

## Legislative Assembly of Alberta

Title: **Tuesday, February 28, 1995**

1:30 p.m.

Date: 95/02/28

[The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: Let us pray.

Our Father, we confidently ask for Your strength and encouragement in our service of You through our service of others.

We ask for Your gift of wisdom to guide us in making good laws and good decisions for the present and the future of Alberta.  
Amen.

head: **Presenting Petitions**

THE SPEAKER: The hon. Member for Lac La Biche-St. Paul.

MR. LANGEVIN: Thank you, Mr. Speaker. With your permission I'd like to table in the House today a petition urging the government of Alberta "not to make sexual orientation a part of the Individual's Rights Protection Act." This petition is signed by people from St. Paul, Glendon, and Two Hills.

Thank you.

THE SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I beg leave to present a petition on behalf of 193 residents of the city of Medicine Hat. They petition the Legislative Assembly to urge the government of Alberta

to ensure all Alberta school boards provide the opportunity for each eligible child to receive a minimum of 400 hours of Early Childhood Services instruction per year.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Speaker. I wish to present a petition signed by 69 persons from the St. Paul-Cold Lake area. The petition reads:

We the undersigned Residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to ensure all Alberta school boards provide the opportunity for each eligible child to receive a minimum of 400 hours of Early Childhood Services instruction per year.

THE SPEAKER: The hon. Member for Leduc.

MR. KIRKLAND: Thanks, Mr. Speaker. I beg leave this afternoon to present a petition signed by 216 Albertans from across the province. In essence they're requesting that the Alberta government provide a full 400 hours' worth of ECS programs and level the playing field for all children in this province.

THE SPEAKER: The hon. Member for Edmonton-Beverly-Belmont.

MR. YANKOWSKY: Thank you, Mr. Speaker. I rise to present a letter that I received from a student advisory council located in my constituency urging the Legislative Assembly to amend the Alberta School Act to mandate 400 hours of ECS.

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

MR. COUTTS: Thank you, Mr. Speaker. I rise today to present a petition on behalf of 31 residents of the municipality of Crowsnest Pass and in particular the M.D. McEachern school Parent Advisory Council urging the Legislature of the province of Alberta

to amend the Alberta School Act to mandate the right of access to fully funded kindergarten programming to a minimum of 400 hours per child per school year.

head: **Reading and Receiving Petitions**

THE SPEAKER: The hon. Member for Edmonton-Manning.

MR. SEKULIC: Thank you, Mr. Speaker. I would ask that the petition I presented February 17, 1995, regarding full funding for ECS be now read and received.

CLERK:

We the undersigned Residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to ensure all Alberta school boards provide the opportunity for each eligible child to receive a minimum of 400 hours of Early Childhood Services instruction per year.

We also request the Assembly to urge the Government of Alberta to allow Alberta School Boards to use money from the Alberta School Foundation Fund to fund 400 hours or more of Early Childhood Services, as determined by the local community, so that there are no ECS user fees for 400 hour programs and so that all Alberta children have an equal opportunity or "level playing field" to succeed and compete in life by having equal access to basic educational resources.

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

DR. PERCY: Thank you, Mr. Speaker. I would request leave that the petition I presented regarding full funding of kindergarten services please be read and received. It was presented yesterday.

CLERK:

We the undersigned Residents of Alberta petition the Legislative Assembly to urge the Government of Alberta to ensure all Alberta school boards provide the opportunity for each eligible child to receive a minimum of 400 hours of Early Childhood Services instruction per year.

We also request the Assembly to urge the Government of Alberta to allow Alberta School Boards to use money from the Alberta School Foundation Fund to fund 400 hours or more of Early Childhood Services, as determined by the local community, so that there are no ECS user fees for 400 hour programs and so that all Alberta children have an equal opportunity or "level playing field" to succeed and compete in life by having equal access to basic educational resources.

head: **Notices of Motions**

MRS. BLACK: Mr. Speaker, pursuant to Standing Order 34(2)(a) I give notice that tomorrow I'll be moving that written questions stand and retain their places on the Order Paper with the exception of written questions 149, 150, and 151.

Also, I give notice that I'll be moving that motions for returns stand and retain their places on the Order Paper with the exception of motions for returns 164, 166, 172, 173, 175, 180, and 181.

MR. DAY: Mr. Speaker, pursuant to Standing Order 30 I wish to give notice that following question period I will move a motion to adjourn the ordinary business of the Assembly to discuss the

need to ensure fairness in expenditure reductions proposed in the federal budget and required regulatory changes to the agriculture and energy sectors of the Canadian economy.

head: **Introduction of Bills**

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

**Bill 15  
Charitable Fund-Raising Act**

MR. COUTTS: Thank you, Mr. Speaker. I request leave to introduce Bill 15, the Charitable Fund-Raising Act.

This legislation will replace the Public Contributions Act in response to the 1994 decision of the Alberta Court of Appeal that struck down sections 3, 5, and 6 of the Act. The proposed Act will simplify and streamline the regulation of charities and licensing of professional fund-raisers. Charities will register with the province annually rather than with municipalities for each campaign, and charities will be required to provide information about their operations for each donor. In addition, this Act gives the minister greater powers to restrict the operation of unscrupulous charities.

[Leave granted; Bill 15 read a first time]

MR. DAY: Mr. Speaker, I move that Bill 15, as just introduced, be moved onto the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

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

MR. DICKSON: Thanks, Mr. Speaker. I wish to table this afternoon with the Assembly a copy of my memorandum to the Member for Calgary-Shaw, chairman of the Standing Committee on Law and Regulations, dated April 27, 1994. To be fair, this member did respond to my memo and invited me to bring a motion to the Assembly. Such a motion now appears on the Order Paper as Motion 502 to be introduced by the hon. Leader of the Opposition.

Thank you.

THE SPEAKER: The hon. Minister of Transportation and Utilities.

DR. WEST: Yes, Mr. Speaker. I'd like to table the 31st annual report of the Alberta Racing Commission, April 1, '93, to March 31, '94.

Also, I'd like to file with the Legislative Assembly the 1993-94 annual report for Alberta Transportation and Utilities.

THE SPEAKER: The hon. Minister of Justice.

**1:40**

MR. EVANS: Thank you, Mr. Speaker. I wish to table a report of a resolution of the Canmore ECS-LAC which reads as follows:

We, the executive of the Canmore LAC, urge the Legislature of the Province of Alberta to amend the Alberta School Act to mandate the right of access to fully funded kindergarten programming to a minimum of 400 hours per child per school year.

THE SPEAKER: The hon. Member for St. Albert.

MR. BRACKO: Thank you, Mr. Speaker. I'm tabling four copies of a resolution passed by St. Albert school district No. 3, which is now the Greater St. Albert Catholic regional division No. 29, urging the Legislature of the province of Alberta

to amend the School Act to guarantee the right of access to fully funded kindergarten programming to a minimum of 400 hours of kindergarten instruction per child per school year.

head: **Introduction of Guests**

THE SPEAKER: The hon. Member for Calgary-Fish Creek.

MRS. FORSYTH: Thank you, Mr. Speaker. I'd like to introduce to you and through you today two very important people in my life, two of my office staff from Calgary: Diane Leinweber, who's just recently married, and Terri Douglas. I'll ask the Assembly to give them a warm welcome. They're in the members' gallery.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Mayfield.

MR. WHITE: Thank you, Mr. Speaker. I'd like to introduce to you today and through you to the members of the Legislature 42 students from Our Lady of Peace school in the Edmonton-Mayfield constituency and in fact in the Mayfield community. Accompanying them today are teachers Bill Parker and Dave Burghardt along with Bonnie Plante and Willy Lazina. Would they please rise and receive the warm welcome of the House.

THE SPEAKER: The hon. Member for Edmonton-Glengarry.

MR. DECORE: Mr. Speaker, thank you. I have two introductions. The first is a group of school children from Northmount elementary school, 13 visitors from that school, with Duane Schade their teacher and Elizabeth Hornland. I wonder if they would stand and if the Assembly would greet these students from my constituency.

Mr. Speaker, the second introduction that I wish to make is a lady from Ukraine, Irina Khromenko. Irina is part of the Christian Democratic Party of Ukraine. She will be spending time, thanks to Mr. Speaker and the Clerk, with our caucus and with the government caucus. She is responsible for international affairs for her party. She comes from Kiev. She was a high school teacher in Kiev and is on a university exchange program tied with our University of Alberta. I wonder if she would be warmly welcomed by the members of this Assembly.

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

MS LEIBOVICI: Thank you, Mr. Speaker. It gives me great pleasure this afternoon to introduce to you and through you 23 students from Elmwood school. They're accompanied this afternoon by Mrs. Adams and Mrs. Biggar, and they're seated in the members' gallery. If they'd please rise and receive the warm welcome of the House. Thank you.

head: **Oral Question Period**

**Long-Term Care**

MR. MITCHELL: Mr. Speaker, the Premier is content to believe that all is well in his health care system. He still doesn't under-

stand that you have to tailor cuts to people's health care needs. Now, even though there is a waiting list for long-term health care beds throughout this province, the Premier is forcing closures of these desperately needed beds. To the Premier: why, for example, in the Lakeland region is the Premier forcing the closure of 255 long-term care beds when there is a significant, a very significant, waiting list of 90 people in that region?

MR. KLEIN: Mr. Speaker, first of all, we're not forcing anything. These decisions are being made and will be made by the regional health authorities as we go through this very difficult time of restructuring. Again I would hold up the news clipping, this news clipping here where the hon. leader of the Liberal opposition says: too many hospitals; cut beds. Do you get this? Have you got it? Yeah, focus in. Thank you very much. Right.

MR. MITCHELL: It would be very nice if we had a Premier who knew the difference between a long-term care bed and an acute care bed.

What studies can the Premier show this Legislative Assembly, the people of this province which determine how many long-term care beds are going to be required by people in this province now, five years from now, 10 years from now? Can he give us some information upon which he's making these decisions?

MR. KLEIN: Mr. Speaker, we're going through, as I said before, a very difficult period of transition to create more efficiencies in the system, to make sure that acute care beds and long-term beds are used to their maximum and to the fullest benefit of those who need them. Relative to the decisions with respect to the number of beds required in an individual district, well, that is the business and the chore, I guess, of the regional health authorities. I'll have the hon. minister supplement.

MRS. McCLELLAN: Mr. Speaker, one of the areas that has been studied a great deal is long-term care. One of the things that I think the hon. members opposite should recognize is that there is a decreased need for long-term care as we move to keeping people independent in the community and offering other choices. We have had in this province a guideline of 65 beds per thousand. That's a provincial guideline, and we are saying that by continued community support, the additional community support, we can move to 50 beds per thousand over a period of three years. This is not only in Alberta. We have looked at this nationwide as to the need for beds, and every province is looking at areas where they will decide on numbers. Our numbers are very comparable with other provinces in Canada. I should say that long-term care in this province has been studied. There was an excellent report done on single point of access for long-term care, and that model is being used across Canada.

MR. MITCHELL: I guess that model told the Premier that he should cut 255 long-term beds when there's still 90 people waiting for them. The one thing this government hasn't done in the long term or the short term is care.

When someone calls the Premier's office asking where their mother will live once she's been kicked out of her long-term care bed, what specific advice does the Premier give to that person?

MRS. McCLELLAN: Mr. Speaker, let me make one thing very clear: no one will be kicked out of a long-term care bed in this province without provision being made for their stay. It's very

unfortunate that the hon. members opposite don't come into this century or indeed into the next decade. Institutional care is not the only answer for our elderly. In fact, it's the least desirable when there are other options. I would ask the hon. members to go and look at some of the other options.

There's a very good example in the city of Edmonton that wouldn't be too inconvenient for them to travel to. It's called Wedman House, which is self-contained units that supply nursing care as well. I would also remind them of the extensive additions of dollars that have been given to home care and to the people who have been able to stay in their own homes, in their own communities with their family's support and nursing support. Mr. Speaker, we have a program for our elderly to keep them out of institutions where we can, and we committed \$110 million additional to community supports in this province.

MR. MITCHELL: I notice that the Minister of Health is wearing glasses today. They're clearly rose coloured.

### Hospital Services

MR. MITCHELL: On February 15 Mr. Vinh Vu suffered a heart attack and was taken by ambulance to the Royal Alexandra hospital in Edmonton. Because there were no cardiac beds available in any Edmonton hospital at that time, Mr. Vu had to be transferred to the Sturgeon hospital in St. Albert for the care he needed. The Royal Alex tells us that six other people had to be transferred to other facilities that day because there was simply no room. Is the Premier aware of how many times patients are turned away from our highest level of acute care facilities because there isn't any room anymore?

1:50

MR. KLEIN: Mr. Speaker, as I indicated yesterday, if the hon. member is going to bring – it used to be the victim of the week; I guess now it's the victim of the hour . . .

MRS. SOETAERT: You're making fun of people.

MR. KLEIN: No, I'm not making fun of people. You are making fun of people. These people over here, Mr. Speaker, are spreading fear. They are leaving the impression that we do not have an adequate health care system in this province when in fact we have one of the best health care systems of any province in this country. They know that. They pick on those people who have perhaps fallen through the cracks. As I indicated yesterday, we have a Health Facilities Review Committee, and that committee will investigate each and every complaint of this particular nature. If the hon. members of the Official Opposition want to know how this committee functions and what the procedure is, I will have the hon. Minister of Health supplement.

MRS. McCLELLAN: Mr. Speaker, it is very clear that there is a process for people if they have a concern about their health care either on an institutional side or by a caregiver. I think that when we refer to glasses, perhaps the members opposite should put some on because they obviously cannot see the redirection in health services. The Capital health authority has the responsibility for delivering health services in the capital region, and they have a number of sites in that region. I would think that the members would applaud that there is the type of co-ordination that when there isn't a service availability on one site, a person can be directed to an appropriate site. I believe that we have to trust the

physicians, the medical experts in this province to make the decision as to the type of care an individual requires and where they should receive it.

MR. MITCHELL: We are seeing the redirection of this health care system, and so are people like Mr. Vu every single day.

What plans does the Premier have for people like Mr. Vu when the Sturgeon, the Grey Nuns, and the Misericordia hospitals are all downgraded to community health centres?

MR. KLEIN: Mr. Speaker, it's well known that the focus is as much on wellness as it is on sickness, and that's what community health is all about. We will make sure and the regional health authorities will make sure that acute care is available and that the travel times to these acute care facilities and emergency facilities will be reasonable. I guess I could put the question back to the hon. Leader of the Opposition: did he bring Mr. Vu's case to the Health Facilities Review Committee? Did he bring this particular situation to the attention of that committee? If he would provide me with all the details, I will make sure on behalf of the hon. member that this particular situation is investigated.

Now, on the other hand, you know, I had a conversation with a gentleman just a couple of nights ago who said: "You know, my wife went through a very, very difficult childbirth, and we had to rush her to the hospital. She got there on time. She was treated with the utmost dignity, and she was treated by a very caring staff. She had nothing but accolades for the hospital that received her." So, yes, there are unfortunate incidents, Mr. Speaker, but there are thousands and thousands and thousands of good news stories out there. They don't want to hear about them.

MR. MITCHELL: He's not wearing glasses, Mr. Speaker. He must have rose-coloured contacts on.

After the minister cuts out another \$276 million from the health care budget this coming year and another \$122 million from the health care budget in the subsequent year, can we expect that the next stop along the way for people needing health care beds will be Westlock?

MR. KLEIN: That is just a really, really dumb question, Mr. Speaker.

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

### Regional Health Authorities

MR. SAPERS: Thanks, Mr. Speaker. The Premier and the Minister of Health have imposed budgets on the regional health authorities. Now, these authorities have been told to meet these arbitrary budgets regardless of the negative impact that they have on health care, even though they deny that impact. This has resulted not only in this poor quality of care being delivered to Albertans but also in inequalities between and amongst regions. Now, Madam Minister, when the regional budgets were imposed, why did the Minister of Health rely only on historic funding levels instead of taking the time necessary to find out what would be needed in the future?

MRS. McCLELLAN: First of all, Mr. Speaker, the inference that poor quality of care abounds in Alberta is completely wrong, and I think that should be corrected immediately. Secondly, for the 1995-96 funding year we made it clear that health services would be funded on the basis of historical information, which is

how they've been funded in past years. We have put in place a committee to deal with a new funding arrangement for regions for the 1996-1997 year. Great care was taken with the review of the funding in all areas to ensure that service areas were the same and that we were able to meet all of our programs. The regional health authorities and before them the other institutions have been involved in the discussions of how we restructure health in this province, and they believe that we can restructure. There is a very interesting report that the hon. member opposite should read that clearly states that by restructuring health services in the very way that we are doing it in Alberta, we can save 15 percent at least.

THE SPEAKER: Supplemental question, hon. member.

MR. SAPERS: Yeah. If the minister read more than just the introduction . . .

THE SPEAKER: Order. Supplemental question.

MR. SAPERS: People in need, Madam Minister, can't wait for another one of your committees.

How can the minister justify the huge differences in per capita funding for community health services between regions? Don't all Albertans receive the same level of care and need it now?

MRS. McCLELLAN: Well, Mr. Speaker, one of the problems that we do have is that we have had an historic funding inequity, and while we haven't addressed that in its entirety, we have certainly tried to address it somewhat, and the regions were involved in that discussion. I would remind the hon. member that we did reallocate \$110 million from the acute care system. This is in addition to all of the community dollars we have in place, which have tripled over the last five years, and we have added those dollars at yearly increments to ensure that that orderly transition can occur.

Mr. Speaker, I think that the hon. members across should give the regional health authorities far more credit than they are in the restructuring that they are carrying out. We will have a far better health system, a better co-ordinated health system when the regional health authorities complete that restructuring.

MR. SAPERS: How will the minister ensure that the funding levels announced in her February 21 correspondence to all the regional health authorities take into account all of the patients that travel from one region to another when the equity wasn't there to begin with?

2:00

MRS. McCLELLAN: Mr. Speaker, we have funded on the basis of service delivered, and I can assure you that the referrals into the two major centres, in particular, as well as to our regions are reflected in their funding levels. We listened very carefully to the regional health authorities when I met with them. They said that they had some transitional difficulties, that they needed some additional help in this transitional year. We provided \$40 million in onetime funding to those regions, \$16 million to Edmonton and \$16 million to Calgary, recognizing that those two major centres had gone out ahead about a year of the other regions in restructuring.

THE SPEAKER: The hon. Member for Little Bow.

### Federal Agriculture Policy

MR. McFARLAND: Thank you, Mr. Speaker. Yesterday's federal budget brought down a number of mixed messages to our Alberta grain farmers. Our farming community, which is prepared to accept its share in the way of budget cutting, is apparently being asked to accept a larger, faster, and harder share of the cuts than farmers in other parts of the country. My constituents and my colleagues, such as the Member for Calgary-Shaw, who, by the way, is the only Calgary urban MLA who has a grain elevator in his riding, are concerned about the share of the cuts compared to other parts of the country. Will the Minister of Agriculture, Food and Rural Development inform our constituents whether Alberta has been treated equitably compared to other parts of Canada?

THE SPEAKER: The hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Speaker. I had a great deal of difficulty hearing the question, and I may not be able to answer the question exactly the way it was asked because of the problem I had hearing. It's unfortunate, because agriculture is important to this country, and they seem to downplay it on the other side of the House. [interjections]

THE SPEAKER: Order please, hon. members. [interjections] Order.

The hon. minister.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Yesterday was a very significant day in the history of agriculture in this country because a program that has been in place for almost a hundred years has been changed. It's going to take a lot of resourcefulness of the agricultural community in this province to meet the needs of the changes that were announced.

From Alberta's perspective we have been long representing the position that change is necessary to meet the full needs of agriculture. As a matter of fact, the whole agricultural community of the province was advocating change. As late as last week the agricultural organizations of this province were asking the federal government to have the changes implemented. The changes have now been implemented, and indeed the province and the farm organizations in this province have some concern.

SOME HON. MEMBERS: Speech. Speech.

THE SPEAKER: Order.

MR. SAPERS: Well, he's wasting time.

MR. PASZKOWSKI: Mr. Speaker, I'm wasting time, they tell me, trying to speak about agricultural issues.

#### Speaker's Ruling Decorum

THE SPEAKER: Order please. Hon. members are going to use up their question period time because the minister is going to have the opportunity of replying.

AN HON. MEMBER: Brevity. Brevity.

THE SPEAKER: If you want brevity, be quiet.  
The hon. minister.

### Federal Agriculture Policy

(continued)

MR. PASZKOWSKI: Thank you, Mr. Speaker. The changes that will come about will have to be assessed and analyzed by all the agricultural community. Our initial assessment is of course that these are changes that will help the industry in the long term. Our concern is that the regulations that have to take place in order for all of this to function properly are also enacted and put in place. The other concern that we have identified is the fairness and equity for agriculture throughout the country. We do not feel that the Alberta producer should be sacrificed for other producers throughout the country.

THE SPEAKER: Supplemental question.

MR. McFARLAND: Thank you, Mr. Speaker. It's obvious to me that the Liberals don't care about agriculture.

Will Alberta's minister of agriculture be contacting the federal minister of agriculture to ensure that holistic changes, including Canadian Wheat Board reform, are put in place to coincide with these changes that are going to be impacting our Alberta grain producers?

MR. PASZKOWSKI: Yes, indeed, Mr. Speaker. As a matter of fact, as early as last night I was in discussion with the federal minister in pointing out our concerns on behalf of the Alberta producers, because indeed we're going to be creating some problems here unless the regulations are changed in a holistic form. This is what we've been advocating. We put together an eight-point proposal some time ago that we were suggesting should be incorporated, and had those eight points been incorporated, of course, we wouldn't have the anomalies that are starting to develop as a result of this process. We're now going to have a situation whereby, if we don't change some of these regulations, we're going to have grain prices at a \$40 to \$50 advantage on one side of the border than on the other. That is why we have to change these regulations and change them immediately.

THE SPEAKER: Final supplemental.

MR. McFARLAND: Thank you, Mr. Speaker. Will it be possible that Minister Goodale will consider a longer phaseout period for the Crow benefit as an avenue that the Alberta producers have promoted over a period of three to five years?

THE SPEAKER: Order please. The Chair would have to rule that the answer to that would be purely speculative.

The hon. Member for Edmonton-Gold Bar.

### Seniors' Programs

MRS. HEWES: Thank you, Mr. Speaker. The Premier of the province in his address to the Fraser Institute on January 6 of this year commended that institute on its thoughtful, sound, and thought-provoking insights and on its credibility. The institute's publication Tax Facts 8 calculates that the average tax levied by this government on Alberta seniors is higher than on the seniors of any other province in Canada. An Edmonton tax consultant's study has indicated similar results. In fact, that consultant has forwarded his findings to the Premier and has yet to receive any in-depth response. I'd like to table the Fraser Institute graph, the letter, and the Tax Facts from Mr. Con Duemler. This govern-

ment's business plan in regards to seniors is not only inconsistent; it's a cop-out. My first question is to the Premier. Given that the Premier's beloved Fraser Institute shows that Alberta seniors are the most heavily taxed in the country, could the Premier please explain to Alberta seniors where the Alberta advantage is for them?

MR. KLEIN: Well, I would like to look at the report. I would invite the hon. member to come to my office to see the framed plaque that the Fraser Institute gave the province of Alberta for being the most prudent and fiscally responsible political jurisdiction in North America. That's what the Fraser Institute said about the province of Alberta. On average 15 percent better than the next best jurisdiction by the way, which is Prince Edward Island, better than all Canadian jurisdictions, better than 34 states: that's what the Fraser Institute said about this province. We are the best fiscally managed political jurisdiction in North America: that's what they said.

MRS. HEWES: Where's the advantage to the seniors?

Mr. Speaker, my supplementary is to the minister responsible for seniors. What are the monitoring mechanisms that you refer to in the budget plan to determine whether you've gone too far? Would you please tell the House what indicators you're using?

MR. MAR: Well, Mr. Speaker, the obligation to monitor the impact of all government changes, be they federal or provincial, is an obligation that we take seriously. Of course, groups and individuals consistently bring their concerns to my office, and I'm happy to meet with them. They do identify areas, be they in housing, be they in taxes, be they in support for Aids to Daily Living, things like that. Those people do bring those things forward. Further and above that, the Minister of Health and the Minister of Family and Social Services and I and also the minister responsible for Municipal Affairs do get together from time to time to talk about the cumulative impact of all the changes we've made in those particular programs. So we are looking at cumulative impacts.

**2:10**

Of course, we do also have a 1-800 line that the Minister of Health has set up and a 1-800 line that is run by my department, and we do monitor the issues that come from those telephone lines and make changes where we think they're necessary. We have listened, of course, to many of the concerns that have been made. We made changes to the Alberta seniors' benefit.

I think the other side of the equation, though, Mr. Speaker, is that there are programs in this jurisdiction, in Alberta, that protect seniors that are unlike any programs in any other jurisdiction in Canada. There are no programs like the Alberta seniors' benefit program in other jurisdictions, and the program is designed to protect the lowest income seniors and avoid duplication and streamline our services. So these are good programs that benefit seniors in Alberta that are not available in other jurisdictions.

MRS. HEWES: Well, then, perhaps, Mr. Speaker, the minister could respond to this one. To the minister: what is the basis for the 1995 budget reduction in the Alberta seniors' benefit of \$300,000 a month when the number of seniors is steadily increasing and the evidence tells us of the damage you've already caused?

MR. MAR: Mr. Speaker, as I've indicated, one of the main principles in this program is to protect seniors that are the lowest

income seniors in the province of Alberta. What we found in our demographic work is that many who are now entering the age of being seniors in fact are better off than those who would be 70 or 80 or 90 years old. Accordingly, although the number of seniors may be rising – and we've made accommodation for that in our supplementary estimates – what we found is that the seniors that are now entering that category tend to be people that have set aside more money for themselves, and they've actually made themselves better off without relying on government to do so.

MR. KLEIN: Mr. Speaker, I would like to supplement because I would like to remind the hon. Member for Edmonton-Gold Bar that it was mentioned in the Speech from the Throne that we would be monitoring very carefully the programs for seniors to determine if indeed the thresholds are appropriate.

Now, what I would ask the hon. Member for Edmonton-Gold Bar, though, who I believe is a senior: does she feel hard done by? Perhaps the hon. Member for Redwater might want to answer the same question: does he feel hard done by? [interjections] Well, do you feel hard done by?

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

### CFB Calgary

MRS. BURGNER: Thank you, Mr. Speaker. My question is to the Premier. As the Premier is aware, the federal government announced yesterday the closure of CFB Calgary and its transfer to Edmonton. While this has been referred to as a budgetary reduction, can the Premier inform this House whether he is satisfied as to the financial rationale for this move?

MR. KLEIN: Mr. Speaker, we simply don't have enough information. We did know that CFB Calgary as it relates to Harvey barracks was going to close and that the Lord Strathcona's Horse was going to move to Edmonton. It came as somewhat of a surprise that the whole of CFB Calgary would close, including Currie barracks. I also told the media that it would be very hypocritical of me to complain, although most of the people affected will be in my constituency, when we're asking Albertans to participate with us in making some sacrifice relative to education and health care and so on. So indeed the heaviest impact will be on my constituency and the hon. Member for Calgary-Currie's.

Mr. Speaker, I'm not going to be out there passing around petitions and pleading with the school children to take sob stories home like the Liberals have done, you know, gathering petitions and so on. What I have done is I phoned the mayor last night, the mayor of Calgary, and I said: let's get the rationale for this and make sure that there is good financial rationale for this particular move, and let's work together as MLAs and as municipal officials to see what we can do to turn this situation into something very positive for the city of Calgary.

THE SPEAKER: Supplemental question.

MRS. BURGNER: Thank you, Mr. Speaker. Again to the Premier. I'm pleased that you have been in touch with the mayor. Could the Premier please advise this Assembly: has he or will he convene negotiations with the mayor of the city of Calgary as to the future use of the land and the buildings that are located on the site?

MR. KLEIN: Yes, we talked about precisely that. Now, this is a four-year wind down, as I understand it. There will be plenty

of time to enter into discussions with city officials and with military officials to make sure that indeed there is a smooth transition.

Mr. Speaker, I must tell you that this hurts me personally because as the mayor of the city of Calgary I had a long-standing relationship with the military. The military have been tremendously good to the city of Calgary, and the citizens of Calgary have been tremendously good to the military. To see regiments like the Lord Strathcona's Horse and the first battalion of the Princess Patricia's Canadian Light Infantry and the first service battalion move out of the city of Calgary is going to be a great and a sad loss to that city.

The good thing about it is that they are staying in the province of Alberta. Sir, I must say that I've got to put my interests far beyond my constituency and think about what is good for the province and what is good for the country.

THE SPEAKER: Final supplemental?

### Timber Pricing

MR. N. TAYLOR: Mr. Speaker, since last fall the government has imposed a trade restriction on those small companies in the Peace River forest area who cut timber on Crown leases. They are required to sell the wood to sawmills within the Peace River and High Prairie forest districts only. Naturally they are smart enough to offer less than the general Alberta prices, having a chance to have a government-formed cartel. The question now to the minister of environment and forestry: for a province that fights tooth and nail and demands world oil prices for its oil, world prices for its gas, or world prices possibly for wheat and barley, what reason can the minister give for this restriction on the trade of wood in this province?

MR. LUND: Mr. Speaker, under our MTU program the whole objective is to make timber available in the local area for the small sawmills. This is just one of the methods that we use to accomplish that.

MR. N. TAYLOR: Mr. Speaker, we already knew that. We're just wondering why anybody would be so dumb as to put that regulation in.

This, then, is to the Minister of Federal and Intergovernmental Affairs.

AN HON. MEMBER: Wake up, Ken.

THE SPEAKER: Order.

MR. N. TAYLOR: I didn't say that.

Has the minister checked whether this restriction on timber sales, isolating timber sales, making them sell only to a small area, is against the free trade agreement?

MR. ROSTAD: Mr. Speaker, no, I haven't checked that specifically. In fact, I don't see how it would be against the free trade if it's an interprovincial issue. It's not in relationship to NAFTA partners. I've been in conversation with the minister and with the federal minister in regard to forestry practices generally and logging on private land but not in terms of free trade.

MR. N. TAYLOR: Mr. Speaker, you can imagine the hell raised in the oil industry if an oilman were told that he could only sell to a local refinery.

I'll go back to the Premier. What is he going to do about making sure that free trade really does exist in this province, that economic affairs are run on the free trade principles that his party espouses, rather than the cartels that the minister over there is trying to form?

2:20

MR. KLEIN: I'm sorry; I was otherwise occupied. [interjections] Mr. Speaker, I will give him the courtesy, if you will, of asking the question today without losing the supplemental.

THE SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Okay. I'll be very quick.

MR. KLEIN: Thank you. And I'll be quick too.

MR. N. TAYLOR: Mr. Premier, in view of the fact that the environment minister is setting up little cartels where local producers have to sell their wood to the local mills – you can imagine a local oilman selling only to a local refinery – what will he do to stop that form of cartel or organization that the minister of forestry is using around the province?

MR. KLEIN: You're asking me what the minister will do. Well, why don't you ask the minister?

THE SPEAKER: The hon. minister.

MR. LUND: Thank you, Mr. Speaker. I'm just waiting because I didn't want the hon. Member for Redwater to miss my answer. I find it extremely interesting that after complaining about having the right to sell to the highest bidder, now the hon. member comes back and complains that we are doing something to encourage small business in the communities.

THE SPEAKER: The hon. Member for Calgary-North Hill.

### Municipal Taxation

MR. MAGNUS: Thank you, Mr. Speaker. To the Minister of Municipal Affairs. A recent report indicates that there is some concern about tax breaks for nonprofit groups under the new Municipal Government Act. The report indicated that some 27 groups which previously paid taxes would now be exempt and, further, that the city of Edmonton would have the ability to waive municipal taxes of some 41 other nonprofit groups but would not have the ability to exempt these 41 groups from school tax. What is the minister prepared to do about this tax loss to the city of Edmonton?

MR. THURBER: Well, Mr. Speaker, certainly the new Municipal Government Act does re-examine the issue of property tax exemptions, particularly for nonprofit groups, within all of the municipalities in Alberta. I guess what I could say at this time is that we are presently reviewing these regulations in conjunction with a consultative process with the AMDs and Cs and the other municipalities.

THE SPEAKER: Supplemental question.

MR. MAGNUS: Thank you, Mr. Speaker. To the same minister: do all cities in Alberta, including Edmonton, have input

into this issue, as the same report indicates that some aldermen in the city of Edmonton were upset that some of the groups were granted tax exemption?

MR. THURBER: Certainly, Mr. Speaker, all parties in Alberta have been asked to contribute to the exemptions that we're proposing and the amendments that we're proposing. So, yes, Edmonton and all other municipalities have had the opportunity for input.

MR. MAGNUS: Mr. Speaker, can the minister also enlighten this House on the reasons for the changes suggested under the tax exemptions provisions?

MR. THURBER: Well, Mr. Speaker, as everybody in this House is aware, where you have community groups and nonprofit associations, they're a very integral part of that community in that they are not for profit and what money they do make generally goes back into the community. It goes back into the community associations, and furthermore it goes into the cost of running these facilities as well. So the conversation and the discussion then comes up as to whether they in fact should be encouraged to continue to do this or whether they should be encouraged to pay taxes on these facilities.

THE SPEAKER: The hon. Member for Edmonton-Strathcona.

#### Legal Aid

MR. ZARIWNY: Thank you, Mr. Speaker. Fair and equal access to justice is a valued tradition in democracies, and it is even the goal within the Justice department's business plan. Yet 50 percent of the cuts to the Justice budget are to legal aid. The poor people of Alberta are already being forced to represent themselves in a complex legal system, and legal aid is turning away applicants. Now legal aid faces a further \$2.5 million reduction in funding. My questions are to the Minister of Justice. How can the minister justify 50 percent of his cuts coming from legal aid when it only makes up 7 percent of the total departmental budget?

MR. EVANS: Well, Mr. Speaker, I've been kind of waiting for that question ever since I saw a news release by the Liberals a couple of weeks ago talking about this 50 percent reduction. Well, there's a reduction from about 26 and a half million dollars in '92-93 to \$22.5 million in '96-97. That's about a \$4 million reduction, and that's 15 percent of legal aid's operating budget, which again is proportionate to the reduction in the overall budgetary reduction of the Department of Justice.

MR. ZARIWNY: Mr. Speaker, unlike our cousins in Ottawa this is slashing on the backs of the poor.

What will the minister tell us are the new eligibility requirements for Albertans needing legal aid to get it?

DR. WEST: Have the lawyers lower their fees.

MR. EVANS: Mr. Speaker, I didn't mention in my first answer that we have been doing a pilot program to see how we can deliver legal aid much more efficiently, much more effectively, and at a lower cost than we have been in the past. We are looking at a staff model for the delivery of legal aid. In fact, we've put about \$4 million into that very program. I will be getting a report back. It looks like there are some savings to be

had in that so that again we can use the majority of our moneys that are dedicated to this program in as cost-efficient a manner as possible. We may have a system that evolves from a client relationship to a staff model or some combination of the two. One of the main reasons we're doing that, hon. member, is to be able to deliver that service more efficiently.

THE SPEAKER: Final supplemental.

DR. WEST: All they have to do is lower their fees 15 percent.

THE SPEAKER: Order.

MR. ZARIWNY: Thank you, Mr. Speaker. It seems that the minister of transportation doesn't realize that Alberta lawyers work for an average of \$25 an hour when it comes to legal aid.

What will happen to Albertans who can't get legal aid and can't afford legal counsel? Will the minister simply just take these people, throw them into his newly privatized jails, and deny them justice? Is that what he's going to do? Will he have this at a lower priority?

MR. EVANS: Mr. Speaker, first of all, I'll just talk about privatized jails. It's interesting that the hon. member opposite as the critic seems to be making an announcement about privatized jails. Maybe he could send me his news release.

In terms of what we are doing with the budget in Justice, Mr. Speaker, we're trying to focus on serious and violent crime. We're trying to make sure that we put the majority of our resources to those serious issues and make sure that individuals who are charged with the most serious crimes have access to the legal aid system, have access to good counsel, and that we move as much as we can into diverting people out of the justice system for minor offences. We'll continue to do that, because I think that is responding very well to the demands of Albertans that we concentrate on these serious and violent offences.

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

#### Government Telecommunications

MR. DUNFORD: Thank you, Mr. Speaker. I don't believe that we've had the opportunity to hear from the new Minister of Public Works, Supply and Services. So to the Minister of Public Works, Supply and Services. Many of my constituents wonder about buildings, supplies, and services as the civil service numbers decline. It is my understanding that your department is proceeding to privatize the government telecommunications networks. Can the minister please explain why this is being done?

THE SPEAKER: The hon. Minister of Public Works, Supply and Services.

2:30

MR. FISCHER: Thank you, Mr. Speaker. I'm pleased to inform the Member for Lethbridge-West that, yes, we are in the process of privatizing the management and the operations of our telecommunications. Presently the management and the operations are within our department's telecommunications division. It includes 40,000 telephone and fax lines, 18 RITE centres, and 18,000 computer devices as well as 4,000 radios. These radios are mainly used in forestry and fish and wildlife services. The initiative will see \$35 million per year transferred to acquire these



services directly from the private sector. The primary objective is to reduce the costs and increase the flexibility and responsiveness, as this is a rapidly changing industry. This new initiative can be beneficial to government and to industry and to other sectors in the public as well.

Thank you.

THE SPEAKER: Supplemental question.

MR. DUNFORD: Thank you, Mr. Speaker. Again to the minister: when can we expect the privatization to be completed?

THE SPEAKER: The hon. minister.

MR. FISCHER: Yes. We are proceeding now with the competitive process, and requests for proposals will be released in March of this year. Tenders will be evaluated and selected early this fall. In October we'll begin the transfer, and by March of 1996 the final turnover will be completed.

THE SPEAKER: Final supplemental.

MR. DUNFORD: Thank you, Mr. Speaker. Again to the minister: what performance expectations can we expect from any alliance partners?

MR. FISCHER: Well, certainly the reason for our privatization is to deliver this service at a lower cost. Our performance is going to be measured through a benchmark process. This process will reflect effectiveness and improvement within the industry. The impact is going to make every department within this government run more like a business. They will be responsible for their own telecommunications expenses. Mr. Speaker, I would like to add that this is expected to bring more private-sector investment into this province.

#### MLA Remuneration

MR. GERMAIN: Mr. Speaker, Albertans continue to tell this government that when they want the fat of government cut, they are talking about the fat at the top. Yesterday the government released a year-old report that indicated that even within this Legislative Assembly there is still a lot of fat dripping off the walls, from the top. In fact, it seems that some of the members who participate the least in this Assembly have some of the highest remuneration bottom lines. My questions today are to the Premier of this province. Mr. Premier, what steps are you going to take to bring in line some of the salaries, honorariums, and stipends paid to these Members of the Legislative Assembly?

MR. KLEIN: Yes, Mr. Speaker, the hon. member is absolutely right. I couldn't agree with him more. The people who participate the least are rewarded the most. Those are the Liberals. Let's look at the stipend of the Leader of the Official Opposition, \$44,700 a year; the Deputy Speaker and Chairman of Committees, \$22,350. [interjections] Wait a minute, wait a minute. The Official Opposition House Leader, \$9,500; the chief opposition Whip, \$5,700; the Assistant Opposition Whip, \$4,750. Will the Assistant Opposition Whip please stand up and tell the Assembly exactly what he or she does? Will you stand up and tell us? They don't even have one, Mr. Speaker. My God, we aren't even paying for a live body over there.

#### Speaker's Ruling

##### Questions outside Ministerial Responsibility

THE SPEAKER: This is all very interesting, but the Assembly might consider the fact that the government is not responsible for the remuneration of any of the members. Those decisions are taken by the Members' Services Committee, which is composed of both sides of the Assembly.

#### MLA Remuneration

(continued)

MR. GERMAIN: In advance of my supplemental, Mr. Speaker, I'll file four copies of a list outlining how high up the trough some of it goes.

My supplemental question is to the Premier of this province. Since the Premier agreed with me, and since he appears to have very little personal control, will he now insist that these types of payments and travel expenses are released quarterly so that all Albertans can see quarterly the progress of this Legislative Assembly in curbing its own appetite?

MR. KLEIN: Sir, I'm glad he referred to the Legislative Assembly, because these people are very much a part of the Legislative Assembly. First of all, the government members, I would dare to say, work a lot harder – a lot harder – and put in more meaningful hours than these people would ever dare to do. Again I refer to the Assistant Opposition Whip who gets \$4,750. Who is the Assistant Opposition Whip?

While we're at this, Mr. Speaker, I would point out that this government went a great deal of distance, further than any other jurisdiction in the country, to first of all reduce our salaries, to return literally thousands and thousands and thousands of dollars in pension contributions paid on our behalf back to the government.

Now, we have asked Peat Marwick to do a review of the last review that they did on salaries and benefits for members. As I understand it, that review, that document, which I believe is now in the hands of the Provincial Treasurer, will be coming forward to you, sir, as chairman of Members' Services to be considered by the Members' Services Committee to determine if in fact the salaries and benefits and all other forms of remuneration are indeed fair.

MR. GERMAIN: Mr. Premier, is there too much money being spent by this Assembly on travel or not? Tell us.

MR. KLEIN: Mr. Speaker, no, there isn't.

THE SPEAKER: This is not a matter for the Premier's responsibility, hon. member. These matters are dealt with in another forum.

MR. KLEIN: Mr. Speaker, I guess there's a downside to being transparent and to being open and to being honest. When you table that information and you provide the Alberta public with honest, open, full information, what do the Liberals do with it? They don't do an honest and decent examination of the information. What they do is they take that open and very transparent information that has been tabled honestly and with a tremendous amount of accountability and they try to use it for very vicious political purposes.

THE SPEAKER: Order. The time for question period has expired.

The hon. Premier would like to supplement an answer that was given earlier.

2:40

### Seniors' Programs

(continued)

MR. KLEIN: Mr. Speaker, the hon. Member for Edmonton-Gold Bar has been known for her candor and her honesty, but I am terribly disappointed with her today for tabling the kind of information that she did. The document that she tabled is one page out of a document that says, "Source: Fraser Institute, Tax Facts 8." She led the House to believe that the average senior citizen in this province pays \$25,069 in yearly taxes. Twenty-five thousand and sixty-nine dollars in yearly taxes. The average senior in this province earns \$15,000 a year. That means the average senior is paying \$10,000 more in taxes than he or she earns. That is absolute nonsense. The document that she tabled, by the way, which was attached to a letter from a Mr. Con Duemler, I have to say was misleading at best.

MRS. HEWES: Mr. Speaker, regardless, I have to tell the House that the document that I tabled is in fact exactly as the Premier says. This is the report from the Fraser Institute. I mentioned absolutely nothing about what the average senior earns. He's the one that's bringing that up.

Mr. Speaker, Mr. Duemler submitted a very excellent analysis of what is happening to seniors from a tax standpoint with this government's new ASB, and the Premier has not to date analyzed it or given any kind of answer to Mr. Duemler. I think that is long overdue. I wonder if the Premier would tell me why no one has bothered to respond to his very excellent analysis, which gives us a lot of information.

MR. MAR: Well, Mr. Speaker, in fact Mr. Duemler has met with me, as has Mr. Reimer of the Alberta Council on Aging. Indeed, Mr. Duemler has done a lengthy analysis of a tax analysis. There are some suggestions that he's made that appear to make sense, and we are proceeding with some of those changes, but Mr. Duemler has not come back to us with further suggestions. We are working through his documentation, which is lengthy because the tax system is not an easy thing to deal with. We are continuing to analyze his paper, and we may consider making changes in accordance with some of the good suggestions that he's made.

MRS. BURGNER: Mr. Speaker, I would just like to . . .

### Speaker's Ruling Supplementary Responses

THE SPEAKER: This matter has progressed past the time allowed for it and may be resumed on another occasion. Surely we'll wait. The procedure is for the person who augments a previous answer to have the other person reply. Now, the hon. Member for Edmonton-Gold Bar has replied to the hon. Premier. Perhaps the Chair should not have recognized the hon. Minister of Community Development, but this cannot go on back and forth all afternoon, hon. member.

MRS. HEWES: Mr. Speaker, a point of order.

THE SPEAKER: Yes. We'll deal with it as a point of order later.

MRS. HEWES: *Beauchesne* . . .

THE SPEAKER: At the appropriate time.

MRS. HEWES: I'm sorry, sir. Thank you.

head: **Members' Statements**

THE SPEAKER: The hon. Member for Edmonton-Rutherford.

### Drunk Driving

MR. WICKMAN: Thank you, Mr. Speaker. I guess it goes without saying that on Friday afternoon, after 15 months and having a decision come down, I was very, very down as a result. When a person is in that state of mind, it's easier for others to strike out. It takes a special kind of courage, in my opinion, not to take advantage of that particular situation. I have to say that I received that kindness from so many people that I know within my riding and other parts of Alberta, and I received that kindness from both sides of this House plus that political courage that goes with it: not to take advantage of a person when they're in that state of mind. It's a very, very difficult situation I got myself into: tough on my family, on my friends, on my supporters, tough on so many people.

I've learned a lesson. I will avoid that situation in the future, and never again will I play that guessing game: what's an appropriate amount to drink before you drive? I've determined now that the appropriate amount is none: not a beer, not a glass of wine. Absolutely none. You don't mix alcohol with driving.

I do appreciate, as I've said, the kindness that has been shown by both sides of this House, but I do recognize that I have a role to play as a member of the opposition. I want members on the government side to know, even despite their kindness, that when the opportunity is there for me to represent my constituents and when I feel the government is not doing something proper, I will continue to play my role in the most effective way I can to represent those people who have stood behind me so greatly.

Thank you.

THE SPEAKER: The hon. Member for Cypress-Medicine Hat.

### Institute of Pharmaco-economics

DR. L. TAYLOR: Thank you, Mr. Speaker. My member's statement deals with the Institute of Pharmaco-economics. This is a good-news story for Edmonton. I'm quite frankly surprised that the hon. leader opposite or some of his flock wouldn't talk about this. They're so consumed with the Chicken Little syndrome that they ignore the good-news stories that happen here.

The institute was inaugurated last week in Alberta, in Edmonton. The institute is a made-in-Alberta research consortium of six companies in the pharmaceutical industry along with the University of Calgary, the University of Alberta, and the federal and provincial governments. It's the first of its kind in Canada. It's a partnership. It's the Alberta advantage, private and public sectors working together. The six companies are some of the largest pharmaceutical companies in the world: Ciba Geigy, which is one of the largest international manufacturers of pharmaceuticals, Eli Lilly, Glaxo Canada, Hoffmann-La Roche, Miles Canada, SmithKline Beecham Pharma. In addition, Merck Frosst has contributed funds to the pharmacy faculty at the University of Alberta to fund a chair of pharmaco-economics.

These international, worldwide companies recognize the value of Alberta, the value of the Alberta advantage.

Now, what does Pharmaco-economics do? Quite frankly, it asks the question: is a drug worth it? Does a drug serve the purpose? It evaluates and does a cost analysis and a cost-benefit analysis of drug therapy from the viewpoint of the patients, from the viewpoint of everyone involved in health care. There is no other place in Canada, Mr. Speaker, where an evaluation process like this is in effect. The institute will be helpful to provincial governments across Canada to make better decisions about the economic advantages of drug benefits.

Alberta once again leads the way, Mr. Speaker, with the Alberta economic advantage.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods.

### 2:50 Advanced Education Performance Standards

DR. MASSEY: Thank you, Mr. Speaker. A new dictum from the Minister of Advanced Education and Career Development sets out a series of so-called performance indicators that will be used to measure our colleges, institutes, and universities. These measures make it abundantly clear that Socrates wouldn't make it in Alberta. Why? Let's look at some of the minister's measures.

The first measure listed would place a high value on an instructor's increasing the number of students that they serve. How can an instructor who believed in one-on-one questioning, who shunned large lecture theatres, a mentor who at any one time may have had only a handful of students, seriously claim a position in one of our institutions?

Another measure, the satisfaction of graduates, is of paramount concern in our new client-based system. Students must be kept happy. Instructor-ranking scales will abound. Alas, Socrates would be in trouble here. Although many students revered him, others couldn't abide his sarcasm and irony. No 5s for Socrates on our 5-point rating scales.

Another measure, financial productivity, will likely be a prerequisite for funding. This would be a disaster for Socrates. How could an institution hire or keep an instructor who neglected to collect fees and who had no concept at all of cost recovery?

The percentage of graduates who find employment related to their education is to be tracked. Again Socrates would be in deep difficulty. Socrates' questions of students ranged from philosophy to ethics to politics. Obviously, such unfocused instruction would ill prepare students for specific job slots in the new Alberta economy.

An important benchmark is to be the workload of teaching staff, which would be monitored and qualified. How would an instructor who wanders around the market and public places engaging in dialogue with students claim to be shouldering a serious workload? Obviously, the Athenian government should have mandated at least 12 hours of instruction a week for Socrates.

THE SPEAKER: The hon. Opposition House Leader had a point of order?

### Point of Order Anticipation

MR. BRUSEKER: Yes, indeed, Mr. Speaker. I was just worried about a question put forward earlier by the Member for Little Bow constituency. He asked a question of the minister of agriculture. Now, it's certainly an important issue, but we have also before us a Standing Order 30, and I just recall a previous

Speaker, Dr. Carter, raising concerns about questions coming forward when we have either Standing Order 30s or 40s before us to be debated the same day. The citation that I'm concerned about in particular is *Beauchesne* 409(12) on page 121, regarding anticipation.

THE SPEAKER: Irrespective of the attitude of my predecessor, whom I have great respect for, it is not the intention of the Chair to use Standing Order 30s or 40s with regard to anticipation. Who knows what is going to happen to the application under Standing Order 30 or 40? That, the Chair feels, would be highly prejudicial to hon. members' rights.

The hon. Member for St. Albert gave an indication that he had a point of order.

### Point of Order Imputing Motives

MR. BRACKO: Thank you, Mr. Speaker. Citing 23(i). The Member for Little Bow stated, clearly imputing motives, that this member and my colleagues did not believe agriculture was important. We believe agriculture is the backbone of Alberta. I know that the Member for Little Bow made an emotional statement, and I know, being the gentleman he is, he'll want to retract his statement.

THE SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. When I stand up to ask a question which pertains to literally thousands of grain producers in Alberta, and I'm addressing the question to the minister of agriculture through yourself, and I hear nothing but heckling and jamming and constant nibbling and laughing from that side, I cannot do anything but assume that they don't really care about agriculture. I look forward to the day when they come down and justify their attitude towards agriculture in any one of our constituencies and we remind them of how they laugh whenever barley, durum, agriculture, or anything related to agriculture is brought up.

Thank you.

THE SPEAKER: The hon. Minister of Agriculture, Food and Rural Development wants to participate. It appears the hon. Member for Leduc wants to participate. There will be no further participation on this non point of order.

The hon. Member for Edmonton-Gold Bar.

### Point of Order Misleading the House

MRS. HEWES: Thank you, Mr. Speaker. I rise under *Beauchesne* 490 and 491. In my question today to the Premier and the minister responsible for seniors my preamble had two comments in it. One was a direct quote from the Premier's address to the Fraser Institute. The second was a commentary that arose from the Fraser Institute's report Tax Facts 8, which calculated – and the graph plainly shows – that the average tax levied by the government of Alberta on seniors is higher than that on seniors of any other province. I tabled the documents related to the tax consultant's report.

Mr. Speaker, in responding to it, the Premier indicated that he felt the report somehow was insufficient, that I had only taken one page out of the Fraser report. However, that page has incontrovertible evidence that in fact that is what the case is. There's no way that has been challenged here, as far as I understand; that is, the Premier is challenging me, not the Fraser Institute.

I'm aware of your ruling of a week or so ago regarding the term "misleading," where you suggested that it was a term that had been applied to the entire opposition. But in this case, Mr. Speaker, it was clear to me and I think to other members on this side of the House that the House leader in fact directed his remarks about misleading specifically to me. I submit that that was incorrect, that I did not mislead. I simply tabled the documents that I was referring to. I would hopefully ask you to rule and that he would want to withdraw the remark.

MR. DAY: Mr. Speaker, on the point of order, barring an express ruling from yourself to do so, in this case I actually will not withdraw the remark. The House knows that on other occasions when I have been wrong, even before being ruled as such by yourself, I have withdrawn remarks. But, in fact, the message clearly that went out from the Member for Edmonton-Gold Bar that was very misleading was that Alberta seniors are the highest taxed. That was the crux of the message that went out.

Very clearly across the top of the page of the graph, which she quickly showed for optic purposes, it says: average households headed by a senior. We need a definition of that. Average households, all the wage earners in that household headed by a senior: what that entire household is paying. Without clarification – we don't know this – that could mean a family where the grandfather or the grandmother, if the grandmother is the matriarch and head of the house, is living together with a number of wage earners. Especially in a place like Alberta where we know that our wage earners' average weekly incomes are second or third highest in the country, those households may indeed be making more money than any others in the country and therefore may be paying more taxes. That graph that she held up very specifically says: average households headed by a senior. Then it showed that the amount was \$25,000 paid in taxes by that entire household. We've already heard from the Minister of Community Development that the median income for a senior in Alberta is \$15,000. There is no way in the world – no way in the world – the average senior in Alberta is paying \$25,000. That is an accumulated amount, as reported by the Fraser Institute, in a household where there could be 10 wage earners earning that money.

Then attached to it and again holding it up for the purpose of optics, making it look a thick document, was a series of letters from somebody. The name was quickly mentioned, but the insinuation was: here's a thick document from the Fraser Institute. I realize it was not specifically said. The insinuation was: look at this document. [interjections] I listened very carefully to the Member for Edmonton-Gold Bar while she made her extensive remarks. I would expect the same courtesy from her as I conclude.

The insinuation was very strong, Mr. Speaker, that this amount was paid by individual Alberta seniors. That is not the case. I will not withdraw my remarks. I would ask her to withdraw her very misleading approach.

3:00

THE SPEAKER: The discussion sounds to the Chair much more extensive than what the Chair thought it heard during the question period. Therefore, the Chair believes it should carefully examine the Blues for this period before rendering an opinion.

The hon. Government House Leader gave notice this morning, prior to the time allowed, of his intention to move a request of the Assembly to take action under Standing Order 30. The Chair would now recognize the hon. Government House Leader as to the urgency of this request.

head: **Request for Emergency Debate**  
**Federal Agriculture and Energy Policies**

MR. DAY: Mr. Speaker, first of all, making it very clear on the matter of urgency, this government, as already indicated by the Premier, has already signaled to the federal government that we appreciate the overall direction that the federal government has gone in terms of budget reduction. We've signaled that very clearly. I want to make that very plain. Any direction in terms of reduction is applauded, and we have done that. Naturally, we would differ from one point to another and maybe in terms of how aggressive it was, but overall I want to make that clear. We want to work with the federal government in its ongoing reduction.

However, in the area of urgency there are two specific areas: one which is related to the utilities tax as related to the provincial portion; also, the effect of the WGTA on the agriculture community. Those are instantly – instantly – as of this day, beginning to impact the Alberta economy, both the energy sector and the agriculture sector.

It cannot be delayed in terms of this Assembly sending an urgent message to the federal government that we would like to work with them, especially on the regulatory side, because where they are withdrawing dollars, they cannot have the same hold. The renegotiation aspects of those agreements must be addressed under the area of fairness. We're also saying that this is not just Alberta, but in fact in various places across Canada there are going to be some severe effects. It cannot be delayed. They have to be signaled. Along with our overall saying, "You're headed in the right direction," it has to be signaled that negotiations must begin immediately in the area of fairness for these two specific sectors. That's the area for urgency.

THE SPEAKER: The hon. Opposition House Leader.

MR. BRUSEKER: Thank you, Mr. Speaker. I certainly agree with the Government House Leader that these two sectors are absolutely critical. The agriculture sector and the energy sector are absolutely critical not only to the Canadian economy but to the Alberta economy.

Speaking to the issue of urgency, the hon. Government House Leader raised the issue of the federal income tax transfer Act. Well, we raised that issue in this House in question period last week, and the response we got from the government was, no, they were happy with what they'd done and they were going to stick with that. We heard earlier in question period today the provincial minister of agriculture in response to a question saying, yes, he was going to go ahead and he would meet with his federal counterpart, which is exactly what the minister of agriculture can and should be doing, as he answered in response to an earlier question. We have a Minister of Federal and Intergovernmental Affairs who is, I presume, negotiating and discussing with federal ministers with respect to what's happening in those areas.

So with respect to the issue of urgency, Mr. Speaker, there is nothing really new, from what we've heard today, that requires us to debate something, and I just want to remind the hon. Government House Leader – and I note that the motion he tabled in the House today is a little different from what was originally produced – that of course under Standing Order 30(6) "an emergency debate does not entail any decision of the Assembly." So even though we might indeed have this discussion, it won't necessarily lead to anything. What would lead to something is if the minister of agriculture and the Minister of Energy and the Minister of Federal

and Intergovernmental Affairs in fact conducted those negotiations, as they should be doing.

So therefore I would speak against the urgency.

THE SPEAKER: The hon. Minister of Agriculture, Food and Rural Development.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Speaking on behalf of agriculture, the 60,000 farms that are out there and the more than 100,000 people that are directly affected and employed by agriculture, there is indeed a degree of urgency. As I mentioned during question period, we had been involved and engaged in discussions for some extended period of time regarding a process that we understood was going to take place. The regulatory process, as has been identified, is of total – total – urgency here, because if the changes come about as is proposed, a piece at a time, if we make the changes piecemeal, the whole process is going to bog down, and it will take another decade in order to make the change complete. We were under the impression in our negotiations that indeed that would be addressed.

The other degree of urgency. It's important that we who are representatives of, in this case, the agricultural community allow the agricultural community to be heard where the decision-making process is made, and that is here. We as true representatives of that agricultural community must voice their concerns. Their concerns, Mr. Speaker, are twofold: one, the regulatory process and, two, the fairness of the distribution of the funding. It's absolutely urgent that we deal with this in a debate here today, in a process of discussion. Their views must be heard.

THE SPEAKER: The hon. Minister of Energy.

MRS. BLACK: Thank you, Mr. Speaker. I, too, would like to discuss the urgency of the debate. I believe the hon. Opposition House Leader mentioned that this was raised in the Legislature a week ago. It was raised in a different context: as to a plan that had been taken out in Alberta and in fact was balanced throughout Alberta.

Today the issue is very clearly one of urgency, as it deals with discrimination within the tax system. That's something that is entirely different. There are discriminatory practices that are affecting Alberta and consequently Albertans, 2 and a half million Albertans, clearly, that are being asked to take on a tax that is not fair across the country. So this is why it is urgent. What is happening is that there is discrimination being put in place between privately owned and publicly owned utility companies across Canada. Unfortunately or fortunately, I believe it's fortunate that we have the private sector in Alberta – maybe the Liberal opposition don't feel that way – but they will bear the brunt of it, and that would be passed on to Albertans. I think there is an element of urgency as it pertains to this next year. We would see roughly a 7 percent increase in our electrical costs and a 3 to 4 percent increase in our natural gas costs. Clearly, this has an impact on every Albertan.

I believe that if we make a statement on the cause from this Legislature that asks the federal government to sit down and rethink this position on the basis of fairness, as they have done in the past, in fact we can rectify the situation, but we need to know the direction of this Legislature. Clearly, that's why the debate is so important today: so we can go back to it.

I also think that for the Alberta advantage, for our development, for our economic well-being it's important that we get after this

right away, Mr. Speaker. Clearly, this adds a burden on every Albertan, whether they're at home or in the workplace.

There is urgency here, and it's urgent because of a discriminatory tax ruling that is coming through this budget. We must act upon this. We must act upon it now. Thank you.

MR. KIRKLAND: Mr. Speaker, I'd stand up and speak against the urgency. Certainly I have a very large agricultural sector within my constituency, but I would speak against it from the sense that if we look at this discussion that takes place in this Legislature, we're dealing with federal policies and issues. To highlight or illustrate to the members on the side opposite why I don't think it's urgent, it's much like their budgets. When their budgets came down and Albertans spoke against them, it was after the fact. The discussion that we're having here this afternoon is a very academic discussion. I think the agriculture minister opposite is certainly very capable, as are all the ministers in the front, of voicing his dissatisfaction with the agricultural policies that came forth with the federal budget yesterday.

The urgency I think is somewhat diminished as well, Mr. Speaker, when I look at – and I understand certainly that there's a large reduction in the Crow benefit in this aspect, and I certainly understand that it's going to impact on the grain farmers significantly. There was a \$1.6 billion payback to the farmers. If you look at that and extrapolate to some degree, it works out to 2.8. To get right down to the discussions as I understand them, they were into the \$3 million to \$4 million expectation of payback. So the urgency I don't think is here.

3:10

The federal party that implemented this certainly had extensive discussions across the land. I think what we're really talking about is the Crow benefit, which has been under discussion for some time. The rapidness at which they moved comes as a surprise, and perhaps they stole a page from the Alberta government in that particular sense.

So I don't see the urgency of it, Mr. Speaker, because it's considered to be an academic discussion. We can certainly put our recommendations forth, but we know full well that they are not going to change out of the very need that this government recognizes, a need to get their fiscal house in order.

THE SPEAKER: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. On the urgency issue. I think this is one of the issues that I'd like to support and speak to the urgency of the motion. There are a lot of adjustments that have to be made in agriculture. The focus that the federal budget is taking is going to require a lot of information to be disseminated to the agricultural producers and the value-added industries in our province. We've got to be able to make sure that we get in place all of the kinds of adjustments that are going to be put in place, all of the participants: who's going to be doing each of the different aspects of the adjustment, who's going to be funding it, what the processes are of those funding arrangements, how they apply, who can work co-operatively on them. There are a number of important issues in agriculture that have to be addressed, that have to be brought out to the public, and that have to be put in place today.

Thank you.

THE SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. I want to be brief, but I want to support this motion, that I feel has a great deal

of urgency. I thank the Member for Lethbridge-East, maybe the only rural Liberal caucus member that has a true agricultural background.

We have a number of very pressing issues, one of which appears to me and by the calls that I've had today to be addressing regional disparities. If we're allowed to debate this Bill further, I would like a chance to expound on those. These things are more than a one- or two-line reference in yesterday's budget. From the number of calls that I've already received, it isn't a very comforting feeling to not be able to respond in its entirety to the constituents. I for one would like to see the debate urged on today.

Thank you.

THE SPEAKER: The hon. Member for Fort McMurray.

MR. GERMAIN: Yes. Mr. Speaker, I find rising now to be a bittersweet moment because a week ago I suggested that this Legislative Assembly deal with one issue of urgency at a time when it was still possible perhaps to close the door before the horses had all galloped out. Now, I want to say that from an Alberta perspective there are . . .

THE SPEAKER: The hon. Government House Leader is rising on a point of order.

#### Point of Order Imputing Motives

MR. DAY: Again imputing motives, 23(i). The motion proposed last week was entirely different from this one today, and the member should not try and mislead people into thinking otherwise.

THE SPEAKER: Order please. Order please. That's a matter for debate.

The hon. Member for Fort McMurray.

#### Debate Continued

MR. GERMAIN: Thank you kindly, Mr. Speaker. It is clear that in the intergovernmental relationships between the federal government and the provincial government, particularly when both governments are now like two individuals forced on a playground to twist an individual's arms behind his back, one on each arm, and then ask which one is hurting the most – it's obvious that there is going to be friction and disputes between the two levels of government. It is obvious that much of the debate in this Legislative Assembly revolves either as a reaction to or a reaction from some of the positions taken by the Alberta government or indeed the federal government. But this issue cannot be urgent today because the seeds for this issue were planted in eight years of federal Conservative government misspending, that put our federal House in trouble, and by eight years of provincial spending.

Now, Mr. Speaker, to speak against the urgency issue, I propose to file four copies of *Alberta Hansard* from 1990 when the now Minister of Energy voted for taxation of utility companies, voted for the tax, and had received then . . .

#### Speaker's Ruling Relevance

THE SPEAKER: This time the Chair will intervene and suggest to the hon. member that he is going a little bit beyond the scope of this type of debate to the strict matter of urgency.

MR. GERMAIN: I appreciate that direction, Mr. Speaker. I only wanted to point out that in that debate held in 1990, the debate then indicated in that ruling that if the provincial government taxed utilities, the federal government would do so as well. The members were warned. How can they now say that there is in this utility area a matter of urgency, when the issue . . .

THE SPEAKER: No. The hon. member is stretching that a little too far.

#### Debate Continued

MR. GERMAIN: Very good, sir. How can they now say that the issue is a matter of urgency when it was all laid out in 1990?

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

DR. PERCY: Thank you, Mr. Speaker. The issue before us is that of urgency. The phrasing of the motion is somewhat difficult. Because, as my hon. colleague for Fort McMurray has suggested, the seeds of the PUITTA decision are of long-standing nature. You've ruled on our bringing forward the long-standing arguments that have been made in the House.

Now, Mr. Speaker, with regards to the revisions to the Western Grain Transportation Act, I think the fact that they're going to be undertaken in one year, that there's going to be a payout in the course of one year, that it requires in fact the integration of changes in regulations that will ensure a flexible and responsive agricultural sector – I believe that with regards to the WGTA a strong case can be made for urgency. I think there has to be a signal sent that the regulations and regulatory environment are extraordinarily important to allow for a responsive agricultural sector throughout western Canada. Certainly, in terms of the issues of urgency being put forward and the fact that the minister requests all-party support for the issue of urgency in debate, I think it would also be incumbent upon the minister to agree as well to an all-party committee to assess what the regulatory environment should be, how in fact Alberta can set out the rules of the game that would tie things together so that as we go through the transition the agricultural interests of Alberta and western Canada are fully satisfied.

THE SPEAKER: The hon. Member for Three Hills-Airdrie will be the last speaker on this.

MS HALEY: Thank you, Mr. Speaker. I'll just be very brief, only to emphasize this portion of the agriculture side. I can't tell you how extremely important it is that we discuss this and all have some clear understanding of what the potential impact is on the agricultural community in this province. When you take an agreement that's been in place for decades and disband it with literally a year's notice, a payout at the end of it just simply won't do. Farmers in this province deserve to know more about what's happening and if there's any way to rectify this situation.

Thank you.

THE SPEAKER: Order please. Standing Order 30 provides for a motion to adjourn the normal business of the Assembly to discuss a matter of urgent public importance. In this case, the matter of urgent public importance arises from yesterday's federal budget. The matter relates to certain budget measures, expenditure reductions, and regulatory changes, and their impact on the economic sector is important to Alberta.

Regretfully, however, for some hon. members, the Chair really is unable to find the necessary urgency to put this subject matter for debate in the Assembly this afternoon. The reductions were initiated and will be made by the government of Canada, not by the government of Alberta. The government of Alberta through its Department of Federal and Intergovernmental Affairs, in particular, and all of the other ministers of the Crown, in general, is in a position to deal with the government of Canada without debate of this matter in the Assembly this afternoon. The reductions are not immediate, and the consequences of them will not be immediate either. So that therefore raises the question of urgency. There's also the matter of how well hon. members are prepared to bring forward the impact of these rather wide-ranging decisions by the federal government.

3:20

It also raises the question: how appropriate is Standing Order 30 to the government side of the Assembly when the government has a great deal of control over the business that can be brought before the Assembly? The Chair is not ruling that the government cannot use Standing Order 30. There are cases when I'm sure the government will be able to use Standing Order 30. Unfortunately, the Chair doesn't really feel that this is one of them. After hon. members have been home over the weekend, there may be a feeling amongst all hon. members that there could be a motion proposed that could allow the Assembly to lay out a road map for how the province should deal with these matters.

As for Standing Order 30, this is a vehicle for an expression of opinion over a limited period of time, a general expression of opinion only, that doesn't focus on any end result. Particularly, in the Chair's view this budget that was announced yesterday – the Chair doesn't disagree that it's going to have a very major impact on the province, but the Chair feels that all hon. members should have the opportunity of learning about those impacts from their constituents and not respond with a snap of a finger by an emergency debate that really doesn't come to any conclusion today.

Therefore, the Chair regretfully must rule against the motion.

head: **Orders of the Day**  
 head: **Public Bills and Orders Other than**  
 head: **Government Bills and Orders**  
 head: **Second Reading**  
**Bill 203**  
**Family Day Amendment Act, 1995**

[Debate adjourned February 22]

THE SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Yes, Mr. Speaker. [interjections] Apparently, they're a little restless yet. I'd like to take a couple of moments to speak against . . .

THE SPEAKER: Is the hon. member rising on a point of order?

**Point of Order**  
**Speaking Order**

MRS. FORSYTH: Just a clarification, Mr. Speaker. They finished the debate last time. I understand it's our side's turn first; no?

THE SPEAKER: Order please. The Chair doesn't really know who concluded the debate last time. It's up to hon. members to rise to their feet quickly if they want to be recognized.

MR. N. TAYLOR: Thank you, Mr. Speaker. My mother always told me to be kind to those slower than myself. I did wait for 30 whole seconds, and there was no sign of life over there.

#### Debate Continued

MR. N. TAYLOR: Speaking against the motion put forward, I notice one of the main criteria put forward by the government is that a holiday any other time but Sunday hurts business and costs people money. Well, I think the hon. member is not aware, and maybe she should check with other free enterprisers in her caucus, because that caucus lays on a great deal about sort of being wired in to the free thinkers and the free enterprisers of Alberta more than anyone else.

There isn't a holiday that occurs under the system of shopping laws and regulations where everyone doesn't jump in and start working on it. In other words, the idea that Sunday is sacred as a commercial holiday is long since gone. What I'm getting at is the idea that there are a couple days a week where nothing goes on and therefore you're going to stay at home, and therefore we could move Family Day from Monday to Sunday doesn't hold water anymore. Wherever a holiday falls today, there is very little regulation going on as to whether liquor stores or hardware stores or anything else can stay open. Of course, what's happening out there in society is that when there is a holiday from the office that takes place, mother, dad, grandma, and the kids all jump in the old four by four or whatever they're using – if they're in the city, they drive a car; if they're out in the country, they drive a four by four with ground tracks and everything else to go through the mud holes. They go down to the shopping centres and spend money.

I think that if the hon. member will talk to some of her businesspeople in the constituency, she will find that Monday is not a lost day to all businesses. It may be to some businesses. It may be in some areas that they're given some time off. In general, those businesses even then that argue that they are losing money by giving their employees time off on Monday are probably the same businesses that do well from the increased profits from the retail trade that was opened Monday and made money that went back. In other words, the lawyer that complains that he has to give time off to the paralegals or the legal help on Monday because he wouldn't have to on Sunday is also the same lawyer that makes money out of the increased amount of money in the economy with those shops being kept open on Monday by those shopkeepers with their higher profits.

I guess really what I'm arguing, Mr. Speaker, is that to use the economic argument as a right to move a holiday doesn't particularly make sense, because some make money out of it and others don't. But what is important, I think, on Family Day is the recognition of Family Day and also the recognition that it has its own day in the week. Under the hon. member's strategy she would move Remembrance Day to Sunday, July 1 to Sunday. Sundays would be used to celebrate a whole host of holidays.

I think the very need to bring Family Day into discussion as being a holiday is probably a good one because our families are attacked today from all sides, whether it's the TV or whether it's outside amusements that distract or the fact that mother and dad are both working. There are many areas of need that we can

think of as reasons for the family to bond. One of the big reasons, of course, is that the family isn't employed with father and mother anymore and earning a living. In this high-tech, cybernetic, advanced society, unfortunately, our children don't have a chance to work.

THE SPEAKER: Unfortunately, pursuant to Standing Orders the Chair must intervene at 3:30 to advise the hon. member that the time allotted for this item of business is concluded for today. We must now move on to the next order.

**head: Motions Other than Government Motions**

**3:30 Grain Marketing**

501. Moved by Mr. Hierath:

Be it resolved that the Legislative Assembly request the government to request the federal government to amend the Canadian Wheat Board Act so that producers of wheat and barley will have the option to market their grain on the North American continent either through the Canadian Wheat Board or by private export and that this option be extended by November 1, 1995. If the aforementioned time line is not met, the government of Alberta shall conduct a provincewide plebiscite for the producers of wheat and barley.

Moved by Dr. Nicol that Motion Other than Government Motion 501 be amended to read that the Legislative Assembly request the government to request the federal government to amend the Canadian Wheat Board Act so that producers of wheat and barley will have the option to market their grain on the North American continent either through the Canadian Wheat Board or by private export provided that a provincewide plebiscite for the producers of wheat and barley approves this plan.

[Debate adjourned February 14: Dr. L. Taylor speaking]

THE SPEAKER: The hon. Member for Cypress-Medicine Hat.

DR. L. TAYLOR: Thank you, Mr. Speaker. I managed to get up early enough to be recognized, I see.

I understand that we only have one minute left in this debate, and I would encourage all the members: since the changes the federal government made in terms of the Crow benefit, in terms of the rail subsidy, it becomes even more important that all of the members, even those on the other side that don't understand this, support both the amendment and the motion.

The rail subsidy has been removed, Mr. Speaker, and we must give the farmers the opportunity now to market their grain either inside the board or outside the board. If we do not provide them this opportunity, it's my rough estimate that the grain . . . [interjection] Sorry, Mr. Speaker; am I disturbing you?

THE SPEAKER: No. No.

DR. L. TAYLOR: Oh, okay.

It's my estimation, Mr. Speaker, that the grain costs will go up approximately \$20 a tonne. Now, that's just a rough figure, but that is why we need to give the farmers the opportunity to market their grain in a different system if the market so chooses. As I pointed out in my . . . [Dr. Taylor's speaking time expired] Oh, I'm sorry.

Thank you.

THE SPEAKER: The Chair allowed the hon. member to carry on a little past the bell because of a distraction, but the time has elapsed for the consideration of this motion. There is an amendment to the motion proposed by the hon. Member for Lethbridge-East that must be dealt with before the final vote.

[Motion on amendment carried]

THE SPEAKER: Now the vote will be on the motion as amended. [interjections] No. Sorry, hon. members. You're not fast enough.

The vote is now on the motion as amended. Those in favour of Motion 501 as amended, please say aye.

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no. Let the record show that it carries unanimously.

**Referral to Committee on Law and Regulations**

502. Moved by Mr. Mitchell:

Be it resolved that the Legislative Assembly refer all regulations enacted pursuant to Acts of the Legislature which received royal assent subsequent to June 15, 1993, to the Standing Committee on Law and Regulations, hereinafter described as "the committee." The committee shall review such regulations said to include but not be limited to the following questions.

- (1) Is the regulation consistent with delegated authority provided in the relevant statute?
- (2) Is the regulation necessarily incidental to the purpose of the statute?
- (3) Is the regulation reasonable in efficient provision of service to Albertans?

The committee shall report to the Legislature on or before May 1, 1995.

THE SPEAKER: The hon. Leader of the Opposition.

MR. MITCHELL: Mr. Speaker, thank you very much. I'd like to say that we're a little more prepared for this motion than they were for that last vote. Free votes in action. [interjections] I know that the House leader is a little edgy today. He's had a bad day. He hasn't had a lot of success.

I rise to speak to my Motion 502, which refers to the Standing Committee on Law and Regulations and which would require that all regulations passed since June 15 of 1993 be reviewed by the Standing Committee on Law and Regulations. It's an amazing observation, Mr. Speaker, that in fact this committee, which is one of a handful of standing committees of the Legislature, has not met since October 2, 1985, despite the fact, among other things, that the opposition has called on the government 10 times to redefine the mandate of this committee or at least to call it so that it would do something.

If I were the Member for Calgary-Shaw, who's been appointed to chair this particular standing committee, I would think that there may well be a coincidence between being appointed to chair this committee and sitting so far back that we practically have to squint to see him. In fact, the most recent time that we have asked for some action to be taken by the Standing Committee on Law and Regulations, for the chairman to stand up and undertake his responsibility was April 27, 1994, when my colleague the



Member for Calgary-Buffalo wrote and requested that the standing committee meet to undertake a number of regulatory reviews. Of course, either the chairman from Calgary-Shaw didn't want to do it or he was overruled and asked not to do it or told not to do it.

The reason that we have moved this motion, Mr. Speaker, is to address a broad concern that we have with the manner in which this government is treating the democratic process in this province. There are many disturbing trends that are being undertaken in the guise of balancing the budget but which have very little to do with balancing the budget, if anything, and in fact may run in the face of balancing the budget successfully. We have noted over the last number of years, two years in fact, that the government has begun to centralize power in a massive way in what I originally thought would be the cabinet. It's becoming more and more apparent that it's being centralized in the office of the Premier himself.

Two years ago the Premier set out to gut the power of duly elected school boards by taking away their \$1.3 billion tax base. Without taxing authority more and more these school boards will have less and less authority to influence the educational system within their own jurisdictions. That may be good for a government that wants to centralize power and do what it wants; it's not very good for a child in Hanna whose education will be determined by some bureaucrat in downtown Edmonton.

Following that, of course, was the debate surrounding regional health authorities, health authorities with a huge expenditure responsibility and almost no accountability through elected office to their communities, communities which are demanding directly of this government that these authorities be elected. But again, Mr. Speaker, a government that doesn't have elected authorities with their own power base to resist them can do exactly what it wants, and more and more the power in this province, the power that people once had to influence their communities, to create and fashion the futures of their communities is being drained, if you will, or reeled in to this cabinet, to the Premier's office.

It's also true that we see this trend continued with the former Minister of Municipal Affairs, who very grandly established this objective: we're going to go from 2,300 elected local authorities down to 400 elected local officials. Why would that be, Mr. Speaker? Efficiency. Well, we need some efficiency, and some amalgamations would underline that, but at somewhere between 2,300 elected officials and 400 elected officials you long since pass efficiency and get into the range of: boy, if we only had 20 percent as many people with an elected base working on behalf of their communities, we'd have 80 percent less resistance and we could do whatever we wanted to do. That is exactly what is occurring.

Compounding that centralization of power in a regional sense is a further centralization of power through law-making by regulation, which is eroding the traditional strength, the traditional democracy, and the role that a Legislature plays in the democratic process. We saw it most recently with Bill 19, the School Amendment Act, 1994. It was a relatively short Bill itself. It had references in 46 places to regulations which will follow. It's government by regulation. Heaven forbid that what the government wants to do would actually be debated in this Legislature. No. They bring in skimpier and skimpier pieces of legislation and do all the rest of it behind closed doors by regulation.

Bill 20, the Regional Health Authorities Act, I think was 19 pages long. In fact, Mr. Speaker, again the bulk of that will be implemented through regulation, although clearly the plan has yet to be put in place in the health care area. But, again, government taking away the role of this Legislative Assembly to debate in

open what its initiatives will be and instead governing by regulation.

To put the icing on the cake, as it were, we saw Bill 41, followed by Bill 57, and now followed by the un-Bill 57, if you will. These Bills give this government huge authority to reallocate, to redelegate ministerial responsibility and authority to literally wherever it is that this government would choose now under the un-Bill 57 without any debate in the Legislature whatsoever.

3:40

You know, the irony, Mr. Speaker, is that there have been traditions in this province of local government authorities, local school board authorities who have given up their time, given up their energy, made sacrifices to build their communities. It isn't this provincial government that built this province all by itself. In fact, it has gone out of its way to usurp and scoop authority from local authorities, from people who have built the traditions of this province, and they did it with largely balanced budgets. This government has stepped in and scooped that away. The irony is that they are becoming an opposition to some basic values and traditions of this province. After the next election we're going to make that opposition status official.

MR. DAY: You said that the last time. You said it the time before.

MR. MITCHELL: It takes a while to get through to this House leader; doesn't it, Mr. Speaker? I know the frustration the Speaker feels in having to repeat and repeat and repeat to this House leader just what the rules are before he gets up and pops off.

Mr. Speaker, the other irony, with respect . . . [interjections] Very trying. Very trying. The other irony is that this government that wants less regulation, less government has in fact consistently in a contrived way built up the way that it governs by regulation. What it can't seem to get straight is that the wrong kind of government is government that's done behind closed doors arbitrarily, unilaterally, in part by regulation, not the kind of government that has open debate in a public forum where people can see what it is that they're going to have this government do to them. The fact is that this government has consistently and inexorably built government by regulation. Since 1990 this government has been averaging 400 different sets of regulations per year. We're not getting less government from this government; we're getting less open government, less accountable government. It's time that steps were taken to address that.

One of the really disconcerting features of the way in which government legislates, if you will, by regulation is that they're shifting power away from the Legislature and onto bureaucrats. It's going to be bureaucrats who will determine what will happen in education, what will happen in Treasury, what will happen in economic development. They in fact over time will become more and more powerful and in many respects may become more and more powerful than their own ministers, ministers who won't be held accountable in the Legislature for legislating behind closed doors, ministers who will be very, very susceptible, therefore, to whatever it is that their senior bureaucrats may want to have happen.

Opposition members won't be privy to these inside discussions. We won't be given any insight into why it is and how it is that government has usurped the power that they do in any given case. We will be reduced to reading whatever the outcome is in the *Alberta Gazette*. In fact, many of the government's own back-

benchers will be reduced to that. Where is the Member for Calgary-Shaw, the member who wants less government and who wants to stand up and has always argued, and very effectively when it came to freedom of information, for a more open government? The Member for Calgary-Shaw sits there, Mr. Speaker, very, very quietly and says: "Yes, Mr. Premier, if you don't want me to call that standing committee of the Legislature, yup, yup, yup, I will not call it. Mr. Premier, how high do you want me to jump, and I will jump, and I certainly will not be calling that standing committee of the Legislature."

THE SPEAKER: The hon. Member for Stony Plain is rising on a point of order.

**Point of Order  
Relevance**

MR. WOLOSHTYN: Yes, 23(i), (j), and anything else you might want to throw in there. I think that perhaps the hon. pretend Leader of the Opposition should get back on the motion and stop trying to agitate or otherwise inflame my hon. anchorman, the man from Calgary-Shaw. If he would pay half as much attention to activities of his caucus as he is to our member, he may have in fact the occasional bit of support in the House. So I'd asked, Mr. Speaker, that you would get this leader, who obviously is wandering aimlessly in the wilderness of liberalism or Liberal philosophy, back onto the topic of his motion for whatever it might be.

MR. MITCHELL: Talking about aimless wandering, Mr. Speaker, I wonder if the Whip could stand up and tell us which party he's a member of today.

MR. WOLOSHTYN: The Conservative Party, and I'll remain that way because I know where I'm going. You don't even know where you've been.

MR. MITCHELL: But we know exactly where he's been, Mr. Speaker, and it's not a very pretty place.

THE SPEAKER: Order please. On the motion, please, hon. Leader of the Opposition.

MR. MITCHELL: It was actually nice to see the Whip standing up in a decisive and precise fashion, which he wasn't able to do when he was trying to call for a vote, Mr. Speaker.

**Debate Continued**

MR. MITCHELL: My point, Mr. Speaker, is that we have a very, very disconcerting trend in this government. We have observed it: the centralization of power away from school board officials. The Member for Calgary-Currie should of course be concerned about that. They have gutted school boards. They have not given a power to regional authorities. They are gutting local authorities. They are very, very clearly centralizing power, and as if that isn't enough, they are also centralizing power through government by regulation.

What we're asking for is not very much. We're asking to have this Member for Calgary-Shaw stand up and exercise his responsibility under this Legislative Assembly and say: "We are not going to stand for it any longer. The Member for Calgary-Shaw is going to call the Standing Committee of the Legislative Assembly on Law and Regulations and is going to review in a public and open forum what this government wants to do behind

closed doors." Mr. Speaker, if we could see that from the Member for Calgary-Shaw, we would see a member that one day would warrant maybe being moved up two or three seats to the right and maybe even a seat forward in the bench. It is the very least that he can do to live up to his responsibility and to put his money where his mouth is.

We need less of this kind of behind closed doors government, more openness, more authority to the Members of the Legislative Assembly. I urge these members across the way, these recalcitrant members across the way to vote for this motion.

Thank you.

THE SPEAKER: The hon. Member for Calgary-Shaw.

MR. HAVELOCK: Well, thank you, Mr. Speaker.

AN HON. MEMBER: Jump, Jon.

MR. HAVELOCK: Yes, jump. There. I just jumped higher than Grant is tall.

Mr. Speaker, it certainly is with pleasure that I rise before this House to speak to Motion 502 sponsored by the Leader of the Opposition. I guess a couple of introductory points I'd like to make directly. Whether the Leader of the Opposition thinks I warrant a move to the front bench is irrelevant because he has no say in the matter, and I doubt if he's ever going to have a say in anyone moving to the front bench and making any decisions which affect this Legislature in the future.

As chairman of the Standing Committee on Law and Regulations certainly I have a significant interest in this motion. If we were to pass it and it were to be subsequently acted upon by the Legislature, it would certainly entail a substantial amount of time and expenditure on the part of this House and certainly on the part of the committee. Consequently, this House should carefully examine the range of tasks undertaken by the committee in past instances, the impact of and result to be achieved by this motion, and possible alternatives. I see that the Leader of the Opposition is pretty keen to hear these remarks, as he's leaving the House.

While the committee's mandate is extensive, it is limited by a fundamental principle, which I've explained in this House on numerous occasions; that is, it meets only when so directed by the Legislature. I do not have the authority or the power to simply call a meeting of this committee and undertake tasks unilaterally. In fact, since inception the committee has convened on only three occasions. The last was again in 1984 and '85, as referred to by the Leader of the Opposition. If we go back to the first time it was convened, that was in 1978. The matter then before the committee was to review the report of the Select Committee of the Legislative Assembly on Regulations. The committee accepted a majority of the report's recommendations, including the suggestion that regulations make authorities use every effort to engage in the widest feasible consultation with those directly impacted. Mr. Speaker, the last time the committee met, as again was noted by the Leader of the Opposition, was 1984 and 1985. The committee took under consideration the published reports of the Institute of Law Research and Reform with respect to various recommendations on different departments.

**3:50**

I think it's important to examine the aforementioned committee experience, and when we do so, I think we can quite safely conclude that certain parameters were utilized by the House when contemplating whether a particular matter should be referred to

the committee for discussion. Briefly, if you look at what was addressed previously, all issues satisfied one primary criterion, and that was that the review of independent recommendations was looked at and fell within the committee's jurisdiction. In other words, Mr. Speaker, the committee was not activated to act as a basic fact finder or primary inquiry mechanism, and that is what the Leader of the Opposition is proposing the committee do now. If we were to look at Motion 502 and again compare that to what the committee has done in the past, then that criterion is not satisfied.

Let's leave that aside, and for the purposes of this discussion let's assume that the motion warrants further consideration by the House. It would, I believe, in light of that be appropriate to establish the impact of the motion and the result to be achieved. Now, as previously stated by the motion's sponsor, it is proposed that the committee review all regulations which are being duly considered and enacted by Executive Council during the past two years. This gives rise to a number of questions, Mr. Speaker, not the least of which is: what would be achieved by such a review?

The regulations have generally operated in an effective and efficient manner, and any problems associated with the same have been resolved as necessary or at least certainly addressed by this government when it has been brought to their attention. If there is a particular matter of concern to the member, for example the education Act, as was mentioned, then I suggest that either the motion should be restated to reflect that concern and eliminate the broad manner in which it's been drafted or, alternately, the Leader of the Opposition and his caucus can bring the matter directly to the attention of the minister. To have a Legislative committee, however, simply review all regulations with such a broadly enunciated purpose as set forth in the motion is unacceptable. I think we need better direction and certainly some specific tasks.

Further, Mr. Speaker, having regard to the fact that since June of '93 we have passed in excess of 900 regulations comprised of approximately 2,000 pages of written material, based on what's encompassed by the motion, it would simply be impractical to try and review all of those regulations within a two-month period. That suggested time frame would necessitate considerable intensive scrutiny at significant expense. Some numbers that have been thrown around, excluding the honorarium which would be paid to the members sitting on that committee – and that probably is one of the reasons why the Leader of the Opposition would like to see it sit. You're looking at expenses in excess of \$130,000. That to me is not an effective use of public dollars.

Now, I do not wish to imply that the hon. member is anything other than well intentioned in bringing this motion, though it appears to be motivated for the dual purposes of political embarrassment and delaying this government in fulfilling its legislative agenda. In addition, Mr. Speaker, the necessary implication of this motion is that there is no effective means of reviewing regulations prior to implementation. The mere absence of a regulatory review by this committee and, indirectly, members of the opposition through their membership on that committee should not be interpreted as a deficiency. Rather, in my view, there is an efficient and acceptable process in place to ensure regulatory review at this time.

AN HON. MEMBER: What?

MR. HAVELOCK: Well, I'll explain it to you.

Presently, Mr. Speaker, provincial statutes delegate the legislative powers for making regulations to the Lieutenant

Governor in Council, ministers, and other boards. Regulations are drafted under the direct scrutiny and control of professional draftsmen employed by the Legislative Counsel's office. Once a minister has approved in principle a proposed regulation, the draft is sent to the Legislative Counsel's office to ensure that there is sufficient legal authority to draft it and to ensure that it accurately reflects what it was intended to do.

Subsequent to Legislative Counsel review and prior to the minister presenting a regulation of a substantive nature to cabinet, Mr. Speaker, the regulation is reviewed and considered by at least one of the standing policy committees. Further scrutiny is also provided through this government's commitment to consult with those impacted by proposed regulations. Such commitment is evidenced by the extensive consultations and roundtable discussions which have occurred through the province on significant issues before decisions are made. In fact, Mr. Speaker, since June of 1993 this government has held over 1,200 public consultations, many of them dealing with regulations.

I do not suggest that the present system is without problems. In light of the increasing importance of regulations, as noted by the Leader of the Opposition, perhaps it would be appropriate to have particular matters automatically referred to the committee for review. Nevertheless, to ensure that such a review is not cumbersome, Mr. Speaker, I feel it would be necessary to restrict the number of matters before the committee and the time allotted to each issue to be reviewed. Unfortunately, the way the motion is presently drafted, again there's a lack of direction, and I think that the task which the Leader of the Opposition has set before the committee is, quite frankly, onerous, and we would not be able to achieve it.

If we were to somehow restrict the number of matters and perhaps look at the time to be allocated, I don't feel it would unduly delay the government enacting the relevant legislation, and it would provide the opposition with a legitimate opportunity for input. Alternatively, Mr. Speaker, the hon. Member for Edmonton-McClung may wish to have his caucus conduct a thorough review of the regulations or those that are of particular concern and table the result in the Legislature. If he is truly concerned with specific regulations, then I'd suggest he utilize a portion of his research budget to conduct that review.

To conclude, Mr. Speaker, Albertans have clearly indicated that they want this House and its members to engage in meaningful debate. Motion 502 does not, unfortunately, enhance that process but merely results in unnecessary expenditure of public funds and potential legislative delay. Again, if the Leader of the Opposition wishes to proceed, I'd suggest that a motion be brought forward in the future which is certainly a little more specific and can give the committee better direction. If there was a good motion before this House, I certainly would support it, and I believe that my colleagues on this side of the House would also do so. Unfortunately, the motion is much too broad, and I would therefore have to urge all members of this House to vote against it.

Thank you.

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

MR. DICKSON: Mr. Speaker, thanks very much. Firstly, I want to commend the Member for Calgary-Shaw for what I thought was a thoughtful, rational, and lucid explanation. While I don't agree with his conclusion, I just want to make the observation that it's one of the few times in this session, although in the early days, where we hear a reasoned opposition to an

opposition initiative. I don't expect and have never suggested that all ideas that come from the opposition side have such overwhelming and apparent merit that they should be supported unanimously, but I certainly appreciate the fact when somebody takes the time to deal with a proposal on its merits, as the Member for Calgary-Shaw has done. So I commend him for that approach, and it is impressive.

Mr. Speaker, notwithstanding the workmanlike and the responsible approach taken by the Member for Calgary-Shaw, I think that there are a number of elements that he did not address, and I wanted to touch on some of those. It's of interest to me that in the Speech from the Throne the government talks about the need to deal with regulations. So I assume that this government is picking up some concerns that Albertans have, whether in a particular sector such as education or health care or from citizens more generally, because the government says on page 4 of the Speech from the Throne:

The government will complete its ongoing review of every provincial regulation to revise or remove the ones that impede business unduly.

Now, I don't see anything in the Speech from the Throne that says, "But there are 2,000-odd pages, and that's intimidating." I mean, it says: we're going to complete this ongoing review. So if the government is not dissuaded or discouraged by the volume of the challenge, why would an all-party legislative committee?

4:00

The government has identified a need, obviously, to review these things, and what we have in front of us is a motion which provides, I suggest to all members, a far superior vehicle for doing that review than some kind of internal standing policy committee. The standing policy committee, for the record, is made up solely of members of the government caucus. Just as I'm prepared to concede that we have no majority on good judgment or great insight on this side of the House, I surely encourage members opposite not to assume that they have such a monopoly. So, Mr. Speaker, that's a key concern.

I think in this province sometimes it's useful to look back, not to be hidebound by past tradition. It's always amazing, Mr. Speaker, how many issues continue to resurface and how often the similar kind of question comes in front of a body like this one. We start as if it's an ab initio kind of debate, as if nothing has gone before, when the reality is that there's often useful instruction we can take from past governments.

We don't have to look any further than November 1974. At that time a committee was struck. It was a special Select Committee of the Legislative Assembly on Alberta Regulations. The Member for Calgary-Shaw is quite correct. Many, many of those recommendations were subsequently adopted by the government and are now part of our framework to deal with regulations. We have a Regulations Act. We have a committee that reviews regulations, an interdepartmental committee. So those were positive moves forward. Some standardization of gazetting for regulations was also a recommendation that came from the Zander committee report.

Although the majority of recommendations were not accepted, two of the most important recommendations were left buried in the report, and this is, I think, an appropriate time to remind members of those two key recommendations that weren't accepted. Whereas the government in 1974 may not have had the courage or the boldness to move in these two directions, surely the members opposite would not agree that this government now would be similarly reluctant. I think members of government take great pride in the fact that the government in this province is

taking a number of bold initiatives, moving forward in an aggressive way to deal with a whole range of issues, and I would hope that the government would bring some of that same energy and same enthusiasm for change to this important area.

I don't mean to tease members further. Let me tell you what the two recommendations are that we haven't seen action on. The first one – and I'd specifically commend this to the Government House Leader because this may be a surprise to him – was recommendation 10, and I quote: that wherever possible a set of proposed regulations should accompany new Bills as they are presented to the Legislature for consideration.

Now, I recall in the spring session the Minister of Energy, I think – and I stand to be corrected on that – and her colleague the Government House Leader stood up and said this was nonsense when the opposition said, "Bring in the regulations to Bill 20; bring in the regulations to Bill 19." We heard senior members of the government say: "Don't you understand how government works? You make the enabling legislation, and then later the regulations are crafted."

Well, this select committee of the Legislative Assembly in 1974 didn't seem to feel that that was an impossible or an outrageous suggestion. You know who was on this committee in 1974? We had a distinguished group that included Catherine Chichak. We had Bob Clark, the current Ethics Commissioner, as a member. These are seasoned parliamentarians. They felt it was appropriate, wherever possible, to bring in regulations with the draft statute. Mr. Speaker, it seems to me that this is not some kind of a flip suggestion from the opposition; it in fact reflects what this special committee had concluded.

I might add that the special committee traveled the country, spent time in Ottawa in terms of how they deal with regulations there, talked to other provinces, and I think the report should be compelling. In terms of the legal advice that went into this, there were a number of prominent counsel, including two members who are currently on the Alberta Court of Appeal. So I think it's fair to say that the members who provided some legal input into this technical area certainly were legal heavyweights, and those recommendations should be considered and taken to heart. Now that we've got a government that says it's prepared to go where governments have been unprepared to tread before, perhaps this is a propitious time to move on these matters. That was the one recommendation.

Now, the second one, Mr. Speaker, that wasn't acted on was the recommendation that there be a committee which sounds to be exactly the committee that my friend from Calgary-Shaw chaired. That's the committee. What's it there for? Well, the idea is not to review a handful of regulations, not to review a few selected regulations that are identified by the opposition and offered up in a specific motion. The notion is that this committee, once established, would have terms of reference broad enough to review not just regulations but all statutory instruments. That would include orders in council and another area of executive decision-making, and those are ministerial orders. We now have legislation that allows I think the Education minister, I think the Health minister to make a range of what are called ministerial orders. Those also should be something that goes to the standing committee on an ongoing basis. This committee should have the power to call witnesses, once again a recommendation from the Zander committee report.

Now, just to deal briefly with the suggestion that, well, there's 2,000 or so pages of regulations; it would overwhelm the committee. All members of this Assembly know how to delegate.

We do it in our constituency offices; we do it in our offices in the Legislative Assembly. It's not really very difficult to set up a system so that we flag the problematic regulation, we identify the things that require some additional scrutiny. The key point is that legislation doesn't reside in the cabinet office. That's one component of the system of government. We're another component. When I say we, I mean all members of this Assembly. It's high time that the Assembly started to reassert its legitimate role in lawmaking in this province.

You know, I've said only half facetiously that the direction the government is going would soon put us at a point where MLAs, government and opposition, might as well sit in their constituency offices scanning *Alberta Gazette*, because what we're going to find is that all the decisions are being made and we simply look at the regulation after the fact. Now, there may be some ministers who think that's an appropriate direction to move, but to anybody who really genuinely believes that our system of government works if the people, all 83 of the members in this Chamber, are responsible and accept that responsibility, it's high time that we recognized that all those regulations are part of our responsibility too, and it's time to bring them back in so that we can have a look at them.

Now, Mr. Speaker, some members may say: "Well, we don't want to undertake this responsibility to review regulations. We'll ignore the 1974 Zander committee report. We'll ignore the fact that in a series of provinces across Canada – I think in Ontario and Manitoba and at least one other province – they have a very active committee doing this. We'll ignore the fact that in the United Kingdom they do this." The point is that there will be somebody who checks regulations.

#### 4:10

You know who it's going to be? It's going to be the courts in this province. I've practised law long enough to recognize that that's sometimes one of the least efficient, least accessible ways of trying to get a job done, and it seems to me that there are a number of members who share that sentiment. I know the Minister of Energy shares that sentiment, and I say to the Minister of Energy that if she would like to see a smaller role for the courts in this province, let's assume the responsibility we're being paid to do, we've been elected to do. That means we review the regulations through this process here or a committee of legislators, not a committee of government members but a committee that includes some government members and some opposition members. That's the recommendation from the Zander committee report.

If members in this Assembly, Mr. Speaker, want to see more lawyers involved and more courts saying what regulations are acceptable and which are not, which laws are acceptable and which are not, then defeat this motion. Defeat this motion if that's what you want to achieve. If, on the other hand, you'd like to see less reliance on the courts, more reliance on the people that have been elected to govern for this province, let's support this motion. Let's support this motion and start accepting some responsibility instead of always ducking and passing it on to somebody else.

Mr. Speaker, I just want to acknowledge that we do have – people may say: "Well, we've got a Regulations Act. We have a committee set up under that Act to review some regulations." But to say that that is an answer disregards or ignores completely the fact that all 83 members of this Assembly comprise the Legislature, not the members on the government side. Until we start ensuring that every committee struck in this Legislature, not just this one but every committee, has representation from both

sides, Albertans are not being adequately represented, and they deserve better.

Mr. Speaker, I think what we've seen is a proliferation of regulations. I don't want to defame bureaucrats, because government can't operate without them, but my experience has been that people involved in implementing plans sometimes get carried away. I think it's a fairly natural sort of temptation sometimes for administrators, for well-meaning people in departments to start wanting to create a bigger and bigger code of laws, a bigger body of regulations.

You know, I've heard a number of members offering some helpful advice to me in the course of my comments, and I've heard a number of people saying they want to have fewer regulations. I can think of no faster way of reducing the number of regulations than having this kind of a standing committee set up. I know I've got some colleagues here sitting beside me now that would be able to go in there and prune aggressively but fairly. We could do it in agriculture, and we could do it in women's issues. We could do it in the area of the Treasury. We could do it in virtually every one of the departments in this province.

What would Albertans have at the end of this? What would the net benefit be to Albertans? Surely there has to be a net benefit. The first net benefit would be that once again the laws that affect Albertans and the processes they have to follow to be able to access government services are authored by the people they elect, by the people accountable to them, and the people that they can vote out of office if they don't like the job they've done. That's a big step forward.

The second thing that happens is that we start putting the brakes on big government. Mr. Speaker, I talk to members on the government side, and they share my sentiment that they'd like to see smaller government. But then when we bring in a splendid opportunity like this for those people like the Minister of Transportation and Utilities, who has been in the vanguard of the movement to make government smaller, compress government, now we serve up an opportunity for that minister to vote, not just talk from the sidelines anonymously but to actually vote, and it's just a glorious opportunity. I'd be happy that he had that opportunity even if we didn't have a lot of other good reasons to be able to support this. But that's a good reason. So I'm going to be looking forward to the Minister of Transportation and Utilities demonstrating consistency, demonstrating a kind of follow-through, and showing that he will vote in exactly the same way he talks in this Legislature. I'm confident he's going to do that.

I'm looking forward to having him rise and support me and many other members on both sides of the House who don't want to see the Member for Calgary-Shaw languish in obscurity any longer. We have an opportunity here, Mr. Speaker, to take I think a very credible, a very competent member of this Assembly and ensure that he's going to be able to bring his considerable talents to bear, and that's a net benefit to Albertans. It's a net benefit to the members on the government side. It's a net benefit to all legislators. We want to be able to take advantage of his skills. [interjection] Exactly. Somebody is talking about Nelson Mandela here, but I'm not going to make that kind of analogy.

Mr. Speaker, just to touch briefly on the history of this thing. Some people may say: "So who is Mr. Zander? What did that committee of MLAs know, and what did the two lawyers know that went on to become Alberta Court of Appeal justices in 1974?" There are a range of reports right across this country and in the United Kingdom that all say exactly the same thing. If you want to get a handle on regulatory instruments, if you want to start reducing the size of government, if you want to make sure

that responsibility goes back to the men and women elected to do the job, you create this kind of a committee. Ontario has one, and there are some members who don't like the Ontario model. The United Kingdom has got one.

You know something interesting? The Minister of Energy I suspect is probably a big fan of former Prime Minister Thatcher. What is interesting to me is: did Margaret Thatcher abolish the committee in the United Kingdom to review statutory instruments? She did not abolish that committee. In fact, the committee was busier than ever when she was Prime Minister. So if you have a confirmed Conservative, small c and capital C, that can be persuaded by the enormous positive impact from a committee like this, why would the members of the Conservative persuasion in this House . . .

MRS. BLACK: Have you ever been to Westminster?

MR. DICKSON: I have indeed.

I hope the Minister of Energy is going to show the same kind of enthusiasm when it comes to a vote, Mr. Speaker, as she does now in encouraging me and urging me on. I encourage all members to support this important motion.

Thank you.

DR. L. TAYLOR: Mr. Speaker, I'm pleased to stand and address this motion today. I'm going to try and be as kind as I absolutely can towards the motion, but really the most polite thing a person could say about this motion is, you know, it's simply a waste of time. Its real purpose is to stall the government's debate on important issues, important issues that affect all Albertans. We can see how important it is to the other side in terms of the leader's position on this motion when really, quite frankly, a number of them aren't here.

This motion would be a duplication of the work that government has already dealt with, Mr. Speaker. Albertans have nothing to gain by this motion. The motion proposes, in the typical Liberal fashion, that we dwell on the past. They are a party of the past and they want us to dwell on the past, rather than focusing on the future and dealing with the future and preparing for the future and helping Albertans prepare for the future.

The member is asking the government to spend unnecessarily taxpayers' money reviewing regulations that have already been passed. We just heard earlier a would-be leadership candidate saying that we have to cut government expenditures, that we have to cut here, we have to cut there. He was looking at government fat, he said. Well, what could be fatter than this committee and spending the money on this committee? I would encourage the Member for Fort McMurray to get up and point out quite clearly that he is opposed to this motion. Hopefully he will not support it, this kind of idea of spending more and more of the taxpayers' money.

4:20

The member proposes that the committee report by May 1, 1995. This time frame of course is completely and totally unrealistic. Members of the committee would have to drop absolutely everything they are doing and meet in committee day in and day out for the next several months simply to review the regulations that have been passed and have already been implemented, which can't be reversed. What could be a greater waste of time than reviewing regulations that have been passed that cannot be reversed?

[The Deputy Speaker in the Chair]

I question, Mr. Speaker, whether the constituents in the member's riding even know that he is asking the government to spend money on issues that serve absolutely no purpose, have no benefit to them, and are looking at the past. What the member proposes would cost money, and we could better use this money on various kinds of priority issues. In fact, I would ask the member, if he were here, to tell Albertans where this money would come from, where the money would come from to fulfill this useless task. Would he want to cut his hon. Deputy Whip's salary by some several thousands of dollars? Would he use the Liberal caucus budget to come up with this extra money?

In fact, I've suggested to him on several occasions that he doesn't use his research budget effectively. In fact, I volunteered to be a consultant for his researchers to help them write good questions. He has yet to take me up on it. Would he like to use his research budget to come up with this money? Where does it come from, Mr. Speaker? We are in a government that is trying to reduce government expenditures, not increase them.

The government already has a system, Mr. Speaker, which covers all of the member's concerns for enacting the regulations. I'm sure this member is aware of it. This system was in place in 1978, and I suspect the hon. member opposite has been here probably just about as long. Regulations of a significant measure are reviewed by the appropriate standing policy committee. They have to be reviewed and discussed at that committee. If they are not reviewed and discussed at standing policy committee, they go nowhere. As well, the government carries on comprehensive consultations around the province. We go out and talk to Albertans before we decide on important issues. We ask and listen to Albertans as to what Albertans want. In fact, I would use the example, Mr. Deputy Speaker, of a committee that you were chairman of, the roles and responsibilities committee. Should I call you Mr. Speaker or Mr. Chairman at this point?

THE DEPUTY SPEAKER: Refer to the Chair as the Speaker regardless of who is sitting in it.

DR. L. TAYLOR: Thank you, Mr. Speaker.

You chaired that valuable committee. You know that committee went out all across this province and listened to what Albertans had to say. We had an independent consultant who wrote a report and took it to Albertans. We brought Albertans back in and reviewed the report, and now we're reviewing further. But we listened to Albertans, Mr. Speaker. The regulations for that report will be based on what we have heard Albertans saying. We don't need another committee to go out there and review the regulations after they have been written. It's simply a waste of time and money.

You know, this process I'm talking about, Mr. Speaker, is a very open process in which everyone is welcome to participate. We asked the Liberals to participate in the roles and responsibilities sessions, and I'm sure a number of them did. They wouldn't obviously identify themselves as Liberals, but I'm sure there were a number of them participating.

The government simply does not need another committee to review regulations. It would only create more red tape and make the government less efficient. That is not what Albertans want, even though the new candidate for the mayoralty contest in Edmonton seems to think that's what Albertans want. He seems to think Albertans want more red tape. That may be so from your perspective, Mr. Mayor, but it's certainly not the perspective of this House, Mr. Speaker.

The motion serves to illustrate why Albertans continue to support this government: less government, deregulation, not more regulation. We don't have our heads buried in the past, Mr. Speaker. We don't refer to 1974 like it was some great God-given year when some great God-given document was written. We don't need to look at the past. We're interested in the present, we're interested in the future, and we're interested in planning ahead for the future.

The government is committed to cutting unnecessary spending, and it is for this reason that I cannot support this motion. I would encourage all the members opposite who are interested in cutting unnecessary spending, who are interested in cutting red tape – I plead with the members opposite that you defeat this motion.

MR. DALLA-LONGA: Get down on your knees.

DR. L. TAYLOR: No, I will not get down on my knees and beg, as the member opposite has suggested. I simply will use rational logic. If they have been listening to my speech, Mr. Speaker, they will agree with me, and even though it is their leader who has supported and proposed this motion, they will defeat it. They will listen to the good, sound evidence and the logic I've just presented to defeat this motion.

So at the present time I will concede the floor to a member opposite who is anxious to speak.

THE DEPUTY SPEAKER: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. I'm not going to take the advice of the previous speaker and vote to defeat this motion. I think it's a motion that needs to be really considered. The reason that I'm going to vote in favour of it is that when I go back to my constituency, the participants who come up and talk to me want to know things like, "How do we have input to the government regulations?" I suggest that they talk to the minister; I suggest that they talk to the committees that are coming around; I suggest that they write letters. One of the things that comes back very regularly is, "Well, why can't I talk to you?" They want to be able to deal with their representative; they want to be able to deal with the person that they elected and be sure that person has the opportunity to have input into the regulation process.

The government sends committees into the different communities to seek input. Mr. Speaker, I think it's very important that as an opposition member I don't stand up and make a political issue out of their information collection process. So when they say, "Come and make your presentation at these meetings," then I'm speaking as an individual. I'm not speaking as an elected representative representing my constituency. I feel it's important that I don't politicize the information gathering process. But still my constituents come along and say: "Please. I want to be able to see what's happening. I want you to be able to participate in the regulatory process." I think this is a motion that in essence will give the public some transparency about the regulation process that they don't feel they have right now, and by having all members participate, I think that's one way to do it.

Now you're going to ask me to sit down; right?

THE DEPUTY SPEAKER: Well, somewhat as you suggest. I hesitate to interrupt the hon. Member for Lethbridge-East, but the time limit for consideration of this business has concluded.

**head: Government Motions**

**4:30 Provincial Fiscal Policies**

14. Moved by Mr. Dinning:

Be it resolved that the Assembly approve in general the fiscal policies of the government.

[Adjourned debate February 22: Mr. Day]

THE DEPUTY SPEAKER: The hon. Member for Lethbridge-West.

MR. DUNFORD: Yes. Thank you, Mr. Speaker. I was so absorbed in answering a constituent about the activities of this government that I lost track of my position.

THE DEPUTY SPEAKER: We're on Government Motion 14.

MR. DUNFORD: On the budget debate, sir?

THE DEPUTY SPEAKER: The budget debate, yes.

MR. DUNFORD: The constituents of Lethbridge-West to date have been particularly supportive of the message that the hon. Treasurer brought to us on my birthday. While it wasn't meant to be a birthday present, it certainly was the sort of budget that has enabled the constituents that I represent an opportunity to once again reassess the performance of the government they elected back in June of '93. They were quite aware from that particular campaign that the representative they were sending to the capital city was one who was elected on the basis of a promise of fiscal responsibility. I believe that in the budget for '95-96 we have, then, a clear indication from the financial representative of this government that the financial crisis that was facing this province two and three years ago has now been at least addressed, so the constituents of Lethbridge-West can sleep soundly in their beds. While I can't say that it's been put to bed, we certainly can see that we're well on the way now to sound and enduring financial health within this province.

I was particularly pleased that we could be announcing a surplus for '94-95, because again the main objective at the time of the election was, of course, deficit elimination. That was the crisis we were confronting. This was the first enemy that had to be defeated. The government, I think in a sound way, had put together a Deficit Elimination Act, but it still had to be proven. The government had talked the talk, but we still had to, as a government, walk the walk. I'm thankful to be part of a team that in fact has managed to achieve that.

The situation, however, must go deeper than that. An analogy that was used that I particularly liked, when they were talking about financial responsibility and they talked in terms of debt and deficits, was the fact that it was very, very difficult to climb out of a hole while you were still digging it deeper. I found a very simplistic analogy like that to be quite true in its simplicity, and it was then easy for me to take that message and to talk to the constituents of Lethbridge-West about that. I was actually quite amazed, Mr. Speaker, in going about the coffee shops and the streets in Lethbridge, as to how many people were actually confused over the situation of deficit and debt. So with that simple little analogy of digging a hole I then was able, I believe, to re-educate many of the people that I came into contact with. I believe they fully understood then what I was talking about and what we were trying to do.

So we have stopped digging the hole deeper. I say that with the caveat, of course, of recognizing that in '95-96 we are actually forecasting a further deficit, but that will be the last one. The goal of deficit elimination: we can see that goal; it is attainable to us. I don't believe there's any question now in anyone's mind, certainly within this House, that the government is going to achieve that particular goal. But that really is only a step on the long road to fiscal responsibility, because then we still have the debt that's facing us. It concerns me and it worries me when, again, I get cards and letters and phone calls to the constituency office when people are concerned about expenditures in health, when people are concerned about expenditures in education and advanced education and social services. I go through the list with them, and up pops number five. There it is; it's the cost to service the debt. I say to people and I say to myself: wouldn't it be nice if we had that sort of money to be able to then use in effective programming in the above four areas? So the debt retirement is extremely important, and my job, again as a representative of the citizens of at least half of Lethbridge, is not over and will not be over until we can see that we've traveled down the road toward the debt retirement.

Many of the members of the House are aware that myself and colleagues within this House were just out on the road involved in public hearings on the heritage savings trust fund, and time after time after time we would hear remarks about the debt and about trying to handle that debt. Not everyone was of an opinion that we should use the heritage savings trust fund for that debt. I could be corrected by any of the committee members, but I don't recall ever hearing, from a formal presentation or even in just a casual conversation at any of those meetings, anybody mentioning to me that the debt was not a problem: don't worry about it; you know, don't sweat it. It's clearly a situation that is in the front of people's minds, and it has to be dealt with. So I'm extremely pleased to see in the document, in the budget speech, that a meaningful plan has been put together to pay down the debt and get us into a situation of a zero net debt, hopefully within 25 years.

I can't help but compliment, of course, the government for the fact that they continue to attack the crisis situation in terms of fiscal management on the expenditure side. I am one of those who believes with all of my heart that the problem we had in Alberta was a spending problem and certainly wasn't a revenue problem. The fact that we have made the further commitment to no new taxes, no sales tax, and no tax increases not only makes me feel good about representing the government back home, but I know from the calls I've been getting that my constituents feel the same way.

The background that I have and that I talked about in the House at other times has been where I have been involved in the human resource area for it's now 25 years. [interjection] Mr. Speaker, there was just a big sigh here next to me. I can understand that: you know, that I would be getting that old. It was from my colleague from Calgary-Bow, and what makes her so sad is that she knows we were schoolmates together. If I put myself in that position, I'm putting her there as well, but I want to assure her that I was selfishly only thinking of myself at the time.

**4:40**

The aspect about the human resources that I want to key in on, though, is the tremendous initiative that this government is making in terms of performance reports. I mentioned earlier about, you know, talking the talk and walking the walk. Really, those are

just clichés if we don't have some sort of performance measurement that goes along with the walk that the government is walking.

The document that has been prepared is very extensive, and I think that while there is opportunity to perhaps criticize or perhaps offer some suggestions for modifications in a particular area, we will do that over time. I would just ask people to be patient with this, because we had a similar situation here a year ago when we started to introduce three-year business plans. Again, as someone that has come from the private sector, I'm aware, as many are, that the initial try at three-year business plans by some of the departments fell a little short, but no big deal.

I can remember the first business plan that I submitted, really, to my company back in 1981. It was a tremendously elementary and crude document, but I got better at it. Of course, what will happen with the departments, as we continue along this process, is that their three-year business plans will become better and better. What an opportunity for the people of Alberta then: to be able to start to forecast with a great deal of assurance and confidence as to where their government is heading.

Well, similar to that, now we're putting into place, of course, the performance measurements, where we'll start to be able to look at, in more than just dollar terms, what is happening to the three-year business plans as we travel along that road. I'm particularly excited about this prospect, because it's only when you can look back to see what you've done and be able to measure it in both a qualitative and quantitative manner that you really have an understanding of where you are going. I understand that it's not necessarily true that what you did yesterday is going to be what you'll do tomorrow, but it's only with an appreciation of where you've been and where you are heading that you can have that sort of confidence about where you're going to be tomorrow.

This is always the amazing thing to me, Mr. Speaker, about the whole concept of planning. I believe that many people fall into the trap of thinking in terms of planning being a way in which somebody predicts the future and that they therefore must predict that future with a high degree of accuracy or they're considered a failure. I would like to assure them that that's not a proper definition of planning at all.

Really what you're trying to do in the essence of planning is trying to get yourself involved in an exercise where you're trying to forecast, you're trying to look ahead, you're trying to weigh the variables that are likely to come into play in what you're doing. You want to then have a plan, but what is important isn't the future. The important part of it is the plan, and the plans are flexible. Just as we put together a debt retirement plan in this particular budget, just as we plan to have performance measurements against the three-year business plans, just as the three-year business plans themselves are a map into the next three years or a map into the future, that's really what planning is all about. You have a plan so that you can have a future.

Again, I want to show my appreciation to this government for having the courage to be able to put together those performance measurements. We talked about it earlier today. The Premier, in answering a question in question period, talked about transparency and openness and what a tremendous opportunity that provides for critics, for opposition, for citizens of Alberta, because when you're open and when you're transparent, really what you do is hand the hammer to people in order for them to hit you over the head. But that's fair enough, because I believe that with reasonable people administering the ministries in a reasonable fashion in the way that they are, we have a situation such that we



need not be concerned about the size of a hammer we're going to be handing over to critics.

AN HON. MEMBER: Just a little one.

MR. DUNFORD: That's right. It's just going to be a little one.

You know, we're going to make mistakes; there's no question about it. But I think one of the defining aspects of this government has been the way in which this government, when it identifies that a mistake has been made, has the courage to go back and to correct that mistake. As a government member I want to be on record as saying how eternally grateful I am that, as opposed perhaps to other administrations, they have corrected that mistake rather than sending me toddling back home to my constituents to try to defend some asinine . . .

Can I say that? Okay; I'll correct that then. My apologies, Mr. Speaker.

. . . to correct some mistake that has been made. It helps me sleep at night to know that the ministers within this government are not only vigilant about what they're doing in their own ministries, but they have a three-year business plan to guide them, and when they go off course, they have the courage and I guess the honesty to be able to correct that mistake and get back on track.

When I look at the priorities from a budget – unfortunately, we're in a situation in this culture where dollars tend to have meaning, perhaps more than some of the softer items that we might take a look at. Again, if you're going to walk the walk, then people are going to look at where you are spending the dollars that you have available. I think this government once again proves where its priorities are. We of course talk about people, prosperity, and preservation. Those are vision statements to hang onto. Those are the sorts of things that make a government a team. Those are the sorts of goals and objectives that allow us to take a political movement and transform it into almost a culture and a life-style and norms on its own. Again, those are qualitative aspects, and we need to have the quantitative that go with that. So when we look at where this government is willing to spend its money, then we see it's willing to spend its money on health, it's willing to spend its money on education, on advanced education, and also on social services. These continue to be the big-ticket items within this particular budget, which really is the shopping list for this particular government.

Those four areas, by the way, Mr. Speaker, if I could just throw some quantitative numbers into this debate, at \$8.7 billion represent really 72 percent of total program spending. I'm certainly of the philosophy and of the desire to see that percentage increase, as it will, I'm sure, in the future.

4:50

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. I rise to speak to the budget. I guess there are three areas I want to focus my remarks on. The first concerns the revenue projections of the budget, and it's very clear that the Provincial Treasurer has been extraordinarily shrewd in this regard. He has the opposition between a rock and a hard place in terms of criticizing this, because who can criticize prudence? It's a virtue.

On the other hand, though, if you just realistically look at the revenue cushions that are there – and I mentioned in an interview that the Treasurer has more cushions than he can get onto a

chesterfield in this particular budget. If you just realistically make some simple assumptions about the potential windfalls that lie in the budget, there's a \$140 million corporate tax revenue cushion and we think \$251 million in a resource revenue cushion. Workers' compensation is a classic, because it had turnaround net revenues of \$301 million in '93-94, \$280 million in '94-95, and zero in the coming year, so there's a nice little cushion there. And underestimate the growth rate of the GDP, which will generate additional personal income tax revenue.

When you go through it and you say, "Well, looking at the array of potential revenue windfalls, what's the sum?" potentially, if everything goes the Treasurer's way, it could be about \$702 million. If even one or two of these things go the Treasurer's way, then we'll be very close to a balanced budget, which conceivably could be a prelude to an election. Who knows? But it's pretty clear that on the revenue side the budget is certainly very, very conservative in its estimates. Again, here's the question, then, that faces the opposition. We certainly pointed the finger at the previous Treasurer, Dick Johnston, for choosing resource revenues consistent with his expenditures, and now we say: what's been learnt in this exercise over the years? Well, now we have in a sense a choice of resource revenues consistent with looking good, looking very good, and at the same time as well, Mr. Speaker, ensuring the justification that continued deficit cuts at a pace above and beyond that set out in the Deficit Elimination Act can be pursued.

Again, the deficit has to be eliminated in an orderly fashion. The area, though, of stress and strain – I think the government members will agree – and the Achilles' heel within the budget and the whole restructuring of government is health care. The potential is there for significant stresses and strains because that impinges on everyone. The extent, then, to which you cause a system to be restructured and at the same time cope with significant reductions in budget, that just ups the ante. With \$250 million in additional cuts in health care, in a system that's already overstretched, I think that's going to cause significant problems for the government, and it's an issue they could have avoided.

Now, how and why could they do this? Well, they could do this by being very, very prudent in their estimates of revenues across a variety of revenue sources as a justification for the continued magnitude of these cuts. Again it's an issue of trade-offs here, because if the government does guess wrong and there's increasing stress on the health care system, possibly further balkanization in the system as regional health care districts attempt to keep money within their districts rather than having money follow the patient, I think you're going to see a health care system that is not going to provide uniform standards across the province, the very least we could expect.

DR. WEST: How do you know that? You can't even predict that.

DR. PERCY: I hear an interjection by the hon. Minister of Transportation and Utilities. I would just say to you, Mr. Speaker, that just as the Provincial Treasurer has been prudent in his estimate of the revenues, one would surely hope the government would be prudent in its estimates of the risks associated with too fast a restructuring of health care. It is true that I do not know that it's going to be a disaster. It is absolutely true, but I do know there is a probability that it might happen, and we're dealing here with lives, not dollars.

Now, having addressed the revenue side, Mr. Speaker, let me then go to another element of the provincial budget, and that

element concerns performance measures and outcome measurement. We're already two years into the process of budget cutting, yet we still do not have adequate outcome measurement. We still see a variety of the business plans that define themselves in terms of what they're going to cut rather than what they're going to generate. We've said this time and time again, that what you want in terms of a business plan and as some of the honourable members, although there are very few of them that have business experience . . . [interjections] As I said, if you – and we've done this exercise. I think last budget we went through the exercise of going . . . [interjections]

### Speaker's Ruling Decorum

THE DEPUTY SPEAKER: It's with interest that members are following the line of reasoning given by the hon. Member for Edmonton-Whitemud, but now and again when you sort of begin to push the right or in this case the wrong buttons, you sort of begin to inflame the passions of members to enter into debate. We invite all those hon. members who wish to debate to please do so when the opportunity comes, but please let the hon. Member for Edmonton-Whitemud continue now, hopefully unfettered and unharassed.

### Debate Continued

DR. PERCY: I apologize for their sensitivity and their absence of business experience, and I won't bring up the matter again, at least in this speech.

As I was saying, Mr. Speaker, in terms of issues related to outcomes and in terms of performance-based budgeting, although there is significant discussion of it in the budget, even in the revised business plans we do not see an array of performance-based budgeting that tells us that when things go wrong, they can react quickly enough.

As I said last night to an enthralled crowd on the other side with regard to the throne speech, the province does have to be competitive in terms of attracting business and in terms of attracting individuals. Low provincial taxes are one element that attracts firms. Quality of life amenities, the quality of the health care system, the quality of the education system, and opportunities in advanced education are also part of the package. I think that if members over there have seen the various studies from the Conference Board and studies put out by various economic development authorities, they'd all say that a low tax regime is an element of the attractiveness for firms and for individuals. The government seems to have focused on one aspect of it, the low tax advantage, which we support, and it has neglected these other areas. This is why we have tried to highlight time and time again the importance of outcome measurement, so we know if we're competitive.

Although the study by Warrack and McMillan suggests – I said this last night, and I dread being repetitive – that at the end of the day we'll be about 27 percent below the national average in terms of expenditures per capita in real terms, I will concede that the all-province average is too high because it includes deficit financing on the part of these other provincial governments. But even if we were 15 percent below the national average, we have to be sure that we are 15 percent more efficient, then, in providing those services if we are to be competitive. We'll only know that, Mr. Speaker, with performance-based budgeting and outcome measurement.

The area I want to focus on, though, which is new and not repetitive, deals with debt management, and I want to focus on an

element which I thought was lacking in the budget. This is a serious issue. Because of the profligacy of the previous Conservative government, the previous Treasurer in particular, if you look at the timing of maturity of debt, over the course of the next three years, Mr. Speaker, 46 percent of Alberta's debt will mature. That exceeds the percentage in any other province in Canada and is far greater than any American state. In fact, it's led us to be number four in terms of borrowing in the Eurobond market. There is a real problem that faces the province over the course of the next three years; that is, the volume of debt that has to be refinanced and the interest rate at which it will be financed. So that's one issue that wasn't addressed. The hon. members can see if they look at the budget at gross borrowing requirements in the coming year, that 3 and a half billion dollars is our gross borrowing requirement. That is a significant amount of money. Certainly the debt servicing charges, then, are very sensitive to whatever interest rate will emerge.

### 5:00

Over and above that 3 and a half billion dollars which we have to borrow in the coming year and the subsequent refinancing that lies ahead in the other two years is the fact that, for whatever reasons, the provincial government does not hedge in a foreign exchange market on many of these borrowings. The argument is that we have a natural hedge. If you look at the timing of these bond issues when they mature, not many of them are hedged. There's about \$700 million that is hedged in U.S. dollars, but the overwhelming proportion is not hedged. The argument that will be used by the Provincial Treasurer is that we have a natural hedge, that as the Canadian dollar depreciates, it may be true that the Canadian dollar cost of these bonds will rise, but there's an offset in terms of our natural resource revenues. I will say: well, certainly that's true, but that doesn't preclude us from also hedging and offsetting that risk when we borrow. That way we can have our cake and eat it too and smooth out our borrowing cost so that we know exactly what the Canadian cost is going to be of our debt. Virtually every other province does it.

Now, the other thing that I would point out to the hon. members, since I have their unrestrained attention, is that this is an issue that we have brought up in the House. Also, I would just point out that a bond rating society, Dominion Bond Rating Service, gives Alberta a negative or poor rating on the proportion of U.S. debt exposure. I'll just quote from their document of February 1995, if I may, Mr. Speaker, wherein the Dominion Bond Rating Service states: a main problem is that 20.1 percent of Alberta's debt is in non-Canadian dollars, which leaves it vulnerable to a weak Canadian dollar. They're pointing out the fact that if we don't hedge when that option is open to us – I'm conceding that we in fact have the natural hedge, but there are still real gains that we can make from hedging in that market.

There is an issue that is not addressed within the budget. In terms of the potential squeeze on the expenditure side, we could anticipate in the worst case scenario a more rapidly growing American economy, more upward pressure on U.S. interest rates, a failure of the Canadian government to make its debt reduction targets, pressures on interest rates, which will immediately translate into a real shock to our Canadian dollar debt either because of a fall in the exchange rate or because of an increase in interest rates and the cost of servicing that debt. That is an issue which I think ought to have been addressed in much greater detail in the provincial budget. What the budget did do was focus on the good times last year because of the windfalls, set up the various hedges so that we could potentially look good next year.

But an issue that may strike us with some significance was really not discussed at all either in the budget itself or in the debt management problem.

Now, let me leave that for a moment and move on to another issue where I will in fact say that we appreciate what the Provincial Treasurer has done, because when we see the appropriations Bills coming before the House, we're going to now be voting on gross appropriations. If you will recall, last year we were voting on net appropriations after dedicated revenue was removed. We would vote on the net. We had pointed out in the case of the Department of Transportation and Utilities that given the rapid growth in gasoline tax revenues, it may well have been the case that we could have debated the estimates of Transportation and Utilities for two days and then voted on nothing. That anomaly has been removed, and we will in fact now in the appropriations Bills vote on the gross as opposed to the net, which makes a little more sense in terms of consistency. Also the changes in supplementary accounts make more sense and are certainly consistent with *Beauchesne* and the requirement, then, for transfers between various departments. So that, we think, is a very positive point.

The other point I would make is that overall, I mean, there has been a significant improvement in the transparency of financial accounts in the province of Alberta, and I think you can relate that directly to many of the recommendations of the Financial Review Commission being adopted. But you still have to work hard in some instances to find out where the money is tucked away in terms of these revenue cushions. You still have to work hard, because there have been some consolidations with regard to some of the guarantees and some of the ways that user fee revenues and the like have been tucked away. It's very much more difficult for us to find out the exact amount of revenues generated by a particular set of user fees, because there's more consolidation than we were previously used to, and it's then more difficult for us to gently bring particular revenues to the attention of the Provincial Treasurer in question period.

Overall I think there is a much greater degree of transparency, and that is something to be very positive about. I certainly think that the move to consolidated accounts gives us a much better appreciation of the overall liabilities that face the provincial government with regard to Crown corporations and the like.

The final point that I would make with regard to the budget – and it's something that I actually thought we might have persuaded the Provincial Treasurer on – is the earmarking of revenues. Again, I mean, the argument is very simple. On the one hand, earmarking appears to make sense because it allows various departments to generate their own revenues, and it gives them an incentive, then, to impose user fees and allows them to recover costs. On the other hand, these departments in fact are,

by their very nature, monopolists, so they can charge whatever the market will bear.

Second, I still firmly believe that money that is generated in government ought to accrue to the Provincial Treasurer to be allocated on the basis of prioritization, because there is a real flypaper effect. Departments that absorb money tend to want to spend it. This is one of the reasons we argued so vociferously against DAOs, because in many cases these DAOs would generate revenues, absorb the revenues. And what's the incentive? It's to grow, to hire more people, not necessarily to pass on the savings in the form of lower fees. So the same type of argument arises. I do believe there are flypaper effects in government, that money sticks to these departments and that you want it to go to the Treasurer to be allocated on the basis of priority needs.

So earmarking in theory, I think, is a good thing. The reality is that I think it's going to lead to a lot of administrative bloat in a variety of departments that can have dedicated revenues. It gives them independent profit centres. That would be fine if in fact there were an active restructuring within government and we saw more of what was happening with the productivity plus program, which has been talked about.

Well, with those comments, Mr. Speaker, I would suggest that we adjourn debate on the budget speech, having been inundated with notes.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Whitemud has moved that we now adjourn debate on the budget debate. All those in favour of this motion, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. Carried.

MRS. BLACK: Mr. Speaker, I move that we now call it 5:30 and adjourn until 8 and reconvene in Committee of the Whole.

5:10

THE DEPUTY SPEAKER: The hon. Deputy Government House Leader has moved that we now call it 5:30 and that when we reconvene at 8 o'clock, we do so in Committee of the Whole. All those in favour of this motion, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Opposed, please say no. Carried.

[The Assembly adjourned at 5:11 p.m.]

