

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Friday, March 25, 1983 10:00 a.m.**

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS**Bill 207**

**An Act to Provide for
Universal, Financially Accessible
Health Care in Alberta**

MR. MARTIN: Mr. Speaker, I beg leave to introduce Bill 207, An Act to Provide for Universal, Financially Accessible Health Care in Alberta.

It has two purposes. One would be to abolish medicare premiums and have medicare costs come out of the general revenue of the province. The second would be to prohibit extra billing by any doctor wishing to collect agreed-upon fees for service from the Alberta health care insurance plan.

[Leave granted; Bill 207 read a first time]

Bill 34**Provincial Court Amendment Act**

MR. CRAWFORD: Mr. Speaker, I ask leave to introduce Bill No. 34, the Provincial Court Amendment Act.

This Bill would make two changes in the existing way in which small claims are handled in the Provincial Court. The first change is to increase from \$1,000 to \$2,000 the limit of the size of claim the court would have jurisdiction to deal with under that process, and the second is to provide a way in which default judgments might be taken.

[Leave granted; Bill 34 read a first time]

Bill 32

**Department of
Energy and Natural Resources
Amendment Act, 1983**

MR. ZAOZIRNY: Mr. Speaker, I request leave to introduce Bill No. 32, the Department of Energy and Natural Resources Amendment Act, 1983.

The purpose of the Bill is to establish a legislative framework for the previously announced advisory committee on heavy oil and oil sands development, and to deal with other administrative matters.

[Leave granted; Bill 32 read a first time]

Bill 29

**Business Corporations
Amendment Act, 1983**

MRS. OSTERMAN: Mr. Speaker, I request leave to

introduce Bill 29, the Business Corporations Amendment Act, 1983.

The purpose of this Bill is to introduce a number of amendments to clarify terms, improve efficiency, and reduce, in some instances, needless requirements of corporations. The changes will also improve protection for creditors and clarify terms where many believe incorporation or continuation under the new Act would adversely affect the company.

[Leave granted; Bill 29 read a first time]

head: TABLING RETURNS AND REPORTS

MR. HYNDMAN: Mr. Speaker, I wish to table the annual report of the Alberta Resources Railway Corporation for the calendar year ended December 31, 1981, and the 1980-81 annual reports of the Public Service Management Pension Act, the Public Service Pension Act, the Special Forces Pension Act, the Universities Academic Pension Act, the Local Authorities Pension Act, and the M.L.A. Pension Act.

MR. ZAOZIRNY: Mr. Speaker, I'd like to table the auditor's report and financial statements of Syncrude Canada Ltd. for the year ended December 31, 1981, as required by Motion for a Return No. 136.

DR. WEBBER: Mr. Speaker, I'd like to table Sessional Paper No. 87, related to the Blind Persons' Rights Act; Sessional Paper No. 88, related to the Disabled Persons Act; and the 1982 report of the Alberta Social Care Facilities Review Committee, resulting from the fine work of the Member for Calgary Egmont.

MR. SPEAKER: Pursuant to section 36 of the Election Finances and Contributions Disclosure Act, I am tabling the report of the Chief Electoral Officer.

head: INTRODUCTION OF SPECIAL GUESTS

MR. LOUGHEED: Mr. Speaker, I have the privilege today of introducing a group of grade 6 students from my constituency of Calgary West. These 54 talented young people are concluding their social studies program with a two-day visit to the capital. Leading the students are the principal of Glamorgan school, Mr. Charlie Grant, teachers Mrs. Sauer, Mrs. Reilly, and Mrs. Grant, and student teacher Miss Holmes. It's a pleasure to have this group with us in the Legislative Assembly. I ask them to rise and be welcomed by the Assembly.

MR. SCHMID: Mr. Speaker, it's a special pleasure for me to recognize in the members gallery our former colleague Dr. Allan Warrack. And if I see him, I have to recall a colloquialism that's still being used: "double jeopardy". He is also very well known for his introduction of the program, Buck for Wildlife. I'm quite sure members will join me in welcoming Dr. Allan Warrack to the members gallery.

head: ORAL QUESTION PERIOD**Budget**

MR. NOTLEY: Mr. Speaker, I'd like to direct the first question to the hon. Provincial Treasurer. In developing the budget for 1983, what were the reasons the estimates from 1982 were from the April update as opposed to the estimates actually contained in the 1982 budget, which the Legislature spent some weeks considering?

MR. HYNDMAN: That's the most accurate way it could be presented, Mr. Speaker. The importance of the display was to ensure that there is a comparative statement available so that members of the Assembly could compare, as they have in previous years, what the estimates were year over year.

DR. BUCK: It looks better, Lou.

MR. R. SPEAKER: Come on, tell it like it is.

AOC Loan

MR. NOTLEY: Well, in the absence of wanting to incite a debate, and having the opportunity to debate the matter in a few moments, I would like to direct my second question to the hon. Minister of Tourism and Small Business. It's with respect to the largest Alberta Opportunity Company loan in history, \$8 million to Ram Steel in Red Deer, announced, I might say, during the last provincial election. Can the minister advise if at any time during the negotiations leading up to the loan, personal representations were made to the minister or any other member of Executive Council by the former Attorney General, Mr. Jim Foster, who is on the board of directors of Ram Steel and is the solicitor for the firm?

MR. ADAIR: Mr. Speaker, the only point I could make is that at one point I did have a discussion with the hon. member, as a solicitor for the firm involved.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to advise what considerations led to the provision of the loan which in itself was nearly twice as large as any monthly total of loans by the Alberta Opportunity Company?

MR. ADAIR: Mr. Speaker, the application by the company for a loan was such that, in the normal process of any other loan, it was considered by the Alberta Opportunity [Company] and the board of directors, and recommendations were made accordingly.

MR. NOTLEY: Mr. Speaker, a supplementary question. Can the minister tell the House whether any performance guarantees were demanded of the company for receiving that kind of loan, given the fact that 70 employees have been laid off as of February 16, 1983?

MR. SPEAKER: As the hon. leader well knows, the concluding embellishment was not at all necessary to the question; it was simply a matter of debate.

MR. ADAIR: Mr. Speaker, guarantees were part of the package.

MR. MARTIN: A supplementary question, Mr. Speaker. In February of this year, Stelco of Toronto bought into Ram Steel and salvaged the company. Can the minister indicate if Mr. Foster or any other representative of the company informed the government of the impending Stelco deal last October?

MR. ADAIR: I would have to take that particular question as notice and respond later, Mr. Speaker.

MR. SPEAKER: The hon. leader of the Independents, followed by the hon. Member for Clover Bar.

MR. R. SPEAKER: Mr. Speaker, thank you very much for that recognition. My colleague and I have tentatively agreed on that. [laughter] However, the term "independent" sometimes intervenes, which we have to respect.

Prison Construction

MR. R. SPEAKER: Mr. Speaker, my question is to the Solicitor General. Could the Solicitor General indicate whether a prison or remand centre is being planned for the city of Red Deer?

MR. HARLE: Mr. Speaker, I think the estimates of the Department of Public Works, Supply and Services may refer to that.

MR. R. SPEAKER: Mr. Speaker, could the Minister of Public Works, Supply and Services indicate whether there is an allotment of funds for a prison or remand centre in the city of Red Deer?

MR. CHAMBERS: Mr. Speaker, I would actually prefer to check my records and respond to the hon. leader. I will undertake to do that.

MR. R. SPEAKER: Mr. Speaker, could the hon. Minister of Public Works, Supply and Services confirm that the option is open for a remand centre or prison in the city of Red Deer?

MR. CHAMBERS: Mr. Speaker, I think that question would be more appropriately referred to my colleague. However, now that we heard the budget last night, perhaps it would be best if I checked into those aspects of the budget and reported back.

MR. R. SPEAKER: Mr. Speaker, could the hon. minister confirm that under Vote 4.15.28 of the Department of Public Works, Supply and Services, the provincial correctional centre, Red Deer, \$1.8 million, will proceed as indicated by the budget tabled last night in the Legislature?

MR. CHAMBERS: Mr. Speaker, my friend across the way has me at a disadvantage in that I don't have my book in front of me. Each of us gets an opportunity to debate our estimates at considerable length in this Assembly. When mine are called, I'm quite prepared to do that and respond fully to any questions that any member has.

MR. MARTIN: You'll have to do some homework.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Solicitor General, and this was referred by the

Minister of Public Works, Supply and Services. Could the Solicitor General confirm that a prison is being planned for the city of Red Deer and that the appropriate estimate of expenditure has been placed in the 1983-84 budget?

MR. HARLE: Mr. Speaker, the estimate that I believe the hon. member is referring to is an estimate in the Department of Public Works, Supply and Services. I'd be prepared to discuss any further matters when my estimates are up for debate.

MR. R. SPEAKER: Mr. Speaker . . .

MR. SPEAKER: Followed by a supplementary by the hon. Member for Red Deer.

MR. R. SPEAKER: The minister either knows whether a prison is going there or not. I wonder what the money is doing in the budget. Who put it there for such a prison? I don't understand.

Mr. Speaker, a supplementary question. Could the Solicitor General indicate whether the site reports and the need reports that either are in position or have been completed, will be tabled in this Legislature for review by the Legislative Assembly?

MR. HARLE: Mr. Speaker, I couldn't give that undertaking.

MR. McPHERSON: Mr. Speaker . . .

MR. R. SPEAKER: A supplementary question. Could the minister confirm, then, that reports are being prepared at the present time and are going to be made available just to the minister? Could the minister confirm that those reports are being made and that the 1982-83 expenditure allocated for those reports has been spent for that purpose, for a prison to be located in the city of Red Deer?

MR. HARLE: Mr. Speaker, there was a certain amount of work done in the last budget year, and obviously that work will proceed.

MR. McPHERSON: Mr. Speaker . . .

MR. R. SPEAKER: Mr. Speaker, could the Solicitor General indicate why those reports cannot be made public in this Legislature?

MR. SPEAKER: Order please. The hon. Member for Red Deer has tried two or three times to ask a supplementary. The hon. leader of the Independents has asked five supplementaries in addition to the first question. Might we now proceed to the hon. Member for Red Deer.

MR. McPHERSON: Thank you, Mr. Speaker. My question is to the Solicitor General. I wonder if any decisions or plans have been made with respect to the type of facility that might be going into Red Deer, whether it be a correctional facility, a remand centre, or a detention centre.

MR. HARLE: No, they have not, Mr. Speaker.

MR. SPEAKER: Might I say to the hon. leader of the Independents that if there's time, we can obviously go back to the topic at the end of the question period.

DR. BUCK: No wonder the Premier is embarrassed, listening to that line of questioning.

Women's Issues

DR. BUCK: My question is to the Minister of Advanced Education, the minister responsible for the status of women. Can the minister indicate what steps he intends to take to ensure that Alberta women will be represented at all federal and provincial conferences dealing with family law issues? Can the minister assure the Assembly that the status of women groups will be represented in those discussions?

MR. JOHNSTON: Mr. Speaker, historically, when the constitutional discussions with respect to family law were being advanced across Canada, there were ample opportunities for interested groups to make representations to both the Minister of Federal and Intergovernmental Affairs and the Attorney General. There was quite a wide debate during the last round of constitutional talks.

Should the agenda of the new round of constitutional talks move in the direction of family law adjustments one more time, I am sure there will once more be ample opportunity for that discussion to take place. However, Mr. Speaker, give the information I've received from the Minister of Federal and Intergovernmental Affairs, it would seem to me that it is somewhat speculative as to whether or not that would be on the next agenda of discussions.

DR. BUCK: Mr. Speaker, can the minister indicate if he is taking any steps to create an advisory council on the status of women so that the minister has this group of people able to advise him? Is he looking at creating that type of committee?

MR. JOHNSTON: Mr. Speaker, in the past three to four months, I have had several opportunities to have representations from several groups of women across the province of Alberta. In those discussions, there were both pros and cons for a council of women. The most recent discussions I had suggested that in fact some council would be a strong recommendation by at least 40 to 50 groups of women across the province of Alberta. But at the same time, there is another group suggesting that it's not the way to go.

It seems to me that if there needs to be a change in the way the province of Alberta deals with this issue, that is one of the suggestions which could be considered. At the same time, it may well be that an improvement in the current methods of communication with government may be another alternative. My own view is that, to a great extent, the province of Alberta has pursued the latter course. If there is a need for improvement there, that would be the one course which should be examined before we totally agree to move in favor of a council.

Social Allowance

MRS. EMBURY: Mr. Speaker, my question is to the Minister of Social Services and Community Health. Could the minister please clarify the policy change for

citizens who receive a supplement to their monthly earnings?

DR. WEBBER: Mr. Speaker, the hon. member is referring to one specific adjustment to the social allowance regulations, which was included in a press release this morning. The particular component she's referring to can best be described as an anomaly that has developed over the years in a social allowance benefit which was added on top of the old age security and guaranteed income benefits received. The new policy, which will be effective July 1, will result in this particular anomaly being removed. Before it is removed, however, social workers will visit the senior citizens who would be affected to reassess their needs.

Because there's a lot of detail to a number of the components of the changes, Mr. Speaker, I'd like to file copies of what is called a fact sheet, which relates to the 1983-84 changes in social allowance, a March 25 letter which was sent to the income security workers across the province, a March 25 letter that will be going out to the social allowance recipients in the province, as well as two copies of the news release from this morning.

MRS. EMBURY: A supplementary question, Mr. Speaker. Thank you very much. I appreciate all that detail. I'm sorry I didn't make it clear enough, but the one question I was really asking was about people who do have a job but because of the level of their income — it is not high enough for them to live by that means — they receive a social service supplement. Is that supplement to be increased, or is that staying the same?

DR. WEBBER: Mr. Speaker, there are several components there. One is the basic allowance for social allowance recipients, which will increase by 5 per cent. In addition, the amount of income that can be earned by a social allowance recipient will increase from \$85 a month to \$115 a month before any reductions off this extra income would take place. Those two increases are effective July 1, 1983.

MRS. EMBURY: Mr. Speaker, one last supplementary question to the minister. Will there be any change in the policy regarding young adults, around the ages of 16 and 17, as to how much social assistance they'll be able to obtain?

DR. WEBBER: Mr. Speaker, that is another one of the components included in the fact sheet I just filed. For the 16- to 17-year-old age group, it is to provide one month of assistance, in the form of room and board costs. That's a change from three months. The main purpose of this is to try, during the economic recession we've had, to get some of the young people who are on social allowance back with their families if we can.

Sunday Retailing

MR. SZWENDER: Mr. Speaker, my question is directed to the Attorney General. In view of the March 9 court ruling that the Lord's Day Act is unconstitutional, could the minister inform the Assembly whether or not he will proceed to appeal this decision?

MR. CRAWFORD: Mr. Speaker, an appeal in respect of that decision is under way.

MR. SZWENDER: A supplementary question, Mr. Speaker. Could the minister explain to the Assembly whether the precedent-setting nature of that court ruling would make further convictions for violation of the Lord's Day Act extremely difficult, thus rendering the law inadequate?

MR. CRAWFORD: No, Mr. Speaker. In the Provincial Court there have been decisions going both ways. The one the hon. member speaks of is one decision. Until we have the ruling of a higher court, we do not consider the matter to be settled law.

Prison Construction

(continued)

MR. R. SPEAKER: Mr. Speaker, my question to the Solicitor General is with regard to representations made to the minister with regard to the location of a prison in Red Deer. Could the minister indicate what groups he has met with, in terms of his portfolio, and the results of those representations and discussions?

MR. HARLE: Mr. Speaker, I did meet with a group of citizens in Red Deer, because some news media coverage was given to a possibility — which was quite speculative, I might say — of an institution being located in the Clearview area of that city.

MR. R. SPEAKER: Mr. Speaker, could the hon. minister indicate whether the chamber of commerce meet with the minister, what recommendation they made, and whether that was a recommendation of the total board of directors of the Red Deer Chamber of Commerce?

MR. HARLE: Mr. Speaker, I believe I did receive a letter. However, I have not met with any member of the Red Deer Chamber of Commerce. I believe there is a meeting to be held in Red Deer in May, which is sponsored by the John Howard Society, at which I understand the chamber of commerce is going to be involved.

MR. R. SPEAKER: Mr. Speaker, could the minister confirm that as of June 1982, the minister directed a letter to the then MLA, Mr. Norm Magee, indicating that there would be a prison located in Red Deer, and that letter was made public as of November 2, 1982? Could the minister first confirm the letter and, second, the indication at that time that a prison would be located in Red Deer?

MR. HARLE: Mr. Speaker, the statement that an institution would be located in Red Deer was contained in the budget a year ago, and a fair amount of correspondence has been passing back and forth between the former MLA and myself.

MR. R. SPEAKER: Mr. Speaker, could the Solicitor General confirm that the minister is continuing that pursuit to locate a prison in Red Deer — the pursuit that was established in the 1982-83 budget?

MR. SPEAKER: It seems we have a repetition of a question that was included in the first series of supplementaries.

MR. HARLE: Mr. Speaker, the answer is yes.

DR. BUCK: Mr. Speaker, a supplementary question. Is the hon. Solicitor General in a position to indicate if this facility in Red Deer is to replace either the Lethbridge correctional institute or Fort Saskatchewan correctional institute? Or is this a separate entity just for that part of the province?

MR. HARLE: Mr. Speaker, there's been a fair amount of discussion of the type and nature of an institution for Red Deer. I can assure the hon. member it is not to replace either of the two institutions he mentioned. However, the size and type of facility we'd like to see has not been finalized.

MR. McPHERSON: Mr. Speaker, a question to the hon. Solicitor General. Did I understand you, sir, to say that a decision had been made to locate a facility in Red Deer?

MR. HARLE: Mr. Speaker, the statement that a facility would be planned for Red Deer was contained in the budget a year ago. The size and type of institution has not been determined as yet.

DR. BUCK: Mr. Speaker, a supplementary question to the hon. Solicitor General.

MR. SPEAKER: Followed by the hon. Member for Camrose.

DR. BUCK: Mr. Speaker, just to clarify a point. The Solicitor General says it was a subject of budget discussion last year, and this year there's a further expenditure. Is the minister telling us he's still not sure if they're going to build a facility there? Did I miss something, or is that what the Solicitor General is saying, Mr. Speaker?

AN HON. MEMBER: You missed something.

MR. SPEAKER: It seems to me that that question has been answered.

DR. BUCK: Then is a correctional institution going to be built in the city of Red Deer or not? Yes or no.

MR. SPEAKER: With respect to the hon. member, that precise question was asked when we first dealt with this topic. There's really no purpose in repeating questions.

MR. STROMBERG: A supplementary question, Mr. Speaker. Could the Solicitor General indicate how many communities have made submissions to his department, soliciting their community as a site for the new provincial jail?

MR. HARLE: Mr. Speaker, there's been an indication from somewhere between 40 and 50 communities who have been interested in having such a facility.

ORDERS OF THE DAY

head: GOVERNMENT MOTIONS

10. Moved by Mr. Hyndman:

Be it resolved that the Assembly do resolve itself into

committee when called to consider the supply to be granted to Her Majesty.

[Motion carried]

9. Moved by Mr. Hyndman:

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

[Adjourned debate March 24: Mr. Notley]

MR. NOTLEY: Mr. Speaker, I welcome the opportunity to participate this morning in the reply to the budget speech by the hon. Provincial Treasurer. At the outset I might say that it is not the responsibility of the opposition members to extoll the virtues of the budget. We have 74 members on the government side to do just that. So hon. members on the government side should not be unduly upset, should the four of us on this side spend the bulk of our time on the many, many deficiencies.

In leading off debate, Mr. Speaker, let me say that I thought the hon. Provincial Treasurer read the budget very well. He looked very distinguished, very dramatic on occasion, considering what was in the budget — an excellent job of performance as far as an elocution standpoint is concerned, Mr. Speaker, and I congratulate him for that.

There are several positive features in the budget. Certainly my colleague and I support the concept of extending benefits to widowers and widows. That's a plus. We certainly look with some interest — and will pursue in the question period later on — at the possible changes in crop insurance. There's no doubt that crop insurance has been a bust in northern Alberta. In the Peace River country last fall, we even had some of the ministers running for re-election bemoaning the inadequacies of crop insurance. So I'll be particularly interested in learning what specific changes are being proposed, but that can await questions in the Legislature to the hon. Minister of Agriculture.

Mr. Speaker, when one looks at the budget that is presented to the Assembly, the first question I raised this morning was with respect to the use of figures. The question I put — and I'll rephrase it for hon. members — is: why were the estimates in this year's budget not based on the estimates contained last year? No, they were the updated estimates in the April financial plan.

What's relevant about that? Well, the Provincial Treasurer tells us he wants to give us as accurate information as possible. It also shows that his figures are not quite as far out as they really were. Mr. Speaker, last year this Legislature spent a month, or close to it, discussing a budget which in large measure was totally inaccurate, at least as far as the income side was concerned. A year ago we had a budget presented that had a projected deficit of \$758 million. The final deficit figure is going to be somewhere in the neighborhood of \$2.4 billion.

Why is that relevant? Well, we have all the government members and some of the people who are close to the government saying: oh, things aren't so bad, because our projected deficit is only going to be \$850 million. But if the same thing happened this year as happened last year, who's to say we won't have a massive increase? And as I am going to point out in a minute, Mr. Speaker, even that \$850 million figure is misleading, in a sense, because we have undertaken a massive raid on the Heritage Savings Trust Fund. If one were to exclude the trust fund revenue, we would find a totally different picture as far as

the overall deficit is concerned.

But in considering the 1982 budget, what I think has to be said to members of the Assembly in the first place is that we have a form of voodoo, if you like, with figures. In 1982 we had a budget which was wildly inaccurate in its estimates of income. One has to keep that in mind when we assess the budget before the Assembly this afternoon.

I go back to that budget speech of a year ago, Mr. Speaker, the very first page. The hon. Provincial Treasurer is talking about the outlook:

1982 will be a transition year, with mixed economic opportunities for our citizens, but with good prospects for 1983 and beyond.

Mr. Speaker, "good prospects for 1983 and beyond". We now find that the government which a year ago was so confident that we were rounding the corner toward economic recovery today presents to the Legislature a budget in the light of the most gloomy forecasts for the future of this province and with a record number of people out of work.

I well remember the Premier standing in his place in the late '60s and '70s, when he was Leader of the Opposition, and always raising the question of unemployment — as he should have, as Leader of the Opposition in those days — when we had 40,000 people out of work. Now we have 140,000 people out of work, and we have in this provincial budget a response which is rather timorous at best.

Mr. Speaker, not only is it important to assess the fact that the figures were wildly inaccurate — let's just take a look at the estimates from last year's budget. The estimate of income, excluding heritage trust fund transfer, was \$7,961,000,000. The actual figure is going to be way under that, somewhere in the neighborhood — the 1982-83 forecast of total revenue is \$6,230,000,000. In other words, we were out \$1.7 billion in our estimates. This is supposed to be a businesslike government. This is the kind of budgeting that would do credit to Allan McEachen at his worst. Mr. Speaker, I don't know whether or not this new relationship we have between the Ottawa Liberals and the Edmonton Conservatives has also led to similar approach in budgeting, but we see there's all kinds of red ink. It would appear to me that even after raiding the Heritage Savings Trust Fund, we're going to be looking at a very serious deficit in the current year.

Mr. Speaker, I began by saying that last year's budget was inaccurate, so we had to have an update. Then we had to have another update. How many updates are we going to have during the course of this year? What is the point of the procedure we're going to be going through for the next month or so, studying estimates, when we then find that an update that fundamentally changes the budget comes in?

I would say to members of the House — and beyond members of the House to Albertans who are observing this debate in the Legislature — that before you assume we've got a deficit of just \$850 million, let's keep in mind three pretty important factors that could change that deficit. Factor number one: major changes in international oil prices. This budget is based on the supposition that oil prices will remain at \$29 U.S. I hope OPEC gets its act together. As a matter of fact, I think the only hope one can see in this budget is the hope of the Alberta government that OPEC can get its act together. We already know that elsewhere in the world, oil is selling for under the OPEC price. Should there be a major drop in oil prices, that will affect our income very significantly.

The second major aspect we have to keep in mind is that much of our royalty income comes from the sale of natural gas. We know that the market in the United States is soft. I've talked to natural gas producers who tell us that we're going to have to drop our price to maintain even existing markets. To what extent are we going to have to drop our price, Mr. Speaker? To what extent will softer gas markets lead to even less in the way of revenue to our provincial Treasury?

The third thing I think is important to note is that this government has a nasty habit — and I say nasty because it avoids the Legislature — of spending all kinds of money by special warrant. I really object to that in principle, because special warrants are there only for emergency types of expenditures, not the kind of expenditures you get yourself into because some cabinet minister finds himself boxed into a political corner, so all of a sudden we come along with a special warrant to let him get out of that corner. Last year — I meant to say last election, but I think there's a connection between the two. In the last budgetary year, we had \$864 million spent on special warrants. One thing is likely: there's not going to be any significant improvement on the income side. To the extent this government indulges in special warrants — by-passing this Legislature and having cabinet appropriation of funds — we could find that the deficit will rise.

The picture that must be starkly painted for Albertans is that even after transferring a major amount of money from the trust fund, we have an \$850 million deficit, a deficit that could grow much larger if oil prices fall, much larger if natural gas prices fall, and much larger if this government continues its normal approach of spending money through the use of special warrants. So for the chambers of commerce or the business leaders who are saying, gee, isn't it nice that they've kept the deficit down, I say to those people who are so enthused: I would restrain my enthusiasm for a few months and watch what occurs as the deficit continues to rise.

Mr. Speaker, I'd like to move from there to deal with some of the principles contained in the budget speech. The first principle is presumably that we're going to stimulate economic activity through the private sector. Well, that's fine as far as it goes. But the private sector must also be complemented by actions on the part of the public sector. I look at this budget and find that despite the fact that we now have a new Minister of Manpower, special employment programs are down 54 per cent. Manpower and training assistance is down by 7.5 per cent. When you've got 140,000 people out of work, there is going to be tremendous pressure on our postsecondary institutions and on our manpower training programs. If people are going to be out of work, surely we should be increasing some of the training opportunities for them. But that's down 7.5 per cent.

I note that the welfare expenditures are going to be up by almost \$200 million. There's a certain irony that we are borrowing for welfare rather than for projects that are going to put people to work. To make matters worse — and I'm going to come to that in a few minutes — we find that we're cutting back staff in the one department that is going to find itself deluged with hundreds of extra clients, perhaps even thousands, as a result of the economic downturn.

You know, Mr. Speaker, now is the time to undertake an expanded capital works program. While the government says they're going to undertake as many jobs this year as last year, the fact of the matter is that there are more unemployed this year. Last year we had 60,000 or

70,000 unemployed at this time. Now we have 140,000 unemployed. Surely the objective must be to expand the capital works projects so that we can bridge the gap.

I look at the budget and see that primary highway construction is down by almost 11 per cent. I see that improvement district roads are down by 24 per cent. My heavens, in parts of this province we have the worst roads in the entire country, and in improvement districts we need more money for roads. It's rather interesting that we now have Mr. McFarlane working as a private consultant, apparently being paid \$300 a day to study dirigibles. I hope he can complete the study quickly; we are going to need dirigibles to get around much of the province because the roads are no bad in rural Alberta. We are not going to improve that situation by increasing the budget; we're decreasing it by 24 per cent.

MR. R. SPEAKER: There's a lot of Conservative hot air to fill up those balloons.

MR. NOTLEY: No question about that.

Mr. Speaker, I see that urban transportation is down as well. We have the cities of Edmonton and Calgary saying, let's get on with the job of LRT. Yet we find that urban transportation funds are down from \$190 million to \$144 million. Where are all these urban MLAs? Surely now is the time to get on with the job of arterial roadways, LRT: improving our urban transportation system. The point people are making, in the private sector as well as the public sector, is that dollars go further now. They will go further now than they will two, three, or four years from now, when the economy of the private sector begins to revive. Surely it makes sense to undertake some of these needed capitals works projects now.

Mr. Speaker, I'm not suggesting that the government doesn't have to pick and choose between projects. But roads and better transportation facilities for our urban areas are projects that most of us, regardless of where we sit, would say are investments in the future. It might well be that we could defer something like the park in front of the Legislature Building. It might well be that some of these more luxurious types of expenses could be deferred. Eventually doing something with the old Agriculture Building, refinishing it, is the kind of thing that could be deferred — I'm not quarrelling with that — and probably should be deferred. But when it comes to the basic transportation infrastructure of the province, surely that it is an investment which makes sense now.

The Provincial Treasurer went on to tell us that there were no dollar cutbacks in people services, and hon. members applauded with great enthusiasm. No dollar cutbacks? That's correct. But it would be incorrect to say there aren't going to be cutbacks, because in a number of major areas the increase is not going to keep pace with inflation, even a reduced inflation. The net result is that there will be a cutback in the quality of service.

Let's just take a look at some examples, Mr. Speaker, to make the point. I ask hon. members to look at the estimates for the basic grants to school boards, the basic grants under the school foundation program. You'll find that the increase this year is 2.9 per cent. I know there are other grants that are somewhat higher than that, but the basic grants that go to the school boards for the school foundation program have been increased by 2.9 per cent. As most members are aware, increments automatically go up as teachers gain more years of experience, more training. I've had board members in the Peace tell me that because of the increment system they have an automatic

increase of 3 per cent even if there isn't a dime more allocated for higher salaries. Mr. Speaker, a 2.9 per cent increase in the basic school foundation grants is inevitably going to result in a decline in the quality of education, no matter how you slice it.

I know the Minister of Education will say: but there are fewer students. That is sophistry from someone who, if he makes that assertion, really doesn't know much, especially about rural divisions. When you have a drop in students, you can't just automatically lop off support services. You can't close down schools; you can't lay off teachers. You've got to have a minimum instruction program. That drop of perhaps 30 or 40 students in a division doesn't mean you can cut back on the number of people in your support service. So the divisions are put in an impossible situation, Mr. Speaker.

Mr. Speaker, I see a 3.2 per cent increase in library funding. That means a cutback in services. Community-based hospital care — what's that? That's our rural hospital program. Those are the active treatment hospital budgets around the province; 4.4 per cent. Does anyone mean to tell me that with a 4.4 per cent increase, we are not going to have a cutback in service? Of course we are. Either that or we're going to have more money shuffled onto the local ratepayer. As well, Mr. Speaker, we see a decline of just under 1 per cent in district nursing homes — oh, a little more money to private nursing homes but an actual decline in district nursing homes. This government boasts about all the things it does for senior citizens. Yet for those senior citizens who are in district nursing homes, there's going to be a decline.

Mr. Speaker, no one can argue that many of our people services — whether it be parks; whether it be so many of the amenities of life — are not met by municipalities. But what do we see in the unconditional grants to municipalities? There is a 14.5 per cent cut. The very point the municipalities have been attempting to make in this province for the last 10 years or so is that they want more of the funds to municipalities shifted to unconditional grants so that they can make the decision as to where the money goes. In actual fact, Mr. Speaker, there is going to be a 14.5 per cent cut in unconditional grants to the municipalities in the province.

So I would say to the hon. Provincial Treasurer that while in most cases there may not be a cut — in some cases there actually is going to be a cut in money — there is going to be a cut in the quality of services. That's going to be especially true when it comes to the Department of Social Services and Community Health. Today the minister outlined, in a news release, changes in the system of handling welfare in this province which are going to make it extremely difficult for people who are caught having to apply for assistance because this government isn't making available enough money for job creation. In addition, we are going to have a substantial cut in staff for the very department that is going to have a huge increase in its workload.

Mr. Speaker, three years ago members of the government were incensed because some of us got up and grilled them day after day about the problems in Peace River. Members will recall the dogfood-eating incident. Members will recall the problems at Westfield. Members will recall all the difficulties we saw in the Department of Social Services and Community Health; the Ivany report on foster care, detailing the deficiencies of the whole system. Mr. Speaker, on both sides of the House, it's fine for either the opposition to raise it or the government to react after we have some kind of major report or some

sort of province-wide scandal. But what is important — the test is whether we have the wisdom to foresee the difficulties we're getting into.

In all honesty, I say to this government: what are you going to be doing to the Department of Social Services and Community Health, given the burden you are assigning in this budget? How can you possibly justify a reduction in staff and not set Alberta up for a repetition of those squalid examples that marred the reputation of our department and scarred the reputation of our province elsewhere in the country?

Mr. Speaker, there are many areas where one might cut. We could well have cut out all the advertising of the Public Affairs Bureau, the heritage trust fund advertising, especially just before the last provincial election. But I say to members of the House that one of the areas we shouldn't cut is the area of Social Services and Community Health. We already have a situation where we've got social workers who are vastly overworked. With all kinds of new rules that the minister announced this morning, with a greater case load, with all the problems that flow from unemployment, we are now putting these people in an absolutely impossible position.

Mr. Speaker, one additional area that concerns me in Social Services and Community Health is that while I applaud the extension to widows and widowers, it strikes me that it's extremely unfortunate that there is no increase this year in the senior citizens' Alberta assured income program. Costs have gone up in the last year. Why have we not recognized that fact and at least adjusted the Alberta assured income to the cost of living increase of the last 12 months? Why is it that the only time we seem to move on these matters is just before an election or when we are considering holding an election? Surely there has to be a better way of handling something as basic as the Alberta assured income.

One major area that it seems to me is missing in this budget is the question of what we are going to do about diversifying the economy of Alberta. Mr. Speaker, if there is any doubt about the need to diversify the economy, all one has to do is look at the figures. We are overwhelmingly dependent on non-renewable resource income. What's going to happen to this province? What's going to happen if oil and natural gas prices drop? What's going to happen when the day comes when we eventually run out of the relatively inexpensive oil and easy-to-find natural gas and get ourselves locked into very expensive, high-technology types of energy extraction where there isn't the room for high royalties? What's going to happen to the budget of this province when we are as overwhelmingly dependent on non-renewable resources as we are today? Mr. Speaker, the fact of the matter is that we are going to be in very deep trouble. The argument must surely be that now is the time to develop an economic strategy so that we can lessen the dependence on non-renewable resources.

I want to say one other thing, Mr. Speaker. I remember that last spring we had a discussion on the Alsands project, that \$14 billion project. Hon. members are quick to forget. How easy it is to forget. Let me tell you, I remember very vividly standing up in the House one day and making it very clear that I opposed the Alsands project. The hon. Premier snapped quickly to his feet and said, I'm glad we have the position of the hon. Member for Spirit River-Fairview on record as being opposed to the Alsands project. I said it then and I say it now. Government members may not like it, Mr. Speaker, but had the company accepted the proposal made on April

26, 1982, by the Tory government in Alberta and the Liberal government in Ottawa — perhaps I could rephrase that: the Ottawa government and the Edmonton government — this province would be in so much trouble that there would be no light at all at the end of the tunnel. On April 26, between the federal and provincial governments, we were prepared to invest 50 per cent of the costs of a \$14 billion project, plus back 68 per cent of the private sector's \$7 billion share. Could you imagine the mess we'd be in with \$29 a barrel international oil prices had we got locked into that proposal? The very provisions of the agreement presented to the House last April — and all government members banged their desks with solid approval — would have been an inescapable one-way ticket to bankruptcy for this province and would have ended any hope of diversification.

Well, Mr. Speaker, I guess a budget speech is an opportunity to occasionally say I told you so, in a gentle way. I just want to refer to some of my hon. colleagues who were here last year and took great umbrage at the fact that I differed over Alsands; I told you so. I think most government members would agree that we should practically get down on our knees and thank the oil giants for rescuing the two governments from one of the most ridiculous public investment proposals in the history of the entire country. It's not very often that I have to thank international oil companies, but in this case I thank God for their prudence, if not the prudence at the provincial and federal government level.

It would appear that diversification is a dream which this government has permanently put on hold. I simply say that the longer we delay it, the more difficult it will be. If it's not possible to diversify the economy of Alberta when we still have the shield of significant oil resources, I ask hon. members very frankly, how is it going to be possible to diversify the economy when we run out of oil and natural gas, when our position has been considerably weakened?

Mr. Speaker, as one reviews the budget, one has to ask who is going to pay for the efforts on the part of the Provincial Treasurer to close the gap between the revenues we expect and the expenditures we are undertaking. We're not making any changes in the various facets of the Alberta economic resurgence program as it applies to the oil industry. We've argued that there should at least be performance guarantees. The evidence is very substantial that activity is being shifted away from Alberta to other parts of the country, and it seems to us that if we are foregoing revenue — revenue that would ordinarily come to Alberta residents as the owners of the resource — then we have to ensure that the money is in fact being ploughed back into the development and exploration for oil and gas in this province, not the Northwest Territories, not Hibernia, not some other part of the world, but right here in Alberta.

As I look at the budget, Mr. Speaker, and ask who is going to pay for the provisions in the budget, I note that it's pretty obvious that high-income people are emerging totally unscathed, except the odd smoker. But I think the person with a high income could probably pay the higher tobacco tax. Oh, some will say, but medicare premiums are going up equally for the person who earns \$10,000 a year and for the person who earns \$1 million a year. Perhaps they are. But surely that is really a pretty fundamental point to ask ourselves about at this time. If we're going to increase taxes, if we're going to try to bridge the gap, surely we should accept the proposition that we should have taxation based on people's ability to

pay. We aren't doing that in this budget. The efforts trying to get more money are not related to income. We zero in, particularly in the area of medicare premiums, that have absolutely nothing to do with income. As a result, the high-income people, who enjoy the lowest personal tax rates anywhere in the country — this is a great province to be rich in — are not going to be paying their share.

The whole principle of modern taxation is that people must pay in relationship to their ability to pay. As a person's income grows, their ability to pay not only more but a higher percentage grows as well. I know that Peter Pocklington is leading a crusade in the Conservative Party to have everybody pay the same amount. I didn't think this government was committed to that kind of 18th century thinking in taxation. But perhaps it is because, in this particular instance, we are not shifting the burden as we should, as the bishops suggested in their paper. If you're going to have to pick up the costs of higher government expenditures, surely it is higher income people who should be bearing the bulk of that cost.

Mr. Speaker, what are some of the things that should be done? Well, as I look at the alternatives, the government has raised the issues of the size of the public service and the general costs of government. I tell you quite frankly that, as a social democrat, it has always concerned me that we have had more civil servants per capita, by quite a large amount, than we've ever seen in our neighboring province of Saskatchewan or, for that matter, the province of Manitoba, both of which have had NDP governments for some time.

I suggest, Mr. Speaker, that there's a reason for that. The reason is that as programs come in in those provinces, the programs are designed with an objective in mind. One of the aspects of the program is to keep the costs of administering it as low as possible. For example, we insist on medicare premiums. If you're going to have medicare premiums, somebody has to collect the premiums. We insist, for example, that we have a costly subsidy program for mortgage assistance. If you're going to have a costly subsidy program for mortgage assistance, then somebody has to administer that.

One of the points we in the New Democratic Party have made in this province is that rather than having parallel government agencies dealing with many of these loan programs, surely we should make better use of our treasury branch system, which is already owned by the people of Alberta. It is the extension of the provincial Treasury. Why shouldn't our AOC loans, our ADC loans, all the loans for home mortgages be directed through the treasury branch system rather than having parallel government agencies?

Mr. Speaker, it seems to me that there are areas where, with a little common sense in designing programs — not on the basis of political pressure but on the basis of whether the programs make sense in the first place — we can begin to develop a more efficient public service over a period of time.

But surely, Mr. Speaker, the answer isn't to come in with a budget that's going to do two things: first of all, lop off 150 employees or thereabouts in the Department of Social Services and Community Health, where the workload is going to be greater than ever before in the history of the province; or surely it doesn't make sense for us to cut back on municipal expenses. If we cut back on municipal expenditures, the municipalities are going to have to cut back on their services. We've seen that in both Edmonton and Calgary. What a sad comment that in our

two major cities we have the fight over whether we have enough firemen and policemen, basic services that people should be able to expect as a matter of right in a modern society. Yet in this budget we have a government with the unmitigated gall to attempt to cut the unconditional grants to the municipalities by some 14.5 per cent.

So first of all, we say there are areas where we can streamline the efficiency of government by eliminating duplication of service. Secondly, Mr. Speaker, we say the time has come to modify all incentive programs. I don't care whether they're direct programs — such as the programs we've made on a temporary basis to hog or beef producers a year or so back, programs of assistance for shelter to various individuals, or programs of incentive to the oil industry — our position is that if we're dealing with public funds, either directly expended or foregone by tax concessions or royalty remissions, there have to be performance guarantees attached. If we are going to be using public money, in either a direct or indirect way, then those who enjoy the protection of the public purse must at the very least have to expect, as a condition, that there will be performance guarantees requested as a part of that trade-off.

Mr. Speaker, the third thing is the area of deficit finance. We have a deficit now, and we don't know what the deficit will ultimately be. The Provincial Treasurer told us last year in very solemn tones: it's going to be \$750 million. It turned out to be \$2.4 billion. The deficit this year would have been over \$3 billion if we hadn't raided the Heritage Savings Trust Fund. We don't know what the ultimate deficit will be. But, Mr. Speaker, I would say that if we're going to have a deficit, rather than have a deficit which, at least in part, is due to the dead weight of having to pick up the pieces as a result of unemployment, doesn't it make more sense to expand some of these capital projects? Doesn't it make more sense, when we get better value for our money now, to expand our highways program, to tell the cities they can get LRT under way, to say to Albertans: yes, we're going to have a deficit for the next two or three years — no question about that — but it's a deficit which is designed to put this economy back on the road to recovery? The best way to get the economy back on the road to recovery is to put people back to work.

Almost every bit of data I've been able to gather shows that when people are out of work, not only do you lose the impact of their salaries directly but their ability to buy goods and services in the economy has a mushrooming effect. On the 140,000 out of work, our estimate is that there's a loss to the gross provincial product of this province of some \$5.5 billion. Surely it makes a good deal of sense if we can bring that down, rather than waiting for the private sector to be primed in such a way that we get ourselves out of this \$5.5 billion loss, not to mention all the other social and psychological problems associated with unemployment.

So, as members of the New Democratic Party, we are saying yes, we are prepared to accept a deficit. But we don't like accidental deficits at the federal level or at the provincial level which are not planned efforts to stimulate the economy to deal with unemployment. Through that stimulation of the economy, we can gain larger tax revenues in the years ahead and eventually bring the budget into some more reasonable comparison between the amount of money we expend and the amount of money we raise. That's the third thing.

The fourth thing, Mr. Speaker, is that we think the time has come to make a capital investment and, if need

be, to sit down with Husky or other proponents and move quickly to develop the heavy oil. There is no question that if we want to revive the oil industry, undertaking the construction of a heavy oil upgrader is a much better investment than the myriad of tax concessions and remissions, royalty tax credits, and all the other things that we have in place that will do far less.

If we develop the fields in Lloydminster-Wainwright, there have to be hundreds of wells drilled. You drill hundreds of wells, you bring your smaller companies back into the play. You stimulate your oil servicing industry. You bring the rigs back. One of the most important announcements that the Provincial Treasurer could have made is a statement that we are in the position to take a capital risk — yes; no question about that — on heavy oil development. Some hon. members will say, isn't that typical; the Leader of the Opposition is decrying the fact that we didn't get into Alsands, and now he's saying we should get into heavy oil. The difference of course is that Alsands was a \$14 billion white elephant that couldn't possibly exist unless we had increased world oil prices forever and a day, until the schedule set out in the energy agreement of 1981 was met. There's no hope that Alsands could work. But heavy oil is a different matter. Heavy oil is competitive, and members who've done their research will know that heavy oil is the last major competitive edge that we have in the oil business in this country. We simply say that what this government should have done was make a commitment to get on with heavy oil development.

The fifth thing we suggest is that the tax structure should be modified to shift the tax burden — for example, regressive taxing such as medicare premiums — from lower income people to upper income Albertans. Yesterday during the speech on the bishop's report, I said that I think one of the most important observations is the proposition that in bearing the burden, higher income people should be assuming the major part of the responsibility. So let's modify the tax structure. When I look at the tax structure of this province and compare it to other provinces, it's no small sense of concern to me that so much of our income is from either non-renewable resource sources or sources that have absolutely no relationship to the ability to pay principle. Mr. Speaker, I don't mind standing in my place in the House, as I do today, or back in the constituency, or anywhere else in the province of Alberta, and saying that my position as a member of this Assembly is that we should have a tax system that is based on the ability-to-pay principle.

Mr. Speaker, the sixth point I want to leave with members of the Assembly is one that I believe is long overdue. I'm not suggesting to Conservative members that an economic development strategy that the New Democratic Party would develop would be acceptable to this government. For members who've had an opportunity to read our Start booklet, that was published last June, I'd like to say that we detail in a number of ways both a short-term and a long-term program for economic recovery. What I am saying is that it is certainly time we had a white paper on our economic strategy laid out, so that Albertans could begin to debate the future, so that we would know what the options are. The only thing we have that even remotely resembles that is a few paragraphs in a speech the Premier made. But that's not a white paper on economic strategy.

Those members who were elected in 1971 will recall that that was one of the things that was stressed by the government, the "now" team of 1971, when they were

pleading the case for open government. In the first Speech from the Throne, the Premier made it clear — I assume that he wrote that speech, or at least had something to do with writing it — that we would have white papers on issues, white papers that would be tabled in the Legislature so there could be a motion to discuss them, so that Albertans could discuss the issues and feed their opinions back to the government. Well, Mr. Speaker, we haven't seen too many white papers lately; very few and far between. Oh, we had the paper on the constitution. I commend the government for that. But the fact of the matter is that we have never had a white paper on economic strategy. Where are we going in this country? What's going to happen to Alberta? What are the areas that we can use as the basis for expanding and strengthening our economy in the future? The other day the Premier of Saskatchewan gave a speech to university students in this city. In the two- or three-minute clip as he summarized his position, I at least had an opportunity to understand that the government of Saskatchewan apparently has some sort of economic strategy. And I gather from talking to my colleagues in Saskatchewan that they've even discussed that economic strategy in the Legislature.

Mr. Speaker, where is the economic strategy for the province of Alberta? We have no idea. With 140,000 people out of work, with an oil industry that is now facing the vicissitudes of international uncertainty — and that's putting it in the most gentle way possible — where is the economic strategy for this government? What we have are makeshift policies. We stimulate the economy just before an election, and then we slam on the brakes after the election. One day we're born-again Keynesians, and the next day we're born-again Reaganites. One never knows, Mr. Speaker, except that we bob all over the place because there's no economic strategy.

Mr. Speaker, this morning I would simply say to members of the Assembly that at the very least I hope that the backbenchers would say to their colleagues across the way, let's have a white paper on economic strategy so that Albertans can participate in the process of feedback, the very thing the Premier promised us in 1971. Surely the time has arrived for that kind of discussion.

AN HON. MEMBER: Donald Macdonald.

MR. NOTLEY: Someone says Donald Macdonald. No one was suggesting a Donald Macdonald commission to travel around the province. I am assuming, Mr. Speaker, that with all the members we've got on Executive Council — my heavens, I would think we've got one of the largest Executive Councils in the entire Commonwealth — we should be able to come out with an industrial strategy white paper that could be tabled in the House. We don't need a Donald Macdonald commission. We need an Executive Council that's going to put its propositions for the future of this province where they should be put: tabled in the House in the form of a white paper, so they can be discussed by the people of Alberta.

Mr. Speaker, there is one final point I want to make in addressing the budget, and that is the issue of one of the increases which the government has proposed in taxation: medicare premiums. I'm told by reading the budget that this increase is going to bring in \$28 million out of a budget of almost \$10 billion. That would be equivalent, I suppose, to about — what would it be? At the very most — I was going to say three cents on a dollar, but it would

be less than that: one-third of one cent on the dollar. I say to members of the House that that kind of mean-spirited increase is not going to substantially improve the revenue picture, but it is going to create a hardship for individual working people who are not on welfare, low-income people.

Some say, what's an increase from \$9 to \$14 or from \$19 to \$27 a month; that kind of increase isn't going to upset people too much. For a lot of working poor who aren't in a position where their employers cover their health costs, that is going to be a significant increase. The very people who are going to be hit hardest by this increase are those who aren't protected either by high incomes, so it won't make any difference, or by union contracts where health costs are considered part of the basic agreement. What it is, Mr. Speaker, is a mean-minded tax that really doesn't achieve much of anything but is going to impose a hardship on those people in Alberta least able to pay.

I would have more regard for this government's commitment to prudent public spending if we had had another example, something just a little more expensive than this \$28 million — the Paddle River project, where we have an inquiry report that says it has absolutely no redeeming characteristics at all, yet the government is going ahead with it for political reasons. It couldn't be justified according to the inquiry officer, yet we go ahead with it. But here we have a situation where we're going to increase the medicare premiums by a total of \$28 million out of a budget of \$10 billion.

Mr. Speaker, one of the things Mr. Clark did when he was briefly Prime Minister of Canada was that he appointed one of the really great westerners of our time, Mr. Justice Hall, to examine medicare right across the country. As a result of a request by a Conservative federal government, not by the Trudeau government, not forced into the situation by the NDP, but on the volition of Mr. Clark a Tory — appointed Mr. Justice Hall to look into health care across the country. One of the points Mr. Justice Hall made, not in the initial study but in the study that was made at the request of the most recent Tory government, was that premiums are unfair, cumbersome, and inefficient.

Mr. Speaker, why are we increasing premiums? Why are we putting an additional burden on low-income people? One of the basic principles of medicare is that the benefits of modern medicine should be equally available to everyone, regardless of their ability to pay. That should be a basic right in a modern society. But we should pay for those benefits in relation to our ability to pay. High-income people, through the tax system, should pay far more than they would if they could go out and purchase a private insurance scheme. That's part of what a modern, civilized approach to taxation is all about, that we pay more as we have the ability to pay more.

The basic proposal that Mr. Justice Hall made in 1964, that became the basis of the national Act in the mid '60s, and the basic position he made in his report to the Clark government, was that the principle of medicare is inviolate and should not be undermined by niggling tax increases that act in one way or another as a barrier to the proper administration of a health system that recognizes health as a basic right in a modern society.

Mr. Speaker, I find it extremely regrettable that as the Provincial Treasurer looked around for ways and means to balance this budget, he had to seize upon medicare premiums. I think it is a mistake. I think it puts a burden on low-income people. I think it's unfair, and I think it

will be costly to administer. We already have all kinds of people who can't pay their medicare premiums. All that is going to ensure is that we have more premiums in arrears. What is that going to mean? Are we going to cut people off if their medicare premiums aren't paid?

AN HON. MEMBER: You bet.

MR. NOTLEY: Somebody back there says, "you bet". What's going to happen to the families if the parents aren't able to pay their medicare premiums?

On television the other day, I noticed the Minister of Manpower attempting to explain the government's position — not very happily, I might add — to a group of unemployed. One of the people said: if I can't get welfare, how am I going to find the money to put food on my table? How is that person going to be able to pay higher medicare premiums? The fact of the matter is, Mr. Speaker, as members of this Assembly ought to know, we already have many people who aren't able to pay their medicare premiums. We are going to have this huge list of arrears. And one of the backbenchers behind me says, you're going to cut them off; you bet. That's going to be very interesting. What a way to deal compassionately with the problems of an economic slowdown. We're going to be cutting people off their medicare benefits, children and wives of people who are thrown out of work. That's really an example of compassion in the 1980s.

Mr. Speaker, I think this kind of approach is wrong. It perpetuates a cumbersome, inefficient way of collecting funds, which we've differed with and which the most learned person in the country has differed with. The government can say everybody is wrong but us, but virtually everywhere in the country — as a matter of fact, one of the first governments to eliminate medicare premiums was the Stanfield Conservative government in Nova Scotia. I don't know whether Mr. Stanfield is considered a crypto-Marxist these days. Apparently the definition of a Marxist includes bishops of the Catholic church, so perhaps Mr. Stanfield is also a Marxist; I don't know. But he is a very prudent man, in my case, and he was the man who led. I might mention that long before the NDP government in Manitoba got off its fanny and began to move on this question of eliminating medicare premiums, Mr. Stanfield had done so in the province of Nova Scotia.

Mr. Speaker, we have this ridiculous taxation measure that will raise such a small amount of money but so needlessly impose pain as a consequence. As a result, I should like to move that the motion on today's Order Paper be amended by adding at the end of it:

but regrets the decision to impose a 46% increase in
Alberta Health Care Insurance Plan premiums on
Albertans.

I have copies of the amendment for all hon. members, and I commend it to the Legislature for their support.

MR. PAYNE: Mr. Speaker, I request leave to adjourn debate.

MR. SPEAKER: Does the Assembly agreed?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

head: **COMMITTEE OF SUPPLY**

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of Supply will please come to order to consider interim services.

Legislative Assembly

Agreed to:

1 — Support to the Legislative Assembly	\$3,573,242
2 — Office of the Auditor General	\$2,990,217
3 — Office of the Ombudsman	\$264,048
4 — Office of the Chief Electoral Officer	\$298,481

Total — Legislative Assembly \$7,125,988

MR. CRAWFORD: Mr. Chairman, I move that the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration and reports the following resolutions and requests leave to sit again:

Resolved that sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1984, under Legislative Assembly: \$3,573,242 for support to the Legislative Assembly, \$2,990,217 for the office of the Auditor General, \$264,048 for the office of the Ombudsman, \$298,481 for the office of the Chief Electoral Officer.

MR. SPEAKER: Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, I'd like to ask unanimous leave of the Assembly to revert to Introduction of Bills in order that the interim supply Bill can be introduced by my colleague.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Is there any dissent? It is so ordered.

head: **INTRODUCTION OF BILLS**
(*reversion*)

Bill 28
Appropriation Interim Supply Act, 1983

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill No. 28, the Appropriation Interim Supply Act, 1983. This being a money Bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

This Bill is straightforward. It provides interim supply for both the Legislature and for the government, pending review and consideration of the estimates by the Assem-

bly. The amount involved is approximately \$3.3 billion and will thus enable the government and the Assembly to proceed.

[Leave granted; Bill 28 read a first time]

head: **GOVERNMENT BILLS AND ORDERS**
(**Second Reading**)

Bill 24
Appropriation (Alberta Heritage Savings
Trust Fund, Capital Projects Division)
Supplementary Act, 1983

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 24, the Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Supplementary Act, 1983.

[Motion carried; Bill 24 read a second time]

Bill 25
Appropriation (Alberta Heritage Savings
Trust Fund, Capital Projects Division)
Act, 1983

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 25, the Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1983.

[Motion carried; Bill 25 read a second time]

[On motion, the Assembly resolved itself into Committee of the Whole]

head: **GOVERNMENT BILLS AND ORDERS**
(**Committee of the Whole**)

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of the Whole Assembly will please come to order for consideration of Bills on the Order Paper.

Bill 18
Alberta Heritage Savings Trust Fund
Amendment Act, 1983

MR. DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any section of this Bill?

[Title and preamble agreed to]

MR. HYNDMAN: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 23
Alberta Heritage Savings Trust Fund
Special Appropriation Act, 1983-84

MR. DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MR. HYNDMAN: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

Bill 3
Registered Music Teachers' Association
Repeal Act

MR. DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any section of this Bill?

[Title and preamble agreed to]

MRS. LeMESSURIER: Mr. Chairman, I move that Bill No. 3, the Registered Music Teachers' Association Repeal Act, be reported.

[Motion carried]

Bill 14
Attorney General Statutes
Amendment Act, 1983

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Bill?

[Title and preamble agreed to]

MR. DEPUTY CHAIRMAN: Would the mover please move the Bill?

MR. CRAWFORD: It's happened to us all today, Mr. Chairman. We're all rushing too much.
I move that Bill No. 14 be reported.

[Motion carried]

Bill 15
Department of Transportation
Amendment Act, 1983

MR. DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any section of this Bill?

[Title and preamble agreed to]

MR. M. MOORE: Mr. Chairman, I move that Bill No. 15, the Department of Transportation Amendment Act, 1983, be reported.

[Motion carried]

Bill 20
Rural Gas Amendment Act, 1983

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Bill?

MRS. CRIPPS: I'd like to address one point, Mr. Chairman. It wasn't a change from the cabinet, on regula-

tions, to the minister; it's a change from legislation to regulation.

[Title and preamble agreed to]

MRS. CRIPPS: I move that Bill No. 20 be reported.

[Motion carried]

Bill 27
Chattel Security Registries Act

MR. DEPUTY CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any section of this Bill?

MR. GOGO: Mr. Chairman, a question to the Attorney General with regard to Bill 27. For example, when a person buying an automobile believes it may be registered at a central registry, could that person make a telephone call to a given department and determine whether or not there is a lien against that vehicle, i.e. for his protection, so that he can purchase that vehicle knowing full well that there are no liens against it? If he can, is there a charge to be levied, if that's an appropriate question to the Attorney General?

MR. CRAWFORD: Mr. Chairman, what we're discussing is the current practice. What is proposed in the Bill is the accommodation to the statute that's necessary in order to bring it, at a subsequent date to be proclaimed, into the electronic data processing area much more fully.

As to current practice, one of the difficulties in searches is the time lag — up to two weeks — after you approach the registry office and seek out a certificate from the registrar as to what the result of your search is. When that certificate is available, the registry and the assurance fund certainly stand behind the accuracy of it. I don't know if there's a further ingredient in the hon. member's question that I'm missing.

MR. GOGO: Mr. Chairman, maybe it could be summarized if the Attorney General would acknowledge that the Attorney General's department and the administration of justice in Alberta have reached the computer age.

MR. WEISS: A supplementary, Mr. Chairman, just as a follow-up from the hon. minister's response. I'm concerned that if an account has been established for a major firm, they would not have trouble obtaining this information, but what about an individual who doesn't have an account established? Will this information be ready and accessible to him or her as well?

MR. CRAWFORD: Certainly, Mr. Speaker, the practice is that if a person is not going to have legal counsel act on his behalf in a transaction — for example, someone who'd be very, very familiar with the search system — simply by going to the office, that person would be helped in every way with his search.

MR. WEISS: Mr. Chairman, then to further clarify. Would you say that the person would have to go to the office and could not do this through the telephone?

MR. CRAWFORD: Mr. Chairman, in current practice there is not a way that you can do a telephone search, unless you've made arrangements for a continuing ac-

count. That's the difference. The normal citizen wouldn't go to that trouble. The continuing account is not a matter of granting credit. It's a matter of the person paying a deposit, but then being able to get some of the work done over the telephone.

MR. WEISS: Supplementary, if I may, Mr. Chairman. I realize that does not present a problem for those living within the urban communities, but for those living in outlying areas it's very difficult to come in or proceed to the local office to obtain this information. Is there any other way it could be handled for rural residents?

MR. CRAWFORD: Mr. Chairman, it may be possible — I think it will be possible — in the system that Bill 27 contemplates, to do a much better job for different regions of the province that are away from the actual location of the central registry.

[Title and preamble agreed to]

MR. CRAWFORD: Mr. Chairman, I move that Bill No. 27 be reported.

[Motion carried]

MR. CRAWFORD: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of the Whole has under consideration and reports Bills 18, 23, 3, 14, 15, 20, and 27.

MR. SPEAKER: Having heard the report, do you all agree?

HON. MEMBERS: Agreed.

head: **GOVERNMENT MOTIONS**
(continued)

9. Moved by Mr. Hyndman:

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

[Adjourned debate March 25: Mr. Payne]

MR. PAYNE: Mr. Speaker, I stand today to address myself, albeit briefly, to the amendment moved by the Leader of the Opposition earlier in the sitting this morning, with its implicit condemnation of the principle of medical insurance premiums. In speaking against the amendment, I would like to indicate to the House that it's my very serious doubt that the implicit message of this amendment reflects the views of the people whom we represent in the Assembly. In making that statement, I'd like to acquaint members of the Assembly with a recent survey that was conducted by my constituency organization in Calgary Fish Creek. Two weeks ago, we circulated to the 18,000 homes in my constituency, a questionnaire that dealt with six important issues that I expected to be raised during this particular sitting of the Assembly.

One of those questions dealt with hospital user fees,

and I took that opportunity to ask my constituents to indicate their preferences for methods, steps, or procedures whereby the government could deal with the question of cost escalation in our province's hospital system. On that list of alternative methods, we made reference to increasing health care insurance premiums.

The reason I've been speaking so slowly, Mr. Speaker, is that I'm awaiting those numbers from my office. They appear not to have arrived in time. Suffice it to say that of the 18,000 questionnaires, 2,000 were returned to me. For those members of the Assembly who may not be familiar with opinion polling experience and data, I would like to reassure members that 2,000 returns on an 18,000 mailing is a very significant return. I recognize that it still has the anomaly built into it of excluding those people who don't like to fill out questionnaires, but given the magnitude of the return, I think it's fairly representative of the viewpoint of the Calgary Fish Creek constituency.

Although I regret that I do not have the specific numbers with me in the House at this moment, if my memory serves me correctly, of the 2,000 or so questionnaires returned something like 1,300 or 1,400 respondents indicated support for increased health care insurance premiums as one way to deal with the very serious problem of health care cost escalation in Alberta. That being the case, today I'd like to suggest to the hon. Leader of the Opposition and other members of the House that the leader's proposed amendment is most assuredly not reflective of the viewpoint of the people of my constituency. In fact, I suspect it's not reflective of the viewpoints of any of our constituents anywhere in the province.

I'd like to make another comment or two with respect to the hon. leader's proposed amendment. I don't know whether the hon. leader plays golf at all, but I'd like to share with him what I call the "bill paying/golf tee" analogy. There are two golf courses that I frequent occasionally in the city of Calgary. At one golf course, it's necessary to purchase your golf tees and, at the other, they are provided free at each tee-off.

I'm sure it will come as no surprise to the hon. members present that in the former golf course — that is, the one where you are required to purchase those little, inexpensive golf tees — you can never find any tees lying around the grass, except perhaps the odd broken tee. For parsimonious individuals like myself, that's a very difficult circumstance. I always like to pick up the freebies. It will also come as no surprise to the members, I'm sure, that at the other golf course to which I refer, where the golf tees in fact are in buckets and provided free, golf tees — broken, whole, and in virtually new condition — are strewn everywhere. I assume the question is asked: when they're free, why make the effort to bend over and pick up a tee? The principle I extract from that golf tee analogy is that when something is free, when one does not recognize the cost of a product or a service, one tends to abuse or greatly underestimate the personal value of that product or service.

Now I'm sure the hon. Leader of the Opposition will have already deduced the conclusion that I'm moving to with the golf tee analogy and the results of the Fish Creek survey. But I feel quite sincerely, Mr. Speaker, that our citizens are no different from citizens anywhere else with respect to this principle, in that when they are required to make a premium payment, albeit modest, it is a recurring reminder of the costs of the system. I use the adjective "modest" advisedly, and although I'm reluctant to draw

an extreme illustration to make the point, I think it might be useful to do so today.

Of course we all have fresh in our minds the experience in Salt Lake City of Barney Clark, the artificial heart patient who died. I know that all the members of the House followed that particular case with the same intense interest that I did. The implantation of that artificial heart, or indeed even more conventional heart surgery in Alberta, represents a cost of many thousands of dollars in terms of fees and wages for professional and related help in the hospital, for the elaborate and very costly equipment in the operating theatre, the medicines and other drugs associated with that kind of serious surgery. Of course the bill for all those materials and services would reach thousands of dollars.

But one doesn't need to make the point with heart surgery. Even our comparatively minor surgery can be a very costly item. I suspect that many of our constituents are aware of these costs and are prepared to make their modest contribution to the cost of such surgery.

Mr. Speaker, having just been handed the results of that portion of my constituency survey, I'm pleased to report that my recollection was more or less in the ballpark. [interjections] In fact I'd like to report to members — no pun intended with respect to the course — that we gave five alternative methods of controlling escalating hospital costs. This is after the question with respect to hospital user fees. We gave the following: increase Alberta health care premiums, increase local taxes, private-sector hospital management, increased employer contributions, and provisions for other comments. It will come as no surprise that ranked in order of support, at the top of the list in the constituency of Calgary Fish Creek is increased Alberta health care premiums.

I'm forced to conclude, Mr. Speaker, that the amendment does not reflect the views of my constituents. I suspect it does not reflect the views of the constituents of this province. Therefore I would encourage all members to vote against the proposed amendment.

MRS. CRIPPS: Mr. Speaker, I'd like to take this opportunity to speak very briefly on the amendment. In doing so, I'd like to tell the Legislature about a recent meeting I had at Drayton Valley, at which the Hon. Dave Russell was guest speaker. He outlined the problems the government is having with the budget and how his departmental budget, in essence, had escalated over the past five years. People asked a number of questions about the budget and hospital costs. Of course we're in an area where we have a new hospital under construction, and everyone is extremely pleased about that. But I don't think they had really considered the cost of operating the hospital once it was constructed.

At the end of the discussion one fellow, who is over 70, raised his hand and made the following statement. He said, when is the government going to start charging senior citizens their fair share of health and hospital costs? He said, most of us have more savings than we've ever had before, and we've got it in travellers' cheques; we think we're going to take it with us. So a general discussion on hospital and health costs followed. We took a straw vote about what people thought of paying more for hospital costs. The vote was unanimous. People felt that the health care premiums could be increased and that there probably should be some cost for hospitalization. They felt that people did not understand the costs that were involved in hospitalization and health care, and that they would probably appreciate it far more if they were

paying some of their fair share.

Mr. Speaker, I think that was a good representation of people from my constituency, as at least half a dozen to 10 different communities were represented. At that meeting, I had a cross section of people from the oil industry, farmers, businessmen, housewives and home-owners, and senior citizens. The vote was unanimous. It was quite spontaneous, arising from the statement of this senior citizen who said that if senior citizens can afford it, they would like to pay their way too. Then the discussion ensued.

Mr. Speaker, I don't think the amendment at hand represents the feelings of the average Albertan.

MR. MARTIN: Mr. Speaker, I'd like to rise in support of the amendment. I think we have to look at a couple of very important principles. My hon. leader has talked briefly about one. Medicare in this country was brought in by our movement in Saskatchewan. It was brought in for a reason. In a rich society, a rich country — and certainly this is still a rich province, even though it's slowly going downhill under Conservative management — surely everybody has a right to decent health care. We may say that the premiums are not distorting medicare, but in fact they are. The more money you keep putting up in premiums, the more hardship there is for certain groups of people in the society. For some people, obviously it doesn't matter; they can afford it. But the key thing is when some people are squeezed to the absolute, as they are now. Another amount of money coming out of their pockets is a severe hardship. Rather than my hoking up another study, as we seem to have here, I suggest to you that there is certainly an indication in my riding, which may be different from other hon. members', that this is a concern of people. We're getting a number of case studies about this.

The other point I would make, and that I think has to be made clearly, is that we are kidding ourselves if we say in this latest budget that we have not had an increase in taxes. What we have by another name is an increase in taxes, because surely premiums that everybody is paying are coming out of the same taxpayer's pocket. It looks to me that it's another \$108 tax. We may not call it an income tax and call it an increase in medicare premiums, but the result is the same: it's money coming from the disposable income of families, to the tune of \$108. Overall, when we take in what was there before, it's \$336 coming from families' income.

The point that I make about this tax — and I call it a tax deliberately, Mr. Speaker — is that it is a regressive tax. You pay this tax, the \$336, whether you make \$10,000 or \$100,000. Surely in this day and age, we at least give lip-service to a progressive tax system. Surely this is not the way to go if we want to increase revenue for the Treasury that we seem to need so badly.

I suggest that we look at other means if they need revenue. The high-income people, like cabinet ministers, do very well in this province. [interjections] I know you're not all cabinet ministers, but hang on; eventually we'll get you all in there. What we're suggesting, Mr. Speaker, is that we increase the revenue through the people who can afford it rather than on the backs of the people who cannot.

I would just contrast what happened in Manitoba recently, certainly a much poorer province than Alberta, I think we would all agree. What they did there — a different approach altogether — was increase the income tax rate for large corporations, and I stress "large", to 16

per cent from 15 per cent. There was no change in the small business rate, where our government reduced it last year to 10 per cent. There's \$7.2 million extra revenue. Also, a special 2 per cent corporation capital tax was applied on banks for a one-year period. There is some more revenue instead of medicare premiums, another \$3.2 million.

Also what they did when dealing with their own public service, and by example of course to the rest of the province, was for the senior staff in the public service — first of all, cabinet ministers did not get a raise at all. Then for the public service, they limited salary increases to 2 per cent next year for people making \$50,000 income level. If it went up higher than that they limited less, and that was true of the Crown corporations, hospitals, educational institutions. In other words, the point I'm making is that to generate government revenue we put it in the hands of the people who could afford it and not in the hands of the people who could not afford it as we are doing with medicare premiums.

Mr. Speaker, there is one other major problem that I see at this particular time, and that problem is the fact that we are wasting \$200 million in welfare payments instead of job creation. As a result of this, I would like to move that Motion No. 9 on today's Order Paper be amended by adding to the end of it:

and condemns the situation prevailing in the Department of Manpower which has increased its Person-Year Authorization by 8.23% while decreasing its actual programs by 26.94%.

What we are trying to do by this subamendment, Mr. Speaker, is show the hypocrisy where we are not doing job creation but are creating extra jobs in the Department of Manpower while cutting down the actual programs by 26.94 per cent. So I move that amendment.

MR. SPEAKER: I did indicate that I'd be recognizing the hon. Member for Edmonton Glengarry on the amendment. However, that situation may have changed insofar as the hon. member's intentions are concerned now that we have a subamendment.

MR. COOK: Mr. Speaker, would the subamendment be in order? It doesn't relate directly to the subject of the amendment, so on that basis I wonder if we should even be considering it. The debate on the amendment should be very narrow and should strictly conform to the subject material, so I have doubts that the subamendment which relates to the Department of Manpower has any bearing on the health care insurance premiums. Could I ask for a ruling on that please, sir, before I speak?

MR. SPEAKER: I've had time to read the subamendment and to compare it with the amendment. It would appear to me that the substance of the subamendment is not relevant to the amendment and consequently is not in order.

So we're back on the amendment. The hon. Member for Edmonton Glengarry.

MR. COOK: Mr. Speaker, in that case the subamendment won't interest me.

I'd like to speak to the amendment before us, and I'd like to ask all members to consider what the impact of the health care premiums are on the average family. This goes to the heart of the point that the New Democratic Party is making in the House here, that the premiums represent an onerous burden on families that is regressive.

That just doesn't bear a critical examination.

Let me run through some figures, and please bear with me, Mr. Speaker, because my math skills are not so well developed that I . . .

MR. SPEAKER: There's never been any stricture on reading statistics, especially if an hon. member can make them interesting.

MR. COOK: I'm probably going to be interesting, but accuracy is not my strong suit. But let me observe in passing that my math skills are probably better than the NDP's drafting skills in some amendments. [interjections]

Mr. Speaker, could I just run through some numbers. The health care premiums last year amounted to a total revenue intake of about \$80 million. This year they will amount to about 50 per cent more than that or about — just for ballpark sake — \$120 million. So we are talking about \$120 million on a total budgetary revenue of about \$9.5 billion required for the services of the province. Running through that, \$120 million of 9.5 works out to 1.5 per cent, more or less. I don't have a calculator; that's the way I roughly compute it. We're looking at an item that basically represents 1.5 per cent of the requirements for the service of the province. I just want to put that in context.

Let me ask the question, what does that really represent for a family in the province? The Alberta Bureau of Stats report on family income last year shows that the average family income in the province was around \$30,000 a year. So my next mental calculation is, what does the average premium amount to and what does that amount to in context of the average family income? The average premium works out — again with my math abilities — to about \$100 a year. There are about 12 million family units in the province, and if we're raising \$120 million that works out to on average about \$100 per family. On a \$30,000 income, my math works out that about .3 per cent of the income of that family will go to health care premiums.

Mr. Speaker, I hardly call that onerous. What it really is is a symbolic gesture, as the hon. Member for Calgary Fish Creek has pointed out, just to remind us when we get our premiums in the mail that in fact the health care system does have costs, and that we are responsible for them individually and collectively. Individually we ought to think twice before we use those services. I hardly think that we can take the NDP very seriously when we put their arguments in context of what it really means to the average Alberta family.

There's one point you might raise if you are in the NDP, and that is that there are some people on limited incomes and they will be hard done by with this. Yes, Mr. Speaker, that argument would wash if it weren't for the fact that in Alberta our families who pay premiums pay reduced premiums if they have limited incomes, and it's on a sliding scale. So again, for families that have low incomes the rough proportion would hold true; .3 per cent of a families' income is going to go for health care costs. That's not regressive. That's not a tax. That's a small service fee.

Mr. Speaker, I urge all members to reject this silly notion the NDP have put forward. [interjections]

MR. SPEAKER: Before the hon. member continues with the debate, would the Assembly agree that the hon. minister and Member for Calgary Fish Creek revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS**
(*reversion*)

MR. PAYNE: Thank you, Mr. Speaker. I'd like to acknowledge that you are probably stretching the rules a bit to allow me to do this, and I do appreciate it.

MR. SPEAKER: It's not a very big stretch.

MR. PAYNE: Very good. In the absence of that stretch, may I freely and openly indicate to the members today that two very important people in my life are in the members gallery; not necessarily in this order, but first the president of my constituency, Mrs. Lynne Pitt. She's accompanied by my son Bob, who recently returned from an 18-month mission for the Mormon church in Los Angeles. I'd like them to stand and receive the welcome of the Assembly.

head: **GOVERNMENT MOTIONS**
(*continued*)

MR. WEISS: Mr. Speaker, I'd like to have just a few minutes to debate the amendment as well. I'm very surprised by the amendment. In particular, my remarks might even appear to be redundant in view of the subamendment that was suggested. I initially made reference to the fact that by adding at the end of Motion No. 9, the amendment says:

but regrets the decision to impose a 46% increase in Alberta Health Care Insurance Plan premiums on Albertans.

Well I'm deeply touched, because I'm sure that we all regret the decision. We regret a lot of decisions. But if we have to accept some financial responsibility and sound management to all the citizens of Alberta, including our two hon. colleagues, we have to make decisions such as this. I think it's a small penalty to pay for the services being offered. I think in particular of the constituency of Lac La Biche-McMurray, where we have a some \$40 million hospital facility recently opened and a some \$20 million hospital under construction in Lac La Biche. I don't think the constituents in our community would begrudge paying that small extra charge as, really, protec-

tion for services that hopefully they wouldn't have to receive.

In making particular reference to the proposed amendment, I'm surprised that by putting only one amendment — is the hon. Leader of the Opposition really saying that he then supports Motion No. 9 in its entirety? It says:

Moved by Mr. Hyndman:

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

The hon. Leader of the Opposition is really saying that with the exception of the proposal in the amendment, he is fully supportive of it. So I'd say, gosh, in that view, or in that text, especially if we review the reference to the rich, that all senior citizens and low-income Albertans are certainly exempt from this decision — and I think it's a policy we're going to have to live with. I accept it. I fully believe it's a responsible one.

I would urge all members of the Assembly to defeat the amendment.

[Motion on the amendment lost]

MR. PAYNE: Mr. Speaker, I beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. CRAWFORD: Mr. Speaker, in a moment I'm going to move that the Assembly call it 1 o'clock.

It is intended to sit Monday night. We will be dealing with the Appropriation and Alberta Heritage Savings Trust Fund Bills that are now before the Assembly at various stages, in order, hopefully, to move them another step. If there is additional time, there would be second reading of some of the Bills on the Order Paper.

Mr. Speaker, I move we call it 1 o'clock.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

[At 12:20 p.m., pursuant to Standing Order 5, the House adjourned to Monday at 2:30 p.m.]

