

Legislative Assembly of Alberta

Title: Monday, February 26, 1996 1:30 p.m.
Date: 96/02/26
[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 privilege as members of this Legislature.

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

Amen.

head: **Presenting Petitions**

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

MR. SAPERS: Thank you, Mr. Speaker. With your permission I would like to present to the Assembly a petition signed by 10,000 Albertans from every corner of this province who are urging the Legislative Assembly of this province

to save universal medicare and enhance quality health care . . . the undersigned residents of Alberta re-affirm [their] support for the five basic principles upon which Medicare was built: accessibility, universality, portability, comprehensiveness, public administration; and urge the Government . . . to uphold these principles.

THE SPEAKER: The hon. Member for Fort McMurray.

MR. GERMAIN: Thank you very much, Mr. Speaker. I, too, would like to file 10,000 petitions urging the government and particularly the Premier to avoid two-tiered health care in the province of Alberta.

MR. VAN BINSBERGEN: Mr. Speaker, I'm pleased to present a petition 10,000 people have signed from Alberta, and it reads as follows:

We the undersigned residents of Alberta re-affirm our support for the five basic principles upon which Medicare was built: accessibility, universality, portability, comprehensiveness, public administration; and urge the Government of Alberta to uphold these principles.

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

DR. NICOL: Thank you, Mr. Speaker. I also would like to submit a petition signed by 10,000 Albertans asking that the government respect the five basic principles of the Canada Health Act.

THE SPEAKER: The hon. Member for Bonnyville.

MR. VASSEUR: Thank you, Mr. Speaker. I beg leave to present a petition from 10,000 Albertans from Claresholm, from Barrhead, from right across the province urging the government to support the five principles of medicare and also opposing a two-tiered system in Alberta.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I, too, would like to present a petition with yet another 10,000 signatures supporting the same issue of "accessibility, universality, portability, comprehensiveness, public administration" of the health care system, another 10,000 from southern Alberta.

MR. DALLA-LONGA: Mr. Speaker, I beg leave to submit a petition with 10,000 signatures of Albertans from across the province urging this government "to save universal medicare and enhance quality health care"; in other words, not have two-tiered health care.

MR. MITCHELL: I, too, Mr. Speaker, beg leave to present a petition with 10,000 signatures on it. These people are calling for the government to uphold the five principles of the Canada Health Act. They are urging the government of Alberta to "oppose two-tier health care," and they are calling "for national standards for Medicare to be maintained."

Mr. Speaker, this makes a total of 80,000 people who have signed this petition. This is the largest petition ever presented to the Legislative Assembly of Alberta. It reflects a huge number of people obviously who have concerns with this issue.

head: **Reading and Receiving Petitions**

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

MR. BRACKO: Thank you, Mr. Speaker. I request that my petition of February 21 be read and received.

THE CLERK:

We the undersigned petition the Legislative Assembly to call for the Government of Alberta to provide quality kindergarten education for our children by maintaining a minimum of 400 hours of instruction per child per school year.

head: **Notices of Motions**

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

MR. MAGNUS: Thank you, Mr. Speaker. I rise to give notice that immediately after question period I will seek unanimous consent under Standing Order 40 to propose the following motion:

Be it resolved that the Legislative Assembly recognize and congratulate Team Calgary, winners of the 1996 Alberta Cup at the Alberta Winter Games, held in Lethbridge.

head: **Tabling Returns and Reports**

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

MR. BRUSEKER: Thank you, Mr. Speaker. I would like to table four copies of a letter sent to the Information and Privacy Commissioner requesting information under section 62 of the Freedom of Information and Protection of Privacy Act regarding the Premier's 1994 trade mission to Asia.

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. I rise to table a report prepared by the Nordicity Group surrounding the economic value of the Alberta Motion Picture Development Corporation to the overall picture industry and the economics of the province of Alberta.

MR. DINNING: Mr. Speaker, there are a number of tablings that I would want members of the Assembly to be aware of today. The first is Straight Talk, Clear Choices, the document that we'll distribute to all Albertans starting March 4, a consultation process on the reinvestment plan for the province; as well, a Budget '96 overview that has been sent out to international markets; a news release from the Calgary Chamber of Commerce dated February 22, 1996, entitled "Chamber pleased with prosperity budget"; a media release from the Edmonton Chamber of Commerce dated February 23 entitled "We're Thrilled that the provincial government hasn't lost sight of its fiscal priorities"; a media release from the Institute of Chartered Accountants of Alberta entitled Alberta's Chartered Accountants Applaud Budget '96; a release from Nesbitt Burns, a budget analysis entitled Oil's Well in Alberta; and finally a provincial budget briefs review by CIBC Wood Gundy about the Alberta budget, no title, but needless to say, they were pleased with the budget too.

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

MR. SAPERS: Thank you, Mr. Speaker. I would like your permission to table with the Assembly four copies of a report prepared by the Health Sciences Association of Alberta entitled Laboratory Report: Privatization and Outsourcing. I notice that it was not that association or any other union or labour organization or group representing people interests that would have sent somebody to the Treasurer to congratulate him for that budget. In any case, I table this report today which raises many concerns about the outsourcing and privatization of medical labs in this province.

head: Introduction of Guests
1:40

THE SPEAKER: The hon. Minister of Family and Social Services.

MR. CARDINAL: Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to the Assembly 43 visitors from the Boyle school, the beautiful community of the Boyle area. They are seated in the members' gallery and also the public gallery. Along with the students are teachers Mrs. Corrine Sachko, Mrs. Emily Thomson, and Mrs. Louise Korbut; parents Mrs. Kaitlyn Willoughby, Mrs. Darlene Caouette, Mrs. Doris Splane, Mrs. Diane Verville, and Mrs. Maureen Tulloch, along with the driver, Mr. Richard Korbut. I'd like them to rise and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. the Premier.

MR. KLEIN: Thank you, Mr. Speaker. I would like to introduce to you and through you to members of the Assembly the Holland family of Edmonton. The family includes father David, mother Laverne, and daughters Kathryn and Colleen. The whole family is especially interested in politics and is here to observe the Legislature in session. I would ask that they rise and receive the traditional warm welcome of the Legislature.

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

MR. CHADI: Thank you, Mr. Speaker. Today I'd like to introduce to you and to Members of the Legislative Assembly 45 very bright students from St. Lucy school in my constituency of Edmonton-Roper. Today they are accompanied by two teachers,

Mr. Paul Fairfield and Mr. Dale Dvorack, and student teachers Greg Cole, Maria Caria, and Nadia Profiri. I'd ask that they all rise and receive the traditional warm welcome of this Assembly.

MR. MITCHELL: Mr. Speaker, I would like to introduce to the Members of the Legislative Assembly a group of people who are here in support of the petition we just presented in defence of publicly funded health care. They are in fact, among many other people, instrumental in what is a huge achievement of getting 80,000 signatories to that petition. I would like to introduce to you Dr. Hubert Kammerer, the co-ordinator of Friends of Medicare; Jason Foster; Jim Connelly; Audrey Cormack, president of the Alberta Federation of Labour; Robert Paquin, who is with the energy and paper workers union; Anne Fitzpatrick; Neil Reimer, the former and immensely effective president of the Alberta Council on Aging; Ross Harvey, the leader of the New Democrats; and Ralph Klintberg of the Alberta Teachers' Association. I would ask that they rise in the gallery and receive the welcome of the Members of the Legislative Assembly.

Mr. Speaker, it's with pleasure that I would introduce to you Mary Wyatt Sindlinger. She is the daughter of a former Member of the Legislative Assembly, Tom Sindlinger. She has graduated with an honour's degree in philosophy from the University of Calgary, she was awarded the chancellor's award for academic excellence upon graduation, and she is currently in her first year of law school at the University of Calgary. I would ask that she rise in the gallery and receive our welcome.

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

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I would like to introduce through you to the Assembly a very fine young lady, a constituent of Clover Bar-Fort Saskatchewan, Patti Laverdiere, who is in the public gallery. She is an incredible volunteer and comes from a fine pioneer family, the Hennigs, in the Fort Saskatchewan area. I'd ask Patti to stand and receive the warm welcome of the House.

head: Oral Question Period
Provincial Fiscal Policies

MR. MITCHELL: Mr. Speaker, Straight Talk, Clear Choices is nothing but a pre-election pamphlet. The actual choices offered Albertans exclude the ones of most interest and of most benefit to average Albertans. Why weren't Albertans asked this year whether they would have given a tax break to big business rather than perhaps calling for a personal income tax break or for more investment in health care and education? The Premier, of course, announced his M and E tax cut at the corporate headquarters of Union Carbide in New York. That's hardly consultation.

MR. KLEIN: I'm not sure what the question was, Mr. Speaker. Basically, we're doing exactly what we said we would do. We're consulting with Albertans relative to reinvestment in this great province of ours, and some of the options are clearly defined. Those options include perhaps more spending in priority areas like health and education and the social safety net. Perhaps it could include a tax break for Albertans. Perhaps the majority of Albertans might say to designate it all to the pay-down of the

debt. We would like to hear from Albertans on this particular matter.

MR. MITCHELL: If the Premier wanted to give a boost to the business sector responsible for job growth in this province, why didn't he even consider cutting the small business tax from 6 percent to 3 percent or at least offer this as an option in his pamphlet?

MR. KLEIN: Well, Mr. Speaker, we talked at some length about the M and E tax being an economic inhibitor, and indeed this was given a great deal of study by the Alberta Economic Development Authority. It was on their recommendation really that cabinet took their deliberations into consideration and decided that we should phase out the educational portion of the M and E tax. It's a tax that doesn't exist anywhere else in Canada. Clearly industry has told us that it is an inhibitor to economic growth and development in this province. I think with the phaseout of that tax – that's 20, 20, and if the economic development occurs, then the remaining 60. If that happens, I'm certain we will see very significant new economic activity in this province, and that means jobs.

MR. MITCHELL: Medicare premiums don't exist anywhere else in this country either, Mr. Speaker, practically.

How come the pamphlet provides no information to Albertans about waiting times for heart surgery, waiting times for joint replacement, availability of acute care beds, rural ambulance issues, or in the case of education, for example, teacher/student ratios so that Albertans could make informed choices about where they want to invest more of their money in health care and education?

MR. KLEIN: Mr. Speaker, those choices are indeed being offered. You know, the hon. leader of the Liberal opposition has a habit of speaking out of both sides of his mouth. I'll refer him to his quote in the *Fort Saskatchewan Record* relative to the M and E tax. He says, referring to our government or me: he's already bringing in a cut to the M and E, which is something we have certainly considered, because it is very, very important for an area like this.

THE SPEAKER: The time has elapsed for the first main question. The hon. Leader of the Opposition on the second main question.

MR. MITCHELL: I think the Treasurer needs to know about setting priorities, Mr. Speaker. Many things are important. You've got to figure out which is most important, which is second most important, which is third most important. That's what setting priorities is about.

1:50

Seniors' Health Care

MR. MITCHELL: Mr. Speaker, Alberta seniors such as Alice and Olav Stokken were expecting some relief in this budget from the health care cuts that have devastated their health care system. The Stokkens, who have been married for 58 years, have now been separated because of the closure of 100 long-term care beds in regional health authority No. 7. Alice has been relocated 80 kilometres away from their home in Tofield, and as a result her husband of 58 years, Olav, won't be able to visit her because he doesn't drive and because there is no transportation available. The regional health authority's response is that there's nothing

they can do about that. To the Premier: why does this budget give a tax cut to big business now while holding out only promises for sometime in the future about the needs of real people with real problems and in many cases real pain?

MR. KLEIN: Mr. Speaker, I'm not familiar with the case of the Stokkens. Perhaps the hon. Minister of Health is, and I'll have her supplement.

MRS. McCLELLAN: Mr. Speaker, it is clearly the policy of this government to care for people as close to the community of their residence as possible in their senior years. We made this a policy. We made it a priority. We are having some discussions, I will tell you, with that particular region over this incident. I'm not at liberty to discuss all of the medical implications of this. It is certainly not something that we want to see happen, where people are separated. However, I could remind the hon. members that before this government embarked on ensuring that there were long-term care facilities and lodges in communities in this province, people were separated by hundreds of miles, and we don't want that to happen either.

The particular incident has been brought to my attention, and certainly I'm having some conversations with the regional health authority to see if there isn't an alternate plan that would meet the person's needs, which is important first and foremost, and certainly the family circumstances.

MR. MITCHELL: Mr. Speaker, to the Premier. Is the Premier's government saying, then, that when problems like this arise, they will react to them on an ad hoc, come-as-you-might, first-come first-served basis, or is he going to put in place some consistent standards across this province to make sure that elderly, sick, frail people are not separated from their family, uprooted from their lifelong communities and put in some place where they feel they don't belong, where they're cut off from the roots of their lives?

MRS. McCLELLAN: Mr. Speaker, I think I made it clear to the hon. member in my first response that this government has already put that policy in place, and I will be pleased to table with the Assembly a copy of our policy on long-term care. However, we still have to look at the health needs of the person involved in each situation first. I have also told the hon. member that we are reviewing this to see if there isn't an alternate care option that would meet the patient's needs as well as the family circumstances.

MR. MITCHELL: Mr. Speaker, will the Premier please tell us whether this could have been avoided had he and his government not consistently put road paving and gambling ahead of enough health care funding in this province to keep families together?

MR. KLEIN: Mr. Speaker, that was a very mean-spirited preamble. [interjections] It was. Nobody likes to see these things happen, and if there are cases of people falling through the cracks and areas where we can offer remedies, we will certainly endeavour to do so. Once again I'll have the hon. Minister of Health supplement.

MRS. McCLELLAN: I again want to remind the hon. member that it is only under this government's leadership that we have the number of long-term care facilities in this province close to communities. Many of us have family members that we can

remember were a hundred miles or 150 miles from us until this new policy took effect. I would also ask the hon. member to get familiar with what is occurring in the regions. Many, many hospitals that had 25, 30 acute beds have now changed those to reflect the community needs and have long-term care facilities there as well as programs that are conducive to the good health of those seniors.

Mr. Speaker, I think we can be very proud of our record of caring for our seniors in long-term care: the day programs, the respite care, the personal care homes, the choices that are there for individuals, the home care that in many cases allows seniors not to have to be institutionalized at all.

I think the hon. member is taking one incident – one incident – which I have already told him we are reviewing with the region to see if we can't find a better alternative, and forgetting about the thousands and thousands of seniors who are being well cared for in their communities.

Health Care Funding

MR. SAPERS: The Premier and the Minister of Health would like Albertans to believe that the cuts to the regional health authorities are finished. Nothing could be further from the truth, Mr. Speaker. The just released budget makes it clear that this government is chopping another \$21 million from regional health authorities for lab services. Now, the hundreds of lab employees who are being forced out of jobs and the thousands of Albertans who must travel further to labs and wait longer for results know the cuts aren't over. The 80,000 people who signed the petition know the cuts aren't over. To the Minister of Health. Which is the truth: the no-cuts press announcements made by the government or the budget which takes another \$21 million away from regional health authorities this year?

MRS. McCLELLAN: Mr. Speaker, I'd be pleased to remind the hon. member that two years ago – two years ago – there was a decision made in the AMA agreement. It was announced that \$50 million would be removed from the lab budgets and that the lab services would be restructured in this province to reflect a more efficient use of the dollars. We had a public system and a private system, and both systems were working at probably 50, 60 percent of efficiency.

Mr. Speaker, we did not say that there would be no cuts to the regional health authorities. The regional health authorities are much clearer on what was said than the hon. member is. If he had read the news release, which said that their operating budget would not be reduced, he would have understood that there is still \$21 million this year, because it was phased in over two years, in lab restructuring. I met with the 17 regional health authorities, the Cancer Board, and the Provincial Mental Health Board, discussed this with them, and they were not surprised. They all understood it.

I want to ask the hon. member how many petitions he has made to Ottawa, who are reducing by about 16 percent, \$239 million, transfer payments in Health to this province this year.

MRS. SOETAERT: Give him an answer.

THE SPEAKER: Order. It's the hon. Member for Edmonton-Glenora who has the responsibility for asking that question, hon. Member for Spruce Grove-Sturgeon-St. Albert.

MR. SAPERS: As the Minister of Health well knows, those transfer payments had been protected, Mr. Speaker. [interjections] Why didn't she ask the federal Minister of Health when she was on the phone to him just a little while ago? [interjections]

THE SPEAKER: Order. [interjections] Order. The Chair would remind all members that if they ask a question, they sometimes might get the answer to that one and not the one they really intended.

2:00

MRS. McCLELLAN: Mr. Speaker, as I understood the hon. member's question, he wanted to know why I did not pose that question myself to the hon. Minister of Health for Canada when I was speaking to him on the telephone. Well, the hon. member obviously has a better handle on my schedule than I have, because I have not spoken to the hon. minister directly. However, I am going to, and when I do, I will be raising this concern.

I think what the hon. member is forgetting in all of this is that this province is one of the few provinces in Canada today that because of sound financial management is not passing on those cuts to their regions, not sending out a letter, as they are in B.C., in Saskatchewan, saying: we need \$50 million, \$60 million, \$100 million.

We have done our planning, and our regions understood clearly what they were receiving this year. We did not proceed with the \$53 million in cuts scheduled. We made that clear. We did include the \$40 million in community health. Mr. Speaker, a month plus ago we told the regions that. We were very clear in what we were going to do, and there was no misunderstanding in the regions. It's only in the hon. member's mind.

THE SPEAKER: Second supplemental.

MR. SAPERS: Thank you, Mr. Speaker. Given that this government has slashed \$750 million in their first plans and then they came back and said that they're going to reinvest and then they came back and said that they're not going to reinvest and then they said that they're going to take \$21 million out and then they came back and said, "No, we put \$40 million back in," can the Minister of Health just stand in the Assembly and tell all Albertans: how much money does it take to run this health care system, and when are you going to fund it adequately?

MRS. McCLELLAN: Mr. Speaker, I can tell him quite clearly – and if he'd care to join us in estimates, I'd be happy to debate the budget of the Department of Health – that it's about \$3.7 billion today, and we'll continue to review and assess whether we're delivering those dollars in the right way.

Mr. Speaker, there have been a lot of discussions over what is the right amount to fund health. I would like to challenge the hon. member and ask him if their caucus would be prepared to put any type of budget on their health announcements that they have gone out and announced. There is no fiscal plan. No fiscal plan. It's easy to sit over there and say that I would do this and this and this and this but not talk about how we would fund it. I found it incredibly interesting and somewhat flattering that many of those plans were lifted right out of Alberta Health's business plan, which tells me that there is some approval for what we're doing. I would suggest to the hon. member that he join us in the debate on the estimates of the Department of Health, join us in a productive way and talk about how we can improve the health

system in this province rather than simply standing up and grandstanding at every opportunity.

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

Distance Learning Centre

MRS. BURGNER: Thank you, Mr. Speaker. My questions today are to the Minister of Education. Last week I received a letter from the Alberta Union of Provincial Employees regarding the potential transfer of control of the Alberta Distance Learning Centre to the Pembina Hills school division. I'd like to table four copies of that letter. In the letter Carol Anne Dean quotes:

We believe that any such move could potentially subject the Centre to self-serving regional interests, increased costs, reduced access, and a downgraded service where the 'bottom line' rules.

To the Minister of Education: could he please explain what plans are under way with respect to the Distance Learning Centre?

MR. JONSON: Mr. Speaker, as we identified I believe some two and a half years past, one of the goals of our business plan in education was to have the Department of Education – that is, Alberta Education – move out of the direct delivery of educational services. One of the agencies under our current responsibility which we had identified for a possible relocation in terms of its operating authority was the correspondence school.

Mr. Speaker, discussions are in the preliminary stage, but yes, we have been in discussions with the Pembina Hills school division with respect to their possible operation of this centre. Pembina Hills, as many hon. members may know, is an area surrounding the current location of the correspondence school branch, and we are looking at the viability of such a transfer, yes.

THE SPEAKER: Supplemental question.

MRS. BURGNER: Thank you, Mr. Speaker. Again to the minister: what safeguards have we put in place to ensure that the students across the province will continue to be well served by the ADLC?

MR. JONSON: Mr. Speaker, quite clearly the mandate of the correspondence school is one of serving the entire province. I know that there have been some people, those across the way perhaps, who feel that a school board or a school jurisdiction in this province wouldn't want to serve the whole area of the province, but really when you think about it, it is in their interest to make a success of it. I'm sure they want to make a success of it if it comes to pass, if they do take over this responsibility. The wider and better the circulation, the better the service to students across the province, the better for the school division and for education in Alberta.

THE SPEAKER: Final supplemental.

MRS. BURGNER: Thank you, Mr. Speaker. Could the minister please inform the Assembly what other groups have expressed an interest in taking ownership of this particular project?

MR. JONSON: Mr. Speaker, yes, there has been some additional interest expressed in this particular opportunity. It is my understanding that the Edmonton public school district has indicated some interest in it, and they certainly have resources that might

be applied. Also, the regional consortia in southern Alberta has made inquiries with respect to this particular possibility.

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

Provincial Debt

DR. PERCY: Thank you, Mr. Speaker. Paying down the debt makes good economic sense. [some applause] They're clapping a bit too early, Mr. Speaker.

Each dollar of debt paid off frees up anywhere from 6 to 10 cents that permanently can be used to pay for required programs or tax cuts. The Premier and Treasurer continually compare paying down the debt to paying off one's home mortgage, and they put the value of that mortgage at \$6.7 billion. Now, where I come from, you've got to pay off the whole mortgage and not half of it to get title. My first question is to the Provincial Treasurer. Can the Treasurer tell us why he tells the U.S. Securities and Exchange Commission, why he tells the Eurodollar market, why he tells virtually every other market in creation that the comparable or real net debt figure of the province of Alberta is \$16 billion, a figure more than twice as much as he tells Albertans? I mean, you can't have it both ways, or as he said earlier, speak out of both sides of his mouth.

MR. DINNING: Mr. Speaker, I am reminded that in fact it was the members of the Liberal Party who joined with this party in voting for the Deficit Elimination Act, which purposely, specifically split apart the net debt as to the amount that was owing to those we'd borrowed money from minus assets on the one hand. On the other hand, the member knows because he's a member of the universities academic pension plan that that plan has an unfunded liability along with all of the other pension plans of the provincial government. There are five pension plans that have an unfunded pension liability in the order of \$6.6 billion. It was the Liberals, the Liberal Party who joined with this party in passing both Bills that made that separation real and legislated a fact of life right here in this Assembly. So the hon. member should not take lessons from his leader when his leader speaks out of both sides of his mouth.

DR. PERCY: Mr. Speaker, it's clear from the answer the Treasurer just gave that he puts Albertans in those pension plans at the back of the bus. They're the last ones to get paid. Business first.

Since the Premier and the Treasurer both assert that the mortgage will be paid off ahead of time, can the Treasurer tell us how much gross debt will be left at the end of the day when his so-called net debt retirement plan is paid off? Does the figure of \$20 billion gross debt strike a chord?

2:10

MR. DINNING: Mr. Speaker, the hon. member is talking about and his leader talked about big business, but he just raised it in the preamble to his question. I would remind the member that every single motion put forward by the Liberals on the Order Paper today speaks of nothing to do with personal income tax reductions, only reductions for business, big business at that. There isn't one single motion on the Order Paper, not one commentary from them except in response to the budget, not one specific action that goes, like our plan does, to support low- to middle-income working families with an Alberta employment tax credit that gives a benefit of over \$1,000 to those working Albertans

with children that make between \$6,500 and \$50,000 a year. That's our proposal. There isn't one from the members across the way.

THE SPEAKER: Final supplemental.

DR. PERCY: Thank you, Mr. Speaker. Since one of the reasons one wants to pay off debt is to reduce debt servicing charges, why doesn't the hon. Provincial Treasurer tell us about the gross unmatured debt, the \$21 billion that's out there that we have to pay over \$1.4 billion interest on? If you're concerned about debt servicing cost, why not focus on the unmatured debt? Why hide behind a figure that you can easily leap over?

MR. DINNING: Mr. Speaker, I'm glad that the hon. member has raised it, because he can now help me point to page 333 of Agenda '96, which spells out exactly the numbers that he's now reading from. I would remind him but more importantly I'd remind Albertans that the way these members across the way want to deal with the gross debt is that they want to sell off the Alberta heritage savings trust fund, notwithstanding what thousands of Albertans by way of brochures and tens of Albertans told my colleague the Member for Lethbridge-West that they wanted to keep the heritage savings trust fund. No, this gang of bandits across the way wants to sell off the heritage savings trust fund that belongs to Albertans, and Albertans had better know where they stand. [interjections]

Speaker's Ruling Inflammatory Language

THE SPEAKER: Order. [interjections] Order. The Chair would remind hon. members to try to choose words that will not inflame the temperature of the Assembly. Perhaps the hon. Provincial Treasurer has been listening too much to the hon. Member for Redwater.

The hon. Member for Lacombe-Stettler.

Western Canada Lottery Corporation

MRS. GORDON: Thank you, Mr. Speaker. My questions today are from my constituents and are addressed to the minister responsible for lotteries. Alberta announced its intention to withdraw from the Western Canada Lottery Corporation in October 1995, providing a year's notice to terminate the agreement. At that time it was decided that we would go it alone, substantial cost savings would be realized, and the marketing of such lottery products would be delivered here in Alberta. Now the Western Canada Lottery Corporation is moving to finalize negotiations so that work can be done through a contractual agreement with the Ontario Lottery Corporation. The Western Canada Lottery Corporation is one of Stettler's largest employers, and the recent announcement by the WCLC has hit this rural community very hard. Why this change in plans, what is the rationale behind this move, and were other alternatives considered, Mr. Minister?

DR. WEST: Mr Speaker, the Western Canada Lottery Corporation main headquarters is located in Winnipeg, in Manitoba, and there are three signatories left to the corporation and the agreement. They are Saskatchewan, Alberta, and Manitoba. Following our announcement that we wanted to stand notice that a year from now we would be exiting, discussions did take place immediately then with the other provinces. The other ministers

and their corporations came forward to see what could be coordinated among the three existing – and we're still existing – members of the Western Canada Lottery Corporation in delivering these products efficiently and effectively.

What we have come up with here hasn't been a dramatic change in plans, but we said before that we would work with Saskatchewan to help them because they really couldn't go it alone. Then Manitoba jumped in and said: "Well, why don't we sign an agreement?" We've done some research with this with a large on-line data program in Ontario which would save all of western Canada about 30 to 40 percent of their operating costs as it relates to delivering these products. So after a meeting last week the Western Canada Lottery Corporation announced that they would be signing a contract with the Ontario-based company. This does affect the Stettler operation, but we gave a commitment at that time that we would work with the other provinces to look at economies of scale, and we'll continue to do that.

Perhaps the member has some other questions at this time.

MRS. GORDON: What will be done through the corporation to help the 47 employees in my constituency who will lose their jobs?

DR. WEST: I got some letters today from the minister in Saskatchewan, and it has been indicated by Mr. Bob King, chairman of the Gaming and Liquor Commission, that the three ministers in the provinces are going to have a meeting and then discuss the evolution of the Western Canada Lottery Corporation. In that discussion we will be emphasizing the need for all employees – there are about 200 involved, 150 in Manitoba. We will need good severance packages. We will need good transition in relocating and finding jobs for these individuals not only in Winnipeg but also in Stettler.

MRS. GORDON: Will the minister continue to commit that a lotteries presence will be retained in Stettler and that very soon a determination and an announcement will be made as to the job functions that will be conducted from this office?

DR. WEST: Absolutely, Mr. Speaker. I want to emphasize how sensitive this is for the member and her constituency because it's one of the largest employers in Stettler and it has an impact on that community. We will be announcing through a press release tomorrow the direction that we will be taking.

Our commitment was to retain a presence in the Stettler office, to take some of the functions from St. Albert and from the Alberta Gaming and Liquor Commission and move them to Stettler. That commitment's there. I'll reiterate it here on the floor, as I did once before. We will try to make the transition in Stettler have the least impact that we can.

THE SPEAKER: The hon. Member for Sherwood Park.

Environmental Protection

MR. COLLINGWOOD: Thank you, Mr. Speaker. In this year's budget for Environmental Protection a further \$50 million in cuts will mean a 37 percent reduction in this department since 1993. In this budget layoffs continue, performance measures are abandoned, and detailed funding for programs like parks is buried in regional budgets. Behind motherhood statements of protecting the environment is a business plan devoted to downsizing, downloading, deregulating, and privatizing the department. My

question's to the Minister of Environmental Protection. If the government's response to years of bad management is performance measures, why has this minister abandoned the 30 performance measures that were listed last year rather than improving on them?

MR. LUND: Well, Mr. Speaker, we haven't abandoned anything. We haven't abandoned the desire and the resolve that we are going to be protecting the environment. We have come forward with performance measures that we will be using to make sure that we are in fact delivering what we set out to deliver. I know that it's very important that we look at how we deliver services, and we're going to be doing that. I believe that we can continue to deliver the services and protect the environment like we have in the past.

2:20

THE SPEAKER: Supplemental question.

MR. COLLINGWOOD: Thank you, Mr. Speaker. To the same minister: will the minister describe in detail what the so-called nonpriority programs are that he is planning to eliminate from his department this year?

MR. LUND: Mr. Speaker, as government evolves and looks at itself and figures out what it is that it's necessary to do, we must all go through this process. We have set out our goals and objectives. We will be measuring everything that we do in the department against those goals and objectives. I would advise the hon. member that if you continue to look in the past, you will completely miss the future.

MR. COLLINGWOOD: It must be tucked away in his office somewhere.

Mr. Speaker, final supplemental to the same minister: can the minister tell us whether he intends to privatize provincial campgrounds, as stated in the budget highlights document, or entire provincial parks, as stated in his business plan?

MR. LUND: Mr. Speaker, as I said earlier, we have to look at everything that we're doing. We have to measure it against what the government should be doing and what we have to do to meet our goals and objectives, and that's exactly what we're going to do.

Michener Centre

MR. DOERKSEN: Mr. Speaker, as you are aware, Michener Centre offers services to many valued citizens of Alberta. Last Friday AUPE members held an information picket in Red Deer over their concerns relating to services at Michener Centre. My colleague for Red Deer-North and I would like to ask the Minister of Family and Social Services to advise Albertans about this situation.

THE SPEAKER: The hon. Minister of Family and Social Services.

MR. CARDINAL: Thank you very much, Mr. Speaker. This information picket apparently relates to contracts for food and caretaking services at Michener Centre. These employees of course are nongovernment employees.

The issue is not privatization here, because over 20 years ago this process was privatized to Versa Services, which is an international company, on a cost-plus contract. Of course, as part of our continuing efforts to get the best value, get best services for our client and at a lower cost, this was tendered out this fall, in fact last September. On May 1, 1996, Marriott of Canada, who has I believe about 45 or 50 different operations across Canada, will take over the contract from Versa at a projected cost saving of about \$7 million over 5 years for the dietary services and an additional \$5.4 million over 3 years for the caretaking services. Of course as part of the contract Marriott will be opening up an employment office in Red Deer and during March will start looking at recruiting as many of the employees that are able to work in that particular project.

In addition to that, Mr. Speaker, like I said earlier, Marriott does provide services across Canada and does a very credible job.

MR. DOERKSEN: Mr. Speaker, through you to the minister: is the policy of Family and Social Services to tender out such contracts? [interjections]

MR. CARDINAL: Of course, Mr. Speaker, the opposition members are saying again that child welfare is contracted out. I would like to once more mention the paper they supported last week which says, "Stop and reverse the deregulation, privatization, and fragmentation of services to children." It's important that the public understands. It may not be related to this, but this came up. It is important to understand that when you are transferring the delivery of services to another level of government, that is not privatization. This is in relation to aboriginal government.

Specifically to that question, Mr. Speaker, of course we do have a number of pilot projects going across the province, and once the pilot projects prove that they are feasible and the projects go well, they are normally tendered out. This is what's happened here.

MR. DOERKSEN: Again to the same minister: are there any other Michener Centre services that are currently being tendered, and will this be an open tendering process?

MR. CARDINAL: In relation to Michener Centre specifically, Mr. Speaker, the laundry services again were advertised in January, and Versa Services, the company that was in dispute here, has I believe withdrawn their bid now, so they won't be part of the bidding process. This is again not privatization but retendering to ensure that we get the best value for our dollar and the best services we can provide for our citizens in those facilities.

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

Seniors' Programs

MRS. HEWES: Thank you, Mr. Speaker. Seniors in Alberta have suffered disproportionately from cuts to their benefits, not 5 percent, not 10 percent, but 17.9 percent. Last year the Premier promised Albertans that additional funds flowing into provincial coffers from a broadening of the federal tax base would be rebated to Albertans. Well, the tax base was broadened. Income testing of the federal old age credit resulted in the Alberta government taking \$14 million more per year in provincial income tax out of the pockets of Alberta seniors. My first question is to the

Premier. Mr. Premier, why haven't you kept your promise to Alberta seniors and rebated the money back to them?

MR. KLEIN: I was trying to get an answer here from the Provincial Treasurer. I believe that the base has not been broadened, but I'll have the Provincial Treasurer supplement.

MR. DINNING: Well, Mr. Speaker, members will remember that the Premier made that commitment in advance of Mr. Martin's 1995 budget. In fact, that was a commitment made before the 1995 budget. What the federal government did in its 1994 budget was that through some changes in the seniors' tax credit there were additional changes.

I would remind the member across the way that in the area of health care for seniors over 55 percent of Alberta seniors today receive a benefit from the Alberta seniors' benefit either by way of cash payment and a requirement that they not pay health care insurance premiums or by way of a reduced health care insurance premium. Fifty-five percent of Albertans are receiving that benefit.

Finally, Mr. Speaker, as a protection not just to seniors but to all Albertans – and the hon. member will acknowledge this. The federal government has had to make a decision to reduce its spending on health, postsecondary education, and welfare this year to the tune of \$239 million this year and nearly \$350 million next year. Because of our fiscal plan, unlike every other province in the country we are in a more enviable position where we don't have to pass that cut along. The member across the way I'm sure will stand and acknowledge that that is a tremendous benefit not just to Albertans who are concerned about access to health care to seniors but to all Albertans throughout the province.

MRS. HEWES: A promise is a promise is a promise. Mr. Speaker, I acknowledge absolutely nothing that the Treasurer puts in my mouth.

Mr. Speaker, then to the Treasurer: where is the \$14 million? Where did it go? Will you please show the House that those 14 million extra dollars have been rebated or added to seniors' programs? That was the promise.

MR. DINNING: Well, Mr. Speaker, I will point out to the member – and I'm sure the Minister of Community Development may want to supplement my answer. When you look at the cost of the Alberta seniors' benefit program, such that the Department of Community Development has seen a 62 percent increase in its spending, including the benefits under the Alberta seniors' benefit program since 1992-93, that is a significant amount of money that's going to benefit 55 percent of Alberta seniors.

2:30

MRS. HEWES: Mr. Speaker, I would like to table four copies of a letter to me from the Treasurer on this subject which clearly shows that his answer is in conflict with what that minister is saying. How can the minister say that money's been added when all of your estimates and your supplemental estimates show that no new money is there. It's the same annualized rate of \$12.3 million per month that it was two years ago. No new money.

MR. DINNING: Well, Mr. Speaker, when I look at the budget of the Department of Community Development and the cost of the Alberta seniors' benefit program, I see an expenditure of some \$245 million this year for the Department of Community Development including the cost of delivering the Alberta seniors' benefit

program. I would remind the member once again that 55 percent of Alberta seniors benefit from the Alberta seniors' benefit program in that 50 percent of seniors do not pay any health care insurance premiums and they receive a cash benefit and then another 5 percent, I believe, are in fact in receipt of no cash but are in receipt of a reduced premium under the health care insurance program. So I look at that benefit flowing through to over 50 percent of Alberta seniors, and I think that that's a significant amount of money.

I know that Alberta seniors across this province have said to us, "You've got to get your finances in order." They have agreed to bear their fair share of the burden, and I think the benefit that's delivered by the Minister of Community Development is a significant amount of money.

THE SPEAKER: The hon. Minister of Community Development wishes to augment.

MR. MAR: Well, Mr. Speaker, over the past year a number of changes have been made to the program, including the raising of thresholds, but the Provincial Treasurer is correct in essence about the number of seniors who benefit from this program. What's happened is that we have a limited amount of money, and we choose to devote that money to the people who are in greatest need. That has meant that we income test on this program. Not all seniors will benefit from the Alberta seniors' benefit program, but I think most Albertans would agree with the principle that if you have a limited amount of money, you give assistance to those people who need the most assistance based on a financial need.

Provincial Fiscal Policies

(continued)

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

MR. COUTTS: Thank you, Mr. Speaker. In my constituency this weekend there was a lot of discussion about the provincial budget that the Treasurer released last Thursday. At Winter Games venues in Lethbridge, at the opening and the closing ceremonies, at the venues in the Crownsnest Pass, at the ATP signing, and particularly at a coffee party that I held in Cowley, many people were unclear as to what money was to be available for reinvestment in the province. My question to the Provincial Treasurer: could the Treasurer please clarify for Albertans what happens to the budget surplus and what money we are looking at to reinvest in Alberta?

MR. DINNING: Mr. Speaker, I appreciate the question, and I would ask the hon. member to point out to his constituents the Straight Talk, Clear Choices document, page 5, where we say that "surpluses and any windfall revenue will go to pay down our debt." The revenue from the higher oil and gas prices and the corporate income tax revenues, revenue that was designated by way of the Balanced Budget and Debt Retirement Act, which was voted on unanimously by all members of this Legislative Assembly – those dollars, too, will go to pay down the debt.

I would turn the hon. member to the Budget Address at page 7, where we said that

reinvestment doesn't mean a return to the big spending ways of the past. And we're not talking about spending year-end surpluses. Reinvestment decisions come at the beginning of the year, when we make budget decisions. Surpluses happen at the end of the year when we do the final accounting of the books.

In regards to reinvestment

we're talking about planned and deliberate choices about how to use extra dollars that come from . . . lower interest costs, continuing efforts to re-allocate and reduce costs, and extra dollars that may be left over after all our commitments are met.

MR. COUTTS: How will the responses from Albertans on the reinvestment brochure questions be tabulated, and will the results be available to the public, Mr. Treasurer?

MR. DINNING: On Friday, when we released the Straight Talk, Clear Choices consultation document, we said that it would be in Albertans' mailboxes beginning one week from today, throughout the week of March 4, and that we would hope that Albertans would have a chance to read it. It's a pretty straightforward, simple document that asks for those choices to be made. We are looking for a response by April 15, such that it would be tabulated within the couple of weeks following that and presented to a public, open meeting of the standing policy committee on financial planning. That committee would have meetings throughout the month of May, Mr. Speaker, and then would make its final report with the recommendations to the Premier and the Executive Council by the 1st of June.

THE SPEAKER: Final supplemental.

MR. COUTTS: Thank you, Mr. Speaker. Some of my constituents will be concerned about the cost of this process now. I'm wondering: can the Treasurer tell us if there were any other consultation options considered and how it was decided that a mail-out would be the best way to communicate with and hear from Albertans?

MR. DINNING: A legitimate question on behalf of Albertans. We chose to take this route following the model that was set by my colleague the Member for Lethbridge-West when last year we did the heritage fund consultation exercise, over 50,000 returns, Mr. Speaker, on that householder questionnaire brochure. We decided that that had been a successful route so decided to go that route again.

In the press release we made it clear that it's about 16 cents per copy, about \$166,000 for the production costs of the booklet, \$74,000 to mail it to 1.1 million households. We estimate the telephone response line at – it depends upon the number of calls of course – some 28 cents per minute. We estimate the total cost to be in the order of \$250,000.

Did we consider other routes, Mr. Speaker? We thought of the roundtable process, or the hearing process, but felt that this provided all Albertans with an equal opportunity to make their views known.

I don't often do this, but I would refer to an editorial from the *Calgary Herald*, which doesn't usually speak as positively as they have, Mr. Speaker. They said that

Albertans are now in a position to make four choices: a tax cut, spending increases where they are needed the most, accelerated debt reduction, or a combination of the above.

That is responsible government, said the *Calgary Herald*.

THE SPEAKER: The time for question period has expired. Are there any outstanding points of order except the ruling that the Chair has to deliver from last Thursday? The Chair will allow hon. members to depart if they feel the need.

Point of Order Imputing Motives

THE SPEAKER: Last Thursday, February 22, the hon. Member for Fort McMurray raised a point of order concerning comments made by the hon. Minister of Transportation and Utilities on Wednesday, February 21, during second reading debate on Bill 202. At that time the minister quoted from a letter he had received from the Member for Fort McMurray which dealt with concerns about video lottery terminals.

The basis of the point of order was Standing Order 23(i), the well-known prohibition against imputing "false or unavowed motives to another member." The hon. Member for Lethbridge-East joined in the point of order as the minister had referred to a letter that member had sent as well. The minister's comments are found on page 131 of *Hansard*.

The Chair undertook to review the letters to which the minister referred during debate and to review *Hansard*. In reviewing the matter, the Chair would note that it is not the Chair's responsibility to pass judgment on the factual accuracy of statements made during debate. It is true that the hon. minister used the term "hypocrisy," but that term was not directed specifically at the members. The minister may have taken some liberty in characterizing the letter from the hon. Member for Fort McMurray, but that is a matter for debate. He quoted the letter from the hon. Member for Lethbridge-East almost verbatim. It appears to the Chair that when the Member for Fort McMurray raised the matter last Thursday, he was trying to clarify what were the views of his constituency as, by his own admission, he was not present for the debate, owing to advice from the Ethics Commissioner.

The issue raised by both members appears to fall under the category of a dispute about facts, which is not properly a point of order but of course is allowed to take place under our rules. The Member for Fort McMurray and the Member for Lethbridge-East have had the opportunity to put their positions on the record, and the Chair believes that should be the end of this matter.

head: Motions under Standing Order 40 2:40

Alberta Winter Games Championship

THE SPEAKER: Before Orders of the Day there's an application to be made under Standing Order 40, on the matter of urgency, by the hon. Member for Calgary-North Hill.

MR. MAGNUS: Thank you, Mr. Speaker. With regards to the matter of urgency, the Alberta Winter Games ended yesterday, Sunday, February 25, and in order to be succinct I would say that I think today, with this Assembly's permission, is the appropriate time to discuss and recognize the success of Team Calgary.

THE SPEAKER: Having heard the application by the hon. Member for Calgary-North Hill, all those in favour, please say aye.

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no. Carried.
The hon. Member for Calgary-North Hill.

Mr. Magnus moved:

Be it resolved that the Legislative Assembly recognize and congratulate Team Calgary, winners of the 1996 Alberta Cup at the Alberta Winter Games, held in Lethbridge.

MR. MAGNUS: Thank you, Mr. Speaker. The 1996 Alberta Winter Games welcomed over 2,500 athletes and coaches from across Alberta, and those athletes and coaches represented eight zones which take in the whole province.

I would like to congratulate the athletes of zone 3, the city of Calgary, for their winning performance in the Alberta Cup. These athletes, of course, are between the ages of 12 and 17 years and actually participate in a diverse number of sports, 23 to be exact. If I can give this Legislature some examples: archery, curling, figure skating, karate, speed skating, team handball, bowling, diving, hockey, ringette, squash, wrestling, boxing, fencing, judo, shooting, synchronized swimming, the biathlon, cross-country skiing, the luge, ski jumping, alpine skiing, and freestyle skiing are all activities that these athletes participate in, Mr. Speaker. I would like to say that out of the 23 sports, Calgary athletes had a total of 120 medals, consisting of 43 gold, 38 silver, and 39 bronze medallions.

Coming from Calgary, the host city of the Olympic Winter Games back in 1988, we can certainly appreciate the amount of effort, sacrifice, time, and money that goes into putting these games together. With that in mind, Mr. Speaker, I would like to congratulate the games chairman, Gary Bowie, the board of directors, the games committee, and Birthe Perry, the festivals director of Art Fest '96. Congratulations also go to the city of Lethbridge, the municipality of Crowsnest Pass, and the West Castle park ski area for an extraordinary organizing job in preparing for these games.

I would also like to acknowledge 5,000 volunteers, the sponsors, the coaches, and all the parents of these fine athletes, who for years and years have been getting up to drive their children, as we all do as parents, to various endeavours within the athletic field.

Congratulations to Team Calgary for their sterling performance, Mr. Speaker, and again congratulations to everyone for staging a very successful 1996 Alberta Winter Games.

One last note, Mr. Speaker. The Summer Games are of course in '97 in Lloydminster, and the Winter Games will be in '98 in Red Deer.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I, too, would just like to add a few comments in support of the Standing Order 40 put forward by the Member for Calgary-North Hill. The member made some mention of the 1988 Winter Olympics, of course an event which Calgary can be very proud of. I think what you're seeing as possibly one of the outstanding legacies of that fine Olympic Games is the opportunity for these young athletes to train in facilities and train with coaches that have had the opportunity and the experience to work with athletes on a world stage. So what we see now is the city of Calgary, of course, zone 3, coming forward, as the member mentioned, with 120 medals.

Certainly just up the street from my home at the twin arenas, where they play hockey and there's some figure skating going on, I see parents going in and out of that facility on a daily basis, on a weekly basis. In fact, speaking with the operator of that particular facility, he says that they only have time to close for three hours a day, Mr. Speaker, between 2 a.m. and 5 a.m. The rest of the time it is busy with these young athletes coming in on a daily basis, looking to develop their skills, working with their coaches, their managers, their team leaders that are working with them.

Mr. Speaker, I too would just like to congratulate the many volunteers, that Alberta can be very proud of, from right across the province that have supported this initiative and the coaches who get up with those young athletes at 5 a.m. or stay up late till 2 a.m. to help them get the training that they need and where they need it.

This is a terrific achievement not only on behalf of the city of Calgary, which came out on top. I would like to congratulate all the athletes, the coaches, and the volunteers who contributed to make this a very successful event. Well done.

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

MR. DUNFORD: Thank you, Mr. Speaker. In representing part of the host city of Lethbridge, I want to perhaps provide another little perspective and also my congratulations to the Calgary team. Thursday night at the opening I don't believe there was a more exuberant team and - well let's leave it at that.

In talking to some of the athletes at the closing ceremonies, I was very, very impressed by a couple of young women athletes from Calgary, each of whom was wearing three medals. These had come in the cross-country ski events. I'm sorry I don't know their names to put on the official record here with *Hansard*. It was a very, very excellent games. The skill level of the athletes was very, very high.

I do want to mention the athletes from zone 5 just so that we don't totally concentrate on winners. Zone 5, which would incorporate an area such as Rocky Mountain House, actually won the Minister's Cup for the most improved team, and I think they should be recognized as well.

THE SPEAKER: Are the hon. member's guests still present?

MR. SAPERS: Yes.

THE SPEAKER: Would there be unanimous consent to revert to Introduction of Guests before concluding this?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

The hon. Member for Edmonton-Glenora.

head: **Introduction of Guests**
(*reversion*)

MR. SAPERS: Thank you, Mr. Speaker. There is a group of very patient and eager and bright and energetic students from James Gibbons elementary school in my constituency visiting the Legislature today. I would take great pleasure in introducing them to you and to all members of the Assembly. Accompanying this group of 20 students are teachers Suzanne Kluczny and Lori Suru and parent Jim Scott. I'd like to mention that James Gibbons school is enjoying its 40th anniversary this year. I'd ask them to rise and receive the welcome of the Assembly.

head: **Motions under Standing Order 40**
Alberta Winter Games Championship
(*continued*)

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

DR. NICOL: Thank you, Mr. Speaker. I just want to take a minute also to speak to the motion from Calgary-North Hill. It

was a really exciting time in Lethbridge this weekend. We had the good fortune at the opening ceremonies to sit just across the boards from the Calgary group, and they were, to say the least, very dynamic. There was a lot of electricity in that crowd, and I don't mean just the little electric sticks that everybody was throwing around. They were really excited.

Mr. Speaker, this is a real exhibition of where the youth in our province are doing really well. They've got a real commitment to the ideas of sportsmanship and fair play. They really came out this weekend to represent their communities. The group from Calgary did an excellent job in collecting their 120 medals, but every participant in those games was really a winner.

I'd also just in closing like to thank the members of this Legislature who came to Lethbridge to help us put on the games: the Premier, the Minister of Community Development, the other MLAs that were there. It was really an exciting time.

Finally, Mr. Speaker, in speaking about fair play and sportsmanship, I'd just like to recognize the Premier and his effort to get me on the plane so that I made it to the opening ceremonies. Thank you very much.

THE SPEAKER: Is the Assembly ready for the question? All those in favour of the motion proposed by the hon. Member for Calgary-North Hill, please say aye.

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no. Let the record show the motion passes unanimously.

head: Orders of the Day

head: Government Motions

2:50

Provincial Fiscal Policies

9. Mr. Dinning moved:

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

[Adjourned debate February 22: Mr. Mitchell]

THE SPEAKER: The hon. Leader of the Opposition.

MR. MITCHELL: Thank you, Mr. Speaker. I have a few things I'd like to say about this budget, but 20 minutes isn't going to do it, so I'm just going to get started.

The budget was, I think, to most Albertans a disappointment. I've heard many, many comments from people across this province. Most recently somebody mentioned to me their disappointment with the words: "Why did they bother to do it? It doesn't do anything." Certainly the government will try to put a spin on it, that this is a huge accomplishment: they balanced the budget. Yes, they did, and that is an accomplishment. Certainly it's an accomplishment for this government, Mr. Speaker, after – how many consecutive deficit budgets were there? Twelve consecutive deficit budgets. Twelve. Twelve consecutive deficit budgets.

The fact is that this wasn't the first surplus year. It's the third surplus year, if they achieve it. It's only the first time they admitted that they were actually going to try to do it or that they were going to do it before they started. The fact, however, is that while it's an accomplishment of some sort and it's important that we have a balanced budget, it's quite interesting that the government seems so smug about its achievement, because it was this

very government that unbalanced the budget. They broke the budget, Mr. Speaker. The least they could do is fix it.

Being surprised that you have a government that can actually balance the budget is kind of like being surprised about a Tory knowing how to line up for patronage, Mr. Speaker. It's just one of those things that is a given. Governments should be able to balance their budgets. Good government, minimally good government, should be able to balance their budget. Why should we have to stand in this Legislature and why should the members of that government have to stand in this Legislature and feign surprise that they actually have a Treasurer who can add, although he can only, it seems, add for a very brief period of time. He couldn't add last year, because he underestimated. He couldn't add the year before, because he underestimated. He just used that lack of ability to add to justify this kind of aggressive, mean fiscal agenda.

Today, Mr. Speaker, we got another flashback to a Treasurer who couldn't add. In fact, I was wondering whether it was Dick Dinning or Jim Johnston who was standing across the way from me when he seemed not to have a grasp on what the debt of this province actually is. I can imagine that they would want to forget about what the debt of this province is because clearly they created the debt. This government – in fact, I think it's about nine members of this cabinet – has voted for nine consecutive deficit budgets. The Premier himself has voted for six consecutive deficit budgets, amounting to about \$20 billion worth of deficit spending, which of course became debt. The Treasurer himself has voted for nine consecutive deficit budgets. They should have fixed it. It's the least they can do. They broke it.

The real question is: what is the nature of this budget? What does it do for the people of Alberta, or what does it fail to do for the people of Alberta? The government's making a great deal about how it's going to proceed in the months to come in consulting Albertans about what to do with respect to future surpluses and how to reinvest money. Well, Mr. Speaker, it's very interesting that they didn't ask Albertans about what to do with the excess money that they're spending this year.

So we see some interesting decisions. We see the number one priority being placed on a tax cut to major corporations. They didn't ask Albertans about that particular tax cut relative to other possibilities, Mr. Speaker. In fact, it wasn't even in this province that the Premier actually announced that tax cut. Do you know where he announced it? In New York City, across some huge oak desk from the president of Union Carbide. It's as though that powerful individual, who of course the Premier would say is not a special interest, is somehow different than that, asked the Premier to jump, and the Premier's answer was: how high; how fast; how often? Clearly Albertans should have been consulted about that priority.

Clearly Albertans would have said something quite different than putting the number one priority on a tax cut to major corporations. They would have talked at length about health care. They would have talked at length about education. They would have talked at length about support for seniors. They would have talked at length about support for small business, getting small business going perhaps with a tax cut, a cut from 6 percent to 4 percent or 3 percent, Mr. Speaker, that sector of our economy, which is the future, very much the future of economic development and job creation in this province.

It's interesting that the Treasurer and his cohorts and the Premier would be so smug about this accomplishment. Clearly balancing the budget is an achievement, but balancing the budget

in any way may well not be an achievement. A course was taken, but was it the right course? Well, let's consider outcome measurements. Let's consider the consequences. Let's consider results, Mr. Speaker. Are the people of this province better off today than they were three years ago? No. It would be very hard to answer that question in any other way except to say, "No, they are not."

Let's list some of the ways in which this government has made them less well off. Bankruptcies increased by 34.4 percent this year over last year. The minister of economic development actually said: isn't that good for the economy? He actually said that it's good for the economy because you're shaking people out of that economy. Mr. Speaker, a 34.4 percent increase in bankruptcies represents a great deal of economic anguish, economic pain, economic failure for many, many Albertans.

MRS. ABDURAHMAN: Shameful.

MR. MITCHELL: Shameful. It's not as though this should be a surprise. The nature of this government's focus on the budget could very well have related to an increase in bankruptcies. Personal disposable income per person in this province is down, Mr. Speaker. Average weekly earnings this year, '95 over '94, are down, making Alberta only one of the three provinces to record a decline in average weekly earnings. Housing starts are down 24 percent compared to this time last year.

Full-time jobs, Mr. Speaker. Well, they say they created 109,000 jobs. A couple of things to keep in mind about that. One is that if there are 109,000 jobs, they are largely part-time jobs without benefits, that have diminished people's quality and standard of living. Secondly, their own Alberta labour statistics indicate that it wasn't 109,000 jobs that were created; it was 58,000 jobs that were created. Thirdly, if you do follow their 109,000 job statement, even that demonstrates a very startling concern: in the first two years of this Premier's regime, they created 85,000 jobs; in the last year that has dropped off to about 24,000 jobs. What that demonstrates is that there's a great deal of steam coming out of whatever job creation it is that they are claiming to take credit for.

What's more startling, Mr. Speaker, is that full-time jobs, full-time jobs which represent real hope for Albertans, real hope for young people coming out of school and postsecondary institutions, full-time jobs which are the basis for long-term, productive, successful careers, full-time jobs that every member of this Legislature, the government included, would want their children to have, rather than part-time jobs, have declined by 3,100. That's the legacy on the job front. More part-time, poorly paid, temporary, insecure, nonbenefited jobs: that's up. What's down are full-time jobs, which are the essential element of hope for the people of this province, for their children, for the future.

What's also interesting about that 3,100 is that it's made up of two figures: a 4,800 decrease in full-time jobs for women – in every phase of this budget cut, it seems, you can see where women have borne a disproportionate amount of the pain for these budget cuts – and a 1,700 job increase for men, a not very significant full-time job increase. A net decrease, therefore, of 3,100 full-time jobs, Mr. Speaker, is not very much of an accomplishment.

3:00

Let's go beyond that. What we also see is 120,000, maybe 125,000 children living below the poverty line. We see that 40 percent of the people receiving social assistance are children. We

see that the native infant mortality rate in this province is two and a half times the national average. We see children who come to school hungry and have no school lunch or school breakfast program. We see children who come to school poorly clothed and don't get the support to ensure that they are properly clothed. We see lineups for food banks getting ever longer. We see lineups for surgery: for heart surgery 500 people are now waiting in this province; 2,000 people are waiting for hip replacements. People are waiting for physiotherapy three, four months, if they ever get it at all, Mr. Speaker. We see a young man with a broken bone high up on his leg, close to his hip, waiting 17 hours for basic surgery. We see a hospital in this city on red alert for three consecutive days in their emergency ward.

Mr. Speaker, what we see is a deterioration of critical features of the quality of living of the people of this province, of their communities. This is not particularly an achievement; in fact it is an indictment of what this government has done. What is perhaps most disconcerting is that they have no sense of it. They honestly believe that what they have done is in and of itself intrinsically good and it doesn't matter what the consequences are in the way that they have achieved it. The legacy that they have left and that they will continue to leave is a leadership in this province that is becoming meaner and meaner, more and more punitive, that is neglectful and forgetful of people.

It's not to say that we can't balance the budget and achieve the things that we must achieve to create strong communities. There are five other provinces in this country that have already balanced their budgets. They are Newfoundland, New Brunswick, British Columbia, Saskatchewan, and one other, Manitoba. Mr. Speaker, in the course of doing that – in spite of doing that, let me put it that way – they spend on average 28 percent more per capita on health care and they consistently spend more on education. We are the lowest per capita funded province for education in the country. In the country. We are the second lowest per capita funded province in the country for health care. In the entire country. These other five provinces don't have anything like the resources we have and will continue to have.

The question that Albertans are asking is: where have these people, where has this government spent their money? It is a question of management. I was in the Speaker's very own riding about two or three months ago, and I had an interesting chat with his constituents. One of them said to me, "Yes, but we had to clean up the mess," identifying of course who made the mess. I said: yes, we did have to clean up the mess. And we still have to clean up the mess, Mr. Speaker, because they've only attended to the symptoms of the mess. The mess was that this government didn't manage when it had money, and it's not managing now that it's balancing the budget. All it is doing is squeezing the sponge.

Everybody knows that when you squeeze the sponge and you let go, it's just going to spring back to the same size. Straight-line, across-the-board, thoughtless, unplanned, unpredictable cuts, if you will, arbitrary as they are, are tantamount to squeezing the sponge. You can only squeeze the sponge and ensure that it doesn't spring back if you do that with an implementation of proper planning, proper management, technology where it should and can be applied, and innovation and creativity. We see precious little of any of that across the way, and Albertans are paying the price very, very much at a personal level.

If there's an Albertan – and there are many – who was having difficulty getting into a seniors' home prior to that budget, that difficulty remains the same. If there are young people who have had difficulty getting into postsecondary institutions and when they

get there are having difficulty getting world-class educations, that difficulty remains undiminished. If there are people who are having difficulty such that they have to go to the food bank to feed their children, that difficulty remains. If there is somebody waiting for heart surgery or hip surgery or shoulder surgery, Mr. Speaker, that difficulty remains.

This budget did not address the core, fundamental problems that are facing the people of this province, problems that erode their quality of life, that erode their sense of security about the future, that erode any hope or feelings of hope that they might have for the future, Mr. Speaker. This budget does not address those problems. In fact, what it creates is greater division, greater punitiveness, and it underlines and emphasizes, it exudes a real meanness toward the people of this province. If you're a corporation, you got helped. If you're an individual with a series of problems, that we know exist in this province, you specifically and clearly did not get help.

Mr. Speaker, there are three things that government must do and our government will do right after the next election. It must establish integrity, it must establish and adhere to fiscal responsibility, and it must build community based upon a set of shared values, values that are meaningful to each of us as Albertans. In fact, what we're going to do right after that next election, after they are then finished cutting, is move in and cut the fat, the real fat. Of course, the election will serve to do a great deal of that.

Mr. Speaker, three things: integrity of government, fiscal responsibility, and building community on a set of shared values. We don't see that in this budget. We didn't see it in the throne speech. Integrity in government, you'd think, would be obvious. There would be obvious initiatives. This government, seeing its recent track record, would of course want to have a conflict of interest Bill, a Bill that strengthened conflict of interest legislation. No evidence of that. In fact, that wouldn't even cost money; would it?

MR. GERMAIN: That would be free.

MR. MITCHELL: It would be free.

MR. GERMAIN: They need the moral values to base it on.

MR. MITCHELL: Exactly.

Secondly, you'd think you'd see a piece of legislation that would bring in paid lobbyist registration.

MR. GERMAIN: That would be free too.

MR. MITCHELL: That would be free too. In fact, it would actually save Albertans money because they would start to see who was influencing whom for what reason, for how much money, at whose expense, Mr. Speaker.

You might see a piece of legislation that would see all regional health authorities elected, not two-thirds democracy but 100 percent democracy, so that you have accountability. Wouldn't that be something? So you could actually have accountability. You don't see any of that.

Under fiscal responsibility, well, clearly the frontier now is doing away with the debt, and they've made some progress towards that . . .

MR. GERMAIN: By misstating it.

MR. MITCHELL: By misstating it, Mr. Speaker. What was the figure? Six billion?

MR. GERMAIN: Six billion.

MR. MITCHELL: Yeah, just like that, overnight. In fact, it's really shades of Dick Johnston. It's a frightening prospect, and I know the Speaker sees that. I mean, he would be terrified, because he sat through those days of a Treasurer who either couldn't add or wouldn't add. Now we're seeing the same thing: from a devastating \$33 billion down to \$6 billion. We know that there's at least \$21 billion or \$22 billion of debt that we pay interest on. That isn't being addressed. Our plan, Mr. Speaker, will address that. In fact, we'll see it gone because we will manage to make sure that it is gone.

The true issue and the really compelling issue is: why do we even have to be concerned about fiscal responsibility and integrity in government as overriding issues? You know why? Because this government was abysmally incompetent in the way that they approached those issues over the last number of years.

3:10

MR. GERMAIN: And the failure to admit it was the crowning blow.

MR. MITCHELL: And the failure to admit it, absolutely. We're going to get these two-in-one speeches. I'm sitting down in a minute, hon. member.

The fact is that community is the issue that needs to be addressed in everything that this government should be doing, but we don't see it. We see them still eroding a health care system and not addressing the problems. That health care system is a vital component of quality of life, of standard of living, of strength in our communities. It is a component of what we are as people that says: we'll give up something to other people so that it is there for them when they need it. It might just be there for us when we need it.

We still see an erosion of education. When I look at a city like Calgary, a city like Edmonton, one of the strongest, one of the most important features of their success has been world-class institutions, including world-class universities. Those are being eroded. Calgary can be a window on the future of economic development, of capital markets with the Alberta Stock Exchange, but that Stock Exchange has to be supported and the nature of that Stock Exchange has to be supported by world-class educational institutions. That Stock Exchange can be a highly aggressive, futuristic research and development technology kind of supporting stock exchange if only it would be given a chance.

I will say – and this is very frightening – that one of its advantages has been its reputation, a reputation that has now been tarnished by two things. It's been tarnished by Multi-Corp, where politicians can get involved in capital markets in a way that they shouldn't. It's been tarnished by this government's initiative to say to Vencap, "You must sell to Trimac." It says to the world, "Here is a government that is going to intervene in capital markets." That's what's happened to Vancouver, where the Vancouver Stock Exchange is in disrepute because its reputation has not been defended. This government is going about eroding one of the important jewels, if you will, of the future of economic development in this province.

So it's health care publicly funded, without doubt publicly funded, no two-tiered, no erosion of that system, because it is the best, most compassionate health care system in the world and

because it is the most efficient, least expensive, most competitive health care system in the world as well. Education, because we have no future without education, particularly in a highly competitive global economy.

Another community-based issue of course is gambling. This government is obsessed with gambling; they're addicted to it. They had the chance to phase out video slot machines. They won't do it. They had the chance to stand up and take a hard line by saying no to Las Vegas-type casinos anywhere in this province. They won't do it. It's a value-based issue, and what it says about that government is that money is the one most important overriding value that they hold, so it doesn't matter where it comes from. It matters to Albertans, Mr. Speaker. It matters greatly to Albertans.

I was in the transportation minister's own riding . . .

DR. WEST: Point of order, Mr. Speaker.

THE SPEAKER: The hon. Minister of Transportation and Utilities rising on a point of order.

Point of Order Imputing Motives

DR. WEST: I know we have these points of order under 23(h) and (i) about imputing false motives, innuendoes, and allegations. The hon. member made a statement here that this government's motive – that includes all of the individuals sitting over here – is just to make money and disregard the human factor as it relates to lotteries and that sort of thing. I find that an allegation that's false and imputes motives that I don't have. Now, I'm speaking on my behalf, so I'm taking this point of order forward, and I think he should retract that statement.

MR. MITCHELL: I'm going to address that.

THE SPEAKER: Order please. It has long been held, in fact it was held earlier today in the Chair's ruling on the hon. Member for Fort McMurray's point of order of last week, that characterization of a group in the Assembly with a word that would be unparliamentary when directed to an individual is not unparliamentary when describing a government or an opposition. Therefore, the Chair regrets to have to deny the hon. member's point of order.

The hon. Leader of the Opposition.

Debate Continued

MR. MITCHELL: Thank you, Mr. Speaker. I was going to say that really, at the very best, what the minister of transportation could be arguing is that what they're doing with respect to gambling is unintentional. But intentional or unintentional the consequences are the same, and they're not acceptable to the people of this province. I don't know what's worse: that he's doing it and he knows it or that he's doing it and he doesn't know it; he's doing it because he intended to do it or he's doing it and he didn't intend to do it. Either way it's an indictment of this government. Time to stop.

When I was in his own home region, Vermilion, the chamber of commerce was very interested in the response I got about that very point. People are very concerned, and they're concerned at a value-based moral level, Mr. Speaker. They're very concerned about that at a value-based moral level.

DR. WEST: Yeah, but it was mostly Liberals that showed up.

MR. MITCHELL: Well, is the mayor that? Is the president of the chamber that? Is the past president that? I mean, I can list the people . . . [interjection] Yeah, exactly.

MR. MITCHELL: Mr. Speaker, there are many other members of my caucus who will provide some strong insights into what this budget really means. What it really means is a government that's bereft of ideas, that is driven by a meanness and a punitiveness that we haven't seen in this province for many, many decades, and that in fact is inconsistent with the nature of the people of this province. It is not too much for Albertans to ask that their core values – their decency, their dignity, their respect for people – should be reflected in their government's Speech from the Throne and should be reflected in their government's budget. It isn't, they aren't, and I'm voting against this budget.

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

DR. PERCY: Thank you, Mr. Speaker. I find it surprising that no member on the other side rises in support of the budget speech.

I want to make three points with regards to the budget, Mr. Speaker. The first general point, before I get into the specifics, is that there is an element of luck in budgeting. If you look at the Don Getty and the Dick Johnston years, it was pretty grim. If something could go wrong, it did go wrong. From '91-92 on there has been an expansion and energy prices have remained relatively high. In terms of a context under which to undertake expenditure reduction, it indeed was a lucky star that found this government, because it has been a period of relative prosperity, certainly from the perspective of the province, and in terms of the windfalls generated in energy, both through oil and natural gas prices and bids, it has actually been a bonanza that could not have realistically been anticipated.

It also took a lot of sting out of the process of adjustment, Mr. Speaker. In Ontario, as they slide into a recession and they attempt to cut, it's going to be extraordinarily difficult because the market there will not be able to absorb many of the individuals released as the government downsizes. So luck has got something to do with it.

Now, there are three points by which to assess the budget. I want to talk first of all about the budget as a technical document, because in part that's what it is. I would think that when you look at this as a technical document, this Legislature and Albertans should in fact congratulate the employees of the Treasury Department for a job well done. I say that because this is a very clear document in terms of the array of liabilities that the province has, the net and gross indebtedness of the province. It's a clean set of books, and I'm very much willing to concede that. I used to look at the books in '91 and '90 and '89, and you virtually needed a forensic accountant. That's not so now. These are straightforward in terms of outlining the province's liabilities and its assets.

Another area and a technical side that I think is important to recognize is that these sets of books provide a consolidation of ministry activities on an income basis. Before, over the last two years in fact, what we attempted to do on the opposition side of the House was directly bring in the business plans, outcome measures, performance measures as a way of evaluating what individuals got for the money they spent. The budget now does

that and does it well, and in fact it provides a vehicle for Albertans and for opposition and for members on the other side, should they wish to actually assess what the government is doing – it provides a relatively clear summary of what a ministry does and what a minister is responsible for. Regardless of whether or not a minister attempts to abdicate their responsibility, as in for example the Treasury Branches or AOC, notwithstanding that, the budget is very, very clear, Mr. Speaker, in saying that the buck stops with a particular minister. So, in fact, if the budget can say it, perhaps some of the ministers can live it, and we'll see in subsequent question periods if that is so.

3:20

I think you have to say that the budget does a good job, and again on the technical aspects Treasury has done a very good job in terms of providing a review of what the province does, where the money is spent, what the liabilities are. It provides also, I think, a pretty comprehensive representation of the province's direct and indirect liabilities. Notwithstanding what the Provincial Treasurer might want to choose as the appropriate net debt, it's pretty clear, if you read the books carefully, what in fact you might want to look at either in terms of gross unmatured debt or the net debt inclusive of other liabilities. So as a technical document this is a first-class piece of work, and I'm quite willing to say that for the record.

The other way that you'd want to assess the document – and this is my second point, Mr. Speaker – the second way, is you'd like to assess the budget as an economic document. So you go from the technical to the economic, and the technical passes muster.

Now, when we look at the economic side, you have to assess it in terms of the projections it makes and the realism of the underlying assumptions. Here the budget as well – and I think you could view this also as being a technical point – provides a pretty realistic review of forecasts as they are today. Again I think when you judge a budget, it's always best to do it on the information that is presently available, because ex post everybody has 20/20 hindsight. It's ex ante and making the prediction that is important.

So given the lay of the land and given the forecasts and having looked at a number of those forecasts in some detail, I think the projections about the GDP, oil and natural gas prices are realistic and that the budget again does a pretty good review, then, of setting out what one might expect about the key drivers in the Alberta economy. That combined with the sensitivity analyses and the other types of data on key economic variables provides a good economic context for assessing the budget given its technical structure. Again, I think when a job is well done, you have to say so.

However, when you start looking at some of the other elements – for example, the modest growth in lotto revenues – well, the bottom line is that it's clear there is and has been a systematic underaccounting of lotto revenues. The modest growth that's predicted, given the addictive nature of VLTs and given what has happened in the past with lotto revenues, is surprising given the understatement that one sees there. I think, then, this is one of those hidden cushions, Mr. Speaker, as opposed to the explicit cushions that one sees.

When you look at the estimates of user fees and premiums, I find those a bit surprising as well, Mr. Speaker. It strikes me that there's some undercounting there in terms of potential user fee and premium growth, certainly given the array of new user fees that you can find in the regulations and given the new array of

user fees that you see in the budget. So just in terms of looking at two items – user fees, premiums and the like – I think there's undercounting. In terms of lotto revenues, clearly undercounting.

Now, when you come to the cushions in the budget, the revenue cushions and the corporate tax cushions, first you have to ask: why are the cushions there? The cushions are there, Mr. Speaker, because in order to ensure that we do balance the budget, we have to have contingency funds.

MR. DINNING: It's in the law.

DR. PERCY: It's contingency funds, because the Treasurer in his zeal and his haste to legislate by slogan didn't really leave himself a lot of room for explicit contingency funds that were outside the budgeting process. So they have to in fact include the revenues and leave them in there.

Why? Let me tell you why, Mr. Speaker. It's a very simple explanation. I know the Treasurer doesn't want to hear it. It's because of the way they have legislated by slogan. They have adopted the balanced budget principle, which all members would be in support of, but what they've done in the way they've imposed it and the way they've consolidated it is they've set it up in such a way that if there are temporary shortfalls in the course of the year, immediately the Treasurer will have to cut transfers to local government, cut transfers to school boards, cut transfers to regional health authorities.

What the Treasurer has done, of course, is very much what the federal government has done to the province: downloaded economic insecurity. What the Provincial Treasurer has done in the context of this budget is downloaded the responsibility onto local governments. At the same time, Mr. Speaker, there is relatively little flexibility for local governments, regional health authorities, school boards to adjust to that because they in fact can't run deficits. In a sense what they've done is just simply shifted down economic insecurity and said: "Well, we've solved our problem. Of course, it belongs to someone else, but that's not ours." On the other hand, they're quite willing to shake their fist at the federal government for doing exactly to them what they've done to local government. [interjections] They're very touchy, as you can hear from the other side of the House. They're very sensitive to that. They're sensitive and I understand their sensitivity. We all do. They're New Age, sensitive type of people.

One thing they have done, Mr. Speaker, is they have downloaded the variability we see at the revenue side to local government. They have also downloaded a lot of economic costs directly to municipalities. It was interesting to see the hon. Minister of Municipal Affairs saying: well, gosh, there are 28 local governments here that have run into debt and deficit problems and are up against the wall. Well, I wonder how many of them are up against the wall because of the unanticipated changes in their fiscal positions and the downloading of a variety of costs onto them that they hadn't anticipated? There was no mention of that by the hon. minister. It was just an admonition that they had better do more to deal with this, but at the same time there has been a significant downloading onto local governments. In fact, an hon. member on the other side has talked about this in the context of the property tax. The members on the other side who advocate sales taxes have been very vigorous in saying that we ought to move away from a property tax to some other form of tax base, in large part because of the downloading that they observe.

Again, technically there are good things to praise about the budget. In the economic context you can say that many of the

assumptions underlying the budget make sense, but there are structural issues that have to be addressed. Just for them to shrug them off and then say, "We haven't downloaded these problems to other levels of government," is to ignore the problem and is to basically be in a state of denial.

Other areas on the economic side which ought to have been addressed concern the privatization that exists and I think more on ideological grounds now than economic, because if it was economic, the ministers would be willing to stand up and table in the House a simple little outline of the costs and benefits. It's not sufficient for a minister to stand up and assert that the market can do anything better than government, 20 or 30 percent more. If it's that easy, it's very easy, then, for the minister to demonstrate it, just show the costs and benefits of outsourcing, downsizing, or contracting out some of the services that have been provided by government.

DR. WEST: You won't listen.

DR. PERCY: You won't do it, hon. minister. We've asked, and in fact I recall, Mr. Speaker – I think it was in the fall of 1994 – we brought in a paper. I think it was Bill 204, an information and privatization Bill. In fact, I sponsored it, and I was witness to an awesome display of strength as a member on the other side managed to rip it up twice. By the time he put it in these pieces – it was the size of a telephone book – I thought: gosh, that's how much discipline is kept on the other side. The bottom line is: if it makes sense to privatize, it has to make sense on economic grounds first and foremost, because there are instances where it's more costly when you privatize or outsource than to do it in government. All we ask on this side of the House in the context of a budget document is that such justification and proof be part of the budgeting process, but we don't see it.

3:30

Another issue that exists in the budget – and here it's going to take some time to see whether or not the predictions are true – is the issue of earmarking. On one hand, earmarking and providing responsibilities to various departments to gain additional revenues provide them with some incentive to work on a cost recovery basis. On the other hand, they know full well for every dollar that they do raise, they will probably receive a dollar less from the Provincial Treasurer. So on one hand they have the incentive not to work on a full cost recovery basis because, well, it'll just be taken away from them. On the other hand, if they are very active in this regard, one has to ask: well, how do they know what's the right price? In many cases for what government provides there isn't a market, and the costs of government doing this may not represent what the true market price would be were there competitors out there. So earmarking has a potential to cause some serious problems, and I'm willing to predict and to bet with the hon. Provincial Treasurer, not much – and it would just be notional – that at some point you're going to see a lot of administrative bloat in departments, Mr. Speaker, as they work to generate more revenues that are earmarked not necessarily to provide for cost of recovery but just to provide for administrative superstructure. That won't happen in the short term, but it will happen in the longer term.

When you combine some of the possible consequences of earmarking with the decentralization that has occurred, there is the potential for a loss of control by Treasury over what's happening in government. Call me old fashioned, Mr. Speaker, but I do think that the Treasurer, as basically the fiscal agent of

the government, has first claim on any moneys that come into government. So I disagree with the notion of earmarking, and I think they should be allocated across departments on the basis of where it's perceived to be the greatest payoff for government as opposed to the context that you see with earmarking.

Saskatchewan has a good model in their secretariat, where in fact they have groups of accountants and economists who are arm's length from departments and evaluate the various programs the departments bring forward. They're not beholden to the departments, because if you live in a department, in a sense your future is tied up intrinsically with the department. It's very difficult, I would suspect, to be unduly critical of what a deputy minister and assistant deputy minister would bring forward.

What Saskatchewan has done and what some other provinces do is they basically have these teams from a treasury secretariat go department to department and evaluate the programs, and what that does as well is provide a cadre of skilled people out of the treasury that can then move into other departments. People stay in the treasury for three years. They're part of these strike forces. They become familiar with all facets of government and the structure and organization of government, and then they move on. That way their first allegiance is to the treasury, not to any of the departments, and you get both a professional civil service in place – and we have an excellent professional civil service – and one that has been involved actively with program evaluation and review. It basically, I think, provides both a new source of trained professionals for various departments and it also socializes – I'll use that word – the civil servants in terms of what government does, how it evaluates programs, and it does so on a common basis across departments.

I think the move that we've done towards decentralization probably leads us to neglect some of the payoffs that could occur from having a more centralized structure in Treasury with more program review vested directly within a treasury secretariat. I think that as we talk about restructuring and reordering government, initiatives like that deserve some consideration and some review in the budget document.

Now, the other area I'd like to address is the budget as a political document. As a technical document it has some good merits. As an economic document I think one can give it pros and cons. As a political document it is a pre-eminent political document. I mean, the Provincial Treasurer gets to announce a tax increase last week, this week, virtually every week for the next year. Always a carrot, but that carrot's only there, I suspect, if you vote the right way. It has a significant political component to it.

When you assess the budget on the issue of fairness, Mr. Speaker, I think that had Albertans been given the opportunity to assess whether there should have been a reduction this year in the M and E as opposed to a reduction in the personal income tax or a reduction in small business taxes . . .

MR. DINNING: You advocated for it. You called for it. You supported it.

DR. PERCY: . . . they might not have opted for – and in fact I would wager with the hon. Provincial Treasurer – in terms of priorities, first a personal tax cut, then you consider the M and E. Moreover, as I hear the hon. Provincial Treasurer shout, the one thing he forgets . . . [Mr. Percy's speaking time expired] Let me just finish this point. Nobody ever advocated a tax break. What they said was: replace a bad tax with a better tax.

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

MR. DUNFORD: Thank you, Mr. Speaker. In telling you how happy I am with the budget that came down last Thursday, I have to be careful because our English language has sometimes been captured by perhaps unsavory influences. I wanted to use the word "high," but I'll have to use the words "natural high." So in that context I wish it to be viewed that way.

After that budget last Thursday and getting on a plane which included the Premier and which included, by the way, my honourable and esteemed colleague from Lethbridge-East, Ken Nicol, I had such a natural high I'm not sure I would have even needed a plane to get me to Lethbridge. If I could have had the way to go which I truly would have gone, instead of being at something like 25,000 feet, I think I was probably at 50,000 feet. The reason for that, of course, is that a weight that has been on my shoulders ever since actually June of '93 was lifted. What had taken place prior to June of '93 was a situation where previous governments had gotten off track. They had spent money that they didn't have. I don't want to point fingers at anyone; I just simply want to talk about my situation. Part of that weight lifting, then, was that I got rid of the anger that I had that caused me to get into this incredible career that's called politics. So the anger is now gone, and I feel a true relief for that.

The other thing – and it perhaps makes a comment about the remarks of the Leader of the Opposition in his speech earlier today, that was possibly observed by four or five times more people on our side of the House than on his – was the fact that it was Conservative governments that had gotten us into the problem. Actually that became one of the themes that I used in the election campaign, because I was convinced in my heart and in my mind, Mr. Speaker, that while it was Conservatives that may have gotten us into this problem, I don't believe there was any question that it was only Conservatives that were going to get us out. I believe that the people of Alberta recognized that fact and with the leadership of our Premier, Ralph Klein, were then able to see that and really think: now, these people and this government that we've elected, are these the sorts of folks that will keep their promise? I believe that we have, and I believe that on Thursday we showed that to all Albertans.

3:40

In fact, one of the interesting exercises that I went through was trying to watch where the opposition to this fabulous document would come from. I was extremely pleased to the point of hilarity when a previous NDP member of this House appeared on the great socialist airways of CBC, and the biggest complaint that she had was the fact that the Treasurer was somewhat fast and loose with his numbers and how could he face the people of Alberta and say that there's going to be a \$23 million surplus when in fact it might even be as much \$573 million. Now, Mr. Speaker, there's a big, big difference, especially for the people of Alberta who are taxpayers, who have perhaps seen governments get into their jeans a little more than what absolutely might have been necessary, between a number of \$23 million and \$573 million. I think this former member of this House who learned very quickly it is easier to talk your way out of this place than it is to talk your way into it once again showed . . .

MR. GERMAIN: Keep up the good work.

MR. DUNFORD: Hey, I'll tell you what, Mr. Speaker. A heckler from Fort McMurray. I speak, I would imagine, one-tenth as much as he does and with much fewer characterizations

and arm movements. If we are both going out of here as first termers, Adam, you're going before me, buddy.

While I'm on the themes for the last election, somewhere in one of the forums that we had – and I have to confess that I only agreed to attend five of them even though there were perhaps 10 or 12 that were scheduled. I mean, this was simply a plot by our opponents anyway to keep me from the doors. They were recognizing that that's where the election really is won, and they were somewhat able of course to be critical when I didn't appear at some of the forums. Thank goodness, though, they recognized the sort of person that I am: in the empty chair they put a cuddly little teddy bear to represent me. Having said that, I was saying it in jest, Mr. Speaker. I'm not sure that ever actually happened, but in my mind I think it makes a nice little story, and it's the sort of characterization that I don't mind at all.

MR. GERMAIN: Tell us about the people who booed the Premier in Lethbridge.

MR. DUNFORD: Well, that's true. One of the interesting aspects of the leader that we have is to take a situation where the opposition party attempts to make it very, very negative and having the esteemed capability of being able to turn that into a positive. We had a representative from the opposition side stand up in here last Thursday and talk about the fact that he got bumped off a plane. We had that same member stand today and talk about how grateful he was to the Premier to have corrected that situation. Of course, we know the Premier doesn't make up the manifest.

The mimicker – I couldn't figure out during the earlier speech who was Edgar Bergen and who was Charlie McCarthy; it looks like it's Edgar or Charlie that's still here – indicates the Premier was booed, and that's right. He was. That was at the start of his introduction, and I'll tell you that after two and three and then seven and then 10 rousing applause for what he was saying, there wasn't a boo left in the House when he was finished. That is turning a negative into a positive. Our Premier can do that, and he does it very well.

What I'm trying to get to, Mr. Speaker, is one of the other themes. It was at one of these forums where it came up. Somebody just standing at a mike said, "Well, the problem with you" – and he recognized me by name – "is that you can't keep promises." I said: "Well, all right. Let's do it this way." I said to him and then to the crowd of course – and fortunately for me this happened in the early part of the campaign – "All right. I'll make you one promise." Then I said it to everybody. "This will be a promise to every one of you. There is not a person in this room, in fact there's not a person in my constituency, in fact there's probably not a person in Alberta who will not have their standard of living go down." And I kept that promise. What we did is we got all Albertans to pull together for a situation, and the manifestation of that came about on Thursday with the balanced budget.

I want to tell every one of you opposition members that couldn't get elected talking about balanced and brutal cuts that all you have to do was be honest with the people and they will recognize that, and in this particular case they did. We talked about balancing the budget in four years. There's no question. What happened with the energy prices and that type of thing, we had luck. Maybe we even had God on our side. There's no question about it. The good thing about luck is that you have to

position yourself in order to make it a positive thing or it becomes bad luck.

To deal specifically with a couple of the items in the budget speech, I'm very, very grateful not only to the Premier, not only to the Treasurer, who delivered the address, but to all of my caucus colleagues of course, who had to be a part of this in the sense of bringing this forward, for the fact that we as a team still recognize and will continue to recognize that education and health care are the priorities of this government. Always have. Always will. The election campaign that Ralph Klein and his team ran under was: he listens; he cares. I believe that once again on Thursday, the 22nd of February, we had further evidence of that fact.

As far as the M and E tax is concerned, I'm supportive of that. I'm intrigued by the promises that we're receiving from industry. I hope that they'll come forward, but I like the way we have forced them to come to the table. We will reduce by 20 percent and we will reduce by 20 percent, and then we'll analyze. If they've brought their bucks to the table, then we'll continue to go. If they haven't, if they've been blowing smoke, Mr. Speaker, then we can easily go back and add the 20 percent and the 20 percent back to 100 percent. I'd prefer to see the M and E gone, but I'm extremely grateful for the manner in which this caucus has decided to deal with that very touchy situation.

In terms of Albertans' input, I think this is something that our government has shown time and time again. In fact, I often get criticized as I walk around the streets in my constituency and talk about: are you coming out to this meeting; have you had your input into this particular situation? I recognize that some people only have a small amount of tolerance, really, for input, and after a while it gets tedious to them. But I think that tediousness on our part is extraordinary, because we continue to show that we're willing to be a government that's willing to go to the people, frame up some questions for them, and then hear what their responses are.

You know, my esteemed colleague from Edmonton-Whitemud talked about the fact that maybe if you ask the right question, you'll sort of get the right answer, but he was a very, very important part of the review team that we had looking at the heritage savings trust fund. He is a person of high intelligence and I think also wisdom, which is necessary, for the two have to be together. He heard what the rest of us did and what the people of Alberta wanted done with that heritage savings trust fund, and that's actually what we've done. So to have some squabbles now over a net debt in terms of numbers – we all understand that there is a debt out there that eventually we have to deal with, and we're going to deal with it. No one has hidden those numbers. What I like about this Treasurer and about the way we approach the terms of being open and accountable is that we continue to throw hammers over there to let them take and beat us over the head with again. And let's continue to do that, because I think it's in the interests of the people of Alberta that we do be that open.

3:50

So in terms of input I'm sure many of the opposition members are going to be doing the same as my caucus colleagues. That is we're going to be holding meetings; we're going to try to provide all kinds of input at the constituency level over and above what the government generally is trying to do in this area. Certainly in our own particular case of Lethbridge-West, with a town hall meeting this coming Saturday morning set up strictly for input into the budget matter, I'm very, very interested in hearing what they have to say because I, like the Premier, listen and care.

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

MR. SEKULIC: Thank you, Mr. Speaker. I agree with the Member for Lethbridge-West insofar as he described my colleague from Edmonton-Whitemud quite accurately. I do want to say that this is my . . .

MR. GERMAIN: I think he meant me, too, in that.

MR. SEKULIC: Did he mean the Member for Fort McMurray as well? Perhaps.

Mr. Speaker, having now been here coming up on three years, I have to commend the government for the change that has taken place in the past three years. Like the Member for Edmonton-Whitemud, I do agree that the reporting has improved significantly and that now Albertans who are interested in looking into the financial status of the province may get a lot clearer picture from reviewing their budget documents.

I also want to concur with the Member for Lethbridge-West insofar as the financial mess or disaster that was left here for him to assume back in '93. For those Albertans who will review *Hansard* and want to take the time to see exactly what that mess is, it's fairly clearly portrayed on pages 76 and 77 of the budget document. These two pages deal with what I would call the Conservative pages of Alberta history. One is titled Loans, Advances and Long-term Investments, and the other one is Guarantees and Indemnities.

[Mr. Clegg in the Chair]

Mr. Speaker, it's odd that this all occurred during a time period of Conservative government, a government which believes that business should be up on its own, a government which believes we should minimize regulation on these businesses and intervention in the marketplace. [interjection] Yet these two pages, which were in large part contributed to by the now minister of transportation in his voting for nine consecutive budget deficits, speak quite differently about what transpired and what brings Albertans to where we are today. I don't think it was as much abuse of the system by the taxpayer as it was abuse of the public purse by many who remain here today on the front bench.

Mr. Speaker, it's important that we know what the problems are before we pursue the solutions. The first step, quite correctly, is to start appropriately accounting for the finances of this province. As I said and as I conceded, that is taking place. Unfortunately, the nature of the problem which Alberta was suffering from was never clearly understood. In fact, if you take a look at the financial fiascoes of the past 10 or 15 years, there was never an assessment of blame. Not once. Never did a senior official pay the price. Every single time that Albertans were asked to pay into the private sector, the most recent one being half a billion dollars to Bovar, it was the taxpayer that was expected to make up for the mistakes of I would say senior government officials. We'll never know for sure, but my strong assumptions are that it was elected officials from the Conservative government side that were in large part responsible, if not solely responsible, for the losses.

As we go through some of these loans and advances, we come across some interesting ones that have been in the paper quite recently. We take a look at the 1996 forecast for March, and we'll see Pratt & Whitney Canada Inc. at \$15 million. We see Centennial Food Corp. at \$15 million. We see Ryckman

Financial Corp. at \$4 million. Mr. Speaker, these aren't under-privileged Albertans that I'm listing off here. These aren't Albertans that have paid with their jobs or with their health care system in the past three years. From what I know of these companies and these individuals, they're fairly well-to-do. They can access health care in this province and perhaps in any state in the United States on their own merits and on their own finances. Yet, for whatever reason, we see that in 1996 millions of dollars are still being directed into the pockets of these individuals, and this is by a government who believes that government must stay out of the way of business. This is yet more evidence that this Conservative government is an interventionist government in the marketplace. They still haven't figured out how to step back and step out.

Mr. Speaker, the Treasurer knows of the problems that exist out there as a result of the straight-across-the-board cuts that he's endorsed. I believe it was yesterday in his own city's newspaper, right above the broken \$2 coin story, is a headline reading: Dinning hears dissent; on home turf he gets beef about health and education cuts.

MR. DINNING: You should have been there. It was a great meeting.

MR. SEKULIC: The Treasurer states that I should have been there, that it was a great meeting. I'm sure it was, Mr. Speaker, but I can tell you also that despite not being there, I'm quite sure that I know what was being said and some of the concerns that were being projected.

MR. DINNING: How would you know that? Clairvoyance?

MR. SEKULIC: The Treasurer asks: well, how would you know that? Mr. Speaker, I'll tell you how I know that. Having traveled the province in the last year or so, we're hearing the same concerns in every centre, including those concerns that were heard in the Treasurer's constituency. That's perhaps why I'm a little bit concerned that that message isn't getting through. It's being heard in every constituency, be that constituency represented by a Conservative member or a Liberal member. Albertans are reflecting exactly the same concerns, and they are primarily health and education. Yet we don't see anything significant occurring in either of those two departments to assure Albertans that there will be a betterment and that their needs and concerns will be addressed in the year to come.

It really does concern me, Mr. Speaker, that we spend a quarter of a million dollars asking Albertans whether they want to reinvest those dollars in correcting the problems in health and education, whether they want to pay down the debt quicker, whether they want to lower the province's property taxes. I mean, there are a number of options here. But as was earlier stated in question period today, it's one thing to make a decision; it's one thing to be eligible to choose. It's another thing to be able to access the information you need to make that decision. Quite appropriately, earlier it was stated that this document, Straight Talk, doesn't have the full information that's required to make many of the choices in the back of the document.

MR. DINNING: What's it missing? What's missing, Pete-za?

MR. SEKULIC: The Treasurer asks what's missing in that document, and he affectionately refers to me as "Pete-za." Mr.

Speaker, if you were listening to this, you would have also heard that.

THE ACTING SPEAKER: I heard.

MR. SEKULIC: You were? That's good.

The Treasurer asks: what's missing? Well, when we're referring to the budget and how we're going to utilize the funds, the taxes, the hard-earned dollars from Albertans that they forward over to our Treasurer, do you know what it is, Mr. Speaker, that they need to make an informed decision? They need to know precisely what is happening in each of the government departments in terms of performance, outcome, and measurement.

4:00

Now, Mr. Speaker, the type of information that Albertans need is: what are the lineups at the hospitals; what are the waiting lists for surgeries; what can Albertans expect from their health care system; how long will they be able to access service; what kinds of services will they be able to access? That has not been clearly explained to them. We do know that there is a higher level of concern now, in 1996, than there was in 1993 about the system, and I'm not sure that they've done as good a job in putting across what services will be there and what the health care system will look like as they have in terms of putting forward information on the budget. I think that's important, because budgeting is I guess a two-way street in the sense that if you're going to spend some money, you have to know what you're getting for it. We are now getting better information about how much money we have and how it's going to be allocated to some of the different departments, but we still don't know exactly what product we're going to get in return, and I think that is a problem that remains.

Mr. Speaker, I did want to close off by saying something positive again. That is that this is a better document than we've seen in the past three years. The government on the accounting side and the reporting side I think is making improvements. There's a long way to go. I think the real focus has to be on the Treasurer pressing his colleagues in the front row to provide any indicators of results to assure him and perhaps all Albertans that Albertans are not falling through the cracks.

The other thing that I wanted to say to the Treasurer in closing, through you, Mr. Speaker, is that apparently he's misquoting his favourite philosopher. Much to my surprise - I read this in the paper today - Treasurer Jim Dinning in his budget address this week misquoted New York Yankee catcher Yogi Berra. "If you don't know where you're going, you'll end up somewhere else," is what the Treasurer said. However, Mr. Berra actually said that you've got to be very careful if you don't know where you are going because you might not get there. Now, my concern is that if the Treasurer can't get his favourite philosopher's quote correct, I'm worried about some of the numbers that he's presenting to Albertans.

Mr. Speaker, with those few comments I will close and pass the floor to a colleague.

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

MRS. ABDURAHMAN: Thank you, Mr. Speaker. It's absolutely unbelievable that I can get such a reaction out of the Provincial Treasurer, and I think it demonstrates that if you can't take the heat, you get out of the kitchen. Every time I stand up, the Provincial Treasurer literally leaves the kitchen, because he

indeed doesn't know where he's going. His inaccurate quote exemplifies the fact that the Provincial Treasurer doesn't really know where we're going in the province of Alberta. The bottom line is that he was part of a government that created a financial deficit. Once again he's leading the way in creating another deficit, and that's the human deficit, because that's exactly what this government in essence has done in just under the three years that they've been in government.

Yes, I'll commend and join with the Member for Lethbridge-West in acknowledging that I ran, just under three years ago, on a platform that clearly stated that we had to get our financial house in order because I wanted a future for my children and my grandchildren. And I think that would represent the 83 members of this Assembly, that we all wanted to get our house in order fiscally.

Mr. Speaker, I think if you asked any homemaker in the province of Alberta, there are different ways of balancing budgets. I liken the way this government has balanced its budget to the mother and the father with four children recognizing that they don't have \$2,500 a month anymore. They've got \$1,500, so they know they can't go on living the way they have in the past. There is the equivalent couple with children that live in the neighbouring community with the same income. The one mother recognizes quickly that their future as a family lies with their children, and they make sure they're well fed, well clad, and they go to school with a lunch in their lunch kit. The other family don't recognize their natural resources and their future, continue their wild spending habits of smoking, drinking, and high entertainment. The children go to school without lunch in their lunch kit. They don't have warm clothes.

To me that last example in essence is the way this government has balanced the budget. They understated their revenues to make themselves look good. It's just the other side of the coin which we saw a past Provincial Treasurer, Dick Johnston, doing. Now we have our other Provincial Treasurer, who can't take the heat in the Assembly and leaves as soon as I stand to my feet, who's overstating his revenues to make himself look good. But what's the human cost when governments do that? The most vulnerable in our society are the ones that pay the price.

You know, we heard during question period the government accusing the Official Opposition of speaking out of both sides of their mouth. Mr. Speaker, the people who are speaking out of both sides of their mouth are on the government side. What did we see? The big multinationals are the ones that got the tax break. What happened to small business, the higher employers in the province of Alberta?

We've a minister of economic development that thinks the inordinate amount of bankruptcies, which are double the national levels, is a positive indicator of what's happening in our economy. These people say that they understand the marketplace. Well, the first thing you have to recognize about the marketplace is that you've got to have consumer confidence, and your consumer confidence reflects on what's happening in small business. It's not the Dows, the Sherritts, the Shells, and the Essos that are the indicators of your confidence in the marketplace. It's the large employers, the small businesspeople, that tell you what's happening to your economy. When you look at the level of bankruptcies, Mr. Speaker, we should all realize that you had to have a budget that would stimulate confidence in the marketplace. Reducing M and E to the multinationals will not do that. They're not large employers. They're small employers. The high tech so that they can run their plants from south of the border is going to increase over the years.

What I'm hearing in my community and around the province is: what are you as a government going to do to restore confidence in small business? You know, the Canadian independent business had excellent recommendations for government. What did you do with it? Nothing. Nothing for the small businesspeople.

You ask me to buy that this budget is a budget for the future, that it's a budget that has vision?

DR. WEST: It's a balanced budget.

MRS. ABDURAHMAN: You know, I hear them saying, "It's a balanced budget." Yes, it's a balanced budget, but how did you do it and whose back did you do it on? You did it on seniors'. You did it at the cost of health care. You did it at the cost of education. And now we see in the estimates that our environment, I would suggest, is not going to have the level of protection that it deserves.

You don't self-regulate the environment. I've lived long enough in a petrochemical area to know that. I know from when I was mayor of the city of Fort Saskatchewan that one has to be ever vigilant on what's happening to your environment, because the cost down the road is going to be, unfortunately, devastating to future generations. Now, you can't allow that to happen. Yet what I see in this budget and based on what I'm hearing the minister of the environment saying is that it's okay; be judge and jury; you look after the environment out there. Well, that's not good enough, Mr. Speaker, for the province of Alberta. We have got to make sure that industries, the multinationals, are not both judge and jury. That's wrong, and I would ask the multinationals to be putting that to the government: that we need a department of the environment that does the job, that they're there to police when they have to police.

4:10

The other area, Mr. Speaker, is that we hear time and time again that really there's nothing wrong in our health care system. Well, there's a lot wrong with our health care in the province of Alberta. Why should people who are part of a health care delivery system when they become ill suddenly find that they're not part of a health care delivery system because they happen to take ill in rural Alberta and they don't have coverage for ambulance service? So guess what happens? They're not really part of a health care delivery system. They suddenly get a bill for \$2,500 or \$3,000 because unfortunately they're not in a privileged position like MLAs, who have a coverage that covers ambulance service. So that's a cost. You've got to pay that to get the health care that you need.

You know, I've heard examples of excellent health care being delivered, and I've heard examples that are very negative. I also can give those examples, Mr. Speaker. I have a constituent, and fortunately for him, his heart condition was so acute that he was not discharged, so he got his bypass. Unfortunately, I have another constituent who really wasn't going to die, so he was discharged and left back out there until he was able to get the elective procedure done.

Now, I had an unfortunate personal experience right here in the city of Edmonton when a good friend of mine who was dying from cancer had to be admitted into Misericordia hospital. I'm going to use this as an example of it should never, never happen, but it did. It happened when I was there. My friend had to lie in emergency for many, many hours; I believe it was 12 hours before they found her a room. In front of her family they took her from there up to this room that wasn't meant for two beds.

The nurse literally had to go on the other bed to get the bed that my friend was lying on into the room. She stayed there for a number of hours. The staffing wasn't adequate, so the family and friends in essence did many of the things that typically are done by staff.

Towards what were the last few hours of her life – and Lillian was younger than myself – they decided they really should get a private room for her, and indeed they got a private room for this friend. When they moved the bed out that was in the room and the locker area, the floor was dirty. The whole register along the window was dusty and obviously had not been dusted for some time. So I said to the nurse: “You know, I don't mind. If you can give me a brush or a duster, I will take care of this before we move the bed in with my friend.” We couldn't access a broom, we couldn't access a duster, because there was no housekeeping staff on. So my friend was moved into that room. She spent her last hours in that room.

To me that was bad enough, but you know, Mr. Speaker, what happened after I'll never forget. Our minister from the United Church was there, and he wanted to do with this family and friends a small service. He went to get a Bible out of the locker. There was no Bible. You know, we couldn't find a Bible in the Misericordia hospital in time for him to baptize my friend and have prayer around her. Now, I don't know what happened so that in a hospital you can't find a Bible or a Koran or any other necessary religious book, but I know that a year, two years ago I would have been able to find that. That saddens me, when we see this.

Now, I'm using this example, Mr. Speaker, to refute that things have not changed in health care in the province of Alberta. They have. I can say, yes, there are still good things happening in the health care system, but I can also demonstrate and I could give you other examples of where our health care system is in trouble. By saying that what's happening in health care is positive and good and that to be at the lowest level of funding in all of Canada is going to serve Albertans well is not the case. We needed restructuring in the health care system, but it had to be done in a thoughtful and meaningful way. You don't just go in and slash and burn.

As my esteemed colleague mentioned, in town hall meetings across the province it doesn't matter whether you're a government member or an Official Opposition member: we're all hearing the same. We can give some good examples, but unfortunately we can give more examples where it clearly demonstrates that our health care system is going through great pains at this time and that unfortunately Albertans are having to pay the price for that. I say that this budget has not addressed that.

Looking at the budget – and I wanted the throne speech to acknowledge – thank the Lord that kindergarten was restored in this province. I thank the budget for that. I would like to have seen a commitment for the dollars to that so there's not that uncertainty left out there as to what is going to happen with our whole educational system, particularly with the kindergarten.

So, Mr. Speaker, yes, we've got a financially balanced budget, we've got a surplus, but at what cost to Albertans? If you don't have consumer confidence, we'll never get the economy turned around. That's the engine that runs this province. You know, the bottom line is that Albertans like to be self-reliant. We've demonstrated why this province has such a wonderful history. They want to be independent, they don't want government handouts, but the bottom line is that you can't be independent if the jobs aren't there.

In Clover Bar-Fort Saskatchewan, because of the demand that was acknowledged through my constituency office, we recognized that there were so many people in Strathcona county and Fort Saskatchewan who were looking for employment who had job-ready skills. So rather than not address it, what we did, through volunteers, was create the Job Action Team. The Premier of the province visited the Job Action Team, which is a volunteer group of people. Do you know that in Clover Bar-Fort Saskatchewan – and also there are some people from the Redwater constituency – we've had a thousand people through our job action centre? These are people who are looking for employment. They go from accountants and lawyers right down to domestic. Now, if Fort Saskatchewan community, which has a large petrochemical base, can presently have over 600 people with job-ready skills looking for employment, if those are the numbers that are in our community, that only has come about because I took the initiative to make sure we did something proactive to try and match potential employers with potential employees.

I'd like to table this document. This is not a social program. These are independent, self-reliant people who want a job in the province of Alberta. This government should get out of the way and create that environment by making sure there isn't a human deficit and not understating their revenues.

Thank you, Mr. Speaker.

4:20

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

MR. ZWOZDESKY: Thank you, Mr. Speaker. A distinct pleasure to rise before you in order to address the important matter of the provincial budget that was handed down here a few days ago within this very Chamber.

I begin my comments by expressing some concern with regard to how this particular document was construed, but in so doing, I have to congratulate the Provincial Treasurer in coming forth with a very politically shrewd document, if nothing else. I'll give him full marks, as a student of politics myself for the last three years, for having come up with something that has a great deal of future election potential. Not only that, but it includes a few special terms that the accounting community is now poring through to try and find the real meaning of; for example, the \$545 million cushion. That one in particular very much appeals to me, and of course it's a cushion that no one will be allowed to sit on until after the election. So I find that very, very clever, the way the Provincial Treasurer has put that.

I fully support the notion that our debt has to be retired and that it should be done in a very systematic way. I also campaigned very heavily, Mr. Speaker, on eradicating the deficit, but I did not campaign on eradicating it in an ill-planned fashion or within a period of time that would be so abrupt as to throw the province into chaos in certain areas. For example, when I was at the doors and talking about budgets and things related to our economy and in a general sense the welfare of Alberta, I talked about efficiency audits. The point of an efficiency audit, for the benefit of all members, is to stop, think, plan, redo a few things, and come forward with something that clearly indicates where support in appropriate numbers is needed. Where should the dollars available to us go most appropriately?

I noticed, for example, in the health care backgrounder put out by the Minister of Health that under their strategic decisions they talk about things like accountability framework and priorities and resource allocations based on evidence of need, and I like that.

I want to tell the Minister of Health that I like that statement, because I think it's a very, very good comment. We'll be following this and watching it as it unfolds to see if in fact the dollars are there to back up the evidence of need. I wonder if the Minister of Health would be prepared, if I presented her with evidence of need in my own riding and elsewhere, to act on that need? We've had some dialogue before, and the Minister of Health has been responsive, insofar as she was able to be at least, towards some of the concerns I raised, and some of my constituents were able to access the health care system a little faster as a result of some of those consultations. However, there are a larger number of constituents out there, not only my own but Albertans in a general sense, who still need what I would call her meaningful intervention.

We still see many, many bed closures; I would say perhaps too many bed closures in many areas. Let me just cite one example that was brought to me recently. That would be the Red Deer regional hospital, where just a short while ago they used to have as many as 315 beds, all of them based on need, most of them occupied, and now they were just recently cut down to 247. In and of itself, that particular move, if it could be justified with other than just a financial bottom line, I myself would perhaps be able to follow, understand, and even support perhaps. However, given that our population is getting older and living longer and getting sicker, if I could say that, I think that so, too, does the Health ministry need to monitor it even more closely, just like their accountability framework in the new business plan would suggest.

As the minister knows very well, we are also dealing with different illnesses – I would even say perhaps more complex illnesses – than was the case. That means that there should be a commensurate amount of support and dollars perhaps toward the area of research to deal with these kinds of complex illnesses as well. In many instances patients require more consultation on it because as the illnesses become more complex, so too is there a need for the government to be much more clear or for the medical fraternity to have the time to make it much more clear to the patients what the extent of those illnesses are. Instead, we see a few too many examples of what I could call medical incidents occurring as a result of some poor planning, at least in certain aspects of the delivery of health care in this province.

We see some examples of improper administration that occur. Why, Mr. Speaker? I'll tell you. Nurses and administrators will tell you that as a result of the way in which the cutbacks have been brought in, they are rushed in their jobs. They are suffering from increased workloads to the point where they can no longer be as caring and efficient in the fine details as they would otherwise have been able to be. Burnout is a very serious problem, as the Minister of Health herself knows. We see too many instances of unforeseen things as a result of some of this rushing. We see certain instances where some of the hospitals reported to me that nurses are concerned they're going through some of that work so quickly that the nurse following doesn't have as much time as she or he would like to have to properly review the file that hangs outside the door so they can be sure to not have underdosing or overdosing or so they take into account some of the bad interactions that one drug might have with another drug because not enough time was allowed to occur in between the two drugs. We see those kinds of difficulties.

I was looking through the budget, trying very, very hard to absorb where it is that the province is going to reverse this trend and deliver on its promise, which I quote from the backgrounder

as being "healthy Albertans in a healthy Alberta." A tremendous statement to make, and, by gosh, it has my full support, but I want to see how they intend doing that. I can't match that up, Mr. Speaker, within the larger context of the business plans that would support that the performance measurements and the outcome measurements are there as checkpoints, as monitoring points to ensure the delivery of what is the most critical part of our daily living, and that is our health. I don't see enough evidence of that.

What do I see, Mr. Speaker? That's what you're asking yourself; right? What do I see? Well, I'll tell you what I see. I see more examples of an unacceptable level of early dismissals. We see people being sent home far too soon, and I get at least two or three calls a week on this type of circumstance. So I would ask the Minister of Health through the Budget Address today: will she share with us the so-called readmission statistics that hospitals have?

The reason I ask her for that is because I know from my conversations with her and a few other members on the other side of the House that they do value the role that the opposition plays and that sometimes they are unable to even raise this, perhaps, when they're facing the tremendous cutbacks that they themselves have to face. I'm not labeling any particular member with that, but I am saying that in a general sense they do recognize that the opposition has a vital role in taking information like that and digesting it too. We have extremely capable people on this side of the House who would be prepared to even assist in that regard. The government for some reason or other is failing to come forward with some of that information that we require, which in the end would benefit all Albertans, not just the members of this House.

Also in this last while we've seen a few too many abrupt layoffs, Mr. Speaker, which have led to the result that we get inexperienced or perhaps underqualified individuals stepping in to help out in a nursing capacity or in some other medical-related capacity, and that, too, I was looking to see some relief from in the budget. However, we haven't seen that. I do understand that there are moneys that have been given for renovations to certain administrative offices at the University of Alberta, and I'm sure perhaps the minister might clarify that at some point. Or maybe I've got the wrong information. The information that has come to me strongly suggests that while administrative offices have been repaired or renovated – repairs are different; renovations perhaps is the word here – that while there have been those kinds of cases take place, the actual budget dollars available for frontline care have not been increased, and that's where the help is dramatically needed.

4:30

There's just not enough money right now in the system to cope with some of the more serious fallouts that are occurring. Some of these fallouts, for example at the Grey Nuns hospital, have resulted in the loss of pediatric services with the exception of I think – what is it? – tonsils and perhaps ear, nose, and throat types of difficulties. One hundred thousand dollars withdrawn from the pediatrics aspect at the Grey Nuns hospital a short while ago has really resulted in some difficulties there. They're now down to 10 pediatric beds or thereabouts at the Grey Nuns, and I believe there are only 10 now at the Royal Alex. So there's not enough of a surgery budget to cover necessary pediatric operations other than tonsils and ear-related problems in these two locations, for example.

There's also the issue that they're not only losing those beds, but they're also losing what they call the satellite beds. Perhaps the minister would take that under advisement and look into it as well.

Then we have the whole issue of patient lists and how they are growing ever increasingly longer and longer. From the orthopedic standpoint, which is technically, I realize, elective surgery for the most part, we nonetheless have seen in Edmonton alone lists skyrocket to the point where we now have in the Edmonton hospitals over 1,000 people on waiting lists for that type of surgery. Now, granted not all of it is extremely urgent and important and must be done today, but a large number of those operations certainly are. When we're talking about hip replacements or shoulder, elbow, or knee joints needing repair or replacement, we're talking about prostheses that are expensive, and I realize that. So I was looking in the budget to see if there was going to be some relief for that. But, Mr. Speaker, there clearly isn't. Based on this budget, with a small increase of only \$37 million – that's roughly 1 percent of the total budget – there just is not enough room to significantly impact the tragic circumstance of waiting lists that some of these people are having to endure.

Not only that, but there's not enough hope for some of these people to perhaps help themselves through this difficult time. Some of these people don't even have the courtesy of knowing what date they might receive an operation for their difficulty because there aren't enough operating slots available. The operating rooms and the people handling those rooms simply are not able to tell the many, many hundreds of people waiting what their dates are going to be. Some people have been told, and then because of other emergencies which arise from people coming in for emergency work, outpatients, they have been bumped. To have been bumped once you can sort of understand, but to be bumped two, three, or four more times is surely not a tolerable circumstance that the Minister of Health will allow to continue any longer.

In fact, I know that at the cardiology unit, for example, at the University of Alberta the average doctor there has had his caseload double in the last six or seven months alone. Why? Well, again because we have an aging population, they have many, many inpatients to deal with. These inpatients can't be discharged too quickly until they're properly tended to. The bottom line, Mr. Speaker, is there just aren't enough doctors right now over there with enough operating room slots being made available to them. I'm hoping that somewhere in this budget the minister might be able to massage that in such a fashion that we would see a significantly positive impact to alleviate that difficulty from continuing.

[The Deputy Speaker in the Chair]

We also know that some doctors have extensive lists for heart surgery, including those at the university. Some of these are for some of the less critical – if I can say it that way – operations. They're all serious, but they may or may not be life threatening. Some of them will require angiograms. I have one constituent in particular, Mr. Speaker, who requires a mitral valve repair and/or replacement, and she's been on a waiting list for so many months that she's starting to give up hope. She's just been delayed and delayed and delayed. I've called the doctor in this instance and had a talk with him. This person's hands are tied.

Some of these circumstances, as I said earlier, may not be life threatening, but when you're sitting there on pins and needles,

Mr. Speaker, not knowing what it is that's causing this difficulty, and/or, even worse, when you know that the difficulty is repairable but you can't have access to the system and you're suffering from a shortage of breath, it's very, very frustrating. It does absolutely nothing, in fact, to help encourage that patient and give them some hope that somebody out there really cares.

In fact, the average rate of these types of operations or the need for them and other heart-related cases I think grows by something in the order of 10 to 15 percent annually, if my numbers serve correctly. So we were looking for some straw of hope in the budget to perhaps alleviate that circumstance. We can't wait until after the next provincial election. It could be later this spring. It could be in the fall. It could be a year from now. How would you like to be on that waiting list with a heart difficulty? How would you like to be on that particular list? Perhaps some of your members even are, Mr. Speaker. It's an unforgivable circumstance. Surely if the minister is to base her budget on need, she will look at that. She must look at that, I would argue.

Let me turn briefly to the area of education. Mr. Speaker, how much time do I have left? [interjection] Thank you. I'll try and be as brief as I can. I looked at the education aspect of this budget and what in this budget would improve the environment for the education sector. This morning on a local radio program – I think it was CBC AM – I heard a very sad statistic reported by the Edmonton public school board which indicates that something in the order of 200 to 300 teachers are on some form of long-term leave, I think they called it. I might stand to be corrected. Stress leave is what it's really all about, caused as a result of very difficult working conditions brought on by increased workloads, brought on by classroom overloads, a lack of adequate preparation time, and, in a general sense, burnout.

Now, I know that the Minister of Education cares a great deal about this. He's a former teacher; so am I a former teacher. We know very well what we're talking about here. I was hoping that there might have been something that he could do within this budget to alleviate that circumstance. It's one that we rely on so critically. These are the teachers who give our young people the education they need to go out into the real world, to be able to think and act and work and make decisions on their own. This precious group of educators are the people whom we count on most to deal with the most important and most valuable resource we have, Mr. Speaker, and that's our children. So I was looking to see something there. I should say that I was just somewhat disappointed that although I see a small increase of about \$18 million in the budget, I'm not sure that that necessarily translates itself to the classroom level, where I would argue we need more money. Maybe the Minister of Education when he has a moment will help clarify that.

Then there's the issue I was looking to try and track that has to do with Catholic schools and the business of taxation, where they're asking the Catholic schools to collect all the taxes, but then they're going to go ahead and tell the Catholic schools how they're going to be spent. It seems to me that if you're going to ask somebody to do that work, you should at least bring them in in a more meaningful way in terms of directing where those tax dollars might be spent. I don't see that there.

The final point that I would make in the couple of minutes only that I have left is in response to the area of the Alberta Motion Picture Development Corporation, where I was hoping we would see some kind of a serious look by the government at the statistics that I tabled in the House earlier today, which are included in the Nordicity Group report. This report on the economic value of the

Alberta Motion Picture Development Corporation to the film and television industry in Alberta is absolutely magnificent in terms of its positive look at the industry and how critical it is to maintain some good, solid investment therein. [Mr. Zwodzesky's speaking time expired] I'd like to continue. Time is up. I'll perhaps get a chance again later.

Thank you, Mr. Speaker.

4:40

THE DEPUTY SPEAKER: The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. I'd like to say a few things about the budget. It's always interesting to see the performance on such a momentous occasion. I would like to commend the Treasurer, and I hope that eventually these words of praise will reach his ears. I would like to commend him for the way in which he presented the budget and the way in which it was stage-managed. I was particularly impressed with the flood of self-congratulatory remarks and also the many pains of praise that were directed towards his great helmsman, the Premier. I enjoyed that very much. I think that perhaps he could improve somewhat the performance by his chorus. They could rise up in unison rather than at different times. Other than that, I thought it was a great performance.

Having said that much good – and someone exhorted me not to go overboard on the positive vein – of course having been elected as a member of the opposition, I will now do my duty and take a somewhat critical look at some of the aspects of the budget.

Mr. Speaker, I'm actually using a document here which is called Agenda '96 Highlights, just so that anyone who would like to can follow me, as I will read certain parts. First, I'm faced with a news release on excellence in learning opportunities for adult Albertans. We're told there that \$52 million will be invested to increase access, encourage development and delivery of new forms of learning through technology, and to foster research excellence and update equipment at public institutions. This, by the way, all comes out of the department of advanced education.

Now, I'm puzzled somewhat here because after having been exposed to I think it was almost 20 percent reductions in funding, which caused a lot of professors, especially good research professors, to leave this province, now we're going to invest more money to attract more research professors. It sounds to me like we're reinventing the wheel. Nevertheless, it is a positive move that follows upon the heels of what I would call a negative move.

It is that kind of feeling I get, Mr. Speaker, when I look through many of the announcements that have come our way, one I refer to by the Department of Education itself. Of course, there's the most glaring of all examples of lurchership, if I may call it that, and that is the funding for early childhood studies, which three years ago I think was cut down from 400 to 200 hours. We saw a wealth of research that supposedly backed up the claim of the government and the Minister of Education himself that 200 hours really were more than sufficient to do what early childhood studies were supposed to do. Then, lo and behold, the next year that was boosted up by 40 hours, no less, and obviously the research that had been presented the year before was vastly out of date. Now we hear, which is at this particular moment a good-news story, that we're going to go back to 400 hours. But the minister said – I thought not very graciously – that he still thought that 240 hours was really enough. So he is doing

something against his better judgment, which does not say much for his principles, I suppose.

On we go. Having seen all these beautiful examples of lurchership, I would like to suggest, Mr. Speaker, to the government that they adopt the motto: on we lurch. Just for the occasion I've even translated it into Latin, and I think the appropriate word is *vacillemus*. Mind you, my Latin is a bit outdated. It's about 40 years old. Perhaps someone on the other side could improve it. Mottoes always have to be translated into Latin; otherwise, they simply don't make sense. They go down better that way. So on we lurch.

I would like the minister of transportation to know – and of course he embodies this lurchership principle, having voted all these years for all those deficit budgets and now being in the forefront of voting for a balanced budget. At least he's seen the errors of his ways at his late age. Mr. Speaker, on we lurch. See; there it goes again.

I have quite a few more examples actually, remarks I wanted to make. I particularly would like to focus once again on the Department of Education, where one of the key accomplishments in 1995-96 is referred to as: the funding framework for school boards implemented. All school boards are now funded on a fair and equitable basis: that's an interesting statement, considering that the fees that are being charged for transportation for busing students vary widely throughout the province. I think it's well known to most members that in some cases they're as high as \$400 a year and that in other cases they don't cost anything.

Similarly, the so-called instructional materials fees vary all over the province. I'm not sure what the variation is, but they are vastly different. Then we have such fees as are being charged for what are called optional courses: band, industrial arts, and the like. Different again in all jurisdictions.

Finally, we have the fees that are being charged for extracurricular activities. Again, they vary widely throughout the province. In fact, in the area I represent, I know that most teachers in the high school are involved in the raising of funds in order to make sure that all the students can in fact participate in these extracurricular activities. So after a full day of teaching they try to get into a smoky bingo hall and kind of organize students, the members of their teams, and then after that they go home late at night. Hopefully, the kids will then do their homework at least, and of course the teachers then will have to do the marking and the preparation. So such is the task of a teacher these days after this government got through with the funding for education. Now, Mr. Speaker, that is transportation.

Then there is the matter of special education. For those members who may not be aware of that, funding for moderately handicapped students is pegged at \$10 per student in a general school population. So a school with, say, 400 students will get \$4,000 for moderately disabled students. Interestingly enough, I was just last week in High Level checking on the school systems there, and the things that I heard, the complaints I might say, from the teachers there primarily were: we do not have enough funding for moderately disabled students. They explained to me that in an elementary school of about 350 students they had \$3,500 to utilize for these moderately disabled students, and that didn't buy them much in the way of teacher aides and all this. So they were asking me, if anything: "Will you make the case? Will you plead for more funding for those people?" In that particular school they felt they had about 70 students who fit that category.

Good. I've made my case, and I hope that it will be looked upon with favour, eventually, by the powers that be.

4:50

Then, Mr. Speaker, I have a few other things here that I would like to comment on. All I have to do is find them. The Treasurer in fact is talking eloquently about six core functions of his department, the last one of which refers to providing "financial services through Alberta Treasury Branches." There's a clear link between the Treasurer and the Treasury Branches, yet I thought he always disclaimed having any public responsibility for that. You know, he kind of likes to do that under the carpet so that no one knows what's going on, except Mr. Ryckman I suppose.

I've got some more now. I see that the Minister of Education is perched in his seat. This is just after I've mentioned various items related to his department. I hope he will study *Hansard* closely.

Mr. Speaker, I've dealt with several departments. I could go on, but I want to give others a chance. Next, I would just like to turn to this interesting pamphlet called *Straight Talk, Clear Choices*, with the stoplights and so on and so forth. The red, by the way – it must be the Liberal red – perches right on top. It's kind of interesting. Now, it is *Straight Talk, Clear Choices*, and I just don't find it as straight as I would like to have seen it.

I'm turning to page 3, where we find some examples of a vast gap, I would say, between fact and fiction. There's a yellow dot, which probably indicates that it's very important. It says, "We stuck to the priorities of Albertans – health and education." It's an interesting statement, considering that our health system, to put it moderately, is in some disarray I would say. Of course, sticking to education by cutting the kindergarten program in half and then pasting it back together again I don't call sticking to priorities. I call that, once again, vacillating, vacillemus. For the benefit of the minister of the Department of Education, the motto is: on we lurch.

Then, Mr. Speaker, I turn to pages 7 and 10, where we see what I would call some attempt at indoctrination. Instead of *Straight Talk, Clear Choices*, I think this is really a good example of an attempt at indoctrination. I'm assuming that the Treasurer wrote that himself. This is to all Albertans. "Requiring all extra dollars to go to debt does not provide the right balance in meeting the needs of Albertans." So, in other words, you'd better not pick that one because we're not going to do it. Indoctrination.

We find the same thing again on page 10, where the Treasurer writes:

The government's view is that, with a solid debt payment in place and continuing sound financial management, extra dollars should be split about evenly between targeted spending initiatives and reducing taxes.

So, Albertans, that's what you're going to get regardless of which way you mark on this particular piece of paper.

There are some omissions, I think, on page 9. It is very interesting to note that the taxpayers do not have a choice, do not have a say in the matter of eliminating M and E, the educational portion. I'm sure the Treasurer felt that if he put that one in as a possibility, taxpayers would probably say: no, we're not going to give those big-business guys a break. Hence, no choice.

I also find interesting the elimination of the surtax, which is supposed to take place by January 2001. It's an 8 percent surtax which will benefit taxpayers with a taxable income above \$45,000. That's not bad, you know. A good deal, actually. I'd say that perhaps more could have been put towards the lower end of the income scale, but we know where the supporters of this government are to be found.

Mr. Speaker, I would like to point out what I would call a nugget that I found in here. It's a quote by the Premier himself in fact. I'm impressed. He says: we will not throw money at the problems, but we will invest in programs and services which produce quality results. I think perhaps a statement like this invites mentioning once again the lurching on the ECS matter, invites once again mentioning the \$11 million that are being put towards – what is it? – joint replacement and heart surgery. Is that throwing money at a problem, or are we investing in a program and a service that produces quality results? I'd invite the Minister of Education to comment on that, because he went on record as saying that 400 hours of kindergarten wasn't necessary after all in his considered opinion. So I'm not sure what he thinks of Premier Ralph Klein's quote here.

I've come to the end of my tether here, which will no doubt surprise many people. I would like to end with a quote from the Treasurer in his budget speech, where he said, "Three years ago, Mr. Speaker, we knew exactly where we were going." I think this calls for one of his preferred statements, which is: that was then and this is now. I think it's quite clear that by now the bus has lost a lot of passengers, and the wheels are coming off. All I can say is God help Alberta.

Thank you very much.

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

MS HANSON: Thank you, Mr. Speaker. I was disappointed but not surprised to see that the budget announcement last week held nothing for the one in five children living in poverty, nothing for the unemployed, nothing for the 18,563 people who relied on Edmonton's Food Bank last November alone, nothing for the thousands more when you include the Calgary, Red Deer, Lethbridge food banks as well as the smaller operations in places like Athabasca, for example, right in the heart of the minister's riding. [interjections]

THE DEPUTY SPEAKER: Order, hon. minister and Fort McMurray. Edmonton-Highlands-Beverly is speaking.

MS HANSON: Thank you. Mr. Speaker, the increase in food bank usage occurred in parallel with the implementation of the cuts to Family and Social Services, cuts to the public service, and the increase in business bankruptcies. During a period of time at the Edmonton food bank alone, usage went up 300 percent between November of 1992, just before the present Premier took office, and November of '95. Since public service cuts are not finished yet and neither are small business bankruptcies, I'm afraid we can probably expect even more pressure on food banks in the coming year. We have a budget that reduces the M and E tax, which benefits big corporations but ignores small business, where most jobs are created, and it ignores the unemployed.

The budget continues to provide inadequate funding for postsecondary institutions. The cost of further education has gone way up, and the increases ensure that students are often facing debt and will be for many years to come. The debt will be even more difficult for many to pay since a considerable number of university graduates are working at minimum wage, and as we know, Alberta's minimum wage is the lowest in Canada.

5:00

In this budget reinvestment is mentioned in the fiscal context but not in human terms. There is a lot of talk about tax relief,

which will be minimal if it goes ahead. The Premier has said, and I quote from Straight Talk: "We will not throw money at the problems, but we will invest in programs and services that produce quality results." Mr. Speaker, what is the government doing to measure the results in terms of social programs? The Minister of Family and Social Services claims that 73 percent of the people who moved from welfare to training have found permanent jobs, but he provides no material to back up the statement. I suspect that the figure was taken just out of the air, because we haven't been able to find out how they fixed that figure. A permanent job: how long is that? Is a permanent job a contract job? After three months? How long is the person going to be staying?

Mr. Speaker, hot lunch and breakfast programs funded by donations from the public have sprung up across the province. You can ask a schoolteacher in a low-income community how many children come to school hungry, even though the minister and the Premier tell us that there are no hungry children in Alberta. This budget does not acknowledge that the minimum wage is too low, that children in low-income families are left to fend for themselves. Often elementary school-aged children are coming home to babysit younger family members while both parents are working in minimum wage or very low-income jobs.

The Treasurer's strategy for deflecting criticism of this budget has been to suggest that the 1997 tax credit is his recognition of the hardship endured by low-income families, but no one on low income will be heartened by the possibility of a small plum more than a year from now. People living on low wages in this time, when permanent jobs are a thing of the past – temporarily, I hope – and pink slips are common, cannot by necessity look further than the end of the month, and the possible tax cut may be pie in the sky. Mr. Speaker, the human costs have been too high, and Albertans will pay the price in years to come.

Thank you.

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

MR. WHITE: Edmonton-Mayfield, sir.

Mr. Speaker, it's a pleasure to rise once again to speak to a budget that sounds as if it's all things to all people. In fact, it's less and less to the little people of this province. You can see by reading the fine print that it gets to be woefully inadequate for those who are having a difficult time of it in this province. I happen to come from a constituency that comes from that position. These people are in fact not well-to-do. They don't earn the big dollars that many of those in this room do, myself included. These are people that in fact have worked all their lives and worked towards a better future. They look at this budget, and it holds out these great carrots of what might be if they're good, if they vote Tory, which is absolutely the worst way to govern a province, sir.

This government came through with a balanced budget, as though a balanced budget was something that had never happened before in this province. In fact it's only the Tory governments before this one that went into deficit. Other than that, none of them ever had. This was a province that was debt free when the Tories took over, and now they're scurrying back to try and say that it's a virtue to save one from driving in the ditch when you got in there in the first place. This is absolutely ridiculous.

The balanced budget is not the first in Canada. A lot of provinces had a difficult time coming out of a budget situation that

was less than fruitful, that was actually a deficit. Sure it hurts. Saskatchewan did it long before this province did. Nova Scotia did it also, and British Columbia did it also. [interjections] There seems to be a great number of squawking chickens.

THE DEPUTY SPEAKER: Order.

MR. WHITE: Thank you, Mr. Speaker. These squawkers . . .

Speaker's Ruling Decorum

THE DEPUTY SPEAKER: Order. The Chair would apologize to the hon. Member for Edmonton-Mayfield. The Chair did recognize the hon. Member for Edmonton-Centre by mistake, and that may be what has put some of the hon. members off, but I would say that all hon. members will have an opportunity to enter into lively debate on the budget and would recommend that they do so but not while the hon. Member for Edmonton-Mayfield is speaking.

MR. WHITE: Thank you, Mr. Speaker. Edmonton-Centre is quite a ways away from Edmonton-Mayfield. We're at least three seats away in the Legislature and probably 200 pounds or so, sir. For 200 pounds worth of forgiveness, sir, thank you kindly.

Debate Continued

MR. WHITE: Balancing a budget is a responsibility of government, sir. One always likes to put one's best foot forward when one is presenting a financial document, but to include in a financial document something that is beyond any comprehension of any CA or any student of finance, something called a cushion – I mean only a Tory could invent something as financial as a cushion. I can see a lot of seats sitting on them comfortably in the Legislature. Yes, those are exactly what they are: cushions. But a cushion, if you look it up – even some of the giant minds of the members opposite know that a cushion is certainly not found in financial circles as something which creates a great deal of discussion, although this government invents that. Well, a surplus, yes; expenditures, yes. We understand all of those. But cushion, written right in the first edition of a consolidated fiscal summary, is absolutely ludicrous. I mean, it doesn't say anything about what the state is, and we've got a bracketed number there: \$250 million, including a cushion. Well, one has to wonder what those who include a word such as that in a financial statement have in mind for the province when they start – the next thing is chesterfields and sofas, I suspect. I mean, go to bed springs. All kinds of things, new terms can be invented.

When you're looking at a statement that there are a number of areas where savings have been accrued, yes, in some circles they would say that's admirable, and in some places in fact it is. Yes, it is if it's more efficient in delivery, and there are some areas that are, certainly. We recognize that. There are a lot of areas, though, where the slash of the knife was done with the eyes closed and for political purposes and political purposes only: to get to that point where you can say that now we can reinvest. Reinvest. I mean, it's the people's money. How do you reinvest the people's money in themselves? Out of the goodness of their hearts the government is allowing people to decide how to spend their reinvestment money. It's absolutely ridiculous, Mr. Speaker, that one could come to the point of saying to the people that we're going to dangle this reinvestment carrot until somebody bites.

There's one particular little graphic item that really should gall those that have been hurt by these cuts, and it comes on one of the pages called Agenda '96. It's a little graphic with debt servicing costs from the 1992-93 fiscal year up to 1998. It clearly shows what the savings from this debt service can go to, and the graphic is a stethoscope and a scholar's graduation cap. This is ridiculous, these simple graphics. I and anybody else would look at this and say: this is simply an admission that they've been starving these two areas in the interim. There's no question about that.

5:10

There's a big graphic X, not going to capital markets, as though this is this great virtue, not having to spend money on debt servicing, when where was the debt incurred? By a great number of the members opposite. Certainly we know that they sat maybe not quite in those seats they're in now, but that's where they were. Now to save the populace from the disasters of fiscal irresponsibility and make that a virtue is a bad joke on the people of Alberta.

Half of this volume that is called a news release is about the reinvestment plan, the plan for the future. It goes on and on and on and on. After all of these decisions that they had no input on whatever – no one came to the citizens of Edmonton-Mayfield and said: "Look; do you want to save the deficit financing by slashing education? Your children are not going to receive the same kind of service they were." Nobody asked them whether they wanted to slash drastically in health care: should you have some difficulties over the course of the next year or so with hip replacements and heart surgery and the like? Nobody asked that. Now all of a sudden that we have carrots to talk about as to how we're going to do this, then they start asking these questions. I mean, how blatantly political. How undershooting the intelligence of the average Albertan. It really is insulting to them.

You have to believe that there's not a lot of thought gone into slashing when you find that a simple thing like a hip replacement that is absolutely necessary – it's a question of how much pain do you put one through. You pay it now or you pay it later. It's the same cost. If you postpone it, perhaps you're saving a little on some financing costs in the meantime, but you're taking that person off the job market in a lot of cases and the pain and suffering and with their money. I don't understand what the saving is in that at all. If you can't put up the money in the first place, tell the person they can go somewhere else and have some other method of providing the service. But to hold it out, to say, "Yes, this is the kind of thing we're going to provide if you reelect us, and here's the carrot," is absolutely ridiculous.

Then the classic one is that they're saying: we've cut the municipal tax down, and every single municipal tax payer in the province is actually going to get a tax cut. Well, that's \$14 million that was cut from the educational portion of it. Yes, it's agreed that that in fact is a savings on the bottom line, and you can't argue with that. But to say that it's going to go directly to the taxpayer when there's \$44 million taken from the municipal grants in the same fiscal year is definitely speaking out of both sides of the mouth at the same time. Nobody, but nobody, is about to forgive a politician for saying that it is a tax cut when in fact when it comes to tax time, they're going to look at the municipal bill and they're going to go to a local politician and the local politician is going to have to say: "I'm sorry; we had to do this because we simply could not afford to do anything else other than tax you or cut the service." We've been cutting the service for six years now."

Another case in point is this obscene reliance on VLTs to balance the budget. I can understand that renewable resources are milked for all they can get. Of course, we happen to have it under the ground, and we in fact should take it. But to maximize the income from those citizens that can least afford it, those that are perhaps weak, those that are looking for a dream, not looking for entertainment – this is not any form of entertainment. Nintendo games provide entertainment, sir.

VLTs are designed specifically to addict, and in fact in the province of Alberta they have done just that. There's some token amount that this opposition member demanded some three years ago be put into some agency – this happened to be AADAC at the time that was chosen – to prevent some of this, to start nipping some of these problems that the spread of VLTs has incurred in this province. So there is no reason at all to say that this is a prudent and balanced budget when you have to balance it on the backs of a great number of people that it certainly should not be put upon.

Sir, there are a number of areas that need further exploration in the science and technology area. There is in fact some more investment this year, which I haven't been able to discern because the documents don't describe where this reinvestment now has occurred. I certainly would like to be able to find where those investments are to be able to support the government's effort in that regard. These are the kinds of things in an investment that a government can do and should be doing – I'm talking about ARC and some of the moves in the public sector at the university – to try and move some of these products into marketable commodities. These are the kinds of things that it would be nice to be able to read about in a document and nice to be able to hear the Treasurer describe. These are not here. It's clearly not anywhere to be found. One cannot discern what these funds are about. No one can tell me where the numbers are or to what end they're to be going. No one can tell that.

Sir, there are promises and promises and promises, and then there's the ones that are kept. This government has kept a promise to balance a budget, and they did it a year early. That, I have to say, is commendable, but it should not be seen as an end unto itself. There's a great deal of suffering that has gone on in this, and those of us that live and work in areas that are not quite as affluent as we would like know that the hurt is deep.

Sir, I would, then, move that the debate be adjourned.

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

HON. MEMBERS: Aye.

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

MR. DAY: Mr. Speaker, I move we stand adjourned until 8 o'clock tonight in Committee of Supply.

THE DEPUTY SPEAKER: The hon. Government House Leader has moved that we stand adjourned until 8 this evening and that when we reconvene, we do so in Committee of Supply. All those in favour, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Opposed, please say no. The motion is carried.

[The Assembly adjourned at 5:20 p.m.]