

Legislative Assembly of Alberta

Title: **Thursday, March 11, 1999** 1:30 p.m.

Date: 99/03/11

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon. Let us pray.

Our Father, as we conclude for this week our work in the Assembly, we ask for Your strength and encouragement in our service of You through our service of others.

We thank You for Your abundant blessings to our province.

Amen.

Please be seated.

Hon. members, I'm pleased to acknowledge that today, March 11, is the anniversary of 26 of our colleagues who were elected to the Legislative Assembly of Alberta in the general election of March 11, 1997.

head: Introduction of Visitors

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

MRS. O'NEILL: Thank you, Mr. Speaker. I'd like to introduce to you and through you to Members of the Legislative Assembly four young men who represented Team Alberta and who won gold at the recent 1999 Canada Winter Games in Corner Brook, Newfoundland, in curling. Skip Marc Kennedy, third Kevin Skarban, and lead Mark Pfeifer, as well as second Aaron Sarafinchan, all took on the rest of Canada and walked away winners. They are joined today by their parents: Brian and Wendy Pfeifer, Al Sarafinchan, and Jean Skarban. Their support was obviously a key ingredient to the team's success. Special attention should also be drawn to their coach, Don Kennedy, who is unable to be here today. No doubt his dedication and leadership was key to preparing a winning team. I know that I speak for all members of the Legislature when I say: well done, gentlemen. They are seated in your gallery, Mr. Speaker, and I would ask them to rise and receive the traditional warm welcome and congratulations of the Assembly on representing Alberta in gold at the Canada Winter Games.

head: Introduction of Bills

Bill 17 Quality Assurance Activity Statutes Amendment Act, 1999

MR. DOERKSEN: Mr. Speaker, I request leave today to introduce a bill being the Quality Assurance Activity Statutes Amendment Act, 1999.

This act basically changes and extends protection afforded by section 9 of the Alberta Evidence Act to other health care professionals besides physicians in providing quality assurance activities within our health system.

[Leave granted; Bill 17 read a first time]

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker, I move that Bill 17 be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head: Tabling Returns and Reports

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

MR. DICKSON: Thank you, Mr. Speaker. I'm pleased to table this afternoon the requisite number of copies of a Manitoba government news release with respect to public consultations with respect to Bill C-54.

MRS. McCLELLAN: Mr. Speaker, I'm pleased to file with the Assembly congratulatory letters I've sent to members of Team Alberta who did us all proud by winning medals during the second week of competition at the Canada Winter Games in Corner Brook, Newfoundland, and obviously including these four fine young gentlemen who are with us here today.

Thank you, Mr. Speaker.

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

DR. PANNU: Thank you, Mr. Speaker. I am pleased to table the requisite number of copies of a magazine called *Our Voice*, the spare change magazine, the magazine of the poor for the poor. I have sent a copy to the Treasurer so that he can read it before he presents the budget today.

Thank you.

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

MRS. SOETAERT: Thank you very much, Mr. Speaker. I have two tablings today. The first is a letter dated November 18, 1998, from Janet Cook, the president of the Catholic Women's League, which represents approximately 10,000 women. She is requesting a meeting with the Minister of Municipal Affairs to discuss poverty and affordable quality homes.

My second tabling is yet another letter from Janet Cook dated February 26, 1999, requesting a response to her letter.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Minister of Advanced Education and Career Development.

MR. DUNFORD: Thank you, Mr. Speaker. I'd like to table today five copies which are the written responses to questions on the achievement bonus that were raised in supplementary estimates, February 25, 1999.

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

MS LEIBOVICI: Thank you, Mr. Speaker. I've got a number of tablings this afternoon. The first is a resolution that was passed at a meeting held on January 26, 1999, which was attended by the Leader of the Official Opposition and myself. It was organized by the Mannville and District Health Services Foundation, and it states that the Mannville and area residents "are adversely affected by the closing of the 6 acute care beds and emergency service at the Mannville Health Care Centre" and request the government to "take action to reinstate health care services" at that centre "to pre January 1, 1998 levels."

Another tabling that I have is a letter from Diane Kozak, RN, to myself as Liberal health care critic opposing the possible closure of Our Lady's health centre in Vilna. In this letter she states that "since regionalization we have been stripped, raped, and left to die."

My third tabling is a letter from a Mr. Jack Ewanchuk to the Minister of Health. Jack Ewanchuk is president of Vilna seniors' centre, and in his letter he lists concerns with the possible closure of Our Lady's health centre in Vilna.

My last tabling, Mr. Speaker, is a letter to the Health minister on behalf of the residents of the Vilna health centre expressing their concern of the possible closure of their home.

Thank you.

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

MR. BONNER: Thank you very much, Mr. Speaker. I beg leave to table five copies of the program from the Mayor's prayer breakfast. Of particular interest in this program is the second stanza to O Canada, which is one of the four originals that I think the members of the Assembly might find particularly interesting.

As well, I have a second tabling with your permission which is put out by the Co-operative Housing Federation of Canada. This is a proposal on their behalf to start up a new nongovernmental organization to handle co-op housing.

Thank you.

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

MS CARLSON: Thank you, Mr. Speaker. I have two tablings today. Both are letters opposed to Bill 15, the Natural Heritage Act. The first from is from P.J. Vermeulen, who is "strongly opposed to the proposed legislation which will downgrade the protection of wilderness, parks, natural areas and other protected lands" in Alberta.

The second is from Al Brawn, who is very concerned that continued industrial development will happen within Willmore wilderness park, particularly under the auspices of this bill.

Thank you.

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

MR. WICKMAN: Thank you, Mr. Speaker. I beg leave to table five copies of a letter from constituents of mine, Margaret Shell and Dr. Curtis Shell, expressing their concern with the lack of funding for Steinhauer school and the impact on that particular school. I'll also take the opportunity to send a copy over to the minister, and I urge him to read it and pay attention to it.

Thanks.

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

DR. NICOL: Thank you, Mr. Speaker. I was hoping you were not trying to make sure I got my calisthenics for today.

I'd like to table five copies of the presentation given last night by the Alberta Co-operatives. It shows the good work that can happen in Alberta when we have grassroots people get together to promote their own interests.

1:40

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

MS BLAKEMAN: Thank you, Mr. Speaker. With your permission I would like to table the appropriate number of copies of a document prepared by the Calgary Status of Women Action Committee. It's entitled Watering Down the Milk: Women Coping on Alberta's Minimum Wage. An excellent document.

Thank you.

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

MR. MacDONALD: Thank you, Mr. Speaker. I rise this afternoon to table five copies of a letter dated today from myself to the Minister of Labour and his department officials. The taxpayers of this province paid for an interim study on the treatment of pine shakes, and the taxpayers want answers.

Thank you.

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

MRS. SLOAN: Thank you, Mr. Speaker. I'm pleased today to rise and with your permission table two tablings. The first is copies of correspondence the Premier and I have received with respect to the Domestic Relations Act proposed by this government, and the writer is calling on this government to provide equal citizenship to all Albertans, regardless of the relationships they are in.

The second tabling is a letter also addressed to the Premier from the Alberta Youth in Care and Custody Network. This organization is a community organization that assists youth involved in both the child welfare and youth justice systems. They have attached for the Assembly's review a copy of their report We Speak: Lesbian and Gay Fostering in Alberta, which was submitted to the Ministry of Family and Social Services.

Thank you.

THE SPEAKER: Hon. members, pursuant to Standing Order 109 I'm pleased to table with the Assembly the 10th annual report of the Legislative Assembly Office for the calendar year ended December 31, 1998. This report includes the second annual report of the Alberta branch of the Commonwealth Parliamentary Association, and a copy of the report is being distributed to all members.

head: Introduction of Guests

THE SPEAKER: The hon. Member for Redwater.

MR. BRODA: Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to members of this Assembly 108 students from the Morinville community high school. Accompanying them are teachers Mr. Tom Stolz, Mrs. Bonnie Smith, Ms Michelle Boucher, and Mrs. Rosie Khrulak and parents and helpers Mrs. Anne McLaggan and Mrs. Deb Charrois. I would ask them to please rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Member for West Yellowhead.

MR. STRANG: Thank you, Mr. Speaker. At this time I'd like to introduce to you and through you to the rest of the Assembly a gentleman from West Yellowhead that is the town manager of the town of Hinton, who is a great supporter of a lot of community projects and works very hard in his community. I'd like him to stand at this time and receive the warm welcome of this Assembly.

Thank you.

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

MR. STEVENS: Thank you, Mr. Speaker. It's my pleasure to introduce to you this afternoon and to other members of the Assembly Ms Leslie Hamilton. She's one of my constituents, a keen observer and participant in provincial politics at the Calgary-Glenmore level, and a very dear, long-term friend of the Member for Calgary-Fish Creek. I would like Leslie, who is sitting in the public

gallery, to stand and receive the traditional warm welcome of this Assembly.

head: Oral Question Period

THE SPEAKER: First main question. The Leader of the Official Opposition.

Scrutiny of Budget Estimates

MRS. MacBETH: Thanks, Mr. Speaker. This government's approach to its job reflects a basic distrust of democracy, an unwillingness to respect what Albertans want, whether it's elected regional health boards or VLT petitions. Nowhere is this disdain for democracy more apparent than in the bullyboy approach to the business of this Assembly and the disregard for opposition voices, whether it be a duly elected representative or a member of the public. My questions are to the Acting Premier. Why is this government increasing its spending on TV infomercials while decreasing the time spent on budget debate and scrutiny?

MRS. McCLELLAN: Mr. Speaker, this government is committed to ensuring that Albertans wherever they are in this province have the information, the correct information, the accurate information, and I do not think that the very modest amounts that this government, in fact, is spending on making sure that Albertans have the information is money that is not wisely spent. I think, in fact, that this government has a responsibility to ensure that Albertans do have that information, and we will continue to do that.

MRS. MacBETH: Mr. Speaker, the government also has a responsibility to be cross-examined.

Rather than spending the public money on spinning the message, will the government consider adopting the model used by the government of Ontario in budget scrutiny?

MRS. McCLELLAN: Mr. Speaker, this House is sitting. It will have 25 days of budget debate, with duly elected representatives from all parties that have been elected for this province, and it will be at that time that the cross-examination of budget or policy or any other area of this government is held. This is the venue for cross-examination and discussion. We understand from the opposition that they want to have that opportunity, and I know that every minister of every department in this government looks forward to that cross-examination.

MRS. MacBETH: Great, maybe they will.

Mr. Speaker, will the Acting Premier consider the establishment of a standing committee on estimates, as used in Ontario, that would permit 60 hours of scrutiny rather than the eight that they currently permit?

MRS. McCLELLAN: Mr. Speaker, we have Standing Orders and policies in this Legislature that have been set by this Legislature that is for Albertans. It's made in Alberta, and it's Alberta legislators.

In fact, Mr. Speaker, the information that I have suggests that we spend per year more time in this Legislature than any of the other provincial or territorial governments in this country. Further, it is my understanding that it costs us about one and a half cents per citizen in this province to make sure that they have the accurate, informed information on the budget of this government.

Mr. Speaker, I do not think the funds are excessive, and I think the time spent in this Legislature speaks for itself.

MR. HANCOCK: Mr. Speaker, might I supplement by indicating that I'm not sure where the 60 hour number comes from when we have five designated supply committees that sit for four hours; we have designated 3 to 5:30 every Thursday afternoon on four occasions, plus the subcommittees of supply, the A, B, C, and D committees. In order to expand the amount of time that members of the House have to ask, we break into subcommittees so that we can deal with even more time. So it's much more than 60 hours.

THE SPEAKER: Second Official Opposition main question. The hon. Leader of the Official Opposition.

Education Funding

MRS. MacBETH: Thanks, Mr. Speaker. The minister's funding formula for education has forced half of the school boards in this province into deficit positions. The Calgary board of education has been particularly hard hit. Our very own minister said that there will be no more money for teachers' salaries despite a looming teachers' strike. Mind you, that was last month. Now, just exactly what will the Calgary board of education be allowed to do with the increases announced yesterday?

1:50

MR. MAR: Well, Mr. Speaker, we're happy to have been listening to Albertans throughout the province of Alberta who have said that education is absolutely critical and that it is an important place to reinvest. We've listened. We haven't encouraged people, in the words of the hon. opposition leader, to motivate people to be outraged, but instead we encourage rational debate and constructive criticism.

What's been precipitated from all that discussion is a reinvestment in education that totals \$600 million. We ought not discount the importance of that amount of money as some members of the opposition would. In fact, the president of the Alberta Teachers' Association said that if there were a 3 percent increase in the instructional grant rate, she would be euphoric.

Well, Mr. Speaker, with respect to how that \$600 million will be divided, a portion of it will be going, of course, to the instructional grant rate, and a portion will be going to plant operations and maintenance, and a portion will go to transportation. But with respect to the exact details of the increase in the instructional grant rate and such that will be revealed in the full Monty by the Provincial Treasurer this afternoon.

MRS. MacBETH: I'm not going near that one.

Mr. Speaker, given that the minister told school boards that some are spending too much on new methods of helping special-needs students -- but that was back in December -- will the Calgary board of education be told to reduce spending for special education?

MR. MAR: Mr. Speaker, it will be important, of course, for this \$600 million increase to be spent appropriately, where the money is directed to resources in the classroom. That is a completely consistent message that this government has advocated from the very beginning, that the money we spend is important, but it ought not be wasted, and that we do want to direct money into areas like special needs, into classroom resources, textbooks, computers, teachers' salaries, and other areas that support learning in the classroom, because all decisions, whether it's by a teacher or an administrator or by a school principal or by the Minister of Education, must support and advance the yardsticks on the question: how does this

help students learn in the classroom? That is a very consistent message, and that will never be a message that will change.

MRS. MacBETH: Mr. Speaker, is this minister saying that spending money on special education is wasting education dollars?

MR. MAR: Mr. Speaker, I've made no such suggestion. Any such suggestion is a misinterpretation of my own words by the Leader of the Opposition. What I have said is that money must always be spent appropriately, and that includes students who have special education needs.

The hon. Leader of the Opposition knows that special education, as I've indicated in this House many times, has been a primary concern for this minister and for the government. That is the reason why in September of the last school year the instructional grant rate for special needs went up by 30 percent per capita. The reason for that 30 percent increase is because we made efforts to speak with school board administrators and trustees. We asked them the question: how much more are you spending on special-needs students than is provided for in the grant that is allocated to you, whether it was moderate, mild, or severe disability students. The response by school boards was that it's about 30 percent more than you actually allocate. That's the reason why those grants went up by 30 percent. I'm proud of that commitment.

THE SPEAKER: Third Official Opposition main question. The hon. Member for Edmonton-Rutherford.

VLT Plebiscites

MR. WICKMAN: Thank you, Mr. Speaker. My questions today will be directed to the minister responsible for lotteries. The mismanagement of the VLT issue cannot possibly be overstated, a sloughing off of responsibility to an unelected commission without appropriate legislation. Unbelievable. To the minister: for the life of me, how can such sloppiness occur?

MRS. NELSON: Mr. Speaker, the Alberta Gaming and Liquor Commission, through the Gaming and Liquor Act, which was passed in this Legislature, is given the responsibility to manage, control, lease gaming activities within this province. There is a division of responsibilities within the commission, one on the operational side and one as a board that acts as a quasi-judicial body. They have been very effective in performing their duties, quite frankly, and have maintained a very clean operation within this province. So I do take exception to the hon. member's comments. They've done a very good job in the past.

We have a difficulty with our VLT issue. That is no secret. We are going to have to review that legislation, because in the act the policy is separate and apart from government policy. That was ruled on in the courts in a court judgment that came out this last week. The process that we're going through right now as a government, Mr. Speaker, is to look at the implications of that court ruling and to come back to this Legislature with some solutions.

MR. WICKMAN: Mr. Speaker, to the same minister: how does this minister expect the best of both worlds, supposedly passing on authority while at the same time barking directions on what to do?

MRS. NELSON: Well, I haven't really barked as yet, but maybe I should start at the hon. member. Mr. Speaker, I've been accused of a lot of things by this hon. member over the years, sometimes other things but not barking. Maybe I could get his attention if I started barking at him.

AN HON. MEMBER: Her bite is worse than her bark.

MRS. NELSON: One of my colleagues said: my bite. I haven't bitten him either.

There is a responsibility here to make sure that if we have a problem with our legislation, we rectify it and we correct it. Clearly the policy directions cannot be directed from the government. That's the ruling that's come out. If that is a flaw in our legislation, then we have to correct that. Those are the implications we're reviewing right now, as to how we go about correcting that. What's critically important is that we want to make sure we maintain the independence of this commission, because it is a quasi-judicial body. So there's a fine line as to where you take control or where you keep it separate and apart. I can tell you, Mr. Speaker, that in other jurisdictions where there hasn't been that separation or that independence, there have been some very grave difficulties where politicians have been in daily directing people to do things. I would very much oppose us pulling that back in. The hon. leader is gaping, and she knows perfectly well what I'm talking about.

So I would ask the House to let us go through our process of looking at the implications and looking at this legislation. I do want to say one thing: we do want to maintain the separation of the commission because of its quasi-judicial nature, but we also want to look at the implications of things such as this court case that have come forward now. So we'll be back to the Legislature soon.

MR. WICKMAN: My last question, Mr. Speaker, again to the minister: is it just possible that this government is delighted with the court decision, seeing that it allows VLT revenues to keep flowing in to government coffers?

2:00

MRS. NELSON: You know, Mr. Speaker, this hon. member has gone out and thought I wanted delays in this process. There isn't anybody in this entire province that wanted to have a decision come down more so than I did in a timely fashion. What I didn't want to have is a situation where a decision would come down that went against some of the fundamental principles that our government believed in, and that was the community being involved, listening to the community.

So that's part of the process that we have got to look at: how the view of the community can be reflected in the policy, that it gets related into that process. We believe that there has to be input from the community. How we get that through and maintain independence of the body is the dilemma. We have a number of our legal people looking at how we can do that and effectively retain two areas, independence and reflection of the community. So we're working on it, Mr. Speaker.

THE SPEAKER: The hon. leader of the ND opposition, followed by the hon. Member for Clover Bar-Fort Saskatchewan.

Tax Reform

MS BARRETT: Well, Mr. Speaker, the government's weeklong budget striptease culminates today. In two hours Albertans will get a look at the government's real body without its clothing of rhetoric and PR spinners. It must be the day of the full Monty. Speculation is rampant that the government is going to put the people of Alberta through an 11 percent flat tax wringer which would jack up taxes for the middle-income earners while giving a gift to anybody earning over \$80,000 a year. I'm so pleased to make the advanced education minister laugh. I hope you laugh when I send across this series of

calculations. My question to the Acting Premier is: how can this government justify imposing a 12 percent tax increase on a single Albertan earning \$40,000 a year while giving a 16 percent tax gift to those earning \$150,000 a year?

MRS. McCLELLAN: Mr. Speaker, as the hon. member pointed out very clearly, the budget will come down in two hours less two and a half minutes. All of what the hon. member is raising here is speculation. It isn't based as far as I know on any fact, and as the hon. Premier indicated yesterday, stay tuned. You don't have to stay tuned quite as long now. We're less than two hours away.

MS BARRETT: Well, Mr. Speaker, maybe the Acting Premier would want to answer a question in principle then, and that is: why should Albertans, middle-income earners, pay higher taxes in order to give a financial windfall to Alberta's wealthiest people?

MRS. McCLELLAN: Mr. Speaker, this is all supposition. It's all hypothetical. If you want to have a debate on principle on taxation, as I said, we'll do it during the budget debate if it is an appropriate area to discuss.

MS BARRETT: Well, finally, Mr. Speaker, if the government is so profoundly concerned about lowering taxes, why doesn't it just announce today right now through the Acting Premier that it plans to eliminate the most grotesque flat tax that Alberta has, that being the Alberta health care insurance premium?

MRS. McCLELLAN: Mr. Speaker, again I have to remind the hon. member that in less than two hours we will have a budget address, and over the next weeks we'll have a budget debate. However, I would also remind the hon. member that Albertans enjoy the best tax regime in Canada, the lowest taxes, take home more money in their pockets after taxation, have no provincial sales tax. We'll wait for the rest of the discussion after 4 o'clock today.

THE SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan, followed by the hon. Member for Calgary-Buffalo.

Assured Income For the Severely Handicapped

MR. LOUGHEED: Mr. Speaker, during the last few months there's been a great deal of discussion about proposed changes to the assured income for the severely handicapped. In November there was an announcement about program review, and in January and February there was a series of consultations that took place. My question is to the Minister of Family and Social Services. What changes are being planned for the AISH program? [interjections]

DR. OBERG: Thank you very much, Mr. Speaker. I find it quite amazing that the opposition is talking about puffball questions when as little as two months ago they were complaining about AISH. Obviously we're doing something right.

Mr. Speaker, what we are attempting to do and what we will be doing first of all when it comes to AISH are several things. We're increasing the AISH benefit from \$823 to \$855. We're announcing job training for those people who want it with an increased earnings exemption. The increased earnings exemption will go from \$165 per month to \$200 per month. Ongoing medical coverage: if you leave AISH for a job and you can't handle it, if your income is decreased, you will continue to get medical benefits. We're looking at rapid reinstatement if the job doesn't work out.

Mr. Speaker, we're also looking at benefits that are responsive to family size. I believe I've said in this Legislature before that it's a little bit strange that if someone is on AISH and has one child, they get paid exactly the same amount as if they had five children.

The last thing that we will be doing is an asset test with a limit of \$100,000 excluding a person's home, a car, and an adapted vehicle.

Over the next month there will be toll-free lines set up so that people can call in with their concerns or issues about it. Mr. Speaker, today every person on AISH will be receiving a letter explaining the changes to them and explaining what is happening to AISH.

MR. DICKSON: Point of order.

MR. LOUGHEED: Thank you. Mr. Speaker, could the same minister explain why he's introducing an asset test?

DR. OBERG: Mr. Speaker, I'd be delighted to. Some of this, as I've said before, comes down to a philosophy of government. What we are talking about is that we as government feel that it's our responsibility to look after people who need it the most. From some of the debate that has been going on in this Legislature over the past couple of weeks, I could only assume that the opposition parties agree with me on that. When we're talking about someone who has \$300,000 or \$400,000 in assets sitting there, are we really saying that those people are in need? I don't think so.

I think another thing people must remember that's very important is that 70 percent of people in Alberta have assets of less than \$50,000. Mr. Speaker, we are talking about allowing five times that amount for people on AISH. I believe this is fair. I had the opportunity to talk to a lot of disability groups last night, and they feel it's fair as well.

MR. LOUGHEED: Thank you, Mr. Speaker. Again to the same minister: will you plan on working with community groups, the disability community with regards to the changes that are upcoming in AISH?

DR. OBERG: Mr. Speaker, the obvious quick answer to that is yes. Last night I met with 10 or 15 representatives of disability groups around the province and explained to them the changes that were occurring to AISH, and we had an absolutely excellent meeting. The advocates and the representatives were very supportive of the changes and indeed were quite happy about the changes. The common theme that came through which is quite interesting is: "Well, Mr. Minister, what's wrong? You actually listened to what we were saying." It seemed to be quite strange.

The bottom line is that we are going to continue meeting with the disability groups, with the representatives. There will be ongoing discussions about responsiveness to family size. They brought up a very good point. They want to meet every three to six months with more issues about AISH if there are issues about AISH that need to be brought up, and I've agreed to that. They also brought up a point about sunseting the AISH legislation so that it undergoes an automatic review within three to five years. I think that's an excellent idea. They talked about employability and getting together with employers and the disabled community to attempt to find better ways to get people into the workforce. Overall, Mr. Speaker, I was quite happy with the way the meeting went last night.

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

Federal Protection of Privacy Legislation

MR. DICKSON: Thank you, Mr. Speaker. VLT petitions, Supreme Court decisions, now there is yet another train roaring down the track, and once again the government of the province of Alberta is standing squarely between the rails looking the wrong way. The federal government is currently debating a bill that will affect every single business in this province that also happens to trade outside of Alberta. Bill C-54 will decide what the rules will be for the protection of personal information in the private sector. My question this afternoon is to the Acting Premier. Why not hold public hearings as the province of Manitoba and other provinces are doing to ensure that their citizens know what's going on and have a chance to participate in this important debate?

MRS. McCLELLAN: Mr. Speaker, it's interesting in here: on one issue we've had too much consultation, and on another issue we should have consultation. Obviously they're not too sure how much is enough or on what issue.

However, on this issue, I would ask the Minister of Justice and Attorney General to supplement my answer.

MR. HAVELOCK: Yes. Thank you. At the last federal/provincial/territorial meeting in Regina Bill C-54 was actually discussed. The provinces did express some significant concerns regarding some of its provisions, and our officials are working closely with the federal officials to resolve some of those concerns. I don't have the list of those in front of me. However, I'd be happy to discuss it with department officials, and I'll be able to get the hon. member across the way some further information on where we're at on the issue.

2:10

MR. DICKSON: Thank you. My follow-up question, again to the Acting Premier: how is it that this provincial government is prepared to lecture Ottawa on YOA, on gun control, on child support but seems to have lost its voice on this really important issue that's going to affect all these Alberta businesses?

MRS. McCLELLAN: Well, Mr. Speaker, first of all I don't accept that discussions between our two levels of government are lectures on either side. In fact, in all of my years of experience in this Legislature and as a minister with members of the federal government that has been the case, and I expect it is in this case. However, the Minister of Justice and Attorney General has answered this question, I believe, in his first answer. I would ask him to supplement again in case the hon. member did not hear the answer.

MR. HAVELOCK: Well, Mr. Speaker, sometimes the issue isn't whether we're speaking out, voicing our concerns. The issue is whether or not Ottawa is listening, and quite often that's not the case. As I indicated in my previous answer -- and I'll repeat it for the hon. member because he obviously missed it the first time through -- we discussed this issue at the federal/provincial/territorial meeting in Regina. We expressed some concerns. I can recall specifically Saskatchewan being very concerned about the issue, and we put some matters on the table. I will again go back to department officials, and I will provide the hon. member with some further information on the issue so that he will know fully what the Alberta government's position is, as will all Albertans when we come out with the information.

MR. DICKSON: My final question would be this to the Minister of Justice: never mind government to government, when do ordinary

Albertans get a chance to have a say? Alberta businesspeople are the ones that are going to be affected. Don't talk just about government to government. What about Alberta citizens?

MR. HAVELOCK: Well, we hope that we're representing the views of Alberta's citizens in our discussions with the federal government. I would suggest to the hon. member's concern about businesses having a say that they approach the government which is bringing forward the bill, and that's the federal government. We'd certainly be happy to facilitate any contact they might wish to make with the federal government. Certainly I indicate here today also that if there is any business out there, if there is any Albertan who has a concern who happens to be watching this broadcast, then they're more than welcome to send their concerns in, and we'll take those into account.

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

Livestock Feeding Operations

MR. FRIEDEL: Thank you, Mr. Speaker. I'd like to address these questions to the Minister of Agriculture, Food and Rural Development. They concern the department's initiative on livestock feeding operations. I've been getting some feedback both from constituents who are in the business as well as from elsewhere in the province to myself as chair of the Regulatory Reform Task Force. A common concern seems to be the one-size-fits-all solution that the department appears to be considering. I wonder if the minister could give us a brief outline of what is happening in the public consultation process that's going on now, particularly relative to timing, on this issue of livestock feeding operations.

MR. STELMACH: Thank you, Mr. Speaker. We have a committee that's comprised of representatives from the Alberta Association of MDs and Counties, Alberta Urban Municipalities Association, the Environmental Law Centre, representatives from all of the livestock groups in the province of Alberta, and that committee is co-chaired by a person by the name of Aaron Falkenberg, who is representing the chicken producers on that much larger committee. The other co-chair is Mr. Barry Mehr, one of our assistant deputy ministers. They have held public consultations across the province, collated that information, and now have sent it back out for further review.

We did announce a few weeks ago that we're going to give the respondents another few more weeks to peruse the documents that were sent out to various municipal councils especially, because we've gone through the election last October, and we just want to make sure that the new councillors elected are aware of some of the roles that they will be playing in the future when it comes to siting. In just reviewing the letters that we're getting from municipal councils and some of the questions raised in the annual meetings of various livestock groups that I've had the pleasure of attending, we're going to give some consideration to moving the time lines even further and allowing as much participation as possible.

MR. FRIEDEL: Mr. Speaker, to the same minister. I wonder if he can give us some assurance that any legislation pertaining to this matter will take into consideration that there are many variables in the different parts of the province and that any requirements that might come out in legislation would be flexible enough to accommodate the different and unique needs of all the areas of the province.

MR. STELMACH: Mr. Speaker, the hon. member makes a very good point. What we're going to be doing is relying on as much

research that we have today and looking at further research to ensure that there is enough flexibility within the parameters of the legislation to allow municipalities, when they're making these siting decisions, to use some flexibility in the decision-making. Our soils vary from south to north. Availability of water varies as well. So those are all contributing factors in making a final decision for siting an intensive livestock operation.

MR. FRIEDEL: My final question, Mr. Speaker. Considering that any legislation is usually also administered along with regulations, could the minister advise us if he would consider building into the public consultation process any requirements dealing with the regulations along with that of the legislation so that the stakeholders can respond not only to the legislation but also to the way that it's going to be administered?

MR. STELMACH: Yes, we will, Mr. Speaker. In fact, some of the supporting documents that went out lately were focused more on what we'll do in terms of enforcement, and before we write in any regulations following passage of the act, we want to ensure that municipalities, livestock associations, the urban municipalities as well are aware of the regulations. One common theme that we keep hearing from all groups involved is that the legislation and the regulations have to have some teeth and also where the act sits in terms of paramountcy between the Public Health Act, the environmental enhancement act, and our own act, that'll be coming forward later.

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

Pork Prices

DR. NICOL: Thank you, Mr. Speaker. On behalf of a group of farmers that I met with on Monday night, I'd like to ask the minister of agriculture some questions. Last December the farm level of hog prices was half of what it had been early in the spring, yet retail pork prices hardly changed enough to reflect that reduction. Why?

MR. STELMACH: That is a very good question. In fact, if there was any one question that I was asked over the last number of months, it was: well, we've just seen the largest spiral drop, a free fall in pork prices in a matter of about four months, and we didn't see retail prices in our major retail outlets move to reflect the tremendous drop to the producer. When we had contacted some of the retail outlets in the province and some of the red-meat organizations, the stores told us that rather than moving down the kilogram price of the product, what they were doing was offering a number of sales, specials on various cuts, sort of a package deal. From the red-meat sector it seems they were a little concerned that if pork prices to the consumer were to really drop off dramatically, then it would also force down the other prices for commodities like beef and chicken, because they all would like to retain their market share.

But it was very interesting during that period of time. I'd submit to this House that over that four or five months our smaller abattoirs, that are scattered across the province of Alberta, have done more business in those few months than they ever did before. In fact, they had lineups. They were behind two, three weeks in terms of meeting customer demand. As a result, I think, of this tremendous free fall in price, the consumer has now found another source of red meat, not just seeing the larger retail stores but now going to the smaller abattoirs and actually getting what the consumer wanted, almost customized, in terms of the package that the smaller abattoirs presented.

2:20

DR. NICOL: Mr. Speaker, again to the minister of agriculture: did I hear you correctly in telling me that the retailers made a conscious decision not to reduce the price of pork products to support the price of beef? In other words, did they make a conscious decision to support one price level rather than allow the market to operate the way it's supposed to?

MR. STELMACH: The market did operate. The consumer had the choice. The consumer went to the store, looked at the price of pork, and said no. I know that prices are a lot lower in other stores and also in some of the abattoirs, and that's where they went for their pork prices. We as a government cannot regulate the retail price of meat in our stores -- I certainly hope that the hon. member isn't leaning that way -- but the consumer, by having such a wide variety of choices, selects in terms of those purchases.

One thing, though, that again I would like to repeat is that the industry itself, not just the retail stores but the industry, was afraid that if the price of one commodity, pork, really drops off rapidly, it forces down the rest of the retail sales in the province. As a result, all agricultural producers producing beef and chicken and pork suffer tremendous losses, because at the end of the day the producer is only as prosperous as what sales they can make. Nothing happens at all unless a sale is made.

DR. NICOL: Mr. Speaker, again to the minister of agriculture: was he saying that the industry made the choice to allow the hog farmers to suffer the greatest loss in price that they've had in years just so they could support the price of other products?

MR. STELMACH: Mr. Speaker, let me try this again. Perhaps the answer was too complicated. I'm not quite sure. What had happened really was a free fall in market prices for the pork producers. It was a combination of varying factors. We suspect that what happened was that because so many of the larger processors, especially in the States, had forecast and had forward priced a significant portion of their purchases, as a result of some contributing factors like the Japanese or the Asian market falling off and the currency problems in Russia, with all of those forward prices they were caught with paying the producers a set price. As a result, in order to have some dollars of profit left at the end of that period, what it did was tremendously push down the daily cash price for the producers in this province, the rest of Canada, and right through the United States.

What did happen in that period of time, though, is that even though the price of pork dropped off that dramatically, we will see at the end of 1998, once all of the sales figures come in, an increase in the sales of red meat, especially pork, to the Asian market.

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

Chiropractic Radiology Services

MRS. BURGNER: Thank you, Mr. Speaker. I'd like to ask a question about an issue that's been raised in my constituency about people who are using chiropractic services. They're very concerned about the fact that when they go to their chiropractor, they're unable to have X-rays because some radiologists are refusing to provide X-ray services to chiropractors. There's been some investigating done, and it found that the disruption of services stems from a dispute that is currently going on between chiropractors and radiologists. It seems that the Alberta Society of Radiologists has passed resolutions

to limit the access of chiropractors to radiology, and this was raised at a standing policy committee last fall. My questions are to the Minister of Health. As a result of the dispute between chiropractors and radiologists, are Albertans being denied access to medically necessary services?

MR. JONSON: Mr. Speaker, first of all, although I'm sure that chiropractic services are used, valued by many Albertans, they are not services which are deemed to be medically required vis-à-vis the Canada Health Act. Here in Alberta we are one of five provinces that do provide significant financial coverage to chiropractic services. Nevertheless, as I've said, they're not deemed medically required by the Canada Health Act.

Another point, I think, that is relevant to the concern raised by the hon. member is that through their training, through their accreditation as chiropractors, chiropractors can have and maintain -- and many of them do -- their own X-ray equipment and conduct their own X-rays, their own diagnosis through that means.

Mr. Speaker, the other thing that could be added is that, yes, there are quite a number of chiropractors that do choose to send their patients to radiologists and expect X-rays to be done, but it's important to remember that they do have the qualifications and the licensing to conduct X-rays. The other thing is that no one is being denied medically necessary services as defined in our usual definition.

MRS. BURGNER: Thank you, Mr. Speaker. My first supplementary question to the same minister: can the minister tell us why radiologists are being allowed to reject X-rays simply because they are coming from a chiropractor rather than thinking of what is best for patients?

MR. JONSON: Well, as I've indicated, Mr. Speaker, it is a situation where the chiropractors themselves do have the scope of practice and the ability to have their own equipment and do their X-rays. The Society of Radiologists, however, has taken the advice of the oversight organization in Canada concerning pediatric services or children's services whereby they have certain directions and certain concerns about the use of X-rays and the overutilization of them as they apply to children. They have also had some concern with respect to a recent legal case, I believe, in the province of Saskatchewan.

So, Mr. Speaker, it is, as it stands right now, quite within the purview of the radiologists to make this decision as to whether or not they take these referrals, as they make determinations as to how they follow up on referrals from general practitioners and others of their colleagues.

MRS. BURGNER: My second supplementary question, again to the same minister: how does the government plan to resolve the dispute between the radiologists and the chiropractors? This can't continue.

MR. JONSON: Well, Mr. Speaker, this is a matter of dispute between two professional organizations or professional groups of individuals. As far as the legislation and the regulations that currently exist, as I've outlined, there is no direct violation of any such legislation or regulations or any direct danger to patients as we can determine it. However, we are of course desirous of seeing such a dispute resolved if possible, and it's my understanding that through the College of Physicians and Surgeons and their executive director, Dr. Ohlhauser, there are some talks taking place to try and mediate the dispute.

THE SPEAKER: The hon. Member for Edmonton-Meadowlark, followed by the hon. Member for Athabasca-Wabasca.

Lakeland Regional Health Authority

MS LEBOVICI: Thank you, Mr. Speaker. In a recent news release the Minister of Health indicated that new funding will provide increased access to long-term care and increased access to acute care. My questions are to the Minister of Health. Will the minister now assure the residents of Vilna that their long-term care facility will not be closed?

2:30

MR. JONSON: Mr. Speaker, as the members of the Assembly I believe have been advised before, there has been an overall review of services in the Lakeland regional health authority. Measures are being taken by the official trustee to refine the governance and rationalize the services of Lakeland region. Recently, very recently, as of this morning, I've been apprised that they have taken some recommendations of the report with respect to reducing administrative costs and focusing dollars more into the actual direct patient services for the residents of Lakeland. They have also assured residents of the Lakeland region that there'll be no reduction in the number of acute care beds. Overall there is work that is going on to reorganize the system, and I'm sure that the overall capacity for long-term care in Lakeland will be maintained.

MS LEBOVICI: Thank you. Given that the minister said that there would be increased access to long-term care, will the minister now assure the residents of Valleyview that the existing long-term care beds that are there will be opened to accommodate the need?

MR. JONSON: Mr. Speaker, in the budget that is about to be revealed, there will be re-enforcement, of course, and verification of a very significant reinvestment of dollars in health care in this province. One of the priorities overall for the system will be to increase long-term care capacity in this province. I'm not, however, at this point or in the future going to be micromanaging the system one way or another.

MS LEBOVICI: After Lakeland was micromanaged, that's quite a comment.

Will the minister now assure the residents of Mannville that the services at the Mannville health care centre will be reinstated to the pre January 1, 1998, levels?

MR. JONSON: Mr. Speaker, I will comment here specifically because certain decisions have been made, and I would just like to outline basically what is involved there. Mannville is located, as I recall, 22 kilometres from Vermilion, which has a full-service rural acute care hospital. The regional health authority had determined that they would concentrate their acute care services in Vermilion. Secondly, there has been an ongoing difficulty of maintaining full physician services in Mannville. The other thing is that the primary area of need -- and she seemed to have an interest in long-term care in the question before -- within the community of Mannville, as I understand it, is long-term care, and that is being provided, as are clinic services. So I think the regional health authority there has planned and acted appropriately.

THE SPEAKER: The hon. Member for Athabasca-Wabasca, followed by the hon. Member for Edmonton-Centre.

Remote Northern Housing

MR. CARDINAL: Thank you very much, Mr. Speaker. My question is to the hon. Minister of Municipal Affairs. Most of the isolated and semi-isolated communities in my constituency do not presently have access to mortgage loans provided by the conventional lending institutions. The reason for this is they are classified as nonmarket communities. Our government, of course, in the past 35 years has built hundreds of homes through the remote housing program using the Family and Social Services job corps as the work component. Considering a number of these houses do not have access to the basic services of water and sewer, my question to the hon. minister: is the minister prepared to offer these communities assistance to ensure that they have access to these basic needed services, such as water and sewer?

MS EVANS: Yes, Mr. Speaker, we are prepared. This summer we will be spending about \$400,000 to target the most needy, the seniors and low-income individuals in those homes. The hon. member is quite correct that the dollars from lending institutions seem not to be available for a number of people in our remote northern communities, and we will be continuing to look at ways and means of providing assistance.

MR. CARDINAL: Mr. Speaker, for my constituents. Will the minister advise me of which of the communities in my constituency, which is a large constituency, are targeted to receive this funding?

MS EVANS: Mr. Speaker, we've targeted Janvier and Conklin, Trout and Peerless lakes, Sandy Lake and Grande Cache.

MR. CARDINAL: Thank you very much. Mr. Speaker, my final supplement is: would the minister give some assurance to my constituents that the remote housing program which provides this service will continue in the future?

MS EVANS: Mr. Speaker, I have just received an evaluation document on the remote housing project, and currently with seven other ministers we are looking at the housing policy for Alberta so that we are focusing and targeting our dollars for those that are most in need. Clearly, the hon. member's residents are in need. There will have to be some program that assures them that we provide safe and comfortable and affordable shelter for those in need. Whether it will be through the remote housing program or some other program, I am quite confident that our government will proceed.

THE SPEAKER: In 30 or so seconds, hon. members, I will call on three members today for Members' Statements. We'll first of all proceed with the hon. Member for Livingstone-Macleod, then the Member for Edmonton-Ellerslie, and then the Member for West Yellowhead. But in that 30 seconds might we revert to Introduction of Guests?

HON. MEMBERS: Agreed.

head: Introduction of Guests

(reversion)

THE SPEAKER: I'll call on first the hon. Member for Calgary-Lougheed.

MS GRAHAM: Thank you very much, Mr. Speaker. I do appreciate the indulgence of the House. It is my pleasure today to introduce three special visitors from Calgary. They are seated in the public

gallery, and I'd ask them to rise as I introduce them. They are June Gustavson, a dear friend of mine and a valued board member of Calgary-Lougheed constituency, her granddaughter Catherine Bayek, who is a first-year student at Mount Royal College, and my much-appreciated constituency assistant from Calgary-Lougheed, Mrs. Darlynn Lynn. I'd ask that we give them the traditional welcome of this House.

THE SPEAKER: The hon. Minister of Intergovernmental and Aboriginal Affairs.

MR. HANCOCK: Thank you, Mr. Speaker. It's with pleasure that I rise today to introduce on behalf of the hon. Member for Red Deer-North 68 visitors from River Glen school in Red Deer. They're seated in the members' gallery. They're accompanied by Mrs. Janice Dempsey and Ms Shelly Klotz, teachers, and Mrs. Gwen Pozzolo, teacher assistant, as well as parents and helpers Ms Marina Starr, Mr. Norman LaMarche, Mrs. Pam Desjarlais, Mr. Paul Duval, and Ms Carole Janzen. As I said, they're seated in the members' gallery, and I'd ask them to rise now and receive the traditional warm welcome of the House and thank them for their patience.

head: Members' Statements

THE SPEAKER: The hon. Member for Livingstone-Macleod.

Neal O'Neil

MR. COUTTS: Mr. Speaker, today I rise to honour Neal O'Neil, a very special southern Albertan born in Bow Island, who passed away at the Claresholm auxiliary hospital on Monday, February 22, 1999. It is very fitting during the International Year of Older Persons to recognize Neal as a senior with a most unique passion for education: to learn just for the sake of knowing and to strive to understand the world we borrow for a few decades' span.

Neal raised his family as a farmer on the Waterton River but received his education degree in 1969, and when he retired in 1977, he was recognized as a great teacher at the Claresholm Willow Creek composite high school. Retiring from teaching provided Neal with opportunity for new challenges. He became a member of the senate for the University of Calgary and then received his bachelor of arts degree in English from Athabasca University in 1996 at the age of 86 years. Neal may have depended on a walker to get to his exams, but he learned to use a computer in his 80s.

In his last 25 years Neal O'Neil pursued another passion, which was writing about anything and everything: politics, humour, the weather, and our language itself. He left southern Albertans and his loving family with an extensive legacy of poetry and short prose. I would close my recognition of Neal O'Neil with one of his published poems, the beautiful *Where the Buffalo Trod*.

Today I trod where the buffalo trod,
And scuffed through grass that was sown by God,
And wondered in awe, like my buffalo friend;
That horizon -- there, where the earth and sky blend
That shimmering line -- is that the end?

Today I trod where the Indians trod
And passed the pipe, and thanked their gods
For the grass I trampled underfoot,
For the grass I spurned with white man's boot.

Today I trod where the Mounties trod,
When they came west to serve their God,
To save the native -- at least his soul
From debauchery by foreign gold.
To hold the west, let the country be
Canadian, from sea to sea.

And as I gazed, it came to me
That only the buffalo was free.
The Indian, police, and me,
We all have our gods to be appeased.

Thank you, Mr. Speaker.

2:40

Natural Heritage Act

MS CARLSON: Mr. Speaker, we're requesting that Bill 15, the Natural Heritage Act, be withdrawn from debate, not muzzled in debate as it was last night in second reading. The government deliberately broke an agreement and broke with parliamentary tradition when the Minister of Environmental Protection rose to close debate in second reading while we still had members standing who wished to speak to the bill.

Mr. Speaker, last year the government consultant consulted with Albertans on proposals for the Natural Heritage Act, the act that will determine how our protected areas, our special places are protected in the future. Excerpts from the government's own summary tell us: respondents generally agreed that preservation and heritage appreciation should be priority goals for Alberta's protected area network, and the majority of respondents view the government's existing resource commitments as being incompatible with the purpose of protected areas. None of these points are reflected in the new legislation. The government once again consulted but did not listen.

The new Natural Heritage Act now being debated in this Legislature is even weaker than the legislation we currently have. It reduces the protection currently given to Willmore wilderness park and three wilderness areas. There are no requirements or processes to phase out industrial activity in protected areas. Indeed, some licences can even be renewed. The opportunity for public input is reduced with the abolition of the committee that advised the government on the creation, change, or termination of wilderness areas or ecological reserves and the associated regulations.

The new legislation is so poor that three major environmental groups have asked the international Commission for Environmental Cooperation to ensure that Alberta complies with the terms of the North American agreement on environmental co-operation. According to this agreement, laws and regulations should provide for high and improved levels of environmental protection. Bill 15 is even weaker than what we have now.

THE SPEAKER: The hon. Member for West Yellowhead.

Tolerance and Understanding

MR. STRANG: Thank you, Mr. Speaker. Earlier this week during an intense exchange in question period I was caught up in the heat of the moment and made a mistake, an inappropriate comment. However, at the first time possible I had the opportunity to stand in this House and apologize to the hon. Member for Edmonton-Strathcona, and today, during this special time reserved for private members to express their own personal views, I would like to repeat that apology and extend my sincere apology to all members of this Assembly and to all Albertans, many of whom have come to this province from many other countries.

This country and this province reflect many individuals who respect many different cultures, races, and religions. Each and every one of us is proud of our own ancestral roots, and I certainly respect those of others. My own caucus, for example, reflects one of the richest blends of cultural ancestry of any culture in Canada, and I respect all of them.

Mr. Speaker, my inappropriate remark was an unfortunate, regrettable mistake, and I am profoundly sorry for that, and I thank you very much.

head: Projected Government Business

THE SPEAKER: The hon. Opposition House Leader.

MR. DICKSON: Thank you, Mr. Speaker. Pursuant to Standing Order 7(5) I request that the Government House Leader identify the business of the House next week.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. The week of March 15 to 18. On Monday the 15th under Introduction of Bills, Bill 19, Appropriation (Interim Supply) Act, 1999, will be introduced. Under Committee of Supply a motion to designate supply subcommittees and establish membership. Under Government Motions we'll continue discussion on Government Motion 18 and, providing there's time, second reading on bills 16 and 17. At 8 p.m. we would proceed with Committee of the Whole, bills 6 and 14, if appropriate, second reading on 16 and 17, and sometime during the evening Committee of Supply, if we have not completed the same in the afternoon.

On Tuesday, March 16, at 4:30 p.m. second reading on interim supply; Committee of Supply, Community Development main estimates; third reading on bills 2, 3, 5, and 7, and as per the Order Paper. At 8 p.m. under Government Bills and Orders, under Committee of Supply, on the presumption that we've proceeded with the motion on Monday, we will have Committee of Supply in the Assembly, committee A reviewing the estimates of Executive Council, and in room 512 committee B, estimates of Intergovernmental and Aboriginal Affairs. Following Committee of Supply, second reading on the interim supply bill, if not previously completed.

On Wednesday under Government Bills and Orders at 8 p.m., under Committee of Supply, committee C meeting in the Assembly reviewing the Labour estimates and in room 512 committee D reviewing the Energy estimates. Following Committee of Supply, Committee of the Whole will meet to review the interim supply bill and as per the Order Paper.

On Thursday under Government Bills and Orders in Committee of Supply, Official Opposition designation for Thursday, day 5 of the main estimates, and third reading, if appropriate, on the interim supply bill.

THE SPEAKER: The hon. Member for Calgary-Buffalo on a point of order.

Point of Order Provocative Language

MR. DICKSON: The first point of order I raise, Mr. Speaker, arose from the exchange between the Official Opposition leader and the Acting Premier, the Minister of Community Development. The authority would be Standing Order 23(1), *Beauchesne* 408(2), "answers . . . should not provoke debate."

The assertion made by the Minister of Community Development -- and I haven't been able to see the Blues. They weren't available when I asked. The note I made was that there's more time for debate in this province than in any other province. That claim is so preposterous that it can't help but provoke debate.

The minister chooses to ignore the Ontario Standing Order that provides for 15 hours of estimates debate on each of six ministries. The minister chooses to ignore the British Columbia Assembly process, where two subcommittees of supply have, over the past three years, averaged 350 hours per year on budget debate, and I could go on. [interjections]

Well, Mr. Speaker, I'm trying to focus on speaking briefly to the

point of order. I think the authorities I've cited warrant some direction from you, sir.

MR. HANCOCK: Well, Mr. Speaker, I don't believe at all that the hon. Acting Premier was attempting to provoke debate. She was trying to respond to the question -- the essence of the question was the sufficiency of the time available to debate estimates -- and was quite accurately pointing out that we have a considerable amount of time in this House, as I attempted to supplement as well, to debate estimates; in fact, dividing into five designated subcommittees, each of which has four hours of debate, designating Thursday afternoons for those committees designated by the opposition to review estimates. In fact in both of those cases the choice of the estimates to be reviewed is chosen by the opposition. We then break down into four subcommittees of supply so that there's an opportunity to deal with two sets of estimates on each day to provide more opportunity for members in this House to ask questions.

The context of the question was the sufficiency of time, and that's what the hon. member was attempting to provide a response to. I don't believe it was intended to provoke debate, even though it obviously has.

THE SPEAKER: The chair listened very attentively, and it would appear to the chair that we've had an opportunity here for some clarifications of facts with respect to this whole matter. It is possible that one hon. member may have been incorrect in terms of the actual number of minutes or the actual number of hours or the actual number of days in there, but there's been some clarification with respect to this.

2:50

However, the bottom line is that the determination of the amount of time spent in this Assembly with respect to estimates is governed by the Standing Orders, which are written by the hon. members, and not one individual hon. member in the short period of time today can change those rules. The House itself will govern how much time is spent in terms of the estimates, as the House has always done. The House is continually invited by the chair to deal with the rules that it has to govern itself.

The hon. Member for Calgary-Buffalo, a second point of order.

Point of Order Urgency of Questions

MR. DICKSON: Thank you, sir. The second related to an exchange between the Member for Clover Bar-Fort Saskatchewan and the Minister of Family and Social Services. The authority for this would be *Beauchesne* 409(5) and Standing Order 23(e), anticipation. The question sought could have readily been obtained by walking down the hall to speak with the minister to get a preview of what's in the budget later this afternoon. The concerns of those Albertans either who are eligible for AISH or those attempting to access AISH are clearly legitimate and pressing, but when, as the Minister of Community Development pointed out, the budget is only a couple of hours away, this is not the appropriate forum to raise that concern. So it offends both anticipation and the matter of urgency, Mr. Speaker.

Thank you.

DR. OBERG: Mr. Speaker, it was quite obvious that the statements that were made were in reference to the actual amount of payment paid to the individual. There was no mention of any budget amount. There's nothing mentioned that would be coming out in the budget. This is obviously not a point of order.

I talked about the AISH recipients receiving an increase to \$855. It's unfortunate that the hon. members opposite don't want that

message to get out. Mr. Speaker, I happen to want that message to get out, but again there were no gross budget numbers mentioned in my responses to the hon. Member for Clover Bar-Fort Saskatchewan.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Yes, Mr. Speaker. If I could just add that the question of AISH and AISH recipients and the changes to AISH have been a matter of urgency because our constituents have been calling us ever since January, when misapprehension and misinformation were sent out through the media process. AISH recipients across this province are very rightly concerned and should get the accurate information at the earliest possible opportunity. The hon. Member for Clover Bar-Fort Saskatchewan in rising to ask that question was asking a question that many of us have received from our constituents. It was a good question. It deserved an answer, and it deserved an answer that could be clearly separated out from all of the information which is coming out in the budget. It's a precise question. It's an opportunity for that member to get information for his constituents, which is precisely what question period is all about.

THE SPEAKER: Hon. members, it would be very, very difficult for the chair to conclude that the type of question that's been referred to in this last point of order would be offside or out of order considering the nature of the questions that have been asked for the last several days. With that one having been ruled out, there would have been very, very few questions raised in question period on Monday, Tuesday, or Wednesday of this week, including today, with respect to this matter.

head: Orders of the Day

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Mr. Speaker, thank you. In accordance with the custom and tradition of the House I would move that the Assembly recess until 4 p.m. to accommodate the Budget Address of the hon. Provincial Treasurer.

THE SPEAKER: Having heard the motion as put forward by the hon. Government House Leader that the House do now recess itself until 4 p.m. today, would all those in favour please say aye?

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no.

[The Assembly adjourned from 2:54 p.m. to 4 p.m.]

SERGEANT-AT-ARMS: Order!

THE SPEAKER: Please be seated.
The hon. Provincial Treasurer.

MR. DAY: Mr. Speaker, I have received certain messages from His Honour the Honourable the Lieutenant Governor, which I now transmit to you.

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 fiscal year ending March 31, 2000, 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 fiscal year ending March 31, 2000, and recommends the same to the Legislative Assembly.

Please be seated.

head: Government Motions

15. 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]

16. Mr. Day moved:

Be it resolved that the message of His Honour the Honourable the Lieutenant Governor, the 1999-2000 lottery fund estimates, and all matters connected therewith be referred to Committee of Supply.

[Motion carried]

17. 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 1999-2000 lottery fund estimates shall be two days.

[Motion carried]

head: Budget Address

18. 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, approximately nine months from now we will see the birth of a new century, the approach to the new millennium. For some people each hour closer to that marvelous date of 2000 brings a heightened sense of anxiety and questions about the future. Many of their questions are shrouded with clouds of concern regarding things like the unknown fallout of the now infamous Y2K problems. Other questions are on the lighter side: more human; less harmful. For instance, if next winter sets record cold temperatures, will we reminisce about the winter of zero zero, or will it be the winter of oh oh? If the Oilers or the Flames win the Stanley Cup two years from now, will we say that they won in '01, or will we simply say they won in one?

Time will tell how these issues settle out. But for the people of Alberta as we cross the finish line of '99, some issues will already be settled because, Lord willing, in the year 2000 Alberta will have not only a balanced budget and the lowest overall taxes in Canada but also a net debt of zero.

Mr. Speaker, that's quite the accomplishment for a province that began this century as a territory in the Dominion of Canada, a colony of sorts. Alberta was seen by many as an attractive yet unfortunate tract of land that added a few days of travel for people heading to the coast to find their dreams. Now, 100 years later, Alberta is a leader among provinces, a vibrant and productive province, the province that Canadians are moving to in record numbers to build their homes and pursue their dreams. In fact, in the last year alone over 55,000 people moved to Alberta, and we warmly say to them: welcome home.

Mr. Speaker, only six years ago in Alberta we were burdened with record debt, annual deficits, and layers of taxation and regulation that made us unattractive and hard to get along with. It was only six years ago that more people were moving away from Alberta than

were moving in. It was only six years ago that our unemployment rate was 10.8 percent. It was only six years ago that Premier Ralph Klein put together a plan to reinvent government, restructure services, and retreat from previous incursions into the lives of our citizens.

Our critics claimed that the Klein plan would crash, unemployment would skyrocket, business would fail, and people would flee. But six years later the results speak for themselves: 57,000 new jobs created in this last year alone; the province boasts an unemployment rate of 5.7 percent and the most productive workforce in the country; \$28.4 billion in new investment in 1998; the lowest poverty rate; and the best credit rating in Canada. Mr. Speaker, we didn't get it perfect, but we got it right.

Part of Alberta's attraction for people in business is our honest and open style of government. One of the commitments we made was that we would show and tell Albertans exactly what is going on in this government. We eliminated guesswork. We are accountable for our actions. It was more than a bureaucratic exercise when we changed our accounting and reporting methods; it was a business exercise. Yes, we were inspired by the private sector to provide public quarterly reports and clean up our accounting practices. We knew business and industry must be accountable to their shareholders and must adopt the most effective practices in order to remain competitive.

We will continue to learn from the private sector. Every Alberta government ministry has a set of goals that are reviewed for progress every year. If you're going to spend \$16 billion of taxpayers' money, you'd better know what results you are getting. Keeping score in our document called Measuring Up allows us to do just that.

Mr. Speaker, these new practices helped attract business from across the country. In turn, workers came from all corners, more than 55,000 new people moving to our province last year. That's like having the entire population of Langley, B.C., and Moose Jaw, Saskatchewan, pack up their houses and move to Alberta.

Mr. Speaker, we welcome new arrivals. They come with skills to offer and energy to match, but the added population accelerates the demand for basic services. Forty-eight thousand of those new arrivals will use health care within the first year of their arrival. Thousands of new students will need teachers and computers in schools and library and training equipment in colleges and universities. Thousands will be seniors needing the services of the best seniors' benefits program in the country. Many will grow businesses that strain the limits of the transportation and resource systems of our municipalities. Add to these numbers more than 37,000 new Albertans born each year, and you can see the challenges that come with the Alberta advantage.

It's the challenge of prosperity, and we will meet those challenges in Budget '99. We will meet those challenges despite the fact that we face a turbulent global economy and low commodity prices. Budget '99, Mr. Speaker, is a credit to each and every government MLA here today that has worked so hard to make it happen. This is their budget. Budget '99 is the right balance.

Today I am announcing that Budget '99 will see a 1.6 percent increase in our overall revenues to \$16.9 billion and a 2.2 percent total spending increase to \$16.2 billion. Budget '99 will see strengthened fiscal responsibility balanced with significant increases in health and education funding. Budget '99 will make history in the area of taxation and see Alberta's net debt eliminated. That's what we call a balanced budget, Mr. Speaker.

4:10

We hear daily from Albertans that one area of increased spending they support is health. Mr. Speaker, we have listened to those Albertans. If all we did in Budget '99 was increase health spending based on population growth and inflation, I would be announcing an

overall spending increase of approximately 4 percent. That would be significant, as we already spend \$4.5 billion on health. But we are going beyond that because our Premier, along with others, was able to convince the federal government to return some of the health money they took from us between 1995 and 1997. We will inject more money and target specific spending to specific needs: addressing waiting times, improving key procedures, and expanding frontline services.

Many Albertans will be pleased to hear that the increase in spending for health in Budget '99 is not 4 percent to match growth and inflation, not 5, not 6, not 7, not 8 but in fact an 8.7 percent increase in spending. Mr. Speaker, this government cares about the health of its citizens.

Mr. Speaker, we knew our health care system needed a cash infusion, but cash is not the only answer. In 1982-83 health spending was about 20 percent of our total budget. In '92-93, just 12 years later, it grew to 24 percent of all spending. Budget '99 shows that health will consume 30 percent of all spending. And one year into the next century our health spending will top \$5 billion for the first time in history.

These increases come with goals and outcomes required, with clear directions on where the money should go. This government remains totally committed to the Canada Health Act, but Albertans need to help us with the driving question facing all Canadian governments today: how much of our total government spending should go to health care?

Our Premier has taken a responsible and consultative approach to find the answer to that very question by calling caregivers and care consumers onto the playing field to continue the dialogue and search for innovative solutions. So while I offer you my assurances that there is a three-year plan in place for health spending, that we do have clear direction, and that our focus is on the front lines of service and prevention, I also need to say that the discussions in the field must continue. All ideas need to be explored.

Albertans told us that education is another priority area. This year, if we were to fund all growth pressures and inflation, we would look at a substantial increase of something like 4 percent on top of the \$3.1 billion that we spent last year. However, I can tell you with education, as I did with health, that the overall increase this year will not be 4 percent, not even 5 or 6 percent but 7.1 percent. In fact, the ministry's three-year business plan shows a total increase by 2002 of 19 percent. Mr. Speaker, this government cares about the future of young Albertans.

Attached to these dollars are directions for spending in specific areas: \$26 million annually to address the special health needs of students in school, over \$85 million for the '99-2000 school year to increase the basic school grants by 3 percent -- smile, Bauni Mackay, wherever you are

-- more than \$50 million for the '99-2000 school year to address enrollment growth. We also expect results and outcomes.

Mr. Speaker, as with health, more money isn't the only solution for the changes in the education system. The Minister of Education is introducing as part of the three-year plan an exciting new performance component that is unique in Canada. Available to all districts and schools will be an extra resource fund that awards innovations and improvement in performance. Measuring will be based upon an individual school's past performance to determine their room for improvement, so schools will not compete with each other but against their own past record.

Mr. Speaker, we're all aware of the Jamie Escalantes of the world, the teacher who annually takes deprived inner-city Los Angeles students and turns out record numbers of advanced algebra and calculus achievers who defy all the social predictions and excel under the rigorous conditions of national testing. Well, Alberta has

education leaders like that. Under this incentive program teams of Alberta educators will now be eligible for added funds individually and for their districts.

This approach has worked in other areas of government. For instance, Advanced Education and Career Development rewards and encourages progress by postsecondary institutions through the performance envelope. In addition, an achievement bonus was introduced last year that focused on performance-based awards for the public service. It applies now on a year-by-year basis for managers and is being offered to all members of the public service who achieve certain criteria in the performance of their duties. These are not automatic so-called merit awards. These awards, granted on an individual and departmentwide basis, reflect genuine achievement and savings attained related to the business plans of ministries and government overall. This is normal practice in the private sector, and we are the first government in Canada to adopt this practice in the public sector. We believe in people, Mr. Speaker.

We want future generations to continue to feel proud of this province. I want future generations to continue to have access to top-notch health care and world-class education. Mr. Speaker, I know that for this to happen, we must be good fiscal stewards. So to be a good fiscal steward, I must add a note of caution regarding the increased spending on health and education.

In terms of health care alone, I say in all good faith that there is literally no end to the list of well-intentioned requests for increased spending. It would be wonderful if every town and city could have its own MRI and CAT scanners. We acknowledge the growing number of practitioners in all fields whose skills in prevention and relief of medical conditions is sought increasingly by our citizens. Add to this the ever growing, dazzling array of pharmaceutical products with promising results and mile-high costs, the outer-space cybernetic high-tech data collection systems that promise to track every diagnosis ever made, and you get a small idea of the magnitude of well-meaning requests that are voiced daily.

I indicated two years ago that because the health delivery process in Canada offers quality service and quality products at no visible cost to the users, we will only see increases. Even though we are attaching outcome-based results to the dollars given, how much do we continue to allow this spending to grow as a percentage of our overall budget? Why do I raise these issues, Mr. Speaker? Because when spending grows faster than revenues, sacrifices must be made somewhere, and both health and education spending have been growing at a faster rate than our revenues.

So, Mr. Speaker, I say to our critics: if you want, criticize the methods or the areas of spending. But in the face of these increases there is no statistical ground whatsoever on which to stand and say we have not significantly increased our funding in health and education. We ask you to direct your energies with ours to finding the best ways to spend the money we have. With these cautions, make no mistake about it: this government will settle for nothing less than the best health and education systems in the world. And to maintain this, spending must be sustainable.

While growth pressures significantly impacted health and education, they've also had quite an effect on our infrastructure. One of the things needed right now in this province is a way to physically accommodate all of these new Albertans, because when all of these people moved here, they left behind their roads, their schools, and their hospitals.

4:20

Budget '99 commits an additional \$150 million to infrastructure funding to Alberta municipalities, bringing total spending in '99-2000 to \$1.3 billion. This is the first installment of a three-year, \$450 million injection to keep our capital infrastructure the best in Canada. Based on the recommendations of the Premier's Task Force

on Infrastructure the city of Calgary will receive \$31.1 million in each of the next three years, the Edmonton capital region will get \$29.3 million, and \$29 million is committed to the rural component of the north/south trade corridor.

These numbers aren't a big surprise, so let's take a look at the long term. Over the last year the government undertook a review of major infrastructure programs with the help of private representatives. The review focused on how infrastructure investments are planned and spending priorities established. Based on the recommendations of the Capital Investment Planning Committee, the priority-setting process for infrastructure investment is being strengthened by requiring ministries to have in place formal, independently verifiable infrastructure management systems. They need to develop key common performance measures across various types of infrastructure, to develop an annual corporate capital overview to facilitate planning and priority setting, also to ensure the best use of private-sector infrastructure, and to employ the best approaches to divesting or making alternative use of underutilized facilities.

Mr. Speaker, I'd also like to reflect on how this government is caring for those Albertans who may not be in a position to care for themselves. I am announcing a budget increase of approximately 12 percent in '99-2000 for the assured income for the severely handicapped program. These additional dollars will help to raise clients' monthly benefits to \$855 from \$823 by October 1. Alberta Municipal Affairs will also spend \$87.5 million on housing programs and will work with other ministries to develop a new social housing policy.

We will also provide an increase in funding to child and family services regional authorities, taking total spending in that area to \$380 million. In addition, we are announcing two family literacy initiatives through Advanced Education and Career Development to help low-income families.

So there you have it, Mr. Speaker: health, education, our children, and infrastructure, Albertans' priorities and our priorities. But to find the right balance, we know we can't spend beyond our means even in priority areas. That leads to deficits and debt, legacies Albertans have told us they do not want.

Mr. Speaker, the federal Finance minister does not think that a legislated debt pay-down program can work. We think differently. For nine years the Alberta government spent more than it was taking in. Each year another deficit was added onto the accumulated debt of previous years, and by 1994 we had accumulated \$22 billion of debt, money we had borrowed each year just to run the show. We knew that the assets of the Alberta heritage savings trust fund, our savings account, totaled \$12 billion. We had other liabilities and assets that overall were worth about \$2 billion to the province. Putting all of that against our accumulated debt, we could see we had \$8.3 billion of debt that was not supported by any assets. We had debt without collateral.

So, Mr. Speaker, we broke our debt into two accounts. That \$8.3 billion became our net debt. We passed legislation that required us by law to use any annual surpluses to pay down the net debt. We gave ourselves a maximum of 25 years to do it. I can tell you that Budget '99 shows that sometime in the new year, the first year of the new century, we will make a final debt payment and our net debt will be zero. When the net debt hits zero, the law requiring its pay-down will be null and void. That means we would be in a dangerous position as politicians, salivating over a possible surplus with no law requiring us to apply it to the remaining debt. This is a precarious position. Debt makes a province vulnerable.

In our recent Talk It Up; Talk It Out survey almost 80,000 Albertans told us that debt pay-down is still a priority. For that very reason the Premier recently tabled Bill 1, the Fiscal Responsibility Act. We are legislating a maximum mortgage period of 25 years on

the remaining accumulated debt of over \$13 billion. As we did with the net debt, we can accelerate that remaining pay-down if revenues grow more than expected. With this commitment financial freedom for our young generation and generations to come is in our sights.

This bill also requires us to set aside 3 and a half percent of our overall budgeted revenues at the start of every year to protect ourselves from the volatile economic swings that our province is subject to. That 3 and a half percent cushion amounts to \$617 million this year. The economic cushion will act like insurance against weakened revenues or public emergencies. So if the oil price plummets or the forests blaze like they did last summer, we will have the cash to cover it without going into deficit. If the cushion is not required for those types of purposes before the end of the year, 75 percent of it must be used to pay down debt. The remaining 25 percent may be used to accelerate capital infrastructure projects and other priorities. This could include a combination of spending directed to schools, health facilities, roads, waterworks, et cetera, Albertans' priorities.

Mr. Speaker, we introduced this act because we recognize that staying the course will require more staying and less straying. Business plans are one of the foundations of Alberta's prudent fiscal management. This law puts the bite into planning and significantly tightens the ministries' three-year business plans as well as the three-year government plan.

It has been said that a thousand regrets cannot cancel one debt. The only thing that cancels debt is cash, and this new law will ensure that the cash is there to pay down the remaining debt. To me striking the right balance means allocating spending where needed, being fiscally responsible and tackling the debt, and then, when it is affordable and sustainable, giving Albertans and their wallets a break.

Taxes are a fact of life; actually, also a fact of death. Taxes are necessary for the provision of services. Nobody disputes that, but both the common and the academic wisdom of the day increasingly questions the burden of income tax that we all struggle with. Canadians pay more personal income taxes than any other G-7 nation, and evidence shows that as tax levels rise, incentive levels drop. In addition, we know that many young, innovative Canadians are leaving the Canadian shield because it is a shield no more. They're moving south to where the tax system allows them to keep more of what they work so hard to earn. This is a national heart-break, especially sad because if governments had the will, they could find a way to fix the problem. In Alberta this government is not afraid to listen to its people. Our citizens have the will. They have pointed the way. We have listened, and we will follow.

Through a variety of means we have surveyed and polled Albertans on this subject. Common themes have emerged. The recent Tax Review Committee took several months to drill down into the depths of the problem and survey the possibilities. Here are some of the key problem areas.

Bracket creep, also known as the invisible tax, has been an insidious method of tax collection used by all Canadian governments. Through the simple process of inflation the salaries of working people get pushed into higher tax brackets, and they pay higher taxes. This erodes buying power and hits low-income citizens the hardest. As politicians we began to look around to see where the bracket creeps were, and we found them when we looked in the mirror. It was a case of creeps are us.

The Tax Review Committee also reported that Albertans were frustrated with the flat tax and the surtax, the so-called temporary deficit elimination taxes of 1987. When these taxes were introduced to reduce the deficit, the deficit rose. When Premier Klein took over the reins of government, the deficit started to go down. When we finally eliminated the deficit in 1994-95, the taxes, however, stayed.

So here in Alberta we have quite rightly been singing the triumphant songs of deficit deliverance, but when we get to the verse about deficit tax deliverance, we forget the words.

4:30

Mr. Speaker, we also know that many families believe we need to level the playing field for how we tax one-income, which includes single-parent, and two-income families. The choice of whether one or two partners work outside the home should be a personal family choice. But the tax scales are tipped in favour of two-income families, making the choice more difficult for those who choose to live on one income.

Finally, the Tax Review Committee said that we should rid ourselves of the cumbersome and burdensome effects of a multibracket system. They suggested that we break away from the federal tax rate structure as a means of setting our provincial rate and move to a single provincial tax rate on all income and at the same time allow for generous personal and spousal credits. We have always known that breaking our attachment to the federal rates would give us more flexibility and would make our provincial rate more transparent to our citizens, less prone to the whims of federal Finance ministers.

From there we turned to Albertans to gather their views. In record numbers our citizens told us that they want tax breaks, but they urged us to find the right balance between taxes and protection for our priority areas of debt pay-down, health, and education. They have said that a tax plan should be comprehensive and long term, sustainable and affordable, not subject to annual whims or the timing of elections.

Mr. Speaker, our MLAs have studied, laboured, discussed, drafted, and redrafted. We have analyzed numbers, we have computerized plans, we examined the Tax Review Committee report, and we examined many other suggestions for tax change. We have also faced the reality that this is the toughest of the last several years to even think about tax reductions. Even though we forecast growth for '99, it is the low point in many commodity prices which are crucial to Alberta. We knew we couldn't make everything happen all at once, but we also knew we had to move ahead. We had surveyed, studied, and struggled long enough, so we concentrated on the most important issues.

Now, Mr. Speaker, with a promise to continue to review other areas of taxation such as the important issue of property taxation, this afternoon I am announcing a three-year income tax plan for the 21st century. This three-year plan will be triggered on a year-to-year basis if the revenue levels forecast in Budget '99 are realized. This means that our priority areas of spending will be met and that the demands of the Fiscal Responsibility Act will be satisfied. This also means that the timetable slows down if the triggers are not achieved. On the other hand, the tax plan could speed up if revenue significantly exceeds our current estimates and if as a government we feel we can afford to accelerate the plan.

The plan laid out today is a prudent, manageable, three-year approach. As you know, we began reducing taxes last year, reducing our rate by 1.5 percentage points to 44 percent of federal tax. That move jump-started our current three-year plan that begins slowly but deliberately. For the budget year ahead we will match the federal increases in personal and spousal exemptions, meaning a tax cut of some \$55 million. Mr. Speaker, this money will be left in the pockets of Albertans. Then in the very first year of the 21st century, next year, we begin the assault on the so-called deficit reduction taxes. On July 1, 2000, we will slash the 8 percent surtax in half and annihilate it entirely on July 1, 2001. After more than 13 years this tax will be gone forever.

And finally, Mr. Speaker, we will chart a new and innovative course of tax reform, a groundbreaking course that will leave a

legacy for future Albertans. Following negotiations with the federal government and allowing for the required notice period and preparation time, I am announcing today that year 3 of our plan, or year 2 if we choose to accelerate it, is the year we will officially unhook ourselves from a decades-old attachment to federal tax rates. That means that in year 3 of this plan, or year 2 if possible, we will blast away the remaining deficit reduction tax, the flat tax, and the entire current structure. This government will blaze a new trail across the taxation frontier, becoming the first to move to a simple single rate of tax on income and the first to end the invisible penalty of tax bracket erosion through inflation. A liberating moment that will be for Albertans.

Governments have been reluctant to move to this superior and liberating form of taxation because of accusations that it helps middle- and upper-income earners and hurts the low-income earner. Mr. Speaker, this government believes low-income earners are paying too much tax. Today I announce that when we as a government move to tax on income, we will establish one simple rate of 11 percent, but at the same time we will raise the basic exemption levels. That means we will substantially raise the amount of money a person can earn before being taxed. By 2002 the basic exemption level will be raised 60 percent, from \$7,100 to \$11,620, setting an additional 78,000 low-income Alberta workers free from the tax man's grip. But that's not all. At the same, we will increase the spousal exemption by 90 percent to \$11,620, leveling the playing field for one-income families and bringing relief to families who make that choice.

These moves spell relief for all Alberta workers, no matter what their income is. When this plan is fully implemented, all Albertans at all levels will pay less in taxes.

Just as I cannot and will not apologize for saving low-income earners tax dollars, I will not apologize for the dollars that will be saved by middle- to high-income earners. By the final year of the plan a single-income family with two children and earning \$30,000 will save \$1,775, Mr. Speaker, and a single-income family earning \$75,000 will save \$1,666. That's what I call fairness.

Some of the reasons why I feel so strongly about the importance of Alberta's tax plan are found in the members' gallery this afternoon. Darin and Leanne, a teacher and a nurse, have just managed to purchase a home and are preparing for a family. Should they not have their burden lifted a little as they prepare for the challenges of the 21st century? Many governments are paralyzed at the thought of allowing young, hardworking families like these their tax benefits, but this government knows that Darin and Leanne value this tax break even more than they might value a pay hike. Why, Mr. Speaker? Because approximately 40 percent of any pay raise gets taxed away, but 100 percent of a tax cut stays right in your pocket. So we say to thousands of couples like Darin and Leanne: enjoy the rewards of your education and labour, and allow us to congratulate you on your brighter future.

4:40

When I think of Joe and Jenny, also in the members' gallery, I think of seven other reasons why this tax plan is important. Joe and Jenny frequently ask me when they are going to get a break. They explain that with five children to care for, they take family responsibilities seriously. They are happy their taxes go to help those less fortunate, but they're weary from the load they carry. By raising the spousal exemption, they get relief and an acknowledgment that taxes should be a little more friendly to the one-income family. Mr. Speaker, my colleagues and I would like to thank Joe and Jenny and thousands like them for strengthening the fabric of this province.

I am happy to see Jennifer and Joshua here today. Jennifer is a single mom who took time off from her day care job to join us here

today. When this plan is implemented, thousands of single parents will no longer pay a single penny in provincial income taxes. Mr. Speaker, this government recognizes the contribution that Jennifer and Joshua and other families like them make to this province. We are proud of their spirit, and we know that lifting this burden will improve their quality of life. Jennifer, we applaud you for all you do.

Mr. Speaker, Budget '99 is the right balance. Our social spending shows without question that health, education, and people services will be protected because of how we manage our finances. Budget '99 also shows that we have protected future generations from inheriting a legacy of debt and despair.

Finally, Mr. Speaker, Budget '99 shows what I believe to be true compassion for our working people, the citizens who every day go out to work in a world of challenge and opportunity. It's their money, and it's our promise that the only way taxes will go in this province is down.

Mr. Speaker, in 1881 Canada's fourth Governor General, the Marquis of Lorne, was sent by Her Majesty Queen Victoria to the north-west district, which is today our province. He did not travel here alone. During his tenure of office with the Queen he had the good fortune of meeting and falling in love with the Queen's daughter. They married and traveled together to this wonderful land.

When the Marquis first saw this territory, he fell in love with the land just as he had fallen in love with his princess, so much so, in fact, that he named the land after her. Her name was Princess Louise

Caroline Alberta. The Marquis' words, inscribed in stone in our rotunda here in this building, Mr. Speaker, declared: the name was born out of love for a country and a woman. At noon on September 1, 1905, the territory joined the Confederation of Canada and was officially proclaimed the province of Alberta.

Now, Mr. Speaker, as we move through the final months of the 20th century, the government business plans, as dry and boring as numbers may be, reflect the same love and compassion for Alberta that was there at its founding. The people and the land of beautiful Alberta are poised for greatness in the century ahead.

Good afternoon, Mr. Speaker.

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

MR. DICKSON: Thank you, Mr. Speaker. At this time I beg leave to adjourn debate.

THE SPEAKER: Having heard the motion as proposed by the hon. Member for Calgary-*Buffalo*, would all those members in favour please say aye?

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no. Carried.

[At 4:47 p.m. the Assembly adjourned to Monday at 1:30 p.m.]