

## Legislative Assembly of Alberta

Title: **Monday, March 6, 1995**

1:30 p.m.

Date: 95/03/06

[The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: Let us pray.

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

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

Amen.

head: **Presenting Petitions**

THE SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. It's my pleasure to present through you to the Assembly a petition from 92 residents of Edmonton and Sherwood Park requesting that the government of Alberta

provide quality kindergarten education for our children by maintaining a minimum of 400 hours of instruction per child per school year.

This right should be guaranteed by legislation.

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

MR. WICKMAN: Thank you, Mr. Speaker. I beg leave to present a petition signed by dozens of people throughout Alberta which 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.

Thank you.

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. As chairman of the Standing Committee on Private Bills I beg leave to present the following petitions that have been received for private Bills:

1. the petition of Missionary Church for the Missionary Church Amalgamation Authorization Act;
2. the petition of the city of Edmonton for the City of Edmonton Authorities Repeal Act;
3. the petition of the Alberta Stock Exchange for the Alberta Stock Exchange Amendment Act, 1995;
4. the petition of the Galt School of Nursing Alumnae Society of Alberta for the Galt Scholarship Fund Continuation Act;
5. the petition of David Luckwell and H.L. Bourke Enterprises Ltd. for the First Canadian Casualty Insurance Corporation Amendment Act, 1995;
6. the petition of Colin Chor Wee Chew for the Colin Chor Wee Chew Legal Articles Act;
7. the petition of Concordia College for the Concordia College Amendment Act, 1995;

8. the petition of Lavinia Henderson, administrator, town of Milk River, for the Milk River and District Foundation Act;
9. the petition of the University of Calgary and University of Alberta for the University of Calgary and University of Alberta Charitable Annuity Act; and
10. the petition of Calgary regional health authority for the Calgary Regional Health Authority Charitable Annuity Act.

head: **Reading and Receiving Petitions**

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

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I request leave to have the petition that I presented on Thursday, March 2, 1995, read and received.

Thank you, Mr. Speaker.

CLERK:

We, the undersigned, petition the Legislative Assembly of Alberta to urge the Government to notify specific communities upon the release of convicted repeat sex offenders in their community.

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

MR. WICKMAN: Thank you, Mr. Speaker. I beg leave to request that the petition I presented on Thursday, March 2 now be read and received.

Thank you.

CLERK:

We, the undersigned, petition the Legislative Assembly of Alberta to urge the Government to notify specific communities upon the release of convicted repeat sex offenders in their community.

head: **Notices of Motions**

THE SPEAKER: The hon. Member for Grande Prairie-Wapiti.

MR. JACQUES: Thank you, Mr. Speaker. I rise pursuant to Standing Order 40 to seek consent of the Assembly to consider the following motion:

Be it resolved that the Legislative Assembly congratulate Team Alberta for their outstanding performance at the Canada Winter Games, held in Grande Prairie and Jasper February 19 to March 4, 1995.

Thank you.

head: **Introduction of Bills**

### Bill 8

#### Appropriation (Interim Supply) Act, 1995

MR. DINNING: Mr. Speaker, I beg leave to introduce Bill 8, the Appropriation (Interim Supply) Act, 1995. This being a money Bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, what this does is provide the government with appropriate financing to carry on the government's operations through to the time that the full appropriation Bill is authorized by the Assembly.

[Leave granted; Bill 8 read a first time]

**Bill 9  
Appropriation (Lottery Fund)  
Interim Supply Act, 1995**

MR. DINNING: Mr. Speaker, I request leave to introduce Bill 9, the Appropriation (Lottery Fund) Interim Supply Act, 1995. This being a money Bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

[Leave granted; Bill 9 read a first time]

head: **Tabling Returns and Reports**

MR. DAY: Mr. Speaker, I'll be tabling four copies of the annual report for 1993 for the Alberta Opticians Association.

THE SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. I'd like to table four copies of a letter I received from the executive director of the Banff-Lake Louise chamber of commerce, representing 930 businesses, in short asking us to keep our cotton-picking paws off Family Day and leave it as it is.

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

MR. DICKSON: Thank you, Mr. Speaker. I'm pleased this afternoon to table the report from two symposia held by the Calgary Catholic school district on January 12 and January 27 and 28, 1995, respectively. I had the good fortune to attend the second symposium, sir. The material I'm tabling reflects the reaction to the government's roles and responsibilities proposal from both educators and administrators as well as parents from absolutely every school in the Calgary Catholic system.

head: **Introduction of Guests**

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

MS HANSON: Thank you, Mr. Speaker. I'm pleased to introduce to you and the Assembly a resident of Edmonton who has served this community for many, many years and is currently serving as the Member of Parliament for Edmonton East, the Hon. Judy Bethel. Judy is accompanied by her sisters Tia McDiarmid and Christie McDiarmid-Rusk, who are visiting from Victoria and Winnipeg respectively, and other family members Greg McDiarmid-Rusk and Bev Wright. They're in the public gallery. Will the Assembly please give Judy and her family our usual warm welcome.

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

MR. BENIUK: Thank you, Mr. Speaker. I am delighted to be able to rise in the Assembly to introduce to you and through you 29 students from St. Alfonsus school located in my riding of Edmonton-Norwood. They are accompanied by two teachers: Mr. Bahry and Mr. Parrotta. I would ask that they rise and receive a warm welcome from the Assembly.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. I am privileged to introduce to you and through you to members of the Assembly a group of 24 guests from the Terrace Heights elementary school. The students are accompanied by teacher Mr. Jim Norris and program aide Mrs. Sue Juchli. They're in the public gallery. I'd ask them to rise and ask the members of the House to give them a warm welcome.

**1:40**

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

DR. MASSEY: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly 20 home schooling parents, led by Mrs. Colleen Allen, and 34 of their students, a great teacher/pupil ratio. They're part of the Home School Christian Fellowship in Mill Woods. They're seated in both galleries, and with your permission I'd ask them to rise and receive the warm welcome of the Assembly.

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

MS LEIBOVICI: Thank you, Mr. Speaker. It gives me great pleasure this afternoon to introduce about 20 members of the International Fire Fighters Association. They all hold leading positions within their various organizations. If I can just have the indulgence of the Assembly while I go through exactly who we have here with us this afternoon, we have Rob Hartmann, who is president of the Edmonton firefighters association; Terry Wilson, president of the Alberta Firefighters Association; Maurice Sandford, president of the Canadian Association of Fire Fighters from North York, Ontario; Dan Lamoureux, vice-president of the Canadian Association of Fire Fighters de Montreal. Bonjour. Bienvenu. We have John Downs, secretary of the Edmonton firefighters association; Len Clark, president of the St. Albert firefighters association; Brenda Brooke, acting president of the Strathcona firefighters association; Dave Irons, president of the Calgary firefighters; and Tom Burton, secretary-treasurer of the Canadian Association of Fire Fighters from St. Albert. If they would all please rise and receive the warm welcome of the Assembly.

Thank you.

THE SPEAKER: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to the members of the Assembly a special constituent of mine. Audrey Campbell is my executive assistant and a very hardworking lady. Would you please rise and receive the warm welcome of the House.

THE SPEAKER: The hon. Member for Fort McMurray.

MR. GERMAIN: Thank you, Mr. Speaker. [some applause] Control yourselves, ladies and gentlemen; the red meat's coming.

Mr. Speaker, now that Highway 63 is better, I do get more guests. I want to introduce from Fort McMurray two members of the Fort McMurray contingent of firefighters. Brian Makey is here, and a friend of mine, Arlyn Greig, is here. In addition, from Grande Prairie Wayne Hudson is here, which should complete the list of introductions that my friend to the right performed so well.

Thank you.

head:

## Ministerial Statements

### Agriculture Week

MR. PASZKOWSKI: Mr. Speaker, it's an honour for me to announce in the Legislative Assembly of Alberta today Agriculture Week 1995 and to pay tribute to the men and women and children of this province who work against tremendous odds. No matter the weather, no matter the political climate, our farmers just keep working day in and day out, and I am proud of them.

There's a great potential for agricultural production and sales benefits. Do you know, Mr. Speaker, that the grains grown in this province, the province of Alberta, could meet the daily grains food requirement of almost three times that of the Canadian population? We have the means to feed 75 million people with our grains, but we have to get our products to market. Farmers in Alberta are being held back by the regulatory restraints and the reluctance of the federal government to deal with these constraints that hamstringing our ability to pursue market opportunities.

Mr. Speaker, I want to make it clear that we believe that the federal government has done the right thing in reforming the Western Grain Transportation Act, because since the 1960s the Crow benefit has impeded development of value adding throughout the prairies. The elimination of the grain transportation subsidies will make us competitive and will open up a whole new world of opportunities in the agricultural community. Coming as it does at the same time as new world trading rules means stiffer competition for all of us. It will also improve our ability to compete.

Therefore, I also want to make it very clear that the federal government has not done it the right way. They have created a number of problems by the way that they have chosen to reform the WGTA. For instance, the payout is going to landowners who are not necessarily the farm operators. In many cases banks own the land and rent it back to the farmers. Because freight rate costs will increase by approximately \$15 a tonne effective August 1 of 1995, it is the farm operators who will be carrying the brunt of the load. From 1985 to 1992 Alberta's share of the WGTA shipments was 28.25 percent. The new budget allocates a total of only 27.48 percent of the Crow benefit funds not just to Alberta but to Alberta and British Columbia. We feel that Alberta farmers are being penalized for the diversification that they have had the foresight to endeavour and to proceed with.

Alberta has spent considerable moneys over the last 10 years to offset negative effects of the federal subsidy program to the livestock industry. In spite of these initiatives, by dividing the Crow benefit on the basis of shipments, Alberta farmers are indeed being penalized. The proposed payout for the Crow benefit is based on 1994 annual seeded acres plus summer fallow adjusted for productivity and distance, 1994, one year, and that's what it's being based on for historical performance. Rather than using a one-year basis for cropped acres, we believe that an average of four or five years would have better reflected the actual production within the province. We also believe that forage acres should be included in the payout calculation. In addition, arbitrarily setting productivity levels for irrigated acres at the same level as dryland acres penalizes the higher producing component of Alberta's agriculture.

The delay in implementing a new Canadian Wheat Board pooling system will cost Alberta farmers an additional \$10 million in the year 1995-96. The increased cost is caused by crosshailed grain being moved at full freight rates rather than the producer share of the freight rates, as has happened in the past.

Mr. Speaker, this is what we would do as a province to improve the federal government's reform package. One, negotiate changes with the federal government on the points that I have

already mentioned. Two, push for transport efficiencies. The opportunity to offset some of the cost increases with a more efficient rail system must be allowed to pass. Three, demand a resolution of the pooling issue prior to the loss of the rail subsidy.

Mr. Speaker, this is what we will do to help our farmers and our food processors: one, encourage the expansion of secondary processing in Alberta; two, push for a review of the role of the Canadian Wheat Board, which discriminates against local value-added processors who use board grains; and three, pressure the federal government to allow farmers to sell grains directly to purchasers in the North American continental market. We will work to see that Alberta alfalfa processors receive a fair share of the \$300 million of the federal adjustment fund. Finally, we intend to continue to ensure that Alberta agriculture remains at the forefront of technological development through research into new crops and cropping practices and is able to respond to the new market opportunities that these changes develop.

While we expect that the new federal proposals will test our resolve, we are convinced that the longer term outlook is bright for Alberta agriculture. On this occasion of Agriculture Week '95 we know that the industry will survive as it has done in the past and that it will prosper in the years ahead.

Thank you, Mr. Speaker.

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

DR. NICOL: Thank you, Mr. Speaker. It gives me great pleasure this afternoon to stand up and respond to the minister's statement on Agriculture Week. When we set aside special weeks or special days to recognize parts of our province, whether it be people or industries, the idea is to use that week to celebrate all of the good things that that industry or those groups contribute to us. What we need to do is look at agriculture. It provides Albertans and Canadians with food that's probably as low priced as anywhere in the world. We always hear the stories that Americans spend less on their food than Canadians do, but really Americans spend a lot more of their tax dollars on food than Canadians. When you put them together, we as Canadians probably have the best support system to provide us with the food that we need, the variety and the quality, anywhere in the world. We need to congratulate the agriculture sector for that opportunity to make us aware of our health and aware of the opportunities that we have for good nutrition and quality food.

1:50

We have to look at the sector that represents agriculture, look at it from the production side as well as the processing or value-added opportunity side. We have real growth occurring in our agriculture. A lot of this has to do with changes that have gone on in pricing structures and programs over the last number of years. The provincial government acted very aggressively in providing incentives to the fed cattle industry in their feed grain offset program. This is one of the things that really stimulated growth and showed Alberta farmers that when they take the initiative, when they play on an equal and a fair playing field, they can compete worldwide. They're now asking for the opportunity to show that to all of the world when they ask to be left out of the new safety net program. It's initiatives like we've seen from the cattle producers that are going to provide Alberta agriculture with the real possibility for growth.

We also have to look at what's going on now in the grain sector. The minister has talked about some of the changes that are going to come about because of the change in the Western

Grain Transportation Act. This is something that Alberta as an agricultural province has been looking forward to. The producers have been asking for these kinds of changes: put them on a basis where we can really deal with our value-added opportunities. The western grain transportation changes now are going to provide us with that. There may be some questions as to the approach that's being taken, but the future that's going to be created by this new approach to pricing products at a world market level and at a competitive advantage level is going to give Alberta the opportunity for a lot of our grain sectors now to expand the way the cattle industry did when they were put on a basis where they were competitive.

Mr. Speaker, I think we should all congratulate our agriculture sector and say thank you to them.

head: **Oral Question Period**  
**Dangerous Offenders**

MR. MITCHELL: Mr. Speaker, the Criminal Code says and the Justice minister confirms that a minister, not a deputy minister, must approve any dangerous offender application. Yet in Lisa Neve's case the law was ignored when the deputy minister approved the application, and the former Minister of Justice claims that he knew nothing about it. Here's the application, and there's the deputy minister's signature. What this means is that this government has put a woman away for the rest of her life, and they had to break the law in order to do it. My question is to the Premier. Why would the Premier allow one of his ministers to break this law and then take no action to do something about it?

MR. EVANS: Mr. Speaker, the preamble from the hon. Leader of the Opposition is totally incorrect. The provision in the Criminal Code provides for signing by the Minister of Justice and the Attorney General. That is a responsibility that is delegated down to the deputy, and that is quite appropriate. It's a well-founded provision in the Criminal Code and is exercised throughout this country of Canada.

MR. MITCHELL: It seems to me the Minister of Justice should read section 754 of the code.

How could the Premier allow a situation to occur in which the minister had no knowledge of the fact that the Deputy Minister of Justice offered this woman, Lisa Neve, a four-year negotiated jail term and then turned around and used the very same charges to base her dangerous offender, rest of her life jail term on?

MR. EVANS: Mr. Speaker, as I mentioned in the House last week, Ms Neve has appealed her conviction – and that's on the robbery charge – the dangerous offender application and finding, and her sentence. It is quite inappropriate for this matter to be dealt with in this House or elsewhere until such time as those appeals are completed.

MR. MITCHELL: It's very appropriate that the Premier should be concerned about . . .

THE SPEAKER: Order.

MR. MITCHELL: What steps is the Premier going to take to investigate the action of the former minister and the action of his former deputy minister to ensure that this dangerous offender application was pursued strictly in the interests of protecting society and not for some other reason?

MR. EVANS: Mr. Speaker, I've just answered that we will not be speaking about this issue while the matter is before the courts on appeal. The hon. member opposite I think should check with his own legal counsel, and if he did check, he would come to the same conclusions that the government has come to.

**Firefighters' Union**

MR. MITCHELL: In this letter to Alberta's firefighters the Premier made two promises just prior to the 1993 election. Very convenient, Mr. Speaker. He said that there would be no changes to the firefighters' labour regulations without full public consultation. He went on to say that the Premier was opposed to excluding more firefighters from the bargaining unit. Now the Premier brings in Bill 3, which not only excludes firefighters from the bargaining unit but also does it without the Premier's promised consultation. I wonder why the Premier would break these promises made just one month prior to the last provincial election.

MR. DAY: Mr. Speaker, I'm pleased to report, with representatives of the firefighters' association in the Assembly today, that there has been consultation related to this particular Bill. If members would like to see the actual dates of those meetings and the times that I personally met with them over the last year and a half, I would be more than delighted to do that, including another meeting today. So what the Premier had indicated in a letter and what he has indicated at other times – there has been consultation on this. In fact, as I indicated today, there is ongoing consultation on this very item.

MR. MITCHELL: They're shaking their heads, Minister of Labour.

I wonder whether the Minister of Labour could define what he means by consultation when the firefighters had no idea about Bill 3 until three days prior to its being tabled in this Legislature.

MR. DAY: Mr. Speaker, as I indicated, I will give the dates and times I met with a variety of individuals, including representatives of the firefighters' association, on this very matter. There has been consultation. In fact, as I've already indicated, the consultation continues.

MR. MITCHELL: Mr. Speaker, in the context of the issue of excluding more firefighters from the bargaining unit, the Premier said this: "I still support the Fire Fighters." That's one month before the last election. I wonder whether the Premier will make a commitment here and now in this Legislature that when and if Bill 3 comes to a vote, he'll stand up and oppose it like he promised he would one month prior to the 1993 provincial election.

MR. KLEIN: Mr. Speaker, indeed I support firefighters. As a matter of fact, I come from a great family of firefighters. I had two uncles who retired as division chiefs from the city of Calgary fire department. I have high regard, the highest regard indeed, for firefighters. The question here is whether deputy chiefs should be in the union or out of the union, and I would like to hear what the Liberals think about this. Are they in fact management? Are these people management, or are they members of the union? I would like to hear what the Liberals have to say about it.

THE SPEAKER: The hon. minister wishes to supplement? [interjection] Order.

MR. N. TAYLOR: Stick around sometime, Ralph, and you'd learn a thing or two.

THE SPEAKER: Hon. Member for Redwater. [interjections] Order.

MR. DAY: Simply put, what Bill 3 does is where there is a disagreement on the possibility of who should come out of the bargaining unit, then as with every other labour group in the province and in fact in every other jurisdiction except Ontario, that decision goes to the Labour Relations Board for adjudication. If the people across the way don't understand that, they should talk to the members of their caucus who were formerly members of the Edmonton city council that asked for this legislation.

MR. MITCHELL: It sounds to me, Mr. Speaker, like the Premier's trying to hose the firefighters.

## 2:00 School Fund-raising

MR. MITCHELL: In education, Mr. Speaker, over \$75 million in extra revenue for schools comes from private organizations and individuals in the form of user fees and fund-raising, and that figure is consistently rising. We all know that government cutbacks have put even greater pressure on parent/school councils to raise even more money for their schools. Now this government's position paper on Roles and Responsibilities in Education, December 1994, indicates that all existing parent councils will cease to exist by June 30, 1995. That's in just several months. Can the Minister of Education explain what will happen to any funds that existing parent groups have raised under the terms of the Societies Act but will not have expended by the time these groups are disbanded?

MR. JONSON: Mr. Speaker, with respect to local fund-raising at the school level where a society has been formed for the purpose of handling that money, that society would remain in existence until such time as a proper transition could be made to a new school council, if in fact the school council chose to take on the holding of that money. In many places with which I am familiar, the fund-raising group or committee of the school operates separately from the school council per se.

MR. MITCHELL: Is the Minister of Education, then, saying that he's going to have two parallel parent councils – one with some money, one that may eventually have some money – fighting over what they're going to do with the schools?

MR. JONSON: Mr. Speaker, when there is a change in terms of the status of the school council, there will have to be provisions made for the transfer of any funds that are in the hands of that particular school council. That is an understood procedure any time there's a change in the nature of an organization or changes in its form of organization.

MR. MITCHELL: I wonder whether the minister responsible for the Gaming Commission can give us some indication of whether he has figured out this transition any better. What will happen to gaming licences held by existing parent societies when the new councils replace them and are without a licence with which to raise money, which the schools so badly need?

DR. WEST: Mr. Speaker, there is a review going on of the gaming control branch and licences and regulations, and in due course we will report on all of that.

MR. JONSON: Just to supplement, Mr. Speaker, as of January 1 in the province we've been able to make the transition quite well between some 140 school boards, which had funds and assets, to some approximately 60 school boards in the province. The same kinds of mechanisms can be put in place with respect to school councils.

THE SPEAKER: The hon. Member for Calgary-Mountain View.

## Financial Management

MR. HLADY: Thank you, Mr. Speaker. Recently there have been substantial losses in world markets in new banking weapons called derivatives. Substantial losses have occurred in the private sector, most notably with the billion dollar loss at Barings Bank in Singapore, and in public with close to a billion dollars lost in Orange county in California. My question is to the Provincial Treasurer. Can the Provincial Treasurer explain to this House the advantage of derivatives and advise how Alberta uses them?

MR. DINNING: Mr. Speaker, the only reason why you'd get involved in derivatives as a province is to manage or control the risk of the investments more particularly with the debt that one takes out. The government of Alberta does not invest in derivatives as a means of acquiring a rate of return strictly for investment purposes. Where we are involved is where we will manage the currency exposure or the interest rate exposure to protect Albertans from the volatility that exists in those markets.

MR. HLADY: My supplemental is to the Provincial Treasurer as well. How much money in the general revenue fund and the heritage savings trust fund is presently being traded in derivatives or used to manage?

MR. DINNING: Mr. Speaker, in fact, none. Where we are involved is in the swapping or hedging of our currency exposure especially as it relates to the farm credit stability fund. Some \$2.6 billion of our debt has been swapped from an interest rate point of view and about \$850 million from a currency point of view.

MR. HLADY: What security measures has the Provincial Treasurer erected to ensure that Alberta's monetary position is protected from derivative trading?

MR. DINNING: Mr. Speaker, where we are involved in a currency or interest rate swap or hedge, we ensure that there's a segregation of the transaction between those who launch it and those who finalize it. There is a clear separation and segregation. Any matters related to the currency or interest rate swaps must relate to debt that's actually issued or planned to be issued in the days to come. These matters are reviewed from both a policy and procedural point of view on a regular ongoing basis.

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

## Regional Health Authorities

MR. BRACKO: Thank you, Mr. Speaker. In the chaos created by the Premier's health care reforms, municipalities have come to learn the extent to which they've been burnt by this government. Regional health authorities have been given the power to tax local governments for money used to build more buildings and buy more equipment. Since regional health authority members are

appointed and not elected, this amounts to taxation without representation. To the Premier: why do you accept the principle that nonelected officials should have the right to impose taxes? Are you really going to allow this to happen?

MR. KLEIN: Mr. Speaker, first of all, there will be a time when regional health authorities will be elected. We're going through a difficult period of restructuring and reorganization, and as this takes place, there are a number of things that will have to be considered over a period of time. I would be very happy to have the hon. minister elaborate.

MRS. McCLELLAN: Mr. Speaker, I believe that the hon. member is fully aware that there are very limited ways in which requisitions can be requested. They can only be requested for sites for buildings or perhaps in some cases for changes to that. We will be increasingly careful on any requisitioning that would be allowed. In the interim, while the appointed boards are there, certainly the minister is responsible for approving their business plans, and we will be ensuring that those requisitions are watched very carefully.

**2:10**

MR. BRACKO: Regulations can be changed at the whim of this minister and not by debate in this Legislature.

My next question is to the Minister of Municipal Affairs. Will municipalities have the right to reject any regional health authority tax?

MR. THURBER: Mr. Speaker, I'm a little remiss on the question when he's asking if they have the authority to reject a tax. To my knowledge, regional health authorities don't enforce a tax from the local areas.

THE SPEAKER: Final supplemental.

MR. BRACKO: Thank you. To the Premier: will the Premier have the courage to set a date for the election of regional health authority members?

MR. KLEIN: Mr. Speaker, as the hon. member knows, it was impossible to have elected boards at this particular time as we initiate the restructuring of health through the introduction of regional health authorities. These authorities, as I understand it, will be in place until June of 1996, and after that it's most likely that these boards will be elected much the same as school boards.

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

### Hepatitis Vaccinations

MRS. FRITZ: Thank you, Mr. Speaker. On Thursday the Minister of Health announced a provincewide hepatitis B vaccination program. This is good news because hepatitis B is a highly contagious disease which is transmitted through blood and body fluids. As you know, I have a motion on the Order Paper which urges the government to deal with the risks of hep B through an immunization program, so my questions are going to relate directly to the minister's announcement. To the Minister of Health: can you tell the Legislature why grade 5 students are targeted for the vaccination?

MRS. McCLELLAN: The principle reason that grade 5 students were targeted for vaccination was because an expert panel recommended that. The risk to children under the grade 5 level is minimal. Those that are at high risk, Mr. Speaker, are already in a vaccination program, and we have had a screening program for pregnant women since 1986 in this province. So the expert group that recommended this program suggested that grade 5 was the appropriate level.

THE SPEAKER: Supplemental question.

MRS. FRITZ: Thank you, Mr. Speaker. To the minister: will all health care workers, regardless of where they work, be able to access the program, and who will pay the costs?

MRS. McCLELLAN: Mr. Speaker, all health workers that are at high risk will be covered under this program, and those would be primarily those that are exposed to blood. That could be doctors, nurses, dentists, dental assistants, emergency medical workers, and others. It will also target health workers while they are in training, which is probably the most efficient way of inoculating that group. Most high-risk health workers have already been inoculated, but those that haven't can certainly participate in the program if they wish. If a health worker who is not in the high-risk group wishes to receive the vaccine, they can receive it from their doctor, but it would not be paid for by Alberta Health in that aspect.

THE SPEAKER: Final supplemental.

MRS. FRITZ: Thank you, Mr. Speaker. Just in reference to the last point about children or individuals who aren't in a high-risk group if they can contain the hep B vaccine, if they wish to be immunized, is there any possibility at all that the costs will be paid?

MRS. McCLELLAN: Mr. Speaker, certainly I would suggest that any persons who are interested in this vaccine or this program should discuss that with their physician. Also, I would remind the hon. members that this is a voluntary program, that parents will have to provide consent for this program. By the same token, if parents wish children to be inoculated that are not in this age group, they should contact their physician. However, we are only providing this program to that grade level.

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

### Grain Marketing

DR. NICOL: Thank you, Mr. Speaker. Last week the Legislature passed a motion directing the government to hold a plebiscite of farmers concerning their preference as to the role of the Canadian Wheat Board as an agent in marketing their wheat and barley. It's imperative that the minister act quickly to implement this plebiscite as farmers will soon be commencing spring farmwork, and turnout at the plebiscite will be influenced by field work schedules. Also, if any action is to be taken before the new crop year, negotiations with the federal government must begin immediately. My question is to the minister of agriculture. Have you directed the marketing council to contact the relevant wheat and barley groups to set in place this plebiscite?

MR. PASZKOWSKI: Mr. Speaker, the hon. Member for Lethbridge-East has certainly identified very much of an irritant

as far as the agricultural community in Alberta is concerned. It's unfortunate that we have to look at issues such as plebiscites to encourage our federal counterpart to be able to achieve the freedom and the flexibility that our agricultural community needs.

MR. N. TAYLOR: What are you talking about?

MR. PASZKOWSKI: This is federal legislation, and it's unfortunate that the hon. Member for Redwater doesn't understand that federal legislation supersedes provincial legislation. It's unfortunate that the hon. member doesn't appreciate that the federal government is the one whose legislation this is under.

What we really have to do and what we have undertaken is that we have already started negotiations with the Canadian Wheat Board. I have had discussions with the Canadian Wheat Board to basically suggest to them that perhaps rather than going through the process of a plebiscite, which is long – and really, we don't have the power and authority to achieve even through a plebiscite because, as I said, this is federal . . .

MR. N. TAYLOR: You're afraid of the vote. You're chicken.

THE SPEAKER: Order. The hon. member knows better than that.

MR. PASZKOWSKI: The process here is such a logical process. It is our hope that the Canadian Wheat Board will understand that it must be restructured to meet the needs. Indeed, we're not afraid of a plebiscite, and if that's what it's going to take, we will go to a plebiscite. It's just that the majority of the farmers would like to be able to market their grain directly, and that's what the issue is here. Though the hon. Member for Redwater may think I'm chicken, I feel that I'm responsible to the farmers and to represent the farmers in the way that they should be represented properly.

DR. NICOL: Mr. Speaker, we just heard the minister say that he has been trying to be responsible to farmers. How can he be responsible to farmers if he hasn't yet asked them what they want to do?

MR. PASZKOWSKI: Well, perhaps you can refresh my memory, but it seems to me that the debate was only concluded last Tuesday. If we were to have had a plebiscite within one week, that would certainly be moving very, very rapidly.

The hon. Member for Redwater just suggested that I'm chicken, and I'm not sure whether I'm chicken because we should go to a plebiscite or not go to a plebiscite. I'm not sure what his reaction is to that.

I assure you, Mr. Speaker, I assure all members in the Legislature, and I will assure, most importantly, the group that really matters, the farming community, that there will be a consultative process here, both with the Canadian Wheat Board, with the federal government, who by the way have ultimate jurisdiction in this area. If we cannot conclude and a plebiscite is necessary, we will be there with a plebiscite.

DR. NICOL: Mr. Speaker, I think the really important question that the minister needs to answer here is: how can he negotiate with the federal government when he has yet to ask the producers in the province whether they want a wheat board or an open market marketing system? How can he negotiate when he doesn't know?

MR. PASZKOWSKI: Mr. Speaker, by nature, the Wheat Board jurisdictional area is Alberta, Saskatchewan, Manitoba, and the Peace block of British Columbia. It's not a matter of just Alberta. We are looking at other areas as well. Can we withdraw from the Wheat Board jurisdiction? That's another answer that was being considered. Can Alberta as an entity actually withdraw from the Wheat Board jurisdiction? The matter of a plebiscite will not answer all of these questions. What a plebiscite will simply do is give an indication to the federal government, and we have no way of knowing – it's unfortunate that our friendly Liberal counterparts don't deal with their Liberal counterparts in Ottawa and put the pressure on them if they indeed have the supposed contacts that they claim they have.

THE SPEAKER: The hon. Member for Vegreville-Viking.

## 2:20 Rail Workers' Labour Dispute

MR. STELMACH: Thank you, Mr. Speaker. In a true free market system Alberta farmers are among the best producers and exporters in the world. Unfortunately, forces beyond their control sometimes conspire against them and hamper their ability to effectively produce and market their products. In the past few weeks, especially this morning, talks with the rail unions have hit a very critical stage. My question is to the Minister of Agriculture, Food and Rural Development. Have you received any information this morning on whether the rail strike will occur this week?

MR. PASZKOWSKI: Mr. Speaker, the information that we have received is that negotiations between CP Rail and the Canadian locomotive engineers, which is the union responsible, have broken down. The union was in a legal strike position as of last Thursday. However, it is our understanding that there will be no strike action taken before March 12.

THE SPEAKER: Supplemental question.

MR. STELMACH: Thank you, Mr. Speaker. What contingency plans have you put in place in the event that the union walks out?

MR. PASZKOWSKI: It's my understanding, Mr. Speaker, that ever since the last rail strike CP Rail has been taking action to train management to be able to operate the railroad at somewhere between 50 to 80 percent capacity. The unknown is whether or not the Brotherhood of Locomotive Engineers in CP Rail will support the threatened action or the withdrawal of support. Therefore, if indeed the locomotives union does walk out, the whole rail line would be brought to a standstill. So what we don't know is whether indeed management would be able to operate the railroad, because without the locomotive engineers, the service would be brought to a standstill.

MR. STELMACH: Mr. Speaker, has the minister received communication from the federal minister giving any indication of whether they will allow Alberta farmers to pay for this stoppage again, as in the past, or whether they'll finally get this chronic problem under control?

MR. PASZKOWSKI: We haven't received any formal indication from the federal government on what actions it might be that they would take. It is our understanding that the minister has suggested that perhaps there would be a week of negotiating time put

into place. However, at this stage I think the urgency of the whole matter and the threat of a major shutdown or work stoppage in the month of March, which is one of the two major months as far as shipment is concerned, would be disastrous to the agricultural community. It's important to recognize that it's the farmers that will be the ones held hostage. It's the farmers who are going to be paying the cost. The unfortunate part of this whole process is that the farmers don't have options as to moving grain to a terminal facility. If indeed the regulatory process were changed such as we had suggested, that that be part of the WGTA changes, we wouldn't be threatened with this type of action.

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

### Persons Case Scholarship

MRS. SOETAERT: Thank you, Mr. Speaker. You know, when this Assembly recognizes the Persons Case, there is inevitably a round of questions asking: what case, and who are the Famous Five? This day remains a mystery for some because of the lack of opportunities to teach and remind ourselves of this courageous accomplishment by five intrepid Alberta women of the '20s. We're astounded, therefore, that the home province is going to cut one of the few official tributes that we have to show our respect for this outstanding group. My question is to the minister of advanced education. Will you explain to the women of Alberta why you are canceling the Persons Case scholarship, practically the only provincial recognition we have to honour this great accomplishment?

MR. ADY: Mr. Speaker, the scholarship that the hon. member's referring to comes from a foundation that was set up a number of years ago, and we find that the foundation is not able to support all of the scholarships that it has in the past. Consequently I have caused a consultation process to take place to review that program that falls within that foundation. In due time we will come forward with recommendations as to the changes that we will make. The hon. member is out way ahead of the race to have drawn such a conclusion.

THE SPEAKER: Supplemental question.

MRS. SOETAERT: Thank you, Mr. Speaker. I would like to know who the minister is consulting before he cancels this scholarship. Is it the women's advisory council, the Progressive Conservative women's association? Who agrees to this action?

MR. ADY: Well, Mr. Speaker, it's interesting that in fact I even consulted with my critic across the way, who received a full package, and asked for his comments and input, so certainly the Liberal caucus has had an opportunity, as have the stakeholders to the best of my ability. It is not possible to consult with the original people this was given in tribute to. It is beyond my scope to do that.

THE SPEAKER: Final supplemental.

MRS. SOETAERT: Thank you. I sure hope you read the letter from the hon. member and myself.

My supplemental to the minister responsible for women's issues: how can you let your government throw away one of the

few tangible means this government has to pay tribute to the Persons Case?

MR. MAR: Well, Mr. Speaker, first of all I should explain a little bit about what the Persons Case is about. Back in 1929 it was not recognized that women were persons under the law. A number of women led by Emily Murphy from the province of Alberta went to the Privy Council in England, which at that time was the highest court of law applicable to Canadians. The Famous Five in the Persons Case established that women were in fact persons for the purposes of the law in Canada. So indeed it's a very important case.

In this Legislature, Mr. Speaker, for those members that aren't aware, in fact the portraits of the Famous Five are on the main floor of this building, because indeed their contribution has been very, very important. [interjections] On an annual basis we have recognized Persons Day when it has come around. [interjections]

THE SPEAKER: Order. [interjections] Order. Order. The noise emanating from the opposition benches only delays and wastes time.

MR. MAR: Mr. Speaker, for those individuals that are interested in reading more about the Persons Case, I'm happy to provide a copy of that case from the jurisprudence of the Privy Council.

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

### Health Care Transfer Payments

MRS. BURGNER: Thank you, Mr. Speaker. Since the federal budget announcement last week Canada's medicare program has been front and centre in the debate on the new Canada social transfer program. The Prime Minister of Canada has recently made remarks that the program itself is not designed to cover support for eyeglasses, ambulance trips, and dental care and therefore that the federal government can now cut transfer payments. My question is to the Minister of Health. Does the criteria for federal funding outlined in the Canada Health Act include these programs?

MRS. McCLELLAN: Mr. Speaker, I have consistently said in this Legislature and outside of this Legislature that if we strictly conformed to the Canada Health Act, we would not have the health services provided in this province that we have today. Certainly eyeglasses, ambulance, and at least some forms of dental are not included in the Canada Health Act. However, I think what the Prime Minister has raised is the very important issue of what the Canada Health Act does pay for. It has been confined to hospitals and doctors and that type of health care.

Mr. Speaker, I think it's a very important issue that we should discuss, but I can tell you that in Alberta we're prepared to continue to offer health services to our citizens that are beyond the scope of the Canada Health Act, like prevention, like education, many other public health services.

2:30

THE SPEAKER: Supplemental question.

MRS. BURGNER: Thank you, Mr. Speaker. Again to the Minister of Health. As the federal Minister of Health, Mrs. Marleau, has criticized the current medicare system, I'd like to table at this time today's report from the *Calgary Herald* outlining



some of those criticisms, that she has not differentiated what is important, desirable, or unimportant in the funding for Health. I'm asking today: is that clarification going to be forthcoming?

MRS. McCLELLAN: Mr. Speaker, I have raised this issue with my federal and my provincial counterparts because I think it is very important that we do discuss the section of the Canada Health Act on comprehensiveness. I think it's important to all Canadians that as they move from province to province they do have an understanding of what is defined and funded under the Canada Health Act. I think it's also important to note that the health system is changing and that we need to change with it, that we simply can't have a system that pays for everything and anything. We do have to look at targeting our resources where they are most effective. We happen to believe in this province that preventative medicine is an effective way to deal with health, and we'll continue to. We continue to say that we support a national program; however, I think there is some responsibility on the federal minister to define what is meant in the comprehensive section.

THE SPEAKER: Final supplemental.

MRS. BURGNER: Thank you, Mr. Speaker. Again my final supplemental is to the Minister of Health. Can Albertans expect further cuts and reductions in health services because of the significant reduction in transfer payments to Alberta?

MRS. McCLELLAN: Well, Mr. Speaker, we are examining the impact of those reductions on our system very carefully. I think that what we really want to do is talk about more effective ways to deliver health services. That's what we have been doing in this province in advance of the federal budget, talking about how do we target our resources more effectively and what should we fund in this province. I think that perhaps it would be wise if all in this Legislature took that tack instead of saying that the status quo is the only thing that's acceptable. Clearly, the status quo is not acceptable to the federal government either, and I think we have to continue to work to restructure our system.

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

#### Special Waste Treatment Centre

DR. PERCY: Thank you, Mr. Speaker. Richard Szudy, who is vice-president of environmental management for Laidlaw, called the Alberta Special Waste Management plant a white elephant – so has the minister – and also said: there is no conceivable way we can see that thing having any financial viability. However, the agreement this government signed with Bovar just before the provincial election locks taxpayers into paying millions of dollars of subsidies regardless of what the government decides to do. My questions are to the Minister of Environmental Protection. Mr. Minister, will you commit to bring the joint venture agreement before this Legislature, very much as the federal government did with the Pearson airport deal, allow us to review it, amend it, and dispose of it as toxic to Alberta taxpayers? Let's give the boot to Bovar.

THE SPEAKER: The hon. Minister of Environmental Protection.

MR. LUND: Thank you, Mr. Speaker. Back in December we put in place a new board, and one of the mandates of the new

board was to look at the possibility of devolving our interest in the plant or other measures that could make the plant more viable. I've asked the new board to work on this until the end of June. We're hoping that before that time, of course, there will be a resolve of this issue. So I believe the hon. member's question is premature, because we are hoping to be able to do that through the consultation process.

THE SPEAKER: Supplemental question.

DR. PERCY: Thank you, Mr. Speaker. Will the hon. minister, then, commit that any new agreement between Bovar and the Alberta Special Waste Management Corporation will come before the Legislature for review and debate before it's signed, since the possible exposure to Alberta taxpayers is up to \$800 million?

MR. LUND: Mr. Speaker, we are going to do our utmost to reduce the exposure of Alberta taxpayers in this world-class facility. To commit that we would bring it before the Legislature is very difficult, because it could very well be that the Legislature is not sitting at the time that we need to sign the agreement.

DR. PERCY: Mr. Speaker, will the Minister, if the House isn't in session, then commit to having it published in the *Gazette* or provide it to whoever wants to see it prior to it being signed? Many of the problems we have with the joint venture agreement that exist today are because there was no scrutiny of the deal before it was signed.

MR. LUND: Mr. Speaker, I really find it encouraging that the hon. member would be so interested in the agreement at this point, because prior to appointing the new board, I made an offer to the then Leader of the Opposition that if they would provide me with three names, I would appoint one of them. The hon. member certainly could have been on that board if they had just put forward a name.

#### Utility Tax Rebate

MR. YANKOWSKY: Last week's federal budget included removal of the utility tax rebate to Alberta consumers. The minister commented last week about the discriminatory and unfair nature of this action and how consumer power rates will rise in Alberta. Albertans remember the infamous national energy program and fear that Alberta's wealth is under attack once more. To the hon. Minister of Energy: how severely will this affect Alberta's industrial sector and the Alberta advantage?

MRS. BLACK: Mr. Speaker, this is a serious issue. I know that the members opposite don't feel that way, because they haven't gone down and talked to their kissing cousins in Ottawa. [interjection] In fact, the Provincial Treasurer has corrected it. The Member for Redwater went down and encouraged them to remove this utility rebate. This is very serious for Alberta's industrial sector and the Alberta advantage, because what in essence will happen is that the electrical bills will increase roughly 7 percent and the gas bills will increase roughly 3 percent with the removal of PUITTA. This has a tremendous impact on our industrial sector and will in fact be felt in 1995.

THE SPEAKER: Supplemental question.

MR. YANKOWSKY: Thank you, Mr. Speaker. This is to the Minister of Energy once again. How will Edmonton's municipally owned power company, Edmonton Power, be affected?

MRS. BLACK: Well, Mr. Speaker, Edmonton Power will be . . . [interjections] You would think the members from Edmonton would be interested in what would happen with Edmonton Power. Edmonton Power shares in all of the burden the same as everyone else. The customers of Edmonton Power will be affected in the same fashion as the customers of the private-sector utility companies within this province. They will, in fact, not receive the passing of the rebate that they have had the luxury of having over the last number of years. So there will be an impact on the customers of Edmonton Power the same way that there will be on all of the other utility companies in the province.

THE SPEAKER: Final supplemental. [interjections] Order. [interjections] Order.

MR. YANKOWSKY: Thank you, Mr. Speaker. How will loss of the rebate affect the domestic consumers, in particular in the city of Edmonton?

MRS. BLACK: Mr. Speaker, the customers and domestic consumers in Edmonton will be affected in the same fashion as they will be in other jurisdictions throughout the province. The reason for that is that the tax burdens that have been borne have been passed through the averaging through the EEMA process.

Mr. Speaker, I'd like to file copies of letters that I wrote to the hon. minister, Anne McLellan, in Ottawa in January explaining the situation to her and the impact that this would have on the competitive advantage of the province of Alberta in comparison to the provinces on either side and the unfairness that would be experienced within the province of Alberta if PUITTA were in fact removed.

MR. DINNING: And what was her reply?

MRS. BLACK: Her response was: this was a subsidy to business.

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

**2:40**

### **Library Funding**

MR. ZWOZDESKY: Thank you, Mr. Speaker. Alberta libraries are absolutely integral to the educational, social, and ultimately economic development of our province. They provide services which are central to a knowledge-based economy, yet their importance is undermined by this government's musings to fund libraries with gambling profits from lotteries. While occasional injections of lottery funds may be appropriate, general and operational funding for libraries must continue to be guaranteed from the taxpayer-based funding pool. My questions are to the Minister of Community Development. Will the minister tell Albertans that because libraries are deemed an essential service, their primary funding will be protected and will continue to come from taxpayer-based funds?

MR. MAR: Well, Mr. Speaker, the hon. member has made a good point about the importance of libraries to Albertans, and that of course is one of the reasons why we've had our task force going throughout the province to talk about issues like the source of funding and whether or not it should be part of lottery dollars

or part of tax dollars and whether or not it should be part of municipal grants or whether it should be kept in terms of the library grants that are currently existing and do appear in my budget for the next fiscal year under tax dollars in the same amount that it was last year, that being \$12.299 million. I expect that question will also come up this evening in the review of my estimates before the Committee of Supply.

DR. WEST: Supplemental information.

THE SPEAKER: The hon. minister responsible for lotteries.

DR. WEST: Yes. It might be noted that 70 percent of the lottery dollars today go into the general revenue fund. That's 70 percent of the total number of dollars, over \$300 million. Those are then discussed in the estimates and allocated through our budgeting process to all the different departments. So perhaps some of those dollars are being funded through – and you'll see tonight. Who knows? Maybe they're going to libraries now.

MR. ZWOZDESKY: The difficulty is with the vagaries of lottery funding. There is an unpredictability factor. I wonder: will the minister explain how long-term library planning is possible in light of his government's discussions to possibly fund libraries through unstable lottery revenues?

MR. MAR: Well, Mr. Speaker, as I've indicated, this matter will arise in my estimates tonight. I think the hon. member should be happy to see that library funding in the three-year business plan has been kept under GRF dollars. The issue of whether it would come out of lottery dollars again is the subject matter of a review being done by this library task force. So it would be premature to suggest that that's where library dollars are going to come from in the future. For the time being, I'm confident that it'll remain under GRF dollars, as outlined in my three-year business plan.

MR. ZWOZDESKY: Mr. Speaker, in actual fact library services have been reduced by \$32 million. We'll perhaps get into that debate later.

Will the minister at least assure library systems across Alberta that any introduction of lottery funds towards libraries will be only to enhance current services and not to replace current funding arrangements?

MR. MAR: Mr. Speaker, again this goes back to the issue of the importance of libraries, and certainly we've heard from communities throughout the province of Alberta. Whether or not onetime only improvements or projects of a capital nature or otherwise which go into libraries come from tax dollars or come from lotteries dollars – I think most people in the library communities would be indifferent as to what that source would be. With respect to ongoing funding of operating dollars, again it remains level in my three-year business plan.

THE SPEAKER: The time for question period has expired.

### **hand: Motions under Standing Order 40**

THE SPEAKER: The hon. Member for Grande Prairie-Wapiti has given notice that he wishes to seek the consent of the Assembly to move a motion under Standing Order 40. On the question of urgency, the hon. Member for Grande Prairie-Wapiti.

### Canada Winter Games

MR. JACQUES: Thank you, Mr. Speaker. With regard to the issue of urgency, this is the first opportunity that the Legislature has to deal with the subject matter since the closing ceremonies of the Canada Winter Games on Saturday, March 4. Certainly Team Alberta's outstanding performance was recognized on that Saturday by the team winning the Centennial Cup. I would kindly request the unanimous support of this Legislature to debate this motion at this time.

THE SPEAKER: Having heard the application by the hon. Member for Grande Prairie-Wapiti, does the Assembly agree to the hon. member placing his motion?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed? Carried.

The hon. Member for Grande Prairie-Wapiti.

Moved by Mr. Jacques:

Be it resolved that the Legislative Assembly congratulate Team Alberta for their outstanding performance at the Canada Winter Games held in Grande Prairie and Jasper February 19 to March 4, 1995.

MR. JACQUES: Thank you, Mr. Speaker. The performance and the achievement that we saw and witnessed with regard to Team Alberta obviously reflected the product of many ingredients. It was quite evident from the outset that all the participants were continually raising that elusive bar of achieving one's personal best. The encouragement and the support and the sacrifice that their parents and friends had given them over many years were a factor; the skills development, again by many coaches over many years, the Alberta Team coaches, their trainers, their managers; the motivation, the leadership of the Alberta mission staff, and in particular the chef de mission, Angela Moss; the Canada Games host society under the leadership of Tom Thompson; the over 8,000 volunteers who opened their hearts to the athletes and visitors alike; the communities of Grande Prairie, Jasper, Sexsmith, Beaverlodge and Wembley, whose residents attended in record-breaking numbers virtually every event that was held.

Mr. Speaker, I must also give tribute to the hon. Minister of Community Development for inspiration to the team. He attended their rallies. He mixed and mingled. He provided encouragement, motivation, and leadership. It was perhaps demonstrated, though, by the athletes themselves during that proud moment when they entered the Canada Games arena on the opening day in the parade of athletes. As they passed the minister, they raised him up on their shoulders for all to see. I think that reflected, if you like, the total attitude not only of the minister but of the team.

Mr. Speaker, it was 20 years ago that Alberta last hosted the Canada Winter Games in Lethbridge, and it will be the year 2015 before we as a province will host them again. The games were very special to us as a province and to the host communities of Jasper and Grande Prairie, but the games were about athletes from across Canada and more particularly from across Alberta. Three hundred and twenty-five young Albertans from ages 11 through to 21 from 55 communities throughout our province participated in the Canada Games in over 21 events.

I want to congratulate and say thanks to the members of Team Alberta for their best showing ever. With 81 medals they placed third in the overall medal standings. They finished with a strong

third-place showing in the race for the Canada Games flag, which is awarded to the team that has the most points in the top ten finishes: 297 flag points, a gain of 82 points over 1991. In both cases we finished close behind the perennial powerhouses of Canadian sport, Quebec and Ontario, and certainly on a per capita basis, Mr. Speaker, we outscored them very handily. The Centennial Cup is awarded to the province showing the greatest improvement over the previous Winter Games, and on Saturday Alberta won that Centennial Cup with the largest point spread ever.

On a more personal note, I had the opportunity to meet many of our young athletes, and I also had the honour and the pleasure to present medals to them on several occasions. I saw the pride in their smiles, and I saw the pride that was the mist in their eyes. I saw the goodwill and the ambassadorship as they competed and socialized with their fellow athletes from across Canada. Mr. Speaker, I saw the strength of our young people, and I saw the future generation of united Canadians.

Thank you, Mr. Speaker.

2:50

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

MR. BRUSEKER: Thank you, Mr. Speaker. On behalf of the Liberal caucus I'd like to join with the Member for Grande Prairie-Wapiti in offering congratulations to our young athletes who participated in the Canada Games. The member mentioned the success that the A team had, the Alberta team, with 297 points, and I think it's important to note the contribution not only of those who won and came home with a medal – be it bronze, gold, silver, whatever – but also those who were there who perhaps didn't come home with a medal but participated and worked hard on behalf of their province and their home community.

The Alberta team, it should be noted, won the Centennial Cup standings. The Centennial Cup represents the team that had the greatest improvement over the previous year's Winter Games. In fact, Alberta had a Canada Games record improvement – a record improvement, Mr. Speaker – of 33 and a half points, which I think goes to show that they really did do themselves and their province proud.

Mr. Speaker, there were a couple of particular mentions that the hon. member made in his comments. One that I just wanted to draw attention to was Cody Kelly, a boxing gold medalist for Alberta, who was presented with the Unisys award as the province's athlete who demonstrated outstanding leadership, co-operation, participation, and attitude in the true spirit of the games. I think that is an achievement of which he can be as proud of as his gold medal.

The member earlier mentioned volunteers. The city of Calgary, of course, has a proud legacy itself of volunteerism in putting on the Olympic Games in 1988. This is a trait that Albertans have that they can be proud of. Albertans are more than willing to give of their time and of themselves to support their communities and their province.

Mr. Speaker, the legacy which will be left behind, of course, is not only the memories of friendship, of comradeship, of teammanship, if you will, sportsmanship, which the member referred to, but also some facilities. Grande Prairie got some new facilities of which they can be proud that will, I'm sure, help them and help their athletes in the future. Just as in Calgary we've some facilities that have been left behind that have helped to catapult Canadians onto the international stage, Grande Prairie will have some facilities that will help to make them bigger

players: a new arena with a seating capacity of 2,600, a national calibre nordic ski trail, and the inclusion of some new squash courts, that will aid in the development of squash players in that area.

Mr. Speaker, this indeed is something that Albertans can be proud of, that all Canadians can be proud of, and we as a Legislature have every right to be proud of the showing of the athletes who participated on Alberta's behalf in the Winter Games. Congratulations to them all.

THE SPEAKER: The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. I'd like to add just a few words, speaking in favour of this motion, because a part of this successful venture took place in my riding. Team Alberta is not just a winner in points, as has been pointed out before. They're also winners in the everlasting competition to keep Canada together, and I think all the athletes were in the sense that they all were able to mingle and mix and get to know one another and learn about one another's point of view. I think that's the important thing.

Mr. Speaker, obviously the organizers and the volunteers did a fantastic job in both Grande Prairie and Jasper. Much has been said locally, but it needs to be said again publicly. I was privileged to be in both places: in Grande Prairie just briefly before the games, actually, and in Jasper to a larger extent during the week of activities there. In fact, I was there doing the opening ceremonies in Jasper, and since there was no representative of the Alberta government, I volunteered my services to bring greetings from the government. I hope they won't fault me for that. However, at the closing ceremonies the minister himself was there, and of course, as befits a member of the opposition, I was shunted aside and was not allowed to hand out any medals. However, we all enjoyed it thoroughly, and I would like to commend the Member for Grande Prairie-Wapiti for his motion. Thank you.

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

MR. PASZKOWSKI: Thank you, Mr. Speaker. I, too, would like to offer my sincerest congratulations to the Grande Prairie community for what was just an outstanding achievement. It has been recognized by others, but I'd like to take a moment to recognize some of the very special features of these games. For the first time ever the handicapped elements were held. That's something new. They have never been held before in the Winter Games. This is the smallest community that's ever had the opportunity of hosting the Winter Games, and indeed what has been indicated many times over is the fact that it was the greatest Winter Games that has ever been held. That speaks very strongly for the organizational ability of the organizers within the community, to the Tom Thompsons, who certainly have been recognized the world over for their contribution to the organization of these games. To the fund-raisers: projects such as this don't happen without an actual contribution of funding, and a record amount of money was raised by the smallest community ever to have this all happen and achieved. Obviously, the community has to be recognized for its enthusiasm in becoming involved.

I flew up this morning, Mr. Speaker, with many members of the media from eastern Canada. They were so impressed with the enthusiasm of this small community and with features such as homestay, where people actually had an opportunity of living with

some Albertans right here in this part of the world that they had never had before, which has allowed for a closer relationship. In other Winter Games this has never been an involvement. The media, for example, were so impressed because never before were they able to simply ask for a vehicle and be transported to wherever they wanted to go by volunteers. For the countless volunteers that stood outside on parking patrol for hours and hours on end while an exciting event was happening inside: what an outstanding contribution.

We also have to take a moment and congratulate the athletes for the outstanding job that they have done as well and the coaches, the mission staff, and the parents for their contributions and, yes, even the MLAs who volunteered so much of their time to be a part and our Premier, who met with our athletes and the volunteer staff to basically show the strong support of the province. That all built up the strength of the athletes and the volunteers within this province. Again, the Premier met with all the volunteers. That is very significant, and it added to the overall thrust that made these games such a success.

I just want to again take this opportunity to congratulate each and every person who contributed in any way to the success of these games, acknowledged throughout Canada. Even in the media ratings a minimum of a hundred thousand per program, up to 300,000, were watching the games in Grande Prairie, more than ever before in the history of the games. That in itself is a good indication of the success that the volunteers brought forward.

Thank you.

THE SPEAKER: The hon. Member for Redwater.

3:00

MR. N. TAYLOR: Thank you, Mr. Speaker. I just have a couple of short words to say. For once, the hon. minister of agriculture and I can both rise to crow on the same matter.

AN HON. MEMBER: It went over his head.

MR. N. TAYLOR: Sorry, Mr. Speaker; it went whistling by.

I want to extend particular thanks to the community of Grande Prairie. As you mentioned, Team Alberta did very well. But anyone that's ever been associated with sports knows that the cheering and support you get from the crowd is maybe 25 percent of the effort going on to win.

I've always had sort of a soft spot for the Grande Prairie area and Peace River country because, after marrying, my first couple of children were born up there. Later on my oldest daughter practised law in Grande Prairie. It may be a tribute to the law-abiding character of the town that she didn't do too well. She now works as a law professor. I'm not so sure there's that much. My family being a great family of jocks, when Grande Prairie came up as a proposed site some years ago, one of my daughters was on the national committee, and she, one of the younger ones, asked dad whether he would go. So I took her up to Grande Prairie. It was in the wintertime and we tried the nordic trail. At that time Grande Prairie was one of the few small towns in Alberta that had lit evening trails around the area. She was very impressed, and I hope she took back to the committee what a great area it was, because so many people in Canada overlook that far north latitude that is really the breadbasket of Alberta. It is often ignored and forgotten. Just as Albertans down here seem to be kind of paranoid about Ottawa, sometimes up there they're a little paranoid about Edmonton and probably for the same reasons.

They're often forgotten, and a lot of people don't realize what a wonderful group, education and community effort, they have up there.

I want to add my tribute to the citizens of Grande Prairie for doing a great, great job. I want to really congratulate them and maybe at the same time – I'm not so sure – congratulate the government. Sometimes they think that the government is just the governing party. I think the government is the whole Legislature, and the whole Legislature voted funds, and maybe they could have gone out of their way just a little bit more to have everybody represented up there when the rest of Canada was on showcase and not look as if all 83 seats belonged to one party.

Thank you.

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

MR. SAPERS: Thank you, Mr. Speaker.

MS CALAHASEN: That's okay. You can go ahead, and I'll go next.

THE SPEAKER: The last word over there.

The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thank you, Mr. Speaker, and thank you to my colleague. As an ex-resident of Grande Prairie I just want to take a minute to say how proud I am of my old hometown in terms of the job that they did during the games. It was tremendous to visit, and it was tremendous to renew some friendships. It was really quite spectacular how the whole town of Grande Prairie and people from the county and throughout the Peace country contributed to the success of those games. I understand there were somewhere between 7,000 and 8,000 volunteers involved. Every one of them I'm sure has a compelling story to tell about what it was that they found the most memorable about the games. Some of the individuals that I ran into during the closing of the games: people like Lyle Carlstrom, who is a local lawyer in town, who, I think, pretty much single-handedly did all of the legal work and all of the contract work for the games and did just a tremendous amount of free legal work on behalf of the Canada Games and the host committee; John Shields, who is a teacher, ex-employee, I believe, of the John Howard Society up there, who wrote the theme song, *Capture the Vision*; Dwight Logan, the ex-mayor of Grande Prairie, who's so responsible, really, in terms of bringing the games and working with the host committee and with Mr. Tom Thompson, of course, the president of the host committee, in terms of making sure that the games came to Grande Prairie; of course, Dwight's wife, Carol, who in the last week of the games spent in excess, I understand, of 40 hours in the synchronized swimming venue, making sure that that went off as flawlessly as it did. The list goes on and on and on, Mr. Speaker. I won't.

Certainly it was wonderful to be there, and I just couldn't pass up this opportunity to congratulate Grande Prairie and the host committee on such a wonderful job.

THE SPEAKER: The hon. Member for Lesser Slave Lake.

MS CALAHASEN: Thank you very much, Mr. Speaker. I wanted to get up and indicate how I felt about Grande Prairie winning the Canada Winter Games. In fact, I think Grande Prairie's mayor, its MLAs, and the residents should be very, very proud of their outstanding achievement in what they were able to do in such a short while, being the smallest city in Canada to host

the Canada Winter Games. As northerners it brings pride to all northern people. I think that as northern people we stick together whenever we have to do something, and Grande Prairie exemplified that in the way they were able to bring all the volunteers together and bring forth something that was absolutely outstanding.

The electricity that was around the town was incredible. I was very lucky to have gone two weekends in a row to see what Grande Prairie and its residents had done and also to experience that feeling of the spirit of the games in Grande Prairie. Of course, they'd learned from the Arctic Winter Games in Slave Lake in 1994. I'm positive that with the kind of work that was done in Slave Lake, Grande Prairie knew that it had to do an outstanding job to make sure that they were able to say that they were the best ever Canada Winter Games. As a matter of fact, I recall Mr. Tom Thompson, who in my view was probably the most electric person that I have ever seen in terms of promoting the games, coming to talk to us northern MLAs, saying, "Grande Prairie is very interested in making sure we get the Canada Winter Games. In this bid we would appreciate all northern MLAs' support." He had such a vibrancy about him that you couldn't help but not say no. In fact, it was at that time that I realized that if he was behind the Canada Winter Games, those games were going to be the best and that they were going to win. They did do an excellent job. So Tom Thompson I believe deserves an honorary degree, if there is such a thing, for being probably one of the best people to be able to put the games together with the people that he had behind him.

I was especially tickled by the fact that one of my constituents from Slave Lake was in women's hockey. I think she also deserves a great applause for her efforts in women's hockey. Her name is Sherry Beauchamp from Slave Lake. So if you would join me in saying congratulations, I'd appreciate that.

Another element of the Canada Winter Games, Mr. Speaker, which I have never seen expressed before, is the aboriginal portion. They had an aboriginal experience that to me was probably the best it has ever been indicated. It was really well prepared. It was so exciting to see something like that at the Canada Winter Games. Of course the theme Iskoteo, which is part of the Canada Winter Games theme, is probably why it became so bright and so wonderful, because the flames from that I think ignited everybody, not only the people who were involved in terms of organizing, not only the volunteers, and not only the sponsors but also the athletes who were there and their coaches. It was truly an exciting time.

I want to congratulate Grande Prairie, its residents, its mayor, and its MLAs for all their hard work and support, especially with the Lotteries, who were involved in making sure the funding came through.

Thank you very, very much.

THE SPEAKER: Is the Assembly ready for the question?

HON. MEMBERS: Question.

THE SPEAKER: All those in favour of the motion proposed by the hon. Member for Grande Prairie-Wapiti, please say aye.

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no. Motion carried, let the record show unanimously.

**head: Orders of the Day****3:10****head: Royal Assent**

MR. DAY: Mr. Speaker, His Honour the Honourable the Lieutenant Governor will now attend upon the Assembly.

[The Government House Leader and the Sergeant-at-Arms left the Chamber to attend the Lieutenant Governor]

[The Mace was draped]

[The Sergeant-at-Arms knocked on the main doors of the Chamber three times. The Associate Sergeant-at-Arms opened the door, and the Sergeant-at-Arms entered]

SERGEANT-AT-ARMS: All rise, please. Mr. Speaker, His Honour the Lieutenant Governor awaits.

THE SPEAKER: Sergeant-at-Arms, admit His Honour the Honourable the Lieutenant Governor.

[Preceded by the Sergeant-at-Arms, His Honour the Lieutenant Governor of Alberta, Gordon Towers, and Mr. Day entered the Chamber. His Honour took his place upon the throne]

HIS HONOUR: Please be seated.

THE SPEAKER: May it please Your Honour, the Legislative Assembly has, at its present sittings, passed a certain Bill to which, and in the name of the Legislative Assembly, I respectfully ask Your Honour's assent.

CLERK: Your Honour, the following is the title of the Bill to which Your Honour's assent is prayed: Bill 7, Appropriation (Supplementary Supply) Act, 1995.

[The Lieutenant Governor indicated his assent]

CLERK: In Her Majesty's name His Honour the Honourable the Lieutenant Governor doth assent to this Bill.

SERGEANT-AT-ARMS: All rise, please.

[Preceded by the Sergeant-at-Arms, the Lieutenant Governor and the Government House Leader left the Chamber]

[The Mace was uncovered]

THE SPEAKER: Please be seated.

**head: Government Motions**

17. Moved by Mr. Day:

Be it resolved that the Assembly grant leave for the designated supply subcommittee considering the estimates of Executive Council to meet on Wednesday, March 15, 1995, between the hours of 3 and 5 p.m. and Tuesday, March 21, 1995, between the hours of 3 and 5 p.m., when the Assembly is sitting.

THE SPEAKER: The hon. Opposition House Leader.

MR. BRUSEKER: Thank you, Mr. Speaker. Just briefly, the Government House Leader in fact sent a notice to myself earlier that this would be coming forward. I have consulted with the members of the Liberal caucus who will be on this designated supply subcommittee, and we are in agreement. I would just like to extend my thanks to the Government House Leader for providing me with early notice of this motion.

Thank you.

[Motion carried]

**head: Government Bills and Orders**  
**head: Second Reading****Bill 1****Alberta Taxpayer Protection Act**

MR. DINNING: Mr. Speaker, on behalf of the hon. Premier it's my pleasure to move second reading of Bill 1, the Alberta Taxpayer Protection Act.

This is really quite an unusual Bill in the steps that we are taking as a government: asking the Legislature to effectively secure an existing advantage and to secure it in the hands of its rightful owners; that is, in the hands of the taxpayers and the voters, the people of Alberta. Not that a government or that a legislature could on a whim introduce a piece of legislation and ask that it be passed, but instead we'll call upon the people of this province to make the ultimate final decision on such an important decision, hopefully one that will never be made but could only be made with the full consent of the people of the province.

**3:20**

Now, I just refer members to the preamble of Bill 1:

Whereas the people of Alberta want to maintain the Alberta Advantage; and

Whereas Alberta is the only province in Canada that does not have a general provincial sales tax; and

Whereas a general provincial sales tax is not a desirable tax; and

Whereas the opinion of the people of Alberta should be obtained directly before any legislation that levies a general provincial sales is introduced;

Therefore Her Majesty . . .

and it goes on, Mr. Speaker, to cite the four very short sections of the Bill.

I think it is appropriate that this Bill gives Albertans the ultimate power by way of referendum to stop any government from introducing a provincial sales tax. I have often said – and I remember saying this – to a number of people across the country that if one looks very closely at the Alberta flag to your left, Mr. Speaker, if one looks very closely at the wheat sheaves and the wheat fields of that flag, if you try to look very closely and turn it on its side, it says: no provincial sales tax. It is indelibly written into the very culture of this province that we do not have a provincial sales tax, and the government side of this Assembly wants to ensure that there is never going to be a provincial sales tax, much to the chagrin, I know, of some erstwhile members on the other side of the Assembly, because during the 1993 election Premier Klein made a commitment that he would not introduce a sales tax in this province.

I would refer to various citations of the Liberal leader of the day speaking at a Liberal convention in Edmonton, when economist and Liberal aspirant – it says the person's name here; it is the current Member for Edmonton-Whitemud, and I know you would not want me to use Dr. Percy's name – began talking about

the possible need for a sales tax to deal with the province's grim financial situation. The leader of the party at that time then said: the party would consider such a move. It went on to say in April of 1992 that the leader of the Liberal Party vowed that, if elected, his party would consider the province's first sales tax. It also said: the sales tax issue is an option. So clearly it is on the record where the Liberals stand.

I have an interesting piece of election information, paid advertising no less, from the *Calgary Sun* of June 13, 1993, two days before the provincial general election, when the leader of the Liberal Party was asked: "Will you give a commitment never to introduce a sales tax?" Here's his answer. Now, bear with me, Mr. Speaker, because I'm still having trouble two years later trying to figure out the answer too. It says:

I say you go through a process, was his first response.

Albertans don't want to talk about a sales tax, a business tax or personal income tax. They want proof positive that you've cut everything that needs to be cut. I say use the free vote. You prioritize.

I still don't know what his position is. Then he went on to say:

You cut it down to a line where people say stop. Then when every elected MLA representing 83 constituencies says: "Stop, you can't cut anymore." You have three alternatives: You continue to cut, you vote for that or you increase corporate and personal income tax. If you did that and brought it to the Canadian average, it would give you an extra \$1.5 billion a year.

Here he is advocating that we tax at the Canadian average, take another \$1.5 billion out of Albertans' pockets, or you have another alternative: the personal or the provincial sales tax. Mr. Speaker, that is the bafflegab answer by the then leader of the Liberal Party.

I'll give you the answer put by the leader of the government party, the Leader of the Progressive Conservative Party, the hon. Premier himself: will you give a commitment never to introduce a sales tax? The answer was: absolutely, and I would back it up by legislation if necessary. Albertans knew where the Premier of this province stood two days before the election campaign. He has lived up to his word, and that is why he presented to this Assembly on the first day after His Honour read the Speech from the Throne, which talked about no provincial sales tax and went on and made it clear that we were on a program, Mr. Speaker, where we're reducing our spending so that we lived within taxpayers' means rather than asking taxpayers to provide us with more means . . .

Mr. Speaker, what this Bill does is just reinforce what Albertans have told us time and time again: "You have a spending problem. You do not have a revenue problem. Do not try as other governments, Liberal governments, would want to do: try to pick our pockets further." So it's clear what we have said. I can assure this Assembly, and I know the Premier would want this assurance delivered to the Assembly and to Albertans: the provisions of Bill 1 will not be called upon during this government's term of office. Should the unthinkable happen in the future, however, and should Albertans – God forbid – choose a Liberal tax-and-spend party to govern this province, if they find their way to the government side of this Assembly . . . [interjections] I know, colleagues, that we should perish the thought, dread the day. But who knows?

What this Bill will do is give Albertans the power to control those tax-and-spend urges that exist over there, that still exist in Ottawa, that exist when that party finds its hands on the reins of office. As I say, perish the thought, but when those urges come that are so deeply rooted within the Liberal psyche, Albertans will be able to stand on guard for themselves, because a Liberal government couldn't stand on guard for Albertans. If they wanted

to impose a sales tax instead, that advantage is secured in the hands of Albertans and the hands of voters in this province, where it rightfully belongs.

On behalf of the Premier I am pleased to move second reading of the Bill.

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

DR. PERCY: Thank you, Mr. Speaker. I stand to speak to the Alberta Taxpayer Protection Act or, as we know it on this side, the sales tax enabling legislation of this government. I recall the Conservative leadership campaign, and the candidate was Nancy Betkowski. Her supporters in the House – I think one of them, in fact, sits on the other side. I believe he's the hon. Provincial Treasurer. [interjections] It is. I remember reading the Betkowski campaign literature. What did you see? You saw a commitment to consider a sales tax, and it was supported by her campaign team. So you have to love the hon. Provincial Treasurer's consistency.

Now, when we talk about sales tax enabling legislation, we also have to talk, Mr. Speaker, about the party that has been discussing a sales tax in some detail. Of course, we have the comments of the hon. Premier in the Canadian Manufacturers' Association questionnaire where he says: if a sales tax should ever be implemented, it would only make sense to harmonize it with the GST. So he was thinking of the broader picture: not only have a PST, but let's make sure we harmonize it and have a very broad base. So he had given it considerable thought when he signed his name to that questionnaire and sent it back to the Canadian Manufacturers' Association.

Also, the hon. Provincial Treasurer and the financial – let me see; not the sales tax commission, the Alberta Tax Reform Commission. When they came forward with their recommendations – get this, Mr. Speaker: a government appointed board, where the Provincial Treasurer had a hand in picking the members. They recommended a sales tax, a consumption tax, and a flat tax. So the party that has consistently been on record and now brings forward a Bill to enable a sales tax has been the Conservative government.

I believe that when you look at the record, it speaks for itself as to who has been on record. I do believe that when the issue has come up, it is the Liberal Party alone in the 1993 election that said: this is a referendum issue. The reason is – and the hon. Provincial Treasurer had one thing right in his opening statement – that there are certain types of issues that are bound in a region's psyche. In Saskatchewan, for example, it is daylight saving time. That is a referendum issue. You ask: why is it a referendum issue? It just is. In Ontario Sunday shopping is a referendum issue. You wonder: why Sunday shopping? Why daylight saving? It's clear that in Alberta the issue of a sales tax is something Albertans feel very strongly about and is certainly consistent, then, with requiring a referendum in order to implement such a tax. So with regards to the principle of this Bill, with regards to the sales tax, we have no quibble. It is a referendum issue. Why? It's because there is something intrinsic to this issue that speaks to Albertans.

3:30

Now, let's talk about the rest of the Bill, though. It talks about the Taxpayer Protection Act, and there the hon. Provincial Treasurer is very narrow in his focus. After all, if you look at how the hon. Provincial Treasurer has reached into people's pockets, it's been through user fee after user fee after user fee and

health care premiums. So you wonder why he has focused on a tax that only his side of the House is discussing as a referendum issue when, if the intent is in fact to put a cap on additional revenues raised by new taxes, it omits every source of taxation that this government has tended to rely on: income tax, income tax surcharges, user fees, health care premiums, and the like.

So in terms of protection to the taxpayer, this is not a safe Bill, Mr. Speaker. It's a very porous Bill, and it provides no protection whatsoever to the embattled taxpayer, because it's very narrow in its focus. One could be cynical and say that its intent is very political in nature, to in fact focus on an area where there has been discussions and leave the area where they really have focused on in terms of raising revenue: user fees, health care premiums, income tax. So that's one point that has to be made. While we support the principle of the Bill, that a sales tax is a referendum issue, we wonder why the scope is so narrow, and we wonder why in fact it doesn't include other mechanisms to protect the taxpayer.

One could argue that clearly you wouldn't want to go to a referendum on every conceivable user fee or health care premium that would be levied by government. You wouldn't want that because it would be far more costly to do that. But there are other mechanisms that could have been incorporated in this Bill that would protect taxpayers. You could have the Standing Committee on Law and Regulations look at regulations that generate revenue. That would be a screening mechanism. You wouldn't be dealing with hundreds of Bills. Oh, maybe you would in the case of the Provincial Treasurer, given the propensity that they have to use regulations. We counted 160 times that new regulations raised revenues that weren't even mentioned in the budget. In fact, I reminded the Premier of that in the not-too-distant past.

There are committees, then, that could have been discussed in this Act, where in fact if there are regulations being passed, they would be vetted by this committee. Any regulation that generates additional revenue or incorporates new user fees goes to this particular committee for scrutiny and discussion before it's promulgated. We don't see that here, Mr. Speaker. We don't see any reference in this Bill to income taxes as a referendum issue. A dollar's a dollar. A sales tax raises a significant amount of money, but so does income tax. Surcharges on income tax raise significant amounts of revenue. If the issue is protection of taxpayers, why then is it not more broadly based in nature? Clearly this is an issue that we will address at Committee of the Whole stage when we bring forward constructive and positive alternatives for this government. So that's one issue.

The next issue – and you have to have a sense of humour when you read this. Let me just read this particular passage to you, Mr. Speaker: "Whereas a general provincial sales tax is not a desirable tax." Well, clearly, the Provincial Treasurer then must have a list of desirable taxes. I would hope he would take his list of desirable taxes to taxpayers and say: "Isn't this a nice tax? This isn't a nice tax, but this is a nice tax. Income tax is nice. User fees are really great, and that's why we rely on them so extensively." We would like the hon. Provincial Treasurer to table in this House a list of desirable taxes. It's clear that any taxpayer that I've talked to when I've knocked on their door doesn't like any tax, and they don't differentiate. They don't say, "Well, that's a desirable tax, and that's an undesirable tax." In their minds they're all undesirable.

Taxpayers want protection from taxes, and they can get that through expenditure constraint. They can get that through this type of mechanism here, a referendum. But, again, why draw the net so narrow? Why focus only on sales taxes? Why doesn't this

Bill specifically refer to income taxes? Why does it not provide any mechanism for review and scrutiny of user fees and health care premiums so that we get a legislative review or through a standing committee of this House, Law and Regulations? That committee has not met for some time, and it would be a far cheaper alternative to use that to assess certain types of user fees and taxes than anything else.

Now, let me just talk for a moment, then, on this notion of desirable and undesirable taxes. No tax is desirable. Each tax has its own virtues and vices. With respect to sales taxes or consumption taxes, Mr. Speaker, they have a set of virtues that the hon. Treasurer well knows, and they were highlighted in fact by the Tax Reform Commission. A sales tax tilts individuals away from consumption to savings. A sales tax also provides an advantage to a region in terms of competitiveness, because it's a consumption-based tax, and it doesn't, then, enter into the costs of various firms as they compete on international markets. So it's in fact consistent with the Alberta advantage. It has vices. It has the vice that it in fact in many instances is regressive. It has the vice we've seen with many, many governments, that it tends to be raised a point at a time, generating a billion here, a billion there, and it removes the need, then, to practise expenditure restraint.

The reality is that every tax has positive and negative features, and you can't single out a particular tax as undesirable, Mr. Speaker, because all taxes by their nature are undesirable from the perspective of individuals who pay them. Income tax has a very positive feature in that it can be progressive and consistent with our notion of equity and fairness: those that have the most pay more into the system to ensure provision of government services to those who have less. It has its own set of problems in that it provides a disincentive for additional effort, because as you make the tax too progressive, high-income earners will work less. So again you can look at income tax and find that there are positive features and negative features of it.

You could look at flat taxes. Again individuals argue that a flat tax has the virtue that it's administratively easy to impose, collects revenue, but then it tends to be quite inequitable in terms of its application. On the other hand, it has the feature that it doesn't necessarily influence the level of economic activity, because it's a flat tax and doesn't influence a firm's decision on the margin like other types of taxes do.

So every tax that you can look at has both positive points and negative points, and there is no way you can say that there are a list of desirable taxes or undesirable taxes. By their very nature all taxes from the perspective of individuals are undesirable. It just depends on the use that you're putting the tax to, your notion of the trade-offs as to what will cause the least damage and the most benefit. So you have an array of instruments that you use, and you don't categorize them in human terms as being undesirable or desirable. That's facetious, and it ought not to be in legislation.

In reviewing this legislation, we clearly support the principle that a referendum be used if a sales tax is ever, God forbid, by the Conservative Party over there proposed and brought forward. The timing is kind of peculiar, in fact, because in the next month or so the government will be assessing the recommendations of the Tax Reform Commission, and one can only draw sort of the inference that this is enabling legislation, as very much of the legislation is that the government has brought forward. All I can say is that it's enabling, and I wonder why they would bring it.

As I say, why make it so narrow? Why doesn't the Provincial Treasurer really attempt to protect taxpayers by including in this legislation a reference to income taxes? I think Alberta taxpayers,



all of whom pay income taxes, would get more security and protection knowing that any increase in income tax would have to go through a referendum. We don't have a sales tax, so why not in fact do what's right for Alberta taxpayers? Put in this legislation that increases in income tax or income tax surcharges are a referendum issue, bring forward legislation that would ensure that the Standing Committee on Law and Regulations would assess user fees and health care premiums, and that we would know in advance rather than through order in council when it's published what new user fees and taxes are coming forward.

3:40

If the Provincial Treasurer and this government were clearly concerned about taxpayers as opposed to political advantage and positioning themselves for an early election, one would have seen a Bill that was much broader in its intent and far more broad in its scope. So I will support this Bill, but believe you me, Mr. Speaker, I'll be bringing in some amendments to watch how the Provincial Treasurer dances around and says, "Oh, no, we don't want that." We on this side of the House really do believe in protecting taxpayers, and that's why we're going to bring in some darn good, constructive amendments in Committee of the Whole.

Thank you, Mr. Speaker.

MR. KOWALSKI: Mr. Speaker, Bill 1 is an important Bill in the agenda for 1995 in the province of Alberta. It has some history, though, and it has some roots which I think are very important. I do want to pay credit to my constituents, because the whole idea of ensuring that the Progressive Conservative Party, if it ever were to be the government of Alberta – and of course it has been the government of Alberta since 1971 – would mandate that its official position would be that as long as it is the government of the province of Alberta, it would never introduce a sales tax in the province of Alberta was germane at a constituency association meeting in the constituency of then Barrhead in the mid-1980s. A resolution was passed by my constituents that basically said that as long as we are the government of the province of Alberta, we will never introduce a sales tax.

That resolution in 1987, Mr. Speaker, was then brought before an annual general meeting of the Progressive Conservative Association of Alberta and passed with overwhelming support. I recall the debate, and I recall the attendance, and there was only one individual in that particular room of well over a thousand who in fact voted against the concept. So it was declared with almost 99.9 percent purity in terms of support of the grassroots democracy within the province of Alberta.

The Bill in itself is a very simple Bill. It comes right to the point. It basically says that as long we're the government of the province of Alberta, there will be no sales tax introduced. It also goes further. In the very unlikely eventuality that perhaps there would be another political party that might ever form the government of Alberta, should they want to introduce such a resolution to the people of Alberta, in fact they would then have to have a minister of their Executive Council prepare such a motion, bring it to the Legislative Assembly, and then all Members of the Legislative Assembly would then participate in the debate on the resolution.

There is nothing complicated about Bill 1. It's the ultimate clarification of what the heritage and what the citizens of the province of Alberta have all believed. I cannot believe that any Member of this Legislative Assembly will be voting against Bill 1, but no doubt at all there will probably be some interesting debate, ideas brought forward to get around the whole concept of

it. The Bill is very simple. Albertans do not ever want to have a sales tax; Albertans do not need to have a sales tax. There would be nothing in the heritage or the needs of the province and the people of Alberta to ever say that there should be a sales tax. This Bill would in fact legitimize what the position of the Progressive Conservative Party has been for nearly a decade and ensure that it would go forward.

Mr. Speaker, needless to say, the MLA for Barrhead-Westlock will be supporting this Bill, as I'm no doubt sure all Members of the Legislative Assembly will be supporting this Bill.

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

MR. SEKULIC: Thank you, Mr. Speaker. I, too, will support the principle of this Bill. However, I want to go back in time a little way, because that's where the Treasurer was taking us. Prior to that last election I was one of those Albertans that was really very much against any new taxes, and I was one of those who didn't trust this government not to bring in any new taxes and consequently ended up over here. Now, when I was so much against new taxes, this Treasurer was one of the ministers of the Crown at that time finding new ways to spend money. There were new hospitals, new schools: spend, spend, spend. The Treasurer at that time was finding nothing but new ways: loan guarantees. He was finding new ways to spend money on loan guarantees. But he forgets that part of his history. Somehow it wasn't there. Now they're looking at new ways to tax. They're looking for permission to tax, and it seems they've reversed the direction. Now schools are closed. Close those schools. Hospitals are closed. Close those hospitals. We're seeing quite the opposite side of what we saw sometime back.

As some of the papers recently wrote, you'd think that our Treasurer was Alberta's very own protector of the rich when he went to Ottawa to defend the interests of upper income groups. So it's quite interesting now that he would be looking for enabling legislation to tax the middle class, the hardworking Albertans that paid those moneys that were lost on so many of those loan guarantees. As recently as today we heard of yet another sum of money lost to irresponsible spending.

One of the problems that I have with this piece of legislation is the definition of a sales tax versus fees. It's become a point of debate in Alberta as to what a tax is and what a fee is. I'm not sure. I'd like to see some clarification and some indication. Obviously, whatever comes out of a taxpayers' pocket and goes into a government coffer I will refer to as a tax. So I hope that when they're speaking to these sales taxes or taxes of any nature, it's any new moneys that this government will be taking out of Albertans' pockets.

Now, I'll go back in time a little more, because that seems to be a place the Treasurer selectively likes to spend his debating time. I look back to the leadership race that the Progressive Conservatives had, and I look back to the comments of one candidate, the candidate that this Treasurer then so proudly represented. In fact, she made the best statement on tax, and I'll quote her: I do not support a provincial sales tax; before we consider additional taxes of any type, we must learn to live within our means; I don't believe that Albertans are willing to support any additional taxes until we can show that we have our spending in line. That was said then. You know, the conspicuous part of this, the strange part is that that member is no longer here. So this party must have shifted direction and gone in a separate

direction without that member. It's really a great loss, I think, to both the Legislature and to Alberta.

I think this is a good Bill in principle, because this is a mechanism to ensure that the Premier and his caucus don't break their promise to Albertans not to impose a sales tax. You know, the Premier has often mused about a sales tax. You would think that this Bill, Bill 1, was designed to resist the overwhelming temptation he has to impose a tax on all Albertans.

Mr. Speaker, what we've seen in this province is in fact taxation by regulation. This Bill should have been the first Bill of this government, because if it had been, we wouldn't have seen the somewhere over 220 new user fee and licence fee increases. So it's a bit curious that now we're midway through a term – at least, I anticipate we're midway through a term – and they're introducing this type of legislation. There's something strange about that. I almost see it as potentially some political mileage here at taxpayers' cost, because the bottom line is that if this referendum comes to be, the taxpayer will be flipping the bill for it. The poor taxpayer is taking hard-earned money to contribute yet again to a government coffers for another exercise they deem appropriate, even though there is no fundamental disagreement amongst Albertans on a sales tax.

Everything I've heard when I've gone to their doors is: "No sales tax. No new tax." In fact, what I've seen is that no one in Alberta is thinking about a sales tax except the Premier and the Treasurer. The Treasurer unfortunately, as I said earlier, seems to have changed directions from the candidate he previously supported, which is most unfortunate because I thought that candidate was right on the mark with taxation.

Mr. Speaker, some background on this Bill. Bill 1 apparently is modeled after legislation introduced by the Canadian Taxpayers' Federation in June of 1994. The taxpayer protection Act of Ontario has set out a proposal to eliminate the provincial debt by means of a balanced budget law with taxpayer protection provisions. These provisions were designed to protect taxpayers from increases in tax rates until the debt is eliminated. Exceptions would need to be endorsed by a provincewide referendum of eligible voters. However, unlike the limitations or loopholes contained within the Premier's sales tax Bill, the taxpayer protection Act is designed to ensure that there will be no increases in tax rates or fees imposed by any provincial Act. So I think that's a definite improvement. No tax rate increases and no new taxes shall be imposed during the debt elimination period unless approved by a majority of 50 percent of eligible voters in a binding referendum. That's just looking at what I think is perhaps the origin of this legislation, except somehow there was selective extraction to make it an Alberta-born Bill here.

3:50

We've seen many times and we've heard from the financial community – in fact, the director of the Canadian Taxpayers' Federation has gone on record saying: personal income taxes take money away from the people before they get a chance to use it, but a consumption tax gives people a choice whether they are going to save money, invest it, and create wealth with it. Once again we see that's a good stand. That's a solid stand, and I agree with it. But it's somehow incongruent with what the Treasurer's earlier comments alluded to, that we need this to protect Albertans. Well, Albertans are clearly on side.

We take a look back to the Premier's own comments at the time that he was in the heat of the election race and his response to the same questionnaire that I earlier listed Nancy Betkowski's to.

What is your view of a provincial sales tax; would you harmonize such a tax with the GST, the Premier was asked. Or at that point he was to be Premier. Clearly he answered, and I quote: at some point, a full review is needed which compares the long-term costs of meeting expectation for government services and Alberta's fiscal capacity to generate additional revenues; this review could be undertaken by an independent commission that would develop recommendations on revenue sources; if a sales tax should ever be implemented, it would only make sense to harmonize it with the GST to minimize the disruption and the costs of collecting the tax. Now, this was a foreshadowing, it appears. They knew they were going down this tax corridor. They would go to it, and they'd wrench the taxpayer's arm high enough that eventually they'd yell: uncle; tax me.

Well, Mr. Speaker, there's one difference. The members on this side of the Assembly did go before the public in the 1993 election, and we clearly stated that that was one of the options. We didn't deny it. We didn't use it as political mileage, but we said that that is one of the options. We were proud of it then.

MR. DINNING: That's why you're sitting over there.

MR. SEKULIC: In fact, Mr. Speaker, the Treasurer could be 100 percent right. He's saying, "That's why you're sitting over there." Because we told the truth then, and we're telling it now. Sometimes truth has a price, but I'd like to think that in the longer term, you know, everything comes around.

So those were the comments of the Premier.

I look back to some of the questions that were asked in the Assembly. In fact, January 27, 1993, *Hansard*, page 1908, the then Leader of the Opposition:

Will the Premier commit that there will be no sales tax unless and until there is a referendum and the people of Alberta tell the government to impose a sales tax? Will he commit to that?

Then the response from the Premier: "Mr. Speaker, I don't have to commit to a referendum. I'm saying no, there will be no sales tax." You can imagine how energetic and how dramatic that no was.

You know, Mr. Speaker, he didn't have to commit to a referendum then. This is curious. Now he has to commit to one. I'm not sure: is that arm being wrenched just high enough to make the taxpayer yell uncle? Just finding another way to take those hard-earned dollars from hardworking Albertans. It seems that the middle class is being squeezed a little more here. Their arm is getting lifted a little higher and higher. Our Treasurer doesn't hear those cries. He only hears the cries of those wealthy ones that he goes to Ottawa at taxpayers' expense to defend. As the papers appropriately labeled him: defender of the rich. I would assume that's not just Alberta's rich. I assume that's all of Canada's rich that were being defended by the Treasurer at that point.

Let's take a look at some more of the Premier's comments here. February 20, 1993, in the *Edmonton Journal* the Premier said that it's his preference not to increase taxes of any kind but said everything is on the table, and those kinds of things might have to be considered. Certainly they were, Mr. Speaker, because we've seen, like I said, an increase in well over 200 different user fees and licence fees bringing in – and I'm not sure; the Treasurer will have to correct me on this – well over 150 million new tax dollars to the provincial coffers. The Treasurer isn't nodding approval or disapproval, so I could be wrong. It could in fact be upward of a quarter of a billion. I would guess that quarter of a billion mark would be closer to reality. On February 24 in the *Calgary Herald*: we will succeed by getting

our financial house in order; we will succeed by not raising taxes; raising taxes is a no-brainer; you don't need brain power; you don't need to work at it. That was then, Mr. Speaker, and I think that's an important theme to continue: that was then.

Now, coming closer. On May 13 the *Calgary Sun* quoted our Treasurer, and sure enough he said: I'm not wedded to the idea of user fees. He wasn't at that point wedded, but that must have been the courting period, because since then he's been married and has been on a number of honeymoons, Mr. Speaker. At that point, he wasn't wedded to the idea of user fees. Well, I'm not sure how that relationship developed, but it certainly blossomed into something far different from what it was then, on May 13, 1993.

May 17, 1993. Right around election time; wasn't it? It was convenient to say things back then like: the Provincial Treasurer says his government isn't considering implementing user fees to curb the high costs of health care; when asked directly if the government is entertaining the idea of implementing user fees, the Treasurer responded no.

MRS. McCLELLAN: We still haven't.

MR. SEKULIC: Still haven't. I hear the Minister of Health saying that they still haven't implemented user fees. Health care premiums.

MR. DINNING: You should ask your Liberal Prime Minister.

MR. SEKULIC: That's another thing, Mr. Speaker. I'd like to respond to the debate that's going on in the Assembly right now. The Treasurer holds it across. I ran provincially in 1993. Do you know why? I believed that the Alberta Liberals could do the job for Alberta that needed to be done. It's interesting that this Treasurer, who has so much to say on federal issues, ran provincially. Now, if he really does have such an interest in federal matters, I'd encourage him to run federally next time. In fact, that could increase the caucus size to three, because I know that the constituents of the Treasurer's riding certainly must believe in him and would in fact send him to Ottawa.

Mr. Speaker, like I say, I had an interest in resolving some of the issues that confronted Alberta back then and confront Alberta more so now. It's important that we do support this type of legislation in principle. We do need to introduce some amendments to it, because I think it can be strengthened. I know the Treasurer is rubbing his hands in glee, probably, with the potential to introduce more accountable, open amendments that could perhaps provide greater transparency to this Bill.

I certainly am a proponent. I'm happy to see that this came up. It's almost like we're fulfilling one of our election promises. I'm still curious about the fact that the government side, who so vigilantly opposed such an idea, is now on side with the Liberals. I commend them for coming across, for coming around and seeing the light, because it is important to let Albertans make these decisions.

There's lots to be said for consistency, Mr. Speaker, and I hope at one point in the future and I know at one point in the future Albertans will look back, and they'll say: "Now I remember what that Member for Edmonton-Manning, when he came to my door, was telling me. And do you know what? He was consistent right throughout. He was saying the same thing then and is saying the same thing now." When the Treasurer has to go back and explain his new stand - well, mind you, the Treasurer's the wrong one to pick on, because he was supporting Nancy

Betkowski, a leadership candidate, so he may have been singing that tune then, at least his candidate, the one he was supporting was. But some of the other members, as they go to their constituency, it's going to be difficult to explain: "Well, we've shifted a little bit. We've shifted. It's because the Liberals have told us. They've shown us the right track to go onto."

Just in closing, I will be supporting this. This is good. We need to introduce some amendments to it to provide a little more scope. I know the Treasurer will fight anxiously, rubbing his hands in glee, to support what we have to say, as he is doing now in introducing this Bill for his Premier.

Thank you, Mr. Speaker.

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

4:00

MS CARLSON: Thank you, Mr. Speaker. I would like to remind the Provincial Treasurer that it was the Alberta Liberal caucus who was concerned during the Getty years, of which this Premier was a member, that the government had virtually exhausted all existing tax sources. After seven consecutive budget deficits and a \$29.6 billion debt, we advocated that a sales tax should only be imposed if Albertans decided to go that route in a provincewide referendum. So I'd like to take this time to thank the Provincial Treasurer for taking our very good idea and putting it into a Bill.

Of course, with the Treasurer at the helm we do have some concerns. Those concerns are that this Bill is going to require additional renovations to ensure that it is a strong instrument for holding the government of Alberta open, accountable, and responsible for tax increase proposals. Given their track record over the last two years, I think that's a particular concern that we have to deal with.

When I was taking a look at this Bill, I had the opportunity to review some of the comments of the Premier over the last few years with regard to a sales tax. Let me tell you that it was an eye-opening experience. In his opening comments the Provincial Treasurer referred to baffle-gab, and let me tell you that no one understands and delivers baffle-gab better than the Premier of this province. He flipped and flopped from one position to another for a number of years going back to October of 1992, when he first stated that if a sales tax should be implemented, it would make sense to minimize the disruption and costs of collecting the tax. Well, that's a pretty strong statement when you compare that to what the Member for Barrhead-Westlock just said about his party's resolution of 1987 to never have a sales tax implemented in the province. That information should have been shared with your leader because obviously he didn't have access to that or was not prepared to act on it.

Back in that same time period, in 1992, the Premier also said that the larger issue as to whether in principle we should be taxing wealth creation activities or consumption should be dealt with by this independent review. Well, definitely the Premier should have taken his own advice with regard to user fees. I found it extremely interesting that not five minutes ago in this House the Minister of Health said that they still haven't initiated or increased any user fees in health care. Well, I have to tell you that that simply isn't true. I happen to have in front of me a paper which lists one, two, three, four, five, six, seven increased user fees in the '94-95 year. I'll just share these with you. These fees increased dramatically over a 10-year time period while this Minister of Health was the minister, and I find it very surprising that she would like to mislead the House and this government in her comments by saying that there have been no increases.

MS CALAHASEN: Mislead?

MS CARLSON: "Mislead" is absolutely the right term to be used here. Individual premiums for Alberta health care have increased to \$384; 10 years ago they were \$168. Family premiums are now \$768 with her increases in premiums; 10 years ago they were only \$336. Blue Cross nongroup benefit premiums for individuals are now \$246; they were \$79.20 previously. Family Blue Cross nongroup benefits are now \$492; they were \$158.40. Vital statistic certificates, which come under the mandate of the Health department, are now \$20, and in fact there were no fees for them at all. So this is a brand-new user fee, brand new in the last two years, exactly within the term of this minister. Marriage certificates are \$45 now and 10 years ago were only \$20. A change of name now costs you \$120 and only cost \$40 back then. The fees have tripled.

How could the minister triple fees in this regard and then stand here in this House and blatantly say that there have been no increases in user fees in health care? I find that reprehensible. I hope that she'll get up this afternoon and defend herself in this regard, because I'm sure the people of this province would like to know how it is that she can say one thing and then do another.

I'm getting back to the comments of the Premier. All throughout October and September and November of 1992 he waffled on the sales tax issue, and then at the end of November 1992 the Premier pledged not to impose a sales tax, calling it an economic inhibitor. So we have to wonder how it is that he could change from one month to the next in terms of what his position is. We must have had an opinion poll come out in that month so that he had some factor to decide on. He did not listen to his party, so he had to be listening to something.

In December of '93 he pledged in an *Edmonton Sun* interview that there'd be no tax increases or user fees on government services during his first year as Premier. Well, if that wasn't the biggest joke we've heard. He couldn't keep this one promise, so there's no doubt that we need legislation now to ensure that he keeps the other one with regard to a sales tax. This is really a Bill with the protection of the taxpayer in mind from this Premier, from this government, never mind thinking about any future governments. It's this government that we need to be protected from.

He says throughout that whole year that he's prepared to consider a sales tax and then at the tail end says not, so we have to really wonder what was in the Premier's mind at that time and what he used to make his decisions. In January of '93 the Premier said that he didn't have to commit to a referendum, that he's saying: no, there'll be no sales tax. So what happened between now and then to change his mind in this regard? I think we would like to know the answer to that, and I'm hoping that if he's not prepared to answer it, someone from that side will stand up and answer it for him.

Again in January he added that the paper represented his position on a sales tax early in the campaign, before they had a chance to develop a platform. Well, the Premier develops his platform on the fly? He doesn't discuss it with any of his caucus members or any of the members of his party? He can flip and flop on a situation like this? Again in January he said that it could have been his position when it was sent out, but it has now changed. Well, that's a great way to run a province and certainly wonderful protection for the people of this province, that there aren't going to be taxes or that they are at the whim of the Premier in terms of what he feels like at that particular moment.

He said then in February in *Hansard* on page 2147: "At no time did I embrace the concept of a sales tax. I gave a hypothetical answer to a hypothetical question." Well, I don't know that we ask hypothetical questions in this House. I understand that the questions we have always asked while I have been here have been based on fact or based on clarification of what the Premier has said at prior times. But of course in this case the Premier has said one thing one day and one thing another day, so we really have no firm idea of where he stands on this issue.

In February of '93 the Premier said that it's his preference not to increase taxes of any kind but that everything is on the table, and those kinds of things might - might - be considered. So again, as I say, this Bill is protection for the taxpayers from the Premier, not from any future governments.

In April of '93 in the *Edmonton Journal* he said: it could be; I'm saying that tax increases are a possibility; everything's on the table. Well, we've certainly seen it. Everything on the table certainly means an increase in user fees. On April 7, 1993, in the *Herald* he said: there are other taxes that could be raised; I can't rule them out next year or the year after that. So what do we get to look forward to in the future? April 7, '93, in the *Calgary Sun*: in a November 2, 1992, statement, five weeks before becoming Premier, he vowed to freeze all tax rates until at least 1994, saying: no new taxes, no increases; it is necessary that Albertans know where we stand on issues.

4:10

Well, I would suggest that it's the Premier who needs to decide where he stands on issues. We have seen quite a change from the statements that he made previously, so I would have to assume from the flipping and flopping here that he doesn't mind misleading Albertans on any of these issues and that we have to be very concerned that he's going to be doing so again in the future. In April of '93 he talked about: you don't need a brain to introduce a new tax. Well, it's certainly interesting what a difference a couple of years makes. He has been introducing new taxes, and the Treasurer has been his accomplice in this with regard to the user fees.

[The Deputy Speaker in the Chair]

In May of 1993 the Provincial Treasurer said that his government isn't considering implementing user fees to curb the high cost of health care. Well, as I listed in the previous comments, there are a number of cases where, despite what the minister says, we have increased user fees directly on health care. I think it's very important that they share that information with the public and let them know in fact what's truly happened here and not try to continue to mislead the people.

On February 4, 1994, in the *Calgary Herald* the Premier says: I want to assure Albertans that nothing will be done relative to a sales tax until the budget is balanced; we'll look at it, just look at it, but I don't know where I'll be in four or five years. Well, is that a yes or a no to a sales tax? We have to wonder, since Albertans can't trust the Premier to keep his sales tax pledge based on his musings over the past years, what we can expect from him in order to keep his word based on his actions. I think we have to be very legitimately concerned about this.

In December of '92 the Premier pledged that he would not increase taxes or user fees for government services in his first year as Premier, but the reality is that he broke that promise 55 million times over that first year, because we had \$55 million raised in user fees during that time period. That's a broken

promise. A buck a promise is what it cost: \$55 million in this province. Then over the course of the next two years the government is expected to raise an additional \$121 million in taxes from new or increased user fees, premiums, and licences. That's another \$97 for each and every Alberta taxpayer, another \$97 worth of broken promises for each and every one of us in this province.

By March 31, 1997, the Premier will have eliminated the deficit by imposing a total of \$278 million in new taxes on Albertans. That's \$222 per taxpayer, that's new taxes, and that's exactly what he promised us that he would not do. It's very interesting how he keeps his promises.

MRS. HEWES: Shame, shame.

MS CARLSON: It is shameful. It's very shameful that the Premier would do this.

The Premier says that he doesn't discriminate when it comes to the types of taxes he imposes. He uses the most regressive tax sources, being user fees, available to him, which socks it to the middle class and the poor of this province, and doesn't care and certainly doesn't blink.

Over the past two years this government has increased its revenues from health care premiums from \$412 million to \$544 million, yet the minister has the audacity to sit here in the House and say that they have not increased user fees in health care at all. It's reprehensible.

In considering this Bill, I think Albertans have a right to know about all the tax increases that this government has made without referendum and without debate in the Legislative Assembly. To that end, I would like to speak for a moment to some of those user fees. What we have here is quite a change over the past two years. We have had taxes, taxes, taxes à la Klein. There's no doubt.

Between 1986 and 1992 Don Getty and Dick Johnston raised or created over 135 taxes and fees in this province. During this time, they lowered just five taxes and eliminated absolutely none. Our current Premier and Treasurer have claimed to offer Albertans a new style of government. However, in the 1993 and '94 budgets they continued the old ways by raising or creating 64 separate fees and lowering just one. If the Premier and Treasurer continue at this rate, they will match Getty/Johnston's tax and fee record by 1997, which is in five short years, when they project a balanced budget. So this is really an issue of protection for the taxpayer.

We also need protection for the taxpayer in terms of taxes already levied and increased during this term by this government. There isn't in fact a department in this government that has been free from having increased or brand-new user fees implemented. If we go to Advanced Education and Career Development, the AVC full-time programs and courses have had a new tax implemented. In 1993 and '94 they were \$60. Now they're \$70, an increase of \$10 in one year. But if we look back 10 years, there wasn't a single fee for this; there was no fee at all. AVC part-time and continuing education programs and courses: the minimum fee in this situation now is \$25. Ten years ago there was absolutely no fee for this. AVC training of students from foreign countries is \$60 now, and 10 years ago there was absolutely nothing there.

We go to agriculture. We now have livestock stockyard agent dealer's licence fees which range from \$20 to \$55. Ten years ago there were none there. This is a tax on rural Alberta. There are grazing fees now that range from \$955 to \$1,765 per unit. Again, 10 years ago there simply wasn't a fee here. Livestock brand inspection, which again is a fundamental priority in rural Alberta

for anyone owning livestock: no fee 10 years ago; now there's a fee. Brand inspection has a lifetime membership fee of \$200. There was no fee 10 years ago.

MRS. McCLELLAN: There was so.

MS CARLSON: There was not. The Minister of Health said that there was a fee for this 10 years ago. In 1986 and '87 there was no fee for that, so I challenge her to find out what that fee was and present it here in this House.

THE DEPUTY SPEAKER: Order, hon. members. If we could do this through the Chair, then we don't have this . . .

MRS. McCLELLAN: I just have to wonder how many livestock she's branded.

MS CARLSON: Publications by the agriculture department. There were no fees for them 10 years ago, and now there's a fee range of \$5 to \$10. Pasteurizer testing: again, this is another one that there was no fee for 10 years ago. Now the fee ranges between \$100 and \$250. Central milk testing: no fee 10 years ago; now there's a \$10 fee for this. Analytical fees to public health units: again, no fee 10 years ago; now the fee ranges between \$5 and \$15.

Financial advisory services. In these times of economic hardship, when we see many of the family farms disintegrating or just being sold to conglomerates or just evaporating from the Alberta culture, they're now charging them a \$100 financial advisory service fee if they need some consulting done in this regard. Ten years ago there was no fee for this. To me, this is very shameful. Here we are providing a service which is very necessary to rural Alberta, and this government is now charging them \$100 for this.

Dugout dumping. Again, no fee 10 years ago. In fact, no fee three years ago, just a fee in the last two years: \$300 for '93-94 and a \$100 increase. It's now \$400 this year to have your dugout dumped. Video rentals from the department of agriculture where they can receive a number of training updates: no fee 10 years ago; now there's a \$2 to \$3 fee for every single one of them.

If we go to culture and multiculturalism, again 10 years ago in these areas that I'm going to read out, there were absolutely no fees. Now every single one of them has got a fee, a fee for us to now be able to share and learn about the culture of this province. I think that's a shameful thing for this province to be looking at.

Consumer and corporate affairs. Again, we see significantly increased fees or brand-new fees where there were none before. Securities and commission fees. The exemption order application was \$100 ten years ago, and now it's \$300. Material facts were \$500 ten years ago and now are \$800. Rights offering range from \$5 to \$100 plus a .3 percent fee on top of that. They were \$300 ten years ago. We have filing of sundry documents; \$250 to file sundry documents. There was no fee for this 10 years ago. Amendments to prospectus and annual information forms: again, a \$250 fee and \$50 ten years ago.

Look at all these new taxes. These are new taxes, ladies and gentleman. We need protection from this government for these taxes, never mind an airy-fairy sales tax that may or may not appear in the future. All new taxes.

Filing a prospectus for issues in Alberta: \$250 now where there was no fee before. For large companies, a \$2,500 fee now;

no fee before. Filing a final prospectus: .03 percent of proceeds less the filing of \$2,500; no fee for this before.

Oh, Mr. Speaker, I'm very sorry my time's up. I have pages yet to read. [interjection]

4:20

THE DEPUTY SPEAKER: The Chair would enquire whether other people had noticed that there was some sound presumably emanating from one of the speakers or microphones. If you did, we would try and investigate it further, but in any event, the sound appears to have died now.

We would invite the hon. Member for Fort McMurray to continue.

MR. DINNING: Come on, Adam, wake us up. Come on, wake us up.

MR. GERMAIN: The Treasurer begins again, Mr. Speaker, by debating from his seat, urging me to wake up the Legislative Assembly. Hopefully, if not wake up the Legislative Assembly this afternoon, I'll at least be able to encourage some members of the Assembly to give some thought-provoking second looks at this particular piece of legislation that is before the House today.

This day, the day of the second reading of this particular Bill, will long stand in the Alberta Legislature as a day when the legislators of this province sank to new lows to try and curry voting favour with an electorate on legislation that neither makes sense, nor is necessary, nor is practical.

Let me say now, Mr. Speaker, lest my comments be taken out of context, lest there be mischievous members from the bench opposite that run around the province taking my comments out of context, that I do not now and I have never supported a sales tax or the concept of a sales tax.

I know that the Treasurer is regretting how little of his time he spent dealing with the real issues of this Bill. It reminds me that I now have explored and uncovered the reason why the Provincial Treasurer is \$29,000 over in his personal Treasurer's office budget. It was undoubtedly spent in writing colourful speeches of the kind that introduced this particular legislation.

Now, if that great protector of the taxpayers was concerned about the taxpayers, he would do something about the overrun in his own budget. It embarrasses me to have to say this, Mr. Speaker, but if that entire front bench over there were genuinely concerned about the taxpayers of this province, they would have done something about it before this province mortgaged its soul and the souls of its children on a \$32 billion deficit that will live on forever as one of the great fiascos of legislative incompetence across the width and breadth of this world.

Since we are talking today about protection of Alberta taxpayers, I too, Mr. Speaker, would like to talk in genuine and heartfelt terms about protecting the taxpayer. I want to say that this Bill is absolute nonsense. This Bill is absolute nonsense. We already heard the Member for Barrhead-Westlock, in his classic style and in his kind and generous way, indicate that years ago Albertans told him: no sales tax. He has said that it is the policy of the Conservative Party in this province that there be no sales tax. If that be in fact the case, why would we need this piece of legislation now on the books? Is it in fact the case? As other members have mentioned, this legislation in fact is intended solely to permit the Conservative government of this province to introduce a sales tax.

Now, is there any evidence to indicate that this government in fact leans towards a sales tax? I want to suggest to you that there is ample, ample evidence. [interjections] Some of the members have woken up. They want to hear the ample evidence. Well, every time you buy a pack of cigarettes in this province, you pay a provincial sales tax. Every time you buy a litre of gas in this province, you pay a provincial sales tax. Every time you buy a tire in this province, you pay a provincial sales tax.

Now, members opposite are going to say that I stretch the meaning of sales tax. They're going to say: "Those are excise taxes. Those are recycling taxes." All right. Well, then, let me . . .

DR. WEST: Cigarettes are a flat tax.

MR. GERMAIN: I see that the minister of transportation has now arisen and undoubtedly will illuminate us, in a sterling 20-minute lecture, on why we need useless legislation before this Assembly, but we'll wait for that.

Unless some members feel that I'm being unfair about my categorization of those taxes I have mentioned previously, I want to raise the one irritating sales tax that tourists to this province face every day when they check into a hotel and when they check into a motel, and that is the sales tax on motel rooms in this province, Mr. Speaker. Introduced by what kind of government in the province of Alberta? A Liberal government? Certainly not. Introduced by a Conservative government. Now, that sales tax is not only a sales tax, but it is a discriminatory sales tax because it attacks only one particular segment of those people who in fact pay sales taxes. [interjection]

Now, the minister continues to chirp away. The minister of transportation, Mr. Speaker, continues to try and interrupt the debate of the Member for Fort McMurray, and I know that he won't want to do that because I'm urging all members of this Assembly to look at this Bill on its merits.

If indeed it is the policy of the Conservative government that there will be no sales taxes in this province, then why would they need this particular legislation? The Premier has never before admitted publicly that he has so much fear of losing the next election. I find this admission of his at this point refreshingly honest.

I must also say that you could never ever ask a taxpayer to vote for more tax. Who would ever expect, in a referendum of this type, a taxpayer to vote for more tax? I certainly wouldn't vote for it, because I have already said, Mr. Speaker – and it bears repeating again – that I do not support the Conservative agenda of bringing a sales tax into this province. I've said it before.

So what could be the only motive for this piece of legislation? The motive in fact is, Mr. Speaker, that the question to be put to the Alberta public is not defined in this particular legislation. I suggest that the question will be put to the Alberta public: do you favour a sales tax of 5 percent? The public will say no. The government will enact 4 percent provincial sales tax legislation and thereby conclude that they have fulfilled the mandate of this particular legislation. [interjections] Members opposite laugh and chuckle, but they should keep the photocopy of this page of *Hansard* because they'll have heard it here first, Mr. Speaker. They'll have heard it here first. When we have no question put in the legislation, then we in fact have no legislative integrity to this Bill, and it is then leaving us with the inescapable conclusion that this Bill is the thin edge of the wedge for a Conservative sales tax.

Now, I want to go on to the issue of the protection of the taxpayer. I have already alluded to the fact that if the Provincial Treasurer had been genuinely interested or cared about taxpayers in this province, he would not have sat on his hands, mute and silent and quiet, while for eight years in a row this government racked up budget deficit after budget deficit. You'll notice, Mr. Speaker, that none of them now heckle and cheer, and they all look down at the mat on their desks. If those that were here voting for those deficits really cared about protecting the taxpayers, where were they then? That's the rhetorical question that I leave in this House.

There is no taxpayer protection in this piece of legislation. If there was genuine taxpayer protection, Mr. Speaker, this Bill would have the question defined, it would have a prohibition against raising income tax, it would have a prohibition against raising corporate tax, it would deal with the issue of royalties, and it would deal with the issue of user fees. The Bill's silence on all of those issues speaks volumes about the type of government that would bring in this piece of legislation.

4:30

Beyond the political rhetoric of this piece of legislation, this Bill is absolute garbage. All of us sitting in this room know it. We know it to be so. We're all wondering now which, if any, of us will have the courage to vote against this particular piece of legislation, because to vote for it is to vote for garbage.

I want to go on to talk about one other aspect of this piece of legislation, Mr. Speaker, that troubles me greatly, and it should trouble every person in this Legislative Assembly of integrity and of sensitivity. It is not for me to say who will form the government in the province of Alberta after the next election. It is not for me to say who will form the government after the election after that or the election after that. It is not for me to say if the constituents of the hon. Provincial Treasurer's riding return him to office. It is not even for me to say whether the residents of my riding would ever return me to office or any other member here. But I want to say to all Members of the Legislative Assembly that the issue of taxation in the province and in the dominion is an extremely sensitive and extremely inflammatory issue. Those that follow us in this Assembly, we owe it to them fairly and properly not to attempt to legislate from the grave.

MR. HLADY: You're voting against this?

MR. GERMAIN: What if years ago we had had legislation in this province, Mr. Speaker, that indicated that nobody could ride their horse on Jasper Avenue unless they were properly equipped with a horsewhip to bring their . . .

MR. HLADY: Adam is voting against it.

MR. GERMAIN: You know, Mr. Speaker, I want to say on the record that frankly the natterings from the minister of transportation are, first of all – I mean, I can certainly take them, because I have skin as thick as a water buffalo and a brain the size of a peanut, and that makes me eminently qualified to sit in this Legislative Assembly. The minister of transportation's problem . . .

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

THE DEPUTY SPEAKER: The hon. Government House Leader is rising on a point of order you'd care to share.

### Point of Order Imputing Motives

MR. DAY: Mr. Speaker, under 23(i), the member just stated what he felt were qualifications to sit in this Legislature, and I would suggest that casts a negative pall on all members of this Legislature, past, present, and future, and would ask him to withdraw that statement regarding what qualifies one to sit here.

THE DEPUTY SPEAKER: The Chair reads the quoted citation, which is "imputes false or unavowed motives to another member," but I don't recall that the Chair heard characteristics required here. Perhaps the hon. Member for Fort McMurray would care to comment on this point of order.

MR. GERMAIN: Well, I was expressing an opinion of some of the characteristics that might serve someone well here. I was talking only of myself. If other people in this Legislative Assembly have thinner skins and bigger brains, I'm happy for them.

THE DEPUTY SPEAKER: The Chair would think that if the hon. Member for Fort McMurray strayed into the area of offending the rules, 23(j) would be more appropriate. It says, "uses abusive or insulting language of a nature likely to create disorder." It seems that that's the kind of thing that would evoke the kind of natterings that you were trying to suppress. Is that not so, hon. member?

MR. GERMAIN: That's probably fair.

THE DEPUTY SPEAKER: I guess the point is that if you're trying to ascribe these characteristics to all members, that might be worthy of considering, your comment.

MR. GERMAIN: Certainly, Mr. Speaker, I never wanted to ascribe any characteristic to any Member of the Legislative Assembly. Their own electorate will have to determine what characteristics each of them have and whether they find those redeeming characteristics in an effort to gain re-election.

But what I was trying to make was a most important point.

DR. WEST: A point of order.

THE DEPUTY SPEAKER: Hon. Minister of Transportation and Utilities, if I'm hearing it right, the Chair has made a suggestion to the hon. member and he's referring to that. Once we're finished with that, then we can have a point of order. Otherwise, I believe your point of order is on the point of order that he's hopefully addressing. Is that amenable?

DR. WEST: All right; if he's still on the point of order. You can't tell.

THE DEPUTY SPEAKER: Is that so, hon. Member for Fort McMurray?

MR. GERMAIN: I thought we'd done that point of order, sir.

THE DEPUTY SPEAKER: Oh. Okay. Now we have a new one apparently.

All right. The hon. Minister of Transportation and Utilities.

**Point of Order****Allegations against Members**

DR. WEST: It's getting a little distance from the hon. member's debate, but in the debate – and this is under 23(h) in Standing Orders, "makes allegations against another member" – the allegation is that I had said something and then he was responding, and I had said nothing. I don't mind taking credit for something I said across the floor if it gets into debate, but he was going on about the Minister of Transportation and Utilities and I happened to be reading and hadn't uttered a word for many minutes. So he has alleged something that didn't exist.

THE DEPUTY SPEAKER: The Chair would observe the same thing. I was trying to determine the source of the noise and had for the moment ruled you out, although, heaven knows, there have been occasions in debate when that might have correctly fallen upon you. I could not determine where it was from. You're saying that the little calls across the floor were not from you. The hon. Member for Fort McMurray will take that under advisement in his comments.

If you want to speak to the point of order.

MR. GERMAIN: Thank you very much. I did refer to the minister of transportation nattering. I accept that it wasn't he. I've taken your advice and was looking at the Chair. It came from that direction. I confused his voice with the voice of another hon. member. I would not want it to be said of me that I ever said that the minister of transportation was nattering when he in fact was not nattering, so I withdraw the comment and do apologize to him.

**Debate Continued**

MR. GERMAIN: Perhaps, Mr. Speaker, since there was clearly somebody nattering away at me from the other side, they will stand up at the right time, be recognized, and tell us why they think this taxpayer protection legislation is so wonderful and then answer the question of why, if it is so wonderful, it was marketed to us like the next best thing to sliced bread. Why is it so wonderful? Why is it that the Legislative Assembly only now is focusing on protecting the taxpayer when for year after year after year this Legislative Assembly and some of the members sitting in it today have so much been a part of causing the Alberta taxpayer inordinate grief, inordinate debt burden, and have taxed not only this generation of taxpayers but the next two or three generations into the future?

Now, Mr. Speaker, having digressed a little bit with the points of order, I want to return to the last point that I wanted to make this evening. That point that I wanted to make simply was this: it is not right that any legislator in this Assembly govern the province of Alberta from the grave. It is appropriate that we leave, when we leave here, the table or the platform of the Legislative Assembly with the same clean plate that it was when we came here so that future legislators will have the opportunity, in the fullness of time and with the benefit of their wisdom, to debate each and every subject matter openly and frankly. If the debate is on a sales tax, so be it. If the debate is on user fees, so be it. If it is on utility tax, so be it. What we need to do in this Legislative Assembly is have the courage to stand up and say that this particular piece of legislation is nothing but a piece of political rhetoric and say that we do not as legislators accept and tolerate that our time be wasted by political rhetoric.

Now, two weeks ago a Bill of some import was before the Legislative Assembly that would ensure the provisions of the

Canada Health Act in the health scheme of the province of Alberta. The government voted against that Bill . . .

MRS. McCLELLAN: So did Mr. Chrétien.

MR. GERMAIN: . . . giving as their reason not an objection to the – I don't want to name another member as nattering from her seat, Mr. Speaker, but I can't help but hear the melodious tones of the Minister of Health. I hope that I won't later be retracting that comment as well, either the comment about who was nattering or the melodious tones.

I want to say, Mr. Speaker, that the reason the government gave then for not enshrining the provisions of the Canada Health Act into Alberta legislation was because, they said, we already had that as policy; it was redundant and not necessary. I'm sorry. Given the Member for Barrhead-Westlock's statement that this is already part of the Conservative government policy, is that argument not equally applicable to this piece of nonsense?

Those are my submissions and debate in the Legislature today, sir.

4:40

THE DEPUTY SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. I listened with some interest. I didn't want to fall into the same trap. I think you ruled "nattering" unparliamentary. I just wondered. You did not? Oh. I thought it might have a lot to do with the spelling. With an "n" I know it sort of symbolizes that they're making noises for noise's sake, but if you start it out with a "g," it means that they're getting under your skin. So it depends just how you're going to work it.

MR. DINNING: "G-n." Very good, Nicky. `Gnattering.'

MR. N. TAYLOR: I will admit that the Treasurer has moved up an infinite amount in my measurement, Mr. Speaker, having recognized that one as it zinged by him.

In speaking on this Bill, it's – I don't know – one of those things that comes up that is played strictly for the gallery, by both the opposition and the government, I might add, and the media, who are probably all snoozing away in their little beds or having their afternoon coffee. But when you stop to think about it, Mr. Speaker, under the parliamentary system there's no Bill that binds another government when it comes in, so all this becomes pretty empty rhetoric. It is really a lot of beating of drums to try to impress people that we're out there really going to do something about what occupies people's minds now, which is the debt. But anyone who knows anything about parliamentary law or a Legislature knows that there's no rule passed in this Legislature that in any way, shape, or form binds the next Legislature. This government, of all, should know that. They don't even bind themselves after an election. They say one thing in one election, and when they're re-elected they do something else.

So in a way I suppose we might be wasting time. It's like a lot of things. When you start playing soccer, everyone has to kick the ball; otherwise, somebody will put one into your net. I'm going to get up and kick the ball too, realizing that parliamentarywise there's nothing behind the debate except the tradition of trying to score points against the other side and that no matter which way the vote goes, it will in no way, shape, or form bind the future. It won't even bind the government that's in power. They can say, "Well, that was then; now is now," and six months from now change around and put a tax in. Of course,



they'd have a little trouble maybe fighting the media and getting the point across, but certainly there's no way that this government can bind the next government, regardless of the faith it has.

However, I guess it's worth looking at it a bit. First of all, defining a sales tax – well, I've worked and lived in many countries of the world, and there are all kinds of taxes you can put into place. This government seems to define a sales tax as something that is added onto the price of a commodity that you can put your arms around and carry home. They don't call it a sales tax when you put it on a service commodity or a fee for service, like medicare premiums or legal payments, things like that. If they were to put a payment on them, as they have – they put fees on getting licences, the medical costs and the premiums you pay. All those are really sales taxes. They are taxes on services rather than taxes on something you pick up in your arms and carry around. They call these user fees I guess.

The other way around the sales tax, of course, is to put in something like I remember seeing in China some years ago, where the government actually buys the service and then resells it to you at a markup. That's another form of tax. As a matter of fact, that's how the Chinese government is financed and many Communist governments were financed. They used to buy the product from the state-owned corporation and resell it to the consumer, and the markup was the way they got by. There are so many ways around a sales tax that that, too, probably negates any sort of debate on the thing or making any sense out of it. To say that they won't put a sales tax in – it seems to me that what we would have been better to do is to say that the government's spending would not exceed a certain amount per capita in the future, regardless of where they got it. That would have more likelihood of controlling taxes than anything else, because all that a law which says we will not have a sales tax does is challenge the ingenuity of future Treasurers. Oh, yes, Virginia, there will be future Treasurers; you won't last forever. It will challenge the ingenuity of future Treasurers to get around it by naming it something else.

One of the things that is interesting about the tax is that it continues a parliamentary tradition. I have said that it breaks a parliamentary tradition, Mr. Speaker, by putting a – I shouldn't say it breaks a tradition. It's a parliamentary impossibility, passing a law which new governments cannot contravene or throw out the window down the road, because Parliament or in this case the Legislature is supreme. But it does carry on one tradition, which is to turn around and propose as a Bill a resolution or Bill that had been proposed by the opposition earlier. That is probably one of the good things that comes from having an opposition of any convenient size in a Legislature. You can almost mark the efficiency of the opposition, if you want to call it that, by seeing how many Bills are adopted by the government a year or two later and come back as their own. That's probably one of the earmarks of a good opposition. To that extent, I think my confreres should all take a bow, because they did present this earlier. Now it's being adopted and put forward again and I am sure is going to be supported, I would think with unanimous support in the House, if it comes to a vote, because I can't imagine anyone voting against it. But it is in the tradition of good oppositions that the government's going ahead with something that the opposition had put forward earlier.

I would think, though, that the government may have another reason for putting this forward, because like all politicians in government, they want to leave a tombstone or a memorial that will sort of praise what they've done to maybe hide some of the

mistakes they've made. After all, this is a government that has spent one whole decade, from 1984-94, being some of the worst spendthrifts in the elected world, in the parliamentary world. Anywhere you would care to go, you would probably not find a government that spent government money faster and more loosely. I suppose there may be a sort of going-to-confession type of thing, Mr. Speaker, so that instead of doing penance in sackcloth and ashes, they were going to put a Bill forward here that will say they're not going to use sales taxes or control their expenses. Somehow or another, that is to cover up for a decade of infamy, you might say, a decade of doing everything wrong, of running us into debt so badly that we now have to use such rigorous steps to bring ourselves out of debt.

I suppose you've got to give them an A for gall, Mr. Speaker, spelled g-a-l-l. I wasn't trying to transfer anything French over to them. I wanted to give them an A for gall for having run the economy into the ditch, left it mired in the mud up to the windshield, and now they want praise for trying to bring that same truck out of the mudhole they drove it into. Well, if anybody did that to you, you know, the first thing you'd do is run 'em down on the road. But you must confess that this government, after a decade of just ruining everything, did have the brains to go out and acquire an ex-Liberal who was a real spin doctor and bring him in. Although they scoured their ranks back and forth, they found nobody, but nobody, who would cause them to rise again from the dead. There was no way there was going to be a modern Messiah, but like days of yore they went out and, you might say, found a gentile outside the Tory party and brought him in. He had become the saviour and managed to make the public forget what they had done to them for a decade. Obviously, the electorate had forgotten what former Premier old Bible Bill Aberhart had said. You'll recall that, Mr. Speaker, being, I'm sure, a student of history: if you haven't suffered enough, it's your God-given right to suffer some more. Of course, they used that policy, and it worked to a good degree and got 5 percent more votes than the Liberals did. Now they're sitting over there with a proud new Premier, a proud new philosophy, and proud new faces, but no new ideas. They're just going back over the same old track.

#### 4:50

Mr. Speaker, introducing Bills that would get the unanimous support of the House I suppose sends some sort of message out to the electorate that they're in tune with the infinite, that somehow or another – what's that old hippy philosophy? – some sort of Zen out there is bringing them together. They produce these Bills and get up and slay the dragon. They jump on it, jump back and forth on it, throw it in the air, snap at it, tear it apart, and throw it unto the opposition. The opposition likewise just runs out and jumps all over the Bill, and then both sides proceed to pass a Bill that has no way of binding future parliaments anyhow. They hope that somehow or another that's going to cover up for their sins of the past.

Mr. Speaker, to close, I guess I'd say there's no other choice except to vote for a resolution such as this, but there are so many contentious and so many other fruitful things that we could be discussing today rather than that. In a way, I suppose it will give fuel to much of our media that like to talk of how MLAs waste their time. There are other ones that I think the minister could bring forward. There's one in favour of motherhood that we should be able to pull out, and there should be another one a couple of days from now when things slow down. They could propose that Canada be whole from coast to coast and continue as a nation. There are lots of resolutions like that. We could take

our Standing Order 40, maybe, and congratulate Grande Prairie or something like that, take a whole afternoon debating that. So now we're sitting here debating whether or not we're going to have a sales tax, which everybody agrees can be pounded into the dirt and nobody wants, but everybody also understands that next month, next year, next decade they can ignore it and go ahead anyhow.

Thank you, Mr. Speaker, for giving me an opportunity to debate.

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

**DR. MASSEY:** Thank you, Mr. Speaker. I, too, would like to make a few comments on the Bill and indicate that I'll be supporting the Bill in principle. It's an important principle that our party ran the last election on, and that principle is one that called for parliamentary reform. There were a number of pieces to our proposals, to our platform. Certainly the more common use of referenda was one of things that we thought would be healthy for making a democracy more responsible to citizens in the province, that, along with recall – we introduced the recall Act last session – and through free votes and other ways to make this Legislature more responsive to its citizens.

So it's an important principle embodied in the Bill. What I find astounding, of course, is the content, the subject that the government would pick to include in the first referendum. You would think it would be content that they would avoid like the plague, because their history, given the finances of this province, is something that they certainly, you would think, wouldn't want to bring to public attention any more than was absolutely needed. So I am surprised at the content, and it makes me wonder why they're introducing this Bill with this content at this time.

I've come up with a couple of guesses at reasons. Is it political chicanery? Are they trying to drag a red herring across the political landscape to cover or to mask the kind of unhappiness that there is in terms of what's going on in education, what's happening in health care, and what's happening in terms of Albertans in need through Family and Social Services? It that what this is all about? We're going to try to hide those actions or to divert attention from that? That may be part of the answer, but it's still not, I think, complete. I wondered if it was really just gross political cynicism, that they know most Albertans point with pride to the fact that we don't have a provincial sales tax. For years it's been something we have heralded to those who live in other provinces, so it makes a good target for a government that's trying to curry favour with electors at a particular time. If it's that – and it is just that, political cynicism with political interests, rather than a Legislature with public interests at the core.

Another reason might be a lack of confidence. The government is very sensitive, given what goes on in the Legislature, to what polls say about their activities. Again going back to health and education, if we're to believe those polls, there is great unhappiness in terms of what's happening to the health care system and what's happening to the education system. So maybe it's a lack of confidence, and they need this to have Albertans tell them that they're doing the right things and they have Albertans' interests at heart.

It is interesting what they are willing to allow citizens to have a direct voice in. Would they allow them to have a direct voice in education, in the continuance of full kindergarten? The answer, of course, was no. Is there a direct answer for citizens in hospital closures? Again the answer is no. Is there direct involvement of citizens in the election of health boards? Again

the answer is no. Is there support for the loans that continue to be given to private companies? Again the answer is no. So it's very interesting what is chosen for citizen participation and what isn't.

There are several other interesting aspects of this Bill. It's been mentioned that the notion that a government can rule from the grave has long been abandoned. We know, as people in this province will know as well, that should this Bill pass, subsequent Legislatures would be able to change it or to get around it in some manner. They won't be bound by anything should this particular legislation happen to pass.

I guess one of the things it leaves us wondering is: is this the first of a series of Bills that are a new genre of Bills designed to save us from the government? We can indicate that the imagination runs wild when you think of the kinds of Bills that could be introduced: Bills that say we won't withdraw from Confederation, Bills that say we won't annex the United States of America, all with about as much substance to them as this particular Bill.

There is one hope if this Bill does pass. I hope that it will be quickly followed by a companion piece of legislation, because in the interest of protecting taxpayers, I'm sure the government will want to have a companion Bill disallowing user fees and making health care premium raises subsequent to the same kind of public scrutiny.

Thank you very much, Mr. Speaker.

**5:00**

**MRS. HEWES:** Mr. Speaker, just a few comments about this particular Bill. Several of my colleagues have suggested that this Bill is in fact unnecessary and I agree with that, that it is political rhetoric and I agree with that, that it is redundant and I agree with that, and that it is, in my view, political manipulation of the worst kind.

Mr. Speaker, for me it kind of comes down to definition of: when is a tax not a tax? We have seen many comments from members of the front bench and from the Treasurer about taxes and about user fees, and they all seem to me to wander around the exact definition. I've noticed another phenomenon. In the budget this year there's a new term, a new term in the vocabulary of the government, and that is dedicated revenue. This is popped in there to try to make us think that a tax is not a tax. For a great many years I have talked about health care premiums. These in fact are a tax and a regressive tax at that. They are a requirement. They must be paid. They are the same regardless of your income, so they are a regressive tax. The government wants to use this curious euphemism that they have just kind of laid in there to say that dedicated revenue is not a tax. Well, we are not fooled, and the electorate and the public in Alberta are not fooled either, because their experience is that they are being taxed to death by this government, that they're being two-bitted to death by this government, and we have ample, ample evidence to prove that.

I wonder if the government is going to be positive about some amendments that would require not just the notion of a GST type consumption tax but the notion of this Bill expanding to include all other user fees, licence premium increases, and that they be included in this Bill. If so, is the government prepared to stand up and debate those and let the public of Alberta in on this curious system of political manipulation that I spoke of earlier? I believe that this is taxation without any kind of debate in this House, without the particular user groups having any opportunity to be consulted or to influence what these so-called taxes, user fees, licence fees, premiums should be settled at. Now, we saw some examples of this in the debate last year on the Alberta seniors'

benefit that I think have ended up in a very unpleasant and difficult situation for seniors, who are very frightened by it.

Mr. Speaker, I'd like to suggest that this Bill is modeled very directly after the Canadian Taxpayers' Federation legislation of June of last year. They set out a proposal to eliminate the provincial debt by means of a balanced budget law with taxpayer protection. The provisions in it were designed to protect taxpayers from increases in tax rates until the debt is eliminated. Exceptions would need to be endorsed by a provincewide referendum of eligible voters. However, unlike the limitations or loopholes contained within this sales tax Bill, the Taxpayer Protection Act is designed to ensure that there will be no increases in tax rates or fees imposed by any provincial Act: no tax rate increases and no new taxes shall be imposed during the debt elimination period unless approved by a majority of 50 percent of eligible voters in a binding referendum.

Following this, Mr. Jason Kenney, the executive director of the federation, said in February of '94, and I quote: personal income taxes take money away from people before they get a chance to use it, but a consumption tax gives people a choice whether they are going to save money, invest it, and create wealth with it. Well, I suggest that our Premier in Alberta is following the Canadian Taxpayers' Federation taxpayer protection model, and I wonder if he's also following the view of Jason Kenney and the Taxpayers' Federation.

Mr. Speaker, I cannot and have not ever been able in the nine years that I've been here to differentiate the so-called health care premium, which every health care minister that I've served with has insisted is not a tax. It exactly follows the description of a consumption tax. People do not have a choice whether or not to pay it, Mr. Minister, and that means that's a tax, and everyone agrees with that. This province is the second-last one to give adequate consideration to whether or not that premium, sir, is a legitimate tax and whether or not it should be discontinued.

Mr. Speaker, I think it would be useful to have a look at some of the things that have been said by our Premier on sales taxes. The former Premier said: the only way that taxes are going in Alberta is down. Now, our present Premier has added some interesting comments to that. In April of '94 he said in public: I'm not one for making promises; I've always felt that politicians make too many promises. But we all know that there have been many promises made by this government that have simply been ignored when it came time to make decisions. They've just been swept under the rug and no longer have any validity.

In October of that same year the Premier had the department of economic development and trade, the policy co-ordination and development branch, prepare his response to a questionnaire from the Canadian Manufacturers' Association. One of the questions was: would you harmonize a provincial sales tax with the GST? He answered: at some point a full review is needed which compares the long-term costs of meeting expectation for government services and Alberta's fiscal capacity to generate additional revenues. So where did that notion come from that we have a spending problem in Alberta, not a revenue problem? Well, here's the Premier stating unequivocally: generate additional revenues. This is in, let me see, 1992 when he was a candidate.

A second question was asked of the Premier: what new revenue sources do you foresee to help balance the budget? I mean, we're talking about the revenue problem, not the spending problem. His answer: increased revenues will play a role in helping balance the budget; higher user fees may also be necessary – an admission – to bring a better balance between consump-

tion and payment for government services. Well, you and I, Mr. Speaker, know that government services are being farmed out, sold off, contracted out as fast as they can possibly be handled, and these contractors are being allowed to charge user fees. So, on the one hand, Alberta citizens are being taxed to provide mandated government services which are contracted out to an agent who then requires another fee. This, I suggest to you, is already double taxation. Not only is it double taxation, but it is occurring without any debate in this House, and it's happening every day.

Mr. Speaker, the Premier's leadership opponent at the time made the following response to the same questionnaire on the question of sales tax, and I quote: I do not support a provincial sales tax; before we consider additional taxes of any type, we must learn to live within our means; I don't believe that Albertans are willing to support any additional taxes until we can show that we have our spending in line. It's quite evident from the Premier's response and the opponent's response which leadership candidate was waffling on sales tax and which one was unequivocal on sales tax.

### 5:10

Mr. Speaker, the Premier I think in December of that year made a rather impolite statement to his opponent in the leadership race. He said: my message to Nancy is let's get it off; let's have a debate; there needs to be clarification on this particular issue because there seems to be some confusion from the other camp; during my term as leader there will never be a sales tax introduced. Well, then the Premier, having become the Premier, goes on to level new taxes at every turn. However, in April of 1993 in the *Calgary Herald* he is quoted: there are other taxes that could be raised; I can't rule them out next year or the year after that.

So we have this continuing equivocation on the issue. First of all, when is a tax a tax? When is it not a tax? And what are we going to do to make sure that the government, in trying to pass this very righteous and noble and redundant legislation, is not going to slip by another 50, 60 new user fees or licence fees or whatever, which are in my view and in the view of many Albertans simply another form of tax.

Mr. Speaker, on the same day in '93 in the *Calgary Sun*:

In a Nov. 2, 1992, statement – five weeks before becoming Premier – [the Premier] vowed to freeze all tax rates until at least 1994, saying: "No new taxes, no increases."

"It is necessary that Albertans know where we stand on issues."

Well, it's quite clear that that was an idle statement, because it was a statement, a promise which simply was ignored after he took office.

To continue, in April of '93 the Premier didn't rule out imposing user fees for government services, saying that they could be a possibility. Well, we all know that they not only could be a possibility; they could be a probability. And they are a fact at this point in time.

Further, in May of that same year the Provincial Treasurer says that his government isn't considering implementing user fees to curb high costs of health care. When asked directly if the government is entertaining the idea of implementing user fees, he answered no. Well, I'd like to know from the hon. Treasurer: what changed his mind? He clearly changed his mind as he went to gleefully imposing one fee after another, doing it under cover, surreptitiously, so that people would hardly notice another dollar here, another dollar there. Well, let me tell you, Mr. Speaker, if you're on a fixed income or if you're on a limited income and really trying to make ends meet, as are many people in our

province, many of our citizens, a dollar here, a dollar there means a great deal.

Mr. Speaker, let me continue. I quote from the Premier about an action that he is taking, and this is related to user fees. He says: quite simply these are adjustments to bring the user fees in line with the cost of providing the services. We're supposed to believe that this is not a tax; this is just bringing them in line with the services. Then we see this other little bit of new vocabulary that says: dedicated revenue. That is supposed to lull us into thinking that these are just little additions, that everybody can afford them, that they really aren't increases in taxes for anyone.

Over the past two years this government has introduced or increased 64 separate user fees, licences, and premiums, which have raised an additional \$157 million in new taxes: \$55 million in one year alone, \$102 million in the second year, \$125 for each and every taxpayer in this province. In December of '92 the Premier pledged that he would not increase taxes or user fees for government services in his first year as Premier. He broke the promise, as my colleague from Edmonton-Ellerslie has suggested, 55 million times.

Now, I ask you, Mr. Speaker, where's the trust in all of this? Where is the trust? How is the trust of the people of Alberta to be managed and to be kept if in fact we have the Premier of our province stating one thing and then quietly doing something quite different? I think that's really pathetic. I think it's tragic when we come down to that kind of thing.

Mr. Speaker, over the course of the next two years the government is expected to raise an additional \$121 million in taxes from new or increased user fees, premiums, and licences. That's another \$97 for each and every Alberta taxpayer. Now, the Premier and the Treasurer would say, "But you have a choice whether or not to buy these services." Well, in many cases the individual or his family does not have a choice, and we know that. I can say that without any fear of contradiction. New taxes are contributing 8.2 percent to the government's deficit elimination plan. The Premier is treating a spending problem as a revenue problem in spite of his protestations to the contrary.

I don't think it's appropriate for this government or any government to be able to slide user fees, premium increases in through the back door of regulations. I think that when there are user fees, premiums to be increased, they should properly be placed in this Legislature for the consumers, the stakeholders in our public to have an opportunity to see what is anticipated here. I think the government should defend what they know to be the consequences to individuals within certain economic and social strata of our communities and to businesses in our communities. The government consistently, in my view, puts these increases in place without giving us any justification for the need except their determination and preoccupation with the deficit and debt and without any real understanding or, it seems to me, caring about the consequences to the individual, and I think that's really pitiful.

I think it shows a government that is indifferent to the requirements of the very people that they protest that they are serving.

Mr. Speaker, this government says that they want to prevent future governments from imposing a sales tax. Well, we want to be sure that this Bill prevents the current government from imposing any tax increases on Albertans. We believe that Albertans have a right to give their consent or to disapprove of new increases, new taxes. Let's not kid ourselves. We see all kinds of new – I mean, the tire tax is obviously a sales tax. There are hundreds of new taxes being imposed every year in this province without this government having an opportunity to present it to help us understand and the public understand what the consequences are. I have many examples of where these increases have happened without any opportunity for citizens to protest or without any justification for the changes. I think we must be very, very careful as we view this Bill, the flaws that are in it and the need for amendments to it.

Thank you, Mr. Speaker.

MR. DAY: Mr. Speaker, given the hour, I would move that we do adjourn debate and return tonight to find ourselves in Committee of Supply.

THE DEPUTY SPEAKER: I know that we're trying to be as economical as possible, but it sounded like a double-barreled motion. I'll take the first part. The hon. Government House Leader has moved that we now adjourn debate on Bill 1. All those in favour, please say aye.

HON. MEMBERS: Aye.

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

The hon. Government House Leader.

5:20

MR. DAY: Mr. Speaker, I would move that we adjourn now and come back tonight at 8 o'clock to find ourselves in Committee of Supply.

THE DEPUTY SPEAKER: The hon. Government House Leader has moved that the Assembly do now adjourn and that when we reassemble this evening, we do so in Committee of Supply to hear the estimates of Community Development. 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 5:21 p.m.]