor old Freddie the giraffe.

DR. WEST: The hon. member just speaking certainly had a lot to do with building this province. No one denies that. He indeed was in the oil and gas industry and understands the massive explosion and direction we took in that industry through those 30 years. He was there when oil was at \$40 a barrel and exploration was at a maximum and this province was building the very things I just talked about. I know that he is proud of the background he had and his contribution in that area, as many people are.

At the end of the day when we stop and think, count our blessings, count the blessings we have in this province right now and then think of this budget and get back to what this hon. member shouted out across the floor. Yes, we have a debt, but there isn't anybody that took a chance in North America, that went ahead to build a better way of life, to build a better standard for its children and grandchildren that hasn't accumulated some personal debt. Many people on that side of the House in here know what manageable debt is. We have got a debt that's manageable, and that is what this budget is going to do. We're going to put our house in order. If you measure the assets of this province against the accumulated deficit, there is no doubt that we're going to pay it off, and we're going to balance this government's budget in three years and get on with that job.

Now, Mr. Speaker, there are some that say: "Take longer. What's the hurry?" I've heard that over here. Massive change and restructuring government in three years. Well, in 1986 I got in, and I got in because I told people that I was fed up with bureaucracy, overspending by governments, regulations that were out of place, and taxes. In the coffee shop I was in the fact was well acknowledged that no society has taxed itself into prosperity. In the next six years, as many of us sat around the table and struggled, the self-interest groups and lobbyists and those of influence kept the system going until we had accumulated a debt of some \$10 billion to \$14 billion and our deficit on a year-to-year basis approached \$3.7 billion. Somebody says: what's the hurry? We're 10 years behind. This government has focused with the people of Alberta and said: now is the time. On June 15 the people of Alberta said yes.

Time is of the essence for another reason. The way governments have gone on their way, whether it's this government or the federal government in Ottawa or other provincial governments, has been in contempt of the rule of worth. I was born in this country and raised by a family and a society that said that you pay your bills, you pay them on time, and you cut your coat according to your cloth.

5:20

Another individual said to me exactly what was said here: what's the hurry for this massive change? I said: "Why don't you go home tonight with your family and miss the next six payments on your house and your car. Go down to your banker and say, 'What's the hurry; why do you want a payment?' Why don't you tell your banker that you'll structure another commission or task force with your family and your relatives, and you'll come back here in six months and tell them what you're going to do with your debt?" Do you know what the banker will say to you? In fact I'm sure some of the hon. members during the downturn in the economy in 1982 found out what the bankers say to them: "Here. Bring your note in. Bring your mortgage. You're finished." Yet governments in this country out of contempt for the taxpayer have been able to merrily go on their way under different rules than they expect the citizens of this country to operate under. [interjections]

MR. SPEAKER: Order. The hon. Minister of Municipal Affairs has the floor.

The hon. minister.

DR. WEST: We carried on with that contempt through part of the '60s and '70s and '80s, building a great nation but forgetting the principles of the rule of worth.

Now, I'm going to take a shot here because I firmly believe this is in the history of Canada and one of the reasons why this province is suffering today. I'm not going to mention the national energy program, not for long, because it's an embarrassment, but I can remember when the Liberals were in power. Mr. Trudeau had a philosophy that if you let inflation run rampant and raise interest rates until hell freezes over, you could create an economy that would last forever. At the same time as he was allowing that to happen, he didn't tax the wealth of the day. In fact, he kept the taxes deliberately low, I suppose because a lot of his Liberal friends that were lobbying him in Ottawa said: keep the corporate taxes and the personal taxes low while interest rates are at 19 and 22 percent because it's good for business.

He built the infrastructure and accumulated and started the wall of debt in those days. When the interest rates got to 22 percent and he'd broken half the hardworking people in this country, he threw his hands in the air and said that it was somebody else's fault. Then when the Conservatives took over in 1984 after this travesty of an economic policy and couldn't turn around the devastating effect of 20 percent interest, these people have the audacity to say: it's the Conservative's fault.

Now, to finish the story about high inflation, while inflation takes off with 22 percent interest, the people with savings do well. I remember my mother talking so boldly one day, telling me how proud she was of her 19 percent Canada savings bonds while I was paying 22 and a half percent on a demand note. What happened was that inflation came and built the wealth of those that had money and weren't putting it out in the marketplace to make money. Then when the recession came, those people who had paid inflated prices for everything ate it or went broke, but government just kept on spending.

They had created the social services and everything else for that highly inflated time. They didn't pull back at the same time that other people were losing their homes, losing their businesses, eating the inflation from the inside out. No, they didn't stop the programs. They just kept balkanizing the social engineering, the social services until we're here today, folks. And you people don't like it, because you thought you could keep all the social programs and high interest rates, high inflation and pay no taxes. Now what you want to do is continue the administrative overload with low interest rates and raise the taxes: absolutely the greatest hypocrisy I've ever seen coming out of liberalism.

Mr. Speaker, I don't want to work the crowd up too much today. Seeing the hour, I would like to adjourn debate.

MR. SPEAKER: The hon. Minister of Municipal Affairs has moved that debate be adjourned. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried.

The hon. Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Speaker. I move that we do now adjourn and that when we reconvene at 8 o'clock, we do so as Committee of Supply to consider the estimates of the Department of Energy.

MR. SPEAKER: Having heard the motion by the hon. Deputy Government House Leader, all those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed, please say no. Carried.

[The Assembly adjourned at 5:28 p.m.]

