

## Legislative Assembly of Alberta

**Title:** Monday, April 21, 1997 1:30 p.m.  
**Date:** 97/04/21  
 [The Speaker in the Chair]

head: **Prayers**

THE SPEAKER: Welcome. Hon. members, would you please remain standing after the prayer. Let us pray.

Heavenly Father, as our members gather to begin a new week in our Assembly, we are reminded of the blessings which You have bestowed upon Alberta, and we thank You for this bounty.

May we conduct ourselves in our deliberations in ways that honour You, our province, and all of its people.

**Thomas Charles Donnelly**  
**October 13, 1933, to April 1, 1997**

THE SPEAKER: On April 1, 1997, Mr. Tom Donnelly passed away. Mr. Donnelly was a former Member of the Legislative Assembly and represented the constituency of Calgary-Millican for the Progressive Conservative Party.

He was first elected in the general election held on March 26, 1975, and served until 1979. During his years of service Mr. Donnelly served on the following select standing committees: Law and Regulations, Private Bills, Public Accounts, and Public Affairs.

With our admiration and respect there is gratitude to members of his family, who shared the burdens of public office. Our prayers are with them.

In a moment of silent prayer I ask you to remember Tom Donnelly as you have known him.

Rest eternal grant unto him, O Lord, and let light perpetual shine upon him.

Amen.

Please be seated.

head: **Presenting Petitions**

THE SPEAKER: The hon. Member for Olds-Didsbury-Three Hills.

MR. MARZ: Thank you, Mr. Speaker. I have two petitions to present today, one from 20 of my constituents supporting "the principle of direct democracy whereby citizens have the right to introduce legislation through petition and referendum," the other from 51 of my constituents supporting this ban on all VLT gambling.

THE SPEAKER: Hon. member.

MS BARRETT: Mr. Speaker, thank you. I wish to present to the Assembly a petition signed by 209 Albertans urging the government to enact "legislation that would prevent the use of replacement workers during strike action."

head: **Reading and Receiving Petitions**

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

MR. DICKSON: Thank you, Mr. Speaker. I request at this time that the petition I had submitted on April 17, signed by 1,033 Calgarians, with respect to the Bow Valley centre be now read and received.

THE CLERK:

We, the undersigned citizens of the Province of Alberta, petition the legislative assembly to provide for a plebiscite vote, for the residents of Region 4 as outlined in the Provincial Regional Health Authorities Act, on the following question:

Should the Calgary General Hospital, Bow Valley Site, remain open as a full service acute care hospital?

head: **Presenting Reports by**  
 head: **Standing and Special Committees**

MR. WHITE: Mr. Speaker, as chairman of the Standing Committee on Public Accounts I'm pleased to table this report relating to the Fourth Session of the 23rd Legislature for the consideration of the Assembly. The report pertains to the activities of the 1996 Standing Committee on Public Accounts, chaired by Muriel Abdurahman, MLA, which was dissolved with the 23rd Legislature.

head: **Notices of Motions**

THE SPEAKER: Hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. I'd like to give oral notice of the following addition to Government Motion 13, which is appearing on notice on today's Order Paper. It is:

4. When the Committee of Supply is called to consider the main estimates, it shall on the six calendar days after the agreement of the motion establishing the subcommittees, when main estimates are under consideration, resolve itself into two of the four subcommittees, both of which shall meet and report to the Committee of Supply.

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

MR. DICKSON: Mr. Speaker, thank you. I want to give notice at this time that pursuant to Standing Order 40 at the appropriate time later this afternoon I want to present a motion to the effect that "the Legislative Assembly recognize April 21 to 27, 1997, as National Information Rights Week."

head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Premier.

MR. KLEIN: Thank you, Mr. Speaker. This January I traveled with representatives from 44 Alberta businesses and educational organizations to promote Alberta on the Team Canada trade mission to Korea, the Philippines, and Thailand. I am pleased to table the report on Alberta's participation in the Team Canada mission, which details the successes and activities of our delegation.

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

MR. LANGEVIN: Thank you, Mr. Speaker. As chairman of the Standing Committee on Legislative Offices I would like to table the report from the Chief Electoral Officer on the Redwater by-election, which was held last May 21. The copies of same were distributed to members of the House on October 2, 1996.

Thank you.

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

MR. DICKSON: Thanks, Mr. Speaker. I'm tabling copies of a letter I sent of even date to the hon. minister responsible for freedom of information, detailing seven specific questions that arise from the report tabled in the Assembly on April 16 with respect to the freedom of information Act and its implementation.

head: **Introduction of Guests**

THE SPEAKER: The hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly three of my close friends. Actually, one is a gentleman who has been involved with me for quite some time. His name is Mr. Brent Harding, and I believe he has his two children with him today also, Devyn and Nathanael. Would you please stand up and receive the traditional warm welcome of the House.

THE SPEAKER: The hon. Member for Athabasca-Wabasca.

MR. CARDINAL: Thank you very much, Mr. Speaker. On behalf of yourself as the MLA for Barrhead-Westlock I would like to introduce through you to the members of the Assembly grade 1 to grade 12 students from the Barrhead home education group. I don't have the information as to who they are accompanied or supervised by, but they are either seated in the members' gallery or in the public gallery. I'd like to welcome them here and get them to stand and receive the traditional welcome of the Assembly.

THE SPEAKER: The hon. Member for Edmonton-Rutherford, to be followed by the hon. Member for Olds-Didsbury-Three Hills.

MR. WICKMAN: Thank you, Mr. Speaker. I'd like to introduce to you and through you to Members of the Legislative Assembly a group of students from St. Teresa school in the riding of Edmonton-Rutherford. They're here today with a keen interest as to what happens with provincial government. They're accompanied by teachers Mrs. Karen Eger, Mrs. Camille Kauhaahaa-Hamel, and Mr. Charles Stuart, and also by one parent, Mrs. Debbie O'Donnell, who takes a very, very keen interest not only in the school but also of course in her own children that attend that school. They're in the public gallery and the members' gallery, so if they would stand and receive the warm welcome of the House.

THE SPEAKER: The hon. Member for Olds-Didsbury-Three Hills, followed by the hon. Minister of Transportation and Utilities. No? Hon. minister? Hon. Minister of Transportation and Utilities, were there no introductions? Okay. Thank you.

The hon. Member for Livingstone-Macleod.

MR. COUTTS: Thank you very much, Mr. Speaker. It gives me great pleasure today to introduce to you and through you to members of the Assembly Mr. Kurt Froese from the very progressive community of the town of Pincher Creek in my riding. Besides being a community leader, he is a retired farmer and still keeps active in his community by being president of the Pincher Creek historical society. He's seated in the members' gallery, and I see him already standing. I would ask you to please receive the warm wishes of the House.

head:

## Oral Question Period

1:40

### Special Waste Treatment Centre

MR. MITCHELL: Thanks, Mr. Speaker. Voles near the Swan Hills waste management plant have been contaminated with PCBs since 1990, when the Premier was the minister of the environment. Despite the fact that clear evidence of contamination in 1991, '92, and '93 prompted recommendations to study animals higher in the food chain like moose and deer, nothing was done until after another serious leak last October. To the Premier, who was then minister of the environment: why was there such a delay in taking action?

MR. KLEIN: Well, Mr. Speaker, I'm not so sure that there were delays. I recall as minister of the environment that whenever a complaint was lodged or whenever an incident occurred, those incidents were investigated thoroughly.

I will ask the hon. Minister of Environmental Protection to comment further on what was done and what is being done to date.

MR. LUND: Well, Mr. Speaker, we have in the last period of time taken a number of animals within the area of the Swan Hills plant much higher up in the food chain – as a matter of fact like deer and moose, beaver, fish, those animals that are edible – and the results from those tests will be coming forth very shortly. Also, going right to the human element, there is currently in progress a survey taking blood samples from a number of individuals, and those will be tested as well to see if in fact there is any trace of PCBs within the human population.

MR. MITCHELL: Mr. Speaker, no action was taken until last October, and it's a problem that's existed for four or five years.

Given that the government had evidence in February of 1996 of dioxin and furan toxicity going from levels of 400 to levels of 11,000, why did the Premier delay action until after yet another serious leak nine months later? Who's doing what, Mr. Premier?

MR. KLEIN: Mr. Speaker, this Premier didn't delay any action. I didn't delay action when I was minister of the environment, and no action was delayed this time around.

Again, I will have the hon. Minister of Environmental Protection elaborate.

MR. LUND: Mr. Speaker, there has been extensive testing done, as I indicated in my earlier answer. In order to try to get some base outside of the area, because there are dioxins and furans present in all of the province, particularly as released by things like forest fire, we are going to take and have taken animals outside the area that would be considered influenced by the plant. There's been monitoring going on all along. If we find there are any problems, we will certainly be addressing those problems and be taking concrete action at that time.

MR. MITCHELL: Well, the levels were 400 outside the plant in '92 and 11,000 outside the plant in '96. That's study enough to say that you should have taken some action.

Mr. Speaker, prior to the latest leaks, cleanup and reclamation costs were estimated at between \$31 million and \$57 million for the Swan Hills plant area. How much more will it cost the taxpayers now that this contamination has been allowed to go on for so long?

MR. KLEIN: Mr. Speaker, I don't think that any more is being anticipated, but I would point out to the hon. leader of the Liberal opposition that without that plant there would be PCBs stored perhaps in a hazardous fashion throughout this province. When he wants to talk about dioxin and furan, just think of the potential danger of having those PCBs exposed to the same kind of fire that occurred in St-Basile-le-Grand in Quebec. To confront that kind of hazard and that kind of danger would have been a tragedy indeed. Because of the Swan Hills plant we were able and have been able to look after those PCBs and destroy them in a safe manner.

THE SPEAKER: Second main opposition question, the Member for Edmonton-Norwood.

MS OLSEN: Thank you, Mr. Speaker. High levels of PCBs were found in deer caught near the Bovar waste treatment plant in Swan Hills. People have rightly been warned not to eat game caught within a 30-kilometre radius of the plant. Many aboriginal people rely on this game to keep their families fed throughout the year. My question to the minister responsible for aboriginal affairs: when will the results of the dioxin and furan studies on game be made public since people need to know if they can feed their families with this meat?

MR. HANCOCK: Well, Mr. Speaker, those studies, as I understand it, are being undertaken by the Department of Environmental Protection. I don't have the information as to when those studies will be available, but I'll undertake to find out from the Minister of Environmental Protection and advise the hon. member.

MS OLSEN: As aboriginal peoples are also concerned that fish may be affected, what tests are being done on fish, what is the radius of the testing, and how quickly will the results be known?

MR. LUND: Mr. Speaker, as I indicated to the hon. Leader of the Official Opposition in answer to his first question, we have taken a number of animals within the area. Fish were part of that original study. In case the hon. member doesn't know it, beaver is a major part of the diet of a number of aboriginals, so we have taken those animals as well to test them.

She referred to the deer, the sample that showed some very high elevations. They weren't real high. They were above what is considered safe, but you've got to remember that that animal was a resident of the plant. In other words, it lived its life right in the area of the plant. Back in '96 part of the emissions that were found to be a problem were fugitive emissions. Since that time Bovar has constructed a facility to handle the transformers. We ordered them to find where any other fugitive emissions were coming from, and that was done. So there have been a number of actions taken.

MS OLSEN: Well, I would suggest that people also live in the immediate area of the plant.

My last question is to the Minister of Health. What proactive step has the minister taken to monitor the long-term – and I repeat long-term – effects of the health of people in this area? This is not just one or two blood tests but a longitudinal study.

MR. JONSON: Mr. Speaker, as previously indicated, Alberta Health is involved in the taking of a comprehensive sample with

respect to the residents of the Swan Hills area with a view to determining how much, if any, contamination those individuals have experienced with respect to emissions in that area reportedly from the Bovar plant, and as has also already been indicated, those results will be forthcoming shortly. I think this will be a thorough analysis.

THE SPEAKER: Third main opposition question, the Member for Edmonton-Castle Downs.

#### 1:50 Confidentiality of Medical Records

MRS. PAUL: Thank you, Mr. Speaker. In December of 1993 the minister's own committee on freedom of information and protection of privacy unanimously decided that all privacy issues should be contained in a single statute. This was a unanimous decision of the all-party committee involved, and that included the Minister of Justice and the Minister of Environmental Protection. Now it appears that the Minister of Health is off on a frolic of his own with the suggestion that health information be protected in its very own piece of legislation. My questions are to the Minister of Health. Why are you ignoring the recommendations of your own colleagues who clearly suggested that all privacy issues should be protected in a single Act?

MR. JONSON: Mr. Speaker, I can assure the Assembly that the initiative we have undertaken in health is designed to complement and to go beyond with respect to the particular area of the use of information technology in health to assure the public of this province that their individual privacy is protected. I would think that the hon. members across the way would welcome such an initiative, which, as they probably know, involves broad and extensive consultation with stakeholders and people in the province to ensure that we do have the necessary input to put in place complementary legislation which deals specifically with health and the linking of the health system to an effective information technology network.

MRS. PAUL: Will the minister take immediate action to prevent hospitals from feeling forced to give out patient information for charitable fund-raising purposes?

MR. JONSON: Well, I disagree with the premise that the question seems to be based on, and that is that for any reason an RHA would feel compelled or forced to give out information, Mr. Speaker. Certainly we are working with the regional health authorities as important partners and stakeholders in this overall information technology effort to make sure that there will be protection for individuals' private health records as we move towards a good and effective database based on information technology for health planning in this province.

MRS. PAUL: Can the minister please explain to Albertans why their personal and confidential health information is not given the same privacy safeguards as other sources of information?

MR. JONSON: Well, Mr. Speaker, the whole point is that it is given the same priority, and we want to give it even more priority through making sure that in this area of data collection for planning purposes there is very, very clear protection for individual privacy.

THE SPEAKER: The Member for Edmonton-Strathcona, followed by the Member for Calgary-McCall.

### Health Resource Group Inc.

DR. PANNU: Thank you, Mr. Speaker. Four years ago the government through legislation forced all Alberta hospitals, including Salvation Army and Catholic hospitals, to come under the umbrella of regional health authorities. In fact, the basic intent of legislation establishing regional authorities was to reduce duplication by integrating health care services and facilities within each region. My question to the Health minister is this: given that the former Salvation Army Grace hospital was brought under the Calgary health region and subsequently closed, why is the minister allowing a private hospital to be set up in the same location outside of the control of the Calgary regional health authority?

MR. JONSON: Mr. Speaker, as the hon. member has correctly indicated, there is space available for lease in the building in question, and, yes, Health Resource Group is leasing space, I believe two of the upper floors, in that facility with a view towards establishing a hospital-type service which would operate within the parameters of the Canada Health Act. They have indicated very clearly that they wish that to be the case in terms of their overall operation. As indicated previously in the Assembly this session, they intend to look at providing services for the Workers' Compensation Board; they look at providing certain uninsured services. This is quite within our commitment to the Canada Health Act. They are working with us to make sure they do not violate those principles.

DR. PANNU: Given that the executive summary of the Health Resource Group business plan filed in the Assembly last week specifies that this private hospital plans to provide both uninsured and insured services, what steps is the minister planning to take to ensure that this private hospital does not double-dip by operating both inside and outside the health care system?

MR. JONSON: Well, Mr. Speaker, I made the commitment to work with the company involved to make sure that, as I've said, the requirements of the Canada Health Act are adhered to. It is, of course, the case in the province that it is possible for a private entity to contract with a regional health authority to provide insured services. We already in this province have, for instance, laboratory companies which are providing laboratory services to regional health authorities. They are providing insured services, providing full coverage to the public of this province. It is that that is at the heart of the Canada Health Act, and that is being followed.

DR. PANNU: Given that what was filed, Mr. Speaker, was only the executive summary and given that the Health Resource Group wants to provide medical and surgical services to, among others, international private and/or corporate customers, which I assume would include U.S.-based private health insurers, will the minister file the entire business plan of the Health Resource Group so that Albertans can have full information about the plans of this private hospital company?

MR. JONSON: Mr. Speaker, I did file with the Assembly a summary of the goals and plans of the Health Resource Group, which I think is appropriate. As I've indicated, it is my commitment to work with this group but also to work to ensure that the requirements of the Canada Health Act and the importance and protection of our public health care system are maintained.

THE SPEAKER: The hon. Member for Calgary-McCall, followed by the hon. Member for Calgary-Buffalo.

### Team Canada Trade Mission

MR. SHARIFF: Thank you, Mr. Speaker. I have a question to address to the Premier about the recent Team Canada mission to Korea, Thailand, and the Philippines. We know that a lot of handshaking goes on during these trade missions. Could the Premier please tell the House whether there were any tangible results for Albertans from this Team Canada mission?

MR. KLEIN: Mr. Speaker, as a result of this mission Alberta companies signed 10 deals in Korea, seven in the Philippines, and 12 in Thailand. The businesses participating value these deals at approximately \$500 million and estimate that these deals would result in more than 3,000 jobs, most of them in the province of Alberta. Many of these deals were long term.

As well, delegates from Alberta's educational institutions launched new partnerships with their Asian counterparts, which will also contribute to our long-term economic and cultural ties. Mr. Speaker, I would like to point out and mention specifically the Edmonton public and Edmonton Catholic school boards, both of whom sent their superintendents on the trade mission. They promoted very vigorously and in a very, very positive way the wonderful education system that exists here in the city of Edmonton.

MR. SHARIFF: Thank you, Mr. Premier.

Mr. Speaker, my supplemental questions are also directed to the Premier. Since Alberta businesses traveled with so many Canadian competitors, how was Alberta able to realize its goals?

2:00

MR. KLEIN: Well, Mr. Speaker, we worked hard to pursue Alberta's goals. Ever since I participated in the 1994 Team Canada mission, Alberta has been pressing the federal government to allow the provinces more time and more flexibility and freedom in planning our own special events for business delegations. The federal government agreed to that this time around, and we were able to participate in a much more meaningful way with Alberta businesses. If future Team Canada missions follow that format, I would be very, very happy to attend in the future.

THE SPEAKER: The hon. Member for Calgary-Buffalo, followed by the hon. Member for Wainwright.

### Freedom of Information

MR. DICKSON: Thank you, Mr. Speaker. When the freedom of information Act came into force in Alberta in 1995, the government tacked on by executive order a schedule of fees, and Albertans quickly learned that they were being charged virtually the highest fees in the country to see a government record. Last week the government tabled a report which reflects some of the 18 months of experience with freedom of information, and the number of requests from Albertans is far below what the government itself had forecast. My initial question is to the minister responsible for freedom of information. Was this a case of government incompetence in estimating the demand, or was it simply a case of high fees frustrating Albertans' right to know? How does the minister account for the discrepancy?

MR. SMITH: Or, Mr. Speaker, was it the fact that we have an

open and transparent government with an annual business report, annual business plans with three-month financial statements, that Albertans didn't respond in the great gales that the member has referred to simply because there's more information out there than ever before?

MR. DICKSON: Well, Mr. Speaker, my follow-up question would be this: why would this government not base access fees on the number of pages produced rather than the hours of search time so that we can stop in this province rewarding sloppy record keeping, which is the case now?

MR. SMITH: We think there's a question in there, Mr. Speaker.

In fact, this member was one of the all-party committee that provided a unanimous opinion from the all-party committee that went forward to form the freedom of information and protection of privacy legislation. So, in fact, Mr. Speaker, we have now worked with this information. We have tabled an annual report. We are now in a position where we can move on making it better. We're now in a position where we can move on rolling it out to other sectors of the Alberta publicly funded areas, as well as ensuring, as earlier questions have pointed out, the importance of protection of privacy.

MR. DICKSON: My final question to the hon. minister would be this: why did he choose to ignore the unanimous recommendation from the Premier's hand-picked panel when the panel said at page 7 that "many opinions were expressed with respect to the setting of reasonable fees that would not prohibit access by the general public"?

MR. SMITH: And we did. In fact the fees are not considered to be exorbitant, and we must remember also, Mr. Speaker, that people can obtain information about themselves from this government clearly, openly, simply, without paying any fee. In fact that has happened. I think of one department where a substantial number of requests, the most number of requests, have come through: the department of social services. There has been no trouble at all, and the program's moved very well.

THE SPEAKER: The hon. Member for Wainwright, followed by the hon. Member for Lethbridge-East.

#### **Rogers Sugar Ltd.**

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Agriculture, Food and Rural Development. Last Friday Rogers Sugar Ltd. announced a major modernization program at its sugar beet processing facility in Taber. The three-year project will involve \$30 million in capital expenditures to increase the capacity and greatly reduce the cost of production. This is good news for the sugar beet industry as well as good news for diversification of our agriculture in Alberta. Can the minister verify and assure us that there will be absolutely no government dollars or no government guarantees towards this facility and expansion?

MR. STELMACH: Well, thank you, Mr. Speaker. The recent announcement by Rogers Sugar was one that came on the heels of some good work that was done with the growers and also with the company. The reason that B.C. Sugar moved here to Alberta is twofold. Number one, because of the competitive advantage they have, the Alberta advantage: low utility costs; a five-year

agreement with the sugar beet growers, which is based on productivity; no government subsidization of prices. The other reason is that most of the customers that Rogers deals with are now here in Alberta as a result of the good work that the Premier has done in this province.

MR. FISCHER: My supplementary question would be: given the expansion, are we confident, then, that we have adequate supplies for this facility now?

MR. STELMACH: Mr. Speaker, Rogers has signed a long-term agreement with the growers, and the growers are very confident that they will be able to compete on the export market for both raw and white sugar. Most of that product will be sold domestically here within Alberta, mostly to soft drink bottlers and some of the other sugar purchasers. They are looking at increasing acres from approximately 34,000 to 50,000 with the goal in the very near future of over 100,000.

The other important point to remember is that Rogers has identified to us that the company can extract more sugar per tonne of sugar beet, and that's due directly to the good work the producers are doing in southern Alberta. There's more sugar per tonne to extract, so of course it makes the plant much more efficient.

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

#### **Pork Industry**

DR. NICOL: Thank you, Mr. Speaker. It was really exciting to hear the minister of agriculture just talk about the need for competitiveness and the advantages that exist in Alberta's agriculture industry. Last Thursday he talked about the excitement that exists in Alberta's pork industry with the potential that we have for a new world-size processing plant in the province. Yet in that same discussion he pointed out a case where I think we have to as legislators and people of Alberta become very concerned. He talked about the community development bond involvement in the pig industry. I'd like to ask the minister if he does not see that offering of those community development bonds as a mechanism to create a financial advantage for one firm to the disadvantage of all the family farms that have maintained the pork industry in Alberta for a number of years and created all this excitement that we have for our future.

MR. STELMACH: Mr. Speaker, the hon. member brought this issue forward in the House earlier with respect to community bonds, and one of the things that I indicated last week in the House is that these community bonds will not be guaranteed by the government. They are based more on RRSP-based eligibility.

The other thing to keep in mind is that the more community-based support we can get for the pork operations, the better off the company is, because they're going to get people buying into the project locally within the community. As a result, they will be able to work with people living in that area with respect to some of the possible questions that come up with odour or manure disposal. Someone that's living in the community quite frankly is going to listen to the concerns of the ratepayers there much better and sooner than someone making this decision either out of Ontario or out of B.C.

**2:10**

DR. NICOL: Thank you, Mr. Speaker. Again to the minister of

agriculture: do you not admit, though, that any involvement in the pork industry that creates a financial advantage for one firm creates a disadvantage for all of the family farms that are trying to compete with that firm in producing pigs? Yes or no.

MR. STELMACH: Mr. Speaker, I cannot see where applying the concept of community bonds and setting up a hog facility in a community is going to disadvantage some other community in setting up a very similar hog production. I mean, if somebody in Peace River wants to build and get the community together to invest, how is that going to hurt somebody in Lethbridge putting up a facility? I don't see any sense in that.

Again, because local people will be involved, they will be more interested in ensuring that the project does proceed and that all the concerns of the people living in the area are going to be addressed.

DR. NICOL: Mr. Speaker, again to the minister of agriculture. From the sounds of that last answer what he intends to do is create these large-scale megafirms in every community in Alberta to the disadvantage of the small family producers who are trying to make their farms economical. Is that his intent?

MR. STELMACH: My intent, Mr. Speaker, is to ensure that we are the most competitive producers in this part of the world, period. We're going to get that by planning the increase in pork production very carefully, not going and building hog operations in communities that are not prepared to accept them. We'll be working very closely with the municipalities. The other thing to remember is that there is a window of opportunity here, about an 18-month window, due to the problems that Taiwan is experiencing.

Really, in terms of some type of unfair competition from one firm to another, we have at least four interested corporations, and these are mostly local-based farmers that pooled their resources. I just happened to visit one on Saturday at Red Willow. Now, this is local people building a 1,260 sow farrow-to-finish facility. They worked with the community, everything seems to be going well, and there's just one hog barn that's being built. Saskatchewan Wheat Pool has certainly been looking at building some facilities in the province. There's some great interest in Falher. I can't see how, through the community bond concept, we're supposed to be providing some unfair competition. I've never heard of anything like that.

THE SPEAKER: The hon. Member for Peace River, followed by the hon. Member for Edmonton-Manning.

And there is a little gibberish going on in here. You know, hon. members can get on the speakers' list if they wish.

Hon. member.

### Peace River Flood

MR. FRIEDEL: Yes. Thank you, Mr. Speaker. My question is to the Minister of Transportation and Utilities, responsible for disaster services. Mr. Speaker, as you and many other members in this room are likely aware by now, this past weekend the town of Peace River experienced a most devastating flood in which many parts of the downtown were submersed in as much as five feet of water. The damage to property is very significant and I anticipate will be in the many millions of dollars. I'd like to acknowledge the immediate involvement of Alberta disaster services and other departments for their ongoing efforts and their

interest. To the minister: the disaster assistance program is in place, and I'm wondering if he could explain what type of help those who suffered severe property loss might expect and when this might happen.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Certainly our sympathy goes out to the hon. Member for Peace River and all his constituents. When a terrible disaster befalls a community in a very short time, it really doesn't allow for any preparation whatsoever. Consequently I want to compliment and commend the community as well for the disaster preparedness the community had.

As the hon. member correctly identified, there were up to five feet of water that engulfed the community within a matter of hours and certainly have created a great deal of stress and a great deal of problems particularly for the business community. My understanding is that the damage was largely in the business community. Only four residents were unfortunately hit with the devastation of the flood.

There is a disaster services program in place, a federal/provincial program, that indeed covers noninsurable items, and certainly a flood is an area that in many cases can be considered noninsurable. We will be meeting with the community; we'll be meeting with the business community to clearly identify just what the needs are going to be. A subsequent plan will be put in place, and indeed we will work with all the stakeholders involved to see that as much as possible can be done to assist these people that are in such dire need.

MR. FRIEDEL: My second question, Mr. Speaker, is to the same minister. As the federal government participates in providing assistance when very major disasters occur, could he give us a brief outline of what this involvement might mean to us?

MR. PASZKOWSKI: The program, as I've mentioned, is a federal/provincial program. Indeed the structure of the program basically is that the first dollar per capita is paid for by the province, so that means the first \$2.7 million of damage will be totally the responsibility of the province. The next \$2 per capita, or \$5.4 million, will be shared 50-50 with the federal government. The next \$2 per capita, or \$5.4 million, will be shared 25 percent by the province, 75 percent by the federal government, and anything over and above that will be cost shared 10 percent by the province and 90 percent by the federal government. The province is asked to do the administration, and in working with the community, working in conjunction with the federal government, a program is thus initiated.

At this stage, Mr. Speaker, there are other communities that are facing some of the problems but on a much smaller basis than what the damage was in Peace River. With the tremendous amount of water that is moving in the northern part of the province at the present time, there is some considerable risk. It is our hope that Mother Nature will prevail and allow that we may get by without further devastating damage as affected Peace River.

MR. FRIEDEL: Mr. Speaker, instead of the third question I'd just publicly like to say thank you to the minister and all others who expressed concern and offered help.

THE SPEAKER: The hon. Member for Edmonton-Manning, followed by the hon. Member for St. Albert.

### Dutch Elm Disease

MR. GIBBONS: Mr. Speaker, the sale of Alberta elm wood is permitted in the provincial parks. Edmonton and Calgary have prohibited the storage of any elm logs to prevent the spread of beetles that could transmit Dutch elm disease. Three questions to the Minister of Environmental Protection. Why is the minister jeopardizing municipal attempts to prevent Dutch elm disease by allowing the elm logs to be stored at campsites in Alberta?

MR. LUND: Mr. Speaker, the department has been running a very extensive education program to try and make the public aware of the potential of the disease spreading to Alberta. Now it is here in a small way in the city of Edmonton; there have been some insects trapped. The numbers have not been that large, but we are continuing to monitor the situation very closely. We have at the border a number of education initiatives to try to get people to understand the importance of not bringing wood into the province of Alberta.

MR. GIBBONS: Well, Edmonton has 60,000 trees, \$400 million worth in the city.

The second question: will the minister revise the current standard agreement for operation of the provincial parks to prohibit the storage or sale of any elm logs wherever they come from?

MR. LUND: Well, Mr. Speaker, we believe that the education process is much more effective than trying to go around every park collecting and looking at what type of wood might be brought into the park.

2:20

MR. GIBBONS: Elm trees do not grow in the wild very often. They grow inside the cities.

Alberta makes a great effort to be a rat-free province. Why won't your department work harder at keeping Alberta rid of this disease?

MR. LUND: Well, Mr. Speaker, we believe that it's much more important to emphasize the education. It's absolutely impossible to look into everybody's trunk when they're going into a park or as they're coming into the province of Alberta. If we can get the message out to the public – and thanks for the question, because we now get a chance to tell some more people about how important it is that they do not bring elm trees into this province because there is a danger that there could be some insects under the bark. [interjection]

THE SPEAKER: The hon. Member for St. Albert, and then, according to the list submitted to the Speaker's office, it's the hon. Member for Edmonton-Calder. But do I take it that the hon. Member for Spruce Grove-Sturgeon-St. Albert is going to . . .

MRS. SOETAERT: No.

THE SPEAKER: Okay. I just wanted to be sure.

### Fatal Bus/Truck Collision

MRS. O'NEILL: Mr. Speaker, my question emanates from a concern for the people involved in a second terrible northern tragedy this weekend. In light of the tragic accident that occurred near Fox Creek this weekend, can the Minister of Transportation

and Utilities give us some transportation details as they relate to the accident?

MR. MITCHELL: Puffball questions. They're easy.

MR. PASZKOWSKI: Unfortunately, it's not a puffball question; this is a tragedy. This is a terrible tragedy in the province of Alberta, and for the Liberal leader to consider this as a puffball is unfortunate.

THE SPEAKER: Hon. minister, the Chair would really appreciate it if all hon. members addressed their exchanges through the Chair. You'll find both the questions and the answers to be most elucidating.

MR. PASZKOWSKI: Thank you, Mr. Speaker. The accident is still under investigation by the RCMP and by Transportation and Utilities. This was a terrible tragedy, and certainly our sympathies go out to all of those who were involved in this, to the survivors – certainly it was a terrible experience to have to live through and continue their lives through – and to the families of those who unfortunately perished in this terrible experience. At this stage it's very difficult to make comments, because with the severity and the devastation that took place with this accident, it's very difficult to determine all of the aspects. Indeed, the RCMP and Transportation and Utilities officials are still working towards trying to obtain all of the possible information that can come forward regarding this terrible tragedy.

MRS. O'NEILL: Mr. Speaker, what type of legislation is there in place to deal with the transportation of fluids and fuel?

MR. PASZKOWSKI: The Alberta legislation basically mirrors the federal legislation, and that is the Transportation of Dangerous Goods Act, which is the federal legislation, and the Transportation of Dangerous Goods Control Act, which is the provincial legislation. The reason for that of course is that interprovincially the legislation has to be consistent, so that particular Act clearly asks for an identification of all dangerous goods with the labeling process. It clearly stipulates that indeed there has to be a degree of security as to containers and basically covers the transportation of dangerous goods in this province as well as all of Canada. Unfortunately, with the severity of the destruction that took place, it's very difficult to determine exactly whether there was proper labeling. It's difficult to determine whether the containers were properly secured. So it will take a great deal of investigation to determine just what all took place here and what the dangers and the risks were.

MRS. O'NEILL: My final supplementary: is the minister considering a review of this legislation, as many of us transport fuel for our own use and on our properties?

MR. PASZKOWSKI: The legislation as it's structured does indeed provide for exemptions for the transportation of small quantities of dangerous goods. Indeed that's something that is of concern and something that our people will be looking at in conjunction with the federal legislators to determine the risks that are involved, because any container of dangerous goods, particularly if it's something with a low flash point, can indeed create problems. When you're carrying a small container of gasoline, for example, and it's not properly secured, it is almost the likes

of a Molotov cocktail in the making. So it's something that we have to be careful of and something that we will be reviewing again with the federal officials to see if the legislation is adequate to cover this particular element.

THE SPEAKER: The hon. Member for Edmonton-Calder, followed by the hon. Member for Calgary-Currie.

#### **Pine Ridge Forest Nursery**

MR. WHITE: Thank you, Mr. Speaker. In 1990 a government-commissioned study indicated that the forest industry preferred to buy tree seedlings from private nurseries rather than from the government-run Pine Ridge nursery. Despite this, the government went ahead with an expansion of Pine Ridge, which since 1990 has cost the taxpayers another \$37 million. To the Minister of Environmental Protection: why did the government ignore this 1990 study and continue to expand the Pine Ridge nursery?

MR. LUND: Mr. Speaker, out at Pine Ridge there is a lot more than just growing trees. There's a lot of research going on. We in fact have the best seed processing plant in Alberta located out at Pine Ridge, so it's performing a very important function. Now, what the hon. member was referring to is the size of the seedlings after one season of growth. It's true that because of our climatic conditions those may not be as high as the imports that come into the province, but the nursery is fulfilling a very important function. Many forest companies depend on it, so I don't think that it was a bad investment.

MR. WHITE: First supplementary. Mr. Minister, why is the appraised value of this Cadillac facility a mere \$3 million now when the original capital cost was \$23 million in addition to the \$37 million spent since 1990?

MR. LUND: Mr. Speaker, of course when one wants to play with numbers, you can get them to say almost anything. The fact is that there was a lot of inventory that is not included in that appraised value, and the numbers that they used to build up, making it sound like we had lost a huge sum of money out there, did include a lot of inventory.

MR. WHITE: In that inventory, Mr. Minister, will you assure this House that the government through your offices will not be selling the tree seed program, and will you ensure that you will maintain the genetic orchard, that stock of the cultures that have been maintained for a long time, since 1976, in the inventory of the government?

MR. LUND: Mr. Speaker, the government has over the past just about a year now been out with a call for proposals. The call for proposals did not include the removal of the whole research program. As well, we had said that we were anxious to continue to have a role in the seed plant because many companies send their cone collection there for processing, and it's extremely important that we be involved in that end of it. We currently are looking at the proposals. I cannot say definitively what will come out of that, but there are some interesting proposals on the table.

THE SPEAKER: The hon. Member for Calgary-Currie, followed by the hon. Member for Edmonton-Ellerslie, time permitting.

Hon. member.

2:30

#### **Bow Valley Centre**

MRS. BURGNER: Thank you, Mr. Speaker. For the information of this House, in November of 1995 the trauma centre at the Bow Valley centre was closed, and since then on an annual basis approximately 680 accidents, or just under two per day, have been directed to the Foothills. My question is to the Minister of Health. What is the status of the transfer of emergency services from the Bow Valley centre to the four other hospitals in Calgary?

MR. JONSON: Mr. Speaker, the provision of trauma services in Calgary, as the member correctly indicates, has been centralized at the Foothills hospital complex, and the Rockyview and Peter Lougheed hospitals are operating emergency service departments in the city of Calgary. The provision of emergency services at the Bow Valley hospital has been phased down and out.

THE SPEAKER: Hon. member.

MRS. BURGNER: Thank you, Mr. Speaker. My first supplementary: what is the status, then, of the trauma unit at the Foothills hospital today?

MR. JONSON: The emergency services and trauma unit at the Foothills hospital is fully operational. Recently, as I think hon. members know, the official opening was held of a major expansion and modernization of that particular facility, which makes it, I think, comparable to any in North America. The trauma centre and emergency capacity there at Foothills have been expanded as have been, through the overall planning, emergency services across Calgary.

MRS. BURGNER: My final question to the same minister: is there any truth, then, to the allegations that the recent fatalities that occurred in Calgary could have been prevented if the emergency unit at the Bow Valley centre was still open?

MR. JONSON: Well, Mr. Speaker, this was a very tragic accident. It involved the need for neurotrauma services. The medical experts and dispatchers in Calgary made what was certainly the correct decision, and that was to send the victims of that automobile accident directly to the neurotrauma centre at the Foothills, which has been the centre for neurotrauma services for some time.

I would like to also add, Mr. Speaker, that going back to I believe it was 1994, a study group in Calgary involving physicians, emergency room nurses, people experienced in that way, and other experts in the field came to the conclusion that it was the best decision, and that decision was to centralize neurotrauma services and treatment at the Foothills. Given the performance of the system during this very difficult event, I think that it would be illustrated by the very rapid response time and the treatment provided.

#### **Point of Order Tabled Documents**

THE SPEAKER: Before calling Orders of the Day, there is a question arising on a point of order raised last Thursday, April 17, 1997. After question period that day the hon. Government House Leader raised a point of order under Standing Orders 23(h) and (i) concerning documents purportedly tabled in the Assembly by the leader of the New Democrats about the HRG Health Resource Group Inc. In speaking to his point of order, the



Government House Leader referred to a document dated April 17, 1997, and stated that it made allegations against the Member for Calgary-Currie.

To review briefly what occurred last Thursday, the leader of the New Democrats tabled a document during routine proceedings that appears to have been filed by or on behalf of the HRG Health Resource Group Inc. with the Alberta Securities Commission. The document is entitled Form 20 and is now sessional paper 61/97. During question period the hon. Minister of Health filed some correspondence between himself and the HRG company and an executive summary of the activities of that company, which is now sessional paper 70/97. Whatever the nature or contents of the document referred to by the Government House Leader, it was not one that was tabled in this Assembly. Furthermore, the Chair has checked *Hansard*, and the leader of the New Democrats did not refer to the Member for Calgary-Currie in her questions, let alone make any allegations.

The Chair wants all members to know that it will strive to preserve the integrity of the Legislative Assembly of the province of Alberta and will certainly call members to order if they make allegations against other members contrary to our Standing Orders and parliamentary tradition. However, in this case there were no such allegations made in the House. Accordingly, there is no point of order.

On another matter, the Government House Leader indicated during another point of order that he was having some difficulty in obtaining a copy of the Blues. For the benefit of all members, especially new members, the Blues are the initial or rough draft of *Hansard* that is made available for review. If there are small errors, members may request corrections. There are two copies of the Blues provided in the members' lounge, just behind the Chamber, with other copies in the Speaker's office, the Legislature Library, and *Hansard* offices at the Legislature Annex. They are ready in hard copy approximately one hour after the comments are made but are available in electronic form a bit earlier. If members are having difficulty in obtaining the Blues, please advise the Chair.

head: **Motions under Standing Order 40**  
**Information Rights Week**

THE SPEAKER: We have also been notified today that the hon. Member for Calgary-Buffalo will rise on a Standing Order 40.

Hon. member.

Mr. Dickson:

Be it resolved that under Standing Order 40 the Legislative Assembly recognize April 21 to 27, 1997, as national Information Rights Week.

MR. DICKSON: Thanks very much, Mr. Speaker. With respect to Standing Order 40, as I read it, it really creates a twofold test. Firstly, it's up to me, in the few moments you'll permit me, to persuade members to give unanimous consent on the basis of the urgency of the motion. The second part of the test has to do with the importance of the issue. What I'm asking the House to do is simply acknowledge this as the first day of a week known as national Information Rights Week. In terms of the urgency, in fact this is the kickoff today. In the city of Calgary tonight the Library Association of Alberta and the Calgary public library, the biggest lending library in the whole nation, are kicking this off with a forum discussion on information rights in an electronic future.

With respect to the importance of the issue, one would think we would have to go no further than the report tabled by the hon. Minister of Labour last Wednesday, I believe. In the report on freedom of information the minister said: "In the 1992 Speech from the Throne, the Alberta government committed to developing access to information legislation." So what we've got is that the Premier in this Assembly has on two different occasions referred to flagship Bills promoting freedom of information. I would think that out of both courtesy and respect for the Premier of this province, if he thinks this is one of the most important issues in the province, each member in this Assembly would share that concern and that commitment to openness, transparency, and accountability.

For those reasons I know the Library Association of Alberta and all of their myriad branches around the province will be heartened considerably for this Assembly to give unanimous consent and to send a brief message of support for this important event.

Thanks very much, Mr. Speaker.

THE SPEAKER: Might we have unanimous consent to proceed with the motion as proposed by the hon. Member for Calgary-Buffalo?

SOME HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

SOME HON. MEMBERS: No.

THE SPEAKER: It's defeated.

head: **Orders of the Day**

MR. HAVELOCK: Mr. Speaker, I'd like to seek the unanimous consent of the House to recess the Assembly until 4 p.m.

THE SPEAKER: I'm not sure that unanimous consent is required on the motion that's been proposed. I think it's a motion the Government House Leader wants proposed.

MR. HAVELOCK: If unanimous consent isn't required, then that's fine.

THE SPEAKER: All those in favour of the motion as moved by the hon. Government House Leader, please say aye.

SOME HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

THE SPEAKER: Carried. The House stands recessed until 4 o'clock this afternoon.

[The Assembly adjourned from 2:39 p.m. to 4 p.m.]

THE SPEAKER: The hon. Provincial Treasurer. [applause]

MR. DAY: Thank you, colleagues. This speech will be quite short.

Mr. Speaker, I have received certain messages from His

Honour the Honourable the Lieutenant Governor, which I now transmit to you.

THE SERGEANT-AT-ARMS: Order!

THE SPEAKER: The Lieutenant Governor transmits estimates of certain sums required for the service of the province and of certain sums required from the lottery fund for the 12 months ending March 31, 1998, and recommends the same to the Legislative Assembly.

The Lieutenant Governor transmits estimates of certain sums required for the service of the province for the 12 months ending March 31, 1998, and recommends the same to the Legislative Assembly.

The Lieutenant Governor transmits supplementary estimates of certain sums required for the service of the province for the 12 months ended March 31, 1997, and recommends the same to the Legislative Assembly.

Please be seated.

head: **Government Motions**

5. Mr. Day moved:  
Be it resolved that the message of His Honour the Honourable the Lieutenant Governor, the 1996-97 supplementary supply estimates, No. 2, and all matters connected therewith be referred to Committee of Supply.

[Motion carried]

6. Mr. Day moved:  
Be it resolved that the Assembly do resolve itself into Committee of Supply, when called, to consider supply to be granted to Her Majesty.

[Motion carried]

7. Mr. Day moved:  
Be it resolved that the message of His Honour the Honourable the Lieutenant Governor, the 1997-98 lottery fund estimates, and all matters connected therewith be referred to Committee of Supply.

[Motion carried]

8. Mr. Day moved:  
Be it resolved that pursuant to Standing Order 58(2.1) the number of days that the Committee of Supply will be called to consider the 1997-98 lottery fund estimates shall be one day.

[Motion carried]

9. Mr. Havelock moved:  
Be it resolved that pursuant to Standing Order 58(6) the number of days that the Committee of Supply will be called to consider the 1996-97 supplementary supply estimates, No. 2, shall be two days.

[Motion carried]

10. Mr. Havelock moved:  
Be it resolved that the Assembly resolve itself into Committee

of the Whole, when called, to consider certain Bills on the Order Paper.

[Motion carried]

11. Mr. Day moved:  
Be it resolved that the messages of His Honour the Honourable the Lieutenant Governor, the estimates and business plans, and all matters connected therewith be referred to Committee of Supply.

[Motion carried]

head: **Budget Address**

MR. DAY: Mr. Speaker, before moving the motion, I am honoured to table Budget '97: Post-Election Update, which sets out the government's fiscal and business plans, as required under section 4 of the Government Accountability Act.

12. Mr. Day moved:  
Be it resolved that the Assembly approve in general the business plans and fiscal policies of the government.

MR. DAY: Mr. Speaker, it is an honour for me to rise today to talk to Albertans about our plans in Budget '97. First, as I do that, I thank you for accommodating my parents, my wife, my son, and other family members in your gallery today, and I am proud to announce that as of Saturday at 4 a.m. the status of myself and my wife has changed somewhat in that we are now proud grandparents of a beautiful six-pound two-ounce granddaughter. Congratulations to my son and daughter-in-law for vigorously pursuing the Alberta advantage.

Mr. Speaker, people listening today and watching the news tonight will be looking for a signal of what this government plans to do over the next three years and how we intend to deploy their tax dollars. Albertans have told us to stay the course, and they may be wondering tonight if we intend to do that. So let me address that right from the outset.

Mr. Speaker, this government intends to stay the course. Our Premier and the people of Alberta have given me as Treasurer very clear instructions for this budget: no new taxes, no provincial tax increases, no sales tax, and stay the course or you're fired. [some applause] It's rare that I get applause from the opposition. Today Albertans will see exactly what they expect: a solid, responsible, balanced budget focused on what Albertans told us is most important to them, spending on the right priorities, especially health and education, an ongoing focus on quality and efficiency, a strong commitment to a positive environment for economic growth. It is the private sector that creates jobs and opportunities, and it is our job to create the kind of thriving environment where that can happen.

Mr. Speaker, all economies are subject to certain unchangeable economic laws. Like the laws of nature, if we live in harmony with them, we will experience abundance. If we ignore those laws, we will stifle and stagnate the economic environment. This budget acknowledges Say's law, which dictates: production creates its own price of consumption. A healthy economy will generate the incomes which will enable all Albertans to share in the abundance of Alberta.

Mr. Speaker, Albertans will see their government determined to live within our means and to pay down the debt. There are no surprises in the budget announcements I'm making today.

Albertans saw Budget '97 on February 11. A month later Albertans put their stamp of approval on the plan and the track record of this government for keeping its promises. Today we continue the Klein tradition of keeping our promises.

The budget I'm introducing today with minor adjustments is the same budget we set out for Albertans on February 11, and because of their strong support I'm proud to introduce this budget not as a Stockwell Day budget but as the people's budget. It is a budget reflecting their priorities, a budget that sticks to what's most important for Albertans, and a budget Albertans support and have approved. With a new and increased mandate and new faces around the table I've had several people ask: will we see changes in the basic fiscal approach the government takes? The answer is a firm no. The majority of Albertans voted for this budget the way it is, and that means I do not have the mandate to alter this budget or the fiscal course we have set. Over the past four years Albertans have been through some challenging times, but we've learned our lessons well, and there's no going back.

Mr. Speaker, with the advice of our constituents we have developed a proven formula for fiscal success, and to change course now would be sheer folly. Our formula relies on balanced budgets, paying down debt, spending wisely, never more than we can afford, measuring results, and staying with the priorities most important to Albertans. It's a formula Albertans understand and support, and it's a formula that will build a secure future for this province, not feast and famine cycles in government spending but solid, secure, and dependable government services paid for with today's dollars.

#### 4:10

Before I get into an overview of the priorities for Budget '97, let me quickly run through the financial details. As required by law, Budget '97 is a balanced budget. The days of deficits are gone forever.

The Budget '97 update projects a surplus of \$154 million. Depending on oil and gas prices and corporate taxes, that surplus could be as high as \$750 million. Total spending on programs will increase by \$297 million over '96-97. Spending on Albertans' two top priorities, health and education, will increase by \$410 million. Those increases are offset in part by reductions in other program areas and lower debt-servicing costs. The good news for Albertans is that we're listening to their concerns and spending in the areas of their priorities: more for health and education, less for bankers.

We're budgeting for revenues to drop by \$2 billion, down to \$14.1 billion compared with \$16.1 billion last year. That's a substantial reduction of over 12 per cent. As we've seen in the last few weeks, oil prices have dropped to just above the \$19 a barrel mark. With this budget update I am now announcing that we are adjusting our oil price forecast from \$19 a barrel to \$18.50. This shouldn't come as a surprise to Albertans. It's just good, responsible government. A look at the fluctuating prices over the year and even since the February 11 budget is a solid reminder of why we continue to use conservative forecasts, not wishful thinking, to set revenue targets.

We expect to make a payment of \$2.26 billion on Alberta's debt. That is the projected surplus for 1996-97. As required by law, every dollar of that year-end surplus will go to pay down Alberta's debt. Alberta's net debt will drop to \$3.5 billion by March '98, down more than half from the net debt burden we faced back in 1994.

Here's the best news for Albertans. For the sixth year in a row there will be no increases in provincial taxes and no new taxes.

For low- and middle-income working families personal income taxes will actually decrease by as much as \$500 a year. That's money people can use better than we can to meet their needs and help support their families.

Mr. Speaker, those are the financial highlights. Now let's turn to the priorities in Budget '97. It will cost over \$12.8 billion to run this government and provide essential programs and services in 1997-98. Albertans want to know how their sweat-soaked tax dollars will be spent and if it's worth their efforts.

Budget '97 focuses on three priorities: providing quality services for Albertans, building the right environment for economic growth and jobs, and maintaining fiscal responsibility and accountability for results.

Providing quality programs: health, education, and innovation across the public sector. Albertans have consistently told us to spend money wisely. They want to see quality programs as a result, especially in their two top-priority areas, health and education.

A health system Albertans can count on. Mr. Speaker, with the changes that have taken place in Alberta's health system over the past few years, we know Albertans have concerns. We've listened and we'll continue to listen, and with Budget '97 we're taking action as requested. In November '96 the Minister of Health put forward a comprehensive package of initiatives designed to address problem areas, improve access and quality in health services, and provide longer term stability. Budget '97 builds on those announcements. Albertans will see specific actions on two fronts: improving access to high-quality services and continuing to build a first-rate health system for the future.

On the issue of access, with Alberta's growing population and recognizing the health needs of the growing numbers of seniors, there are increasing pressures on our health system. In light of the increased volume of people and needs, Budget '97 targets additional dollars to add close to 1,000 frontline nurses and other health care workers. It also responds to the increased volume of highly specialized, provincewide services. With this budget update I am announcing an additional \$20 million into these provincewide services: services such as cardiovascular surgery, neurosurgery, and kidney dialysis. To continue health reform and build an excellent health system for the future, we will see the development of a new accountability framework, better information available for making good decisions in health, and legislation to protect the privacy of personal health information.

We will also see a review of best practices and administration in regional health authorities, simplified appeals, and a review of long-term care so the needs of seniors can be met. Over the next three years Albertans can expect to see greater stability and accountability in health care, better access to health services in hospitals and in their communities, and a growing emphasis on keeping people healthy and well.

But to be perfectly frank, Mr. Speaker, nobody has solved the problem of rising costs and growing expectations in the health system, not here in Alberta and not in any other province. A nurse in Red Deer crystallized this issue for me one day when she said that health could swallow up every dollar you have and more. That nurse was simply reflecting another unchangeable economic law: the law of supply and demand. That law tells us that if the price for a product or a service is lowered, the demand for it will rise. Therefore, if the price for the consumer is lowered to zero, the demand can rise to infinity. A hospital technician echoed that same thought by telling me that there's not enough money in the entire province, in his view, to satisfy the demands of every

health practitioner. We need an answer to this basic question: how can we get the best health care for Albertans at a price we can afford? We must deal with that question in the days and months ahead, because simply spending more and more money on health is not the answer.

With Budget '97 total spending on health will increase by \$144 million to a total of nearly \$4 billion. That's just slightly less than what we were spending in 1992 before the restructuring began. Over the next three years spending on health will increase to \$4.1 billion, an average increase of 2.3 percent a year.

First-rate education and training. Mr. Speaker, education shares the top spot on Albertans' list of priorities and for good reason. For the sake of our children's future and the future of our province our young people must be able to seize the advantages they need in today's world. First-class knowledge and skills pave the road to that future. Over the next three years our focus will be on making sure our young people have the knowledge and skills they need, improving achievement, and ensuring that more students complete high school.

This year we will provide additional funding to support increased enrollment in schools and an increased number of students with severe special needs.

To ensure that students have access to technology, additional funding will be directed to computer technology in schools. In response to what Albertans have told us, we are easing restrictions on matching grants provided through technology integration funding. School boards will now be able to use the funds to purchase software and networking components for use in schools as well as for the purchase of computers. Government also will be working with software providers to reduce the cost of software for schools and to develop partnership agreements.

In total, education spending will increase by \$91 million, or 3.3 percent, in '97-98. Over the next three years spending on education will increase by an average of just under 2 percent per year, bringing the total to \$2.9 billion.

Moving to the postsecondary side of education, our goal is to promote excellence in adult learning. In today's world a high school education simply isn't enough. Today's marketplace demands knowledge, first-rate skills, and a willingness to keep learning and keep pace with rapid change. For Alberta to have the highly skilled workforce we need and for our young people to compete and succeed with the best in the world, we need a postsecondary system at the leading edge in innovation, quality, and performance.

Alberta's new human resource strategy, *People and Prosperity*, will guide our actions over the next three years. Albertans will see steps taken to revise Alberta's apprenticeship and industrial training programs. A new intellectual infrastructure partnership will encourage investment in research aimed at expanding Alberta's competitive advantage. Efforts will be focused on young people to ensure they have the career information and skills to enter the workforce. We will also address the needs of students who haven't finished high school and need skills to enter the labour market.

#### 4:20

Over the next three years we'll focus on performance and results, tying more funding for postsecondary institutions to the results they achieve. We'll expand student assistance to accommodate rising costs, including tuition, and \$40 million per year will be available to postsecondary institutions for upgrading their facilities and equipment, an area those institutions have told us is a major concern. With Budget '97 total spending on adult

education will increase by \$68 million, or 6.2 percent. By 1999-2000 this government will spend almost \$1.2 billion on adult education and training programs, an increase of 2.4 percent a year for the next three years.

Mr. Speaker, those are the highlights of our government's plans for health and education. The publicly available Budget '97 document contains literally hundreds of ideas and initiatives that will be taken in other important areas.

We'll also build on our progress in social assistance programs. As former Minister of Family and Social Services it was rewarding to see the recent C.D. Howe study conclude that Alberta's welfare reform is one experiment from which all Canadians and their governments can benefit. The key to our success was stopping the incentive for more and more people to opt for welfare. In 1992 14,000 people joined the welfare rolls, most of them single, employable people. By 1996 the number of new people on welfare was down to 3,500. Nearly 16,000 fewer people under 25 are on welfare, a decline of 64 percent in three years. Mr. Speaker, I would be remiss if I did not acknowledge the initiator of that direction. Thank you, Mike Cardinal, okimaw. That's great news. Albertans believe in work. They believe in supporting themselves and their families. We want to see young people starting their adult lives in colleges, in universities, or in the workforce, not on welfare, and this study shows we're headed in the right direction.

For those Albertans with no options, people who need government and community support and who are unable to meet their basic needs, we are responding. We have increased seniors' benefits and provided more special-needs funding to address emergency and other unforeseen expenses. We will increase allowances for shelter benefits, widows' pension benefits, and assured income for the severely handicapped benefits, and we will redirect savings in other areas to employment programs and high-priority programs for children and disabled Albertans.

I'm not going to go into more detail about all the plans and initiatives. They are laid out for everyone to see in the business plans, but I do want to spend a minute talking about a theme that cuts across the entire public sector, and that is innovation.

Innovation. The quest for excellence continues. Albertans expect and deserve the best services we can provide for the dollars we can afford. Demanding excellence in all programs, whether education or social services, is simply a reflection of Gresham's law, which warns us that bad money chases good money out of circulation. Therefore, lacklustre programs will have to be avoided, or they will push excellent programs and incentives off the table.

Over the next three years we'll count on excellence and innovation from our dedicated public service, count on them to continue coming forward with their best ideas on efficiency and maximizing service delivery, ideas such as new ways of removing costly overlap and duplication or new ways of working together across government departments to build new solutions and provide quality service to Albertans.

Jobs and the economy. Alberta is on the move. Mr. Speaker, let me move now to the second key focus in Budget '97. Albertans are well known across Canada as the most confident and optimistic people in the country and for good reason. Alberta is on the move, and there is no shortage of good news on the economic front. In the past we were used to seeing economic growth fueled primarily by oil and gas, and there is no doubt that the energy sector remains a strong part of today's economic growth, but unlike the past we are now seeing broad-based growth

across a number of sectors. Manufacturing is up, exports are up, the value-added agrifood business is growing substantially, and so is forestry. We are welcoming more tourists from around the world, and we see new business ventures announced on an almost daily basis.

All of this excitement and growth on the economic front is good news for Albertans, but the best news is that it means more jobs and better paying jobs for Albertans. Alberta now leads the country with the lowest unemployment rate in Canada, down to 6.2 percent. We expect to see that rate drop below 6 percent over the next three years. We lead Canada in having the fastest rate of employment growth. Since December '92 157,300 new jobs have been created in Alberta. Two-thirds of all new jobs created for Canadian youth in '94 and '95 were created right here in Alberta, and we're not stopping now. The new target is to see 155,000 new jobs created in the private sector over the next four years: high-quality, good-paying, sustainable jobs that give our young people and families a secure and solid foundation for building their futures right here at home in Alberta.

On the government side we'll focus our efforts where we can make a difference: keeping the lowest taxes in Canada, maintaining Alberta's competitive advantage, maintaining a first-class infrastructure of roads and highways so people can get their goods to market, investing with the private sector in research and development in key areas such as energy, forestry, agriculture, health, and medical services.

Mr. Speaker, I want to spend a few moments on taxes. Albertans pride themselves on having the lowest overall taxes in the country. It is a key advantage we hold over our competitors, and it is an advantage that we cannot afford to lose. Other provinces are now taking Alberta's examples and moving ahead with their own fiscal plans. Across the country we hear more and more about tax breaks. Clearly, other provinces see the importance of low taxes as a strong, competitive advantage. If Ontario moves ahead in July with their own tax reductions, Albertans need to know that Ontario's provincial income taxes will be lower than ours. We will still have the lowest overall taxes, but in this lane of the tax track if Ontario moves ahead with their plans, they will be lower than ours in that area.

Based on the advice of Albertans, we put some proposed tax reductions on hold and moved ahead in selected areas: a tax reduction for low- and middle-income working families, as I've already mentioned, improving our competitive advantage by tax changes and reductions in aviation and railroad fuel and machinery and equipment taxes. We now have a dilemma, and we need Albertans' advice. Maintaining the status quo on taxes may not be a long-term option if we want to keep our reputation as having the lowest taxes in the country.

Albertans also need to think very carefully about the level of taxes they pay to their provincial government and indeed to all levels of government. In my view we have become just too tolerant of taxes, too used to writing a cheque to government and thinking it's the price we have to pay.

I'd like people to reflect on a story. It is a story set in the time of Alexander the Great, a time when there were huge conquering armies and the ruling class kept their subjects as slaves. One particular officer had a habit of beating his slaves. Each night when his slaves came in from the field after toiling all day, the officer would take a branch from an olive tree and deliver six strikes to the back of each slave. Following the beating he would allow the slaves to have their supper. The slaves felt they were powerless to do anything, so they subjected themselves to this

treatment each day. They endured and were happy to be fed. After several months one of the slaves returning from the fields braced himself for the usual presupper treatment and to his surprise and relief found that the officer delivered only four strikes to his back instead of the usual six. He looked up at his master and asked: why only four strikes? The master replied: well, you've been a good slave, and now you need only four strikes. The slave was naturally overjoyed and thanked his master for his kindness.

I can't help wondering, Mr. Speaker, if we as taxpayers haven't become so used to our annual regular taxation beatings that we've become willing to give up our freedoms and take the beating rather than protest out of fear that our masters, the government, may not continue to take care of us or give us poor service, poor programs. It's time Albertans started to ask their governments at all levels why taxes need to be so high.

In modern-day history I can recall no other political leader who has stated the case as succinctly and honestly as a few days ago by our own Premier, Ralph Klein. He asked the question, and rather than dress up taxation in the usual political language of necessity, he boldly described taxation as it really is, and I quote: the easiest way to raise revenue is to pick people's pockets. It is a no-brainer, he said, and in making this statement he tore the balaclava of higher taxation from the faces of every elected politician dreaming of raising taxes.

4:30

This session new legislation will be introduced for discussion among Albertans. That legislation would, if passed, cap personal and corporate income taxes and perhaps other taxes at current levels unless and until Albertans vote to increase taxes through a referendum. Mr. Speaker, think of it: a Premier who actually believes citizens – citizens, not politicians – should have the right to determine if their taxes should be raised. Thank you, Mr. Premier, for that bold thinking.

Mr. Speaker, Albertans will have the opportunity to think about that legislation. Albertans will tell us whether a freeze on taxes is what they want or if there are other actions we should take. With good progress on the debt front and with reinvestment in key program areas, it may be time once again to look at leaving more money in the pockets of Albertans.

Mr. Speaker, the third priority in Budget '97 is continuing fiscal responsibility and accountability. As I said at the outset, we have found a formula for fiscal success. Albertans support it, and there is no sound reason for us to change course now. These are our commitments to Albertans. Budgets will be balanced. Debt will be paid back. Overall taxes, for now, will remain the lowest in Canada. Spending will be kept under control at a level we can afford. We'll use savings in debt-servicing costs to reinvest in areas where Albertans can see real improvements in their top priority areas. We will stay with conservative and responsible revenue forecasts, dollars we know we can count on. We'll keep challenging the status quo, searching for better solutions, and we'll never be afraid to say that we can do this better or maybe we shouldn't do it at all. We'll be open and accountable to Albertans. We'll tell people what we plan to do, how much we expect to spend and to take in in revenues. We'll measure progress and tell Albertans where we met the targets and where we fell short, and at the end of each year we'll account for the dollars we spent and the results we achieved. Above all we will keep listening to Albertans and make sure their priorities are our priorities. It's a simple and basic approach to sound fiscal management. It keeps Alberta on track, working together to

achieve our goals and leading the way for the rest of Canada.

Mr. Speaker, I want to spend just a few minutes on debt, because I know that paying down the debt is important to Albertans and there is some confusion about how much we actually owe. As the public accounts clearly show, Alberta owes approximately \$25 billion. That's everything, including unfunded pension liabilities. Separate long-term legislation is in place to take care of the pension liabilities. We need to think of debt as two parts. One part, about \$16 billion, is backed by financial assets, including the heritage fund. The other part, the net debt, excluding pension liabilities, is now approximately \$3.5 billion. That's the amount that is not covered off by the value of what we own. It is the difference between what we owe and what we own. The net debt is a drain on taxes, and it is our first target. By the time Alberta celebrates its 100th birthday, in 2005, if we maintain our fiscal course, our plan is for the net debt to be eliminated entirely.

The benefits of getting rid of net debt show up directly in our ability to reinvest where it counts most. By 1999-2000 we will save about \$475 million a year in interest costs from the peak in 1994-95. Money that used to go to bankers can now go to building a better future for our province. But net debt is only the first step. After net debt is gone, Alberta will still owe money. It's money we will continue to pay off, just like a mortgage, over time. When net debt is gone, Albertans will have choices to make about how vigorously we attack the remaining debt and how much debt is reasonable for Alberta to have on an ongoing basis.

I also want to clarify what happens to Alberta's surpluses under the Balanced Budget and Debt Retirement Act. Some people are saying that now we can spend the surplus. For those who want to see us pay down debt as quickly as we can, let me reassure you that year-end surpluses must and will continue to go to debt. Yes, we may have some legal flexibility during a given fiscal year. If there are problems that require onetime solutions, we can vote in this Assembly to take action. But if Albertans tell us to do that, any additional spending above the budget can only be for onetime costs, not annualized spending. At the beginning of each year we will assess priorities and needs and make our best judgments on what we can afford and what needs to be done. We are not going to blow open the doors to the vault, and we're not going to jeopardize long-term stability with short-term, quick-fix thinking.

Looking ahead. Mr. Speaker, those are the highlights of Budget '97, a budget squarely focused on three priorities: quality programs, jobs in a growing economy, and continuing fiscal responsibility that has become a hallmark of the Alberta government. Budget '97 contains no surprises for Albertans, just steady, responsible action to keep building this province and a better future for all of us. Steady, responsible, good government does not mean the status quo. It does not mean that what we are doing today is all that can or should be done. There are key issues ahead that demand our attention.

Before I stand before you to present Budget '98, should I have that privilege, we will need Albertans' advice on these questions, questions all of us have heard from Albertans year-round and during the campaign, on their doorsteps, in meetings and in debates, questions we need to face. Questions like those posed to me by that nurse and by that health technician. "Is there no end to the amount of money we spend on health? How do we get a first-rate health system without spending every cent we have?" Questions like the one asked of me by a frontline worker in a downtown social agency. "Now that Alberta is growing again, how do we make sure all Albertans have opportunities to share in

the benefits? How do we accommodate the stresses and strains of growth without falling back into the old trap of throwing money at every problem that comes along?" The question from a homemaker who understands the pressures of family finances. "What do we do about the rest of Alberta's debt once net debt is gone?" The question from the worker at a steel plant north of Red Deer who rides his bicycle to work at 6 every morning to save money on gas. "When are you going to reduce my taxes?" he says.

Mr. Speaker, those questions are anything but simple. The answers we choose will shape the kind of province we want to build for the future and determine the actions we take. I present this budget on behalf of Albertans with a great deal of care because it truly is their budget, a budget that builds on their priorities, a budget they strongly supported in the election campaign.

The past few weeks have been an overwhelming experience, getting to know a new job, trying to understand the entire range of everything government does for the people of Alberta. In those short weeks I've learned quickly that budgets are not just about divvying up the dollars. They're about making choices, setting priorities, trying to achieve the best results, balancing literally thousands of good ideas about what could be done with a practicable sense of what can be achieved with the dollars we have. Most of all, budgets are about charting a course and building a strong future for our province.

I've considered the costs and the billions of dollars it takes to operate this province. I am reminded of the most basic of all economic laws, nine simple words each of us needs to keep in mind when we ask our neighbours to sacrifice more of their paycheques. Those nine words, simply put: there is no such thing as a free lunch. Mr. Speaker, somebody has to pay.

A former head of state of the nation of Israel said something I believe most Albertans endorse. He said: the hand of the diligent makes rich. That was King Solomon, and he said it 3,000 years ago. We must allow Albertans to enjoy the rewards of their diligence and in the ways that are most important and most enriching to them. Albertans are creating a new future for our province, a future of our own making forged by the hopes, dreams, and hard work of Albertans. We are carving out new paths as we go, and together I am confident that we can turn those hopes and dreams into a new legacy, a new future that we'll be proud to leave to our children and to my granddaughter.

Thank you, Mr. Speaker.

[Applause in the members' gallery]

THE SERGEANT-AT-ARMS: Order! Order in the gallery!

4:40

MR. SAPERS: Mr. Speaker, on behalf of the Leader of the Official Opposition, the Member for Edmonton-McClung, I move that we adjourn debate on Government Motion 12.

THE SPEAKER: All those in favour of the motion as moved by the hon. Opposition House Leader, please say aye.

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no. Carried.

[The Assembly adjourned at 4:41 p.m.]