

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Friday, May 22, 1987 10:00 a.m.**
Date: 87/05/22

[The House met at 10 a.m.]

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

Our divine Father, as we conclude for this week our work in this Assembly, we renew our thanks and ask that we may continue our work under Your guidance.

Amen.

head: INTRODUCTION OF VISITORS

MR. GOGO: Mr. Speaker, I should like to introduce to you and to hon. members of the Assembly two very special visitors in your gallery this morning. I'd ask these gentlemen to stand as I introduce them: Dr. Norbert Klingler, minister consular of the embassy of the Federal Republic of Germany located in Ottawa, visiting here in Edmonton, and the second gentleman, perhaps very well known to hon. members of the Assembly, the consul general of the Federal Republic of Germany, Mr. Erwin Boll.

Mr. Speaker, Erwin Boll is about to retire from many years of dedicated service to the Federal Republic of Germany, and I think we should all be indeed proud that Mr. and Mrs. Boll have chosen to retire here, not only in Canada but in Edmonton. I'm sure hon. members of the Assembly would join with me in wishing them an extremely happy retirement. Would the hon. members of the Assembly please welcome our special visitors.

head: INTRODUCTION OF SPECIAL GUESTS

MR. BOGLE: Mr. Speaker, it's indeed a privilege today to introduce, on behalf our colleague and good friend the hon. Member for Chinook, some 36 students from the grade 5 class of the Coronation school. They're seated in the members' gallery. These students are accompanied by teachers Mr. Selzler and Miss Tupper and by parents Mrs. Compton, Mrs. Heidecker, Mrs. Workinan, Mrs. Finbeiner, Mrs. Tkack, Mrs. Ericson, and Mrs. Christman. I would ask members of the Assembly to join with me in giving a warm welcome to these energetic students who have traveled up from Coronation.

MR. SCHUMACHER: Mr. Speaker, it is my honour and pleasure to introduce to you and through you to the members of the Legislature, 26 bright, eager, and enthusiastic students from the grade 6 class of St. Anthonys school in Drumheller. They are accompanied by their teacher Mr. Gerry Hamilton, parents Mrs. Jane Danis, Mrs. Hucaluk, Mrs. D. Shymanski, together with the bus driver Mr. Mike Harasym. I'd like to ask them to rise and receive the traditional warm welcome of the Assembly.

MR. ROSTAD: Mr. Speaker, it's my pleasure to introduce to you and through you to the Assembly, 26 delightful students in grade 6 from the Jack Stuart school in Camrose. They are accompanied by their teacher Mrs. Scott and a parent Mrs. Whitelock. They're seated in the public gallery. I'd ask that they rise and receive the usual warm welcome of the Assembly.

MR. GETTY: Mr. Speaker, I wonder if you'd give me an opportunity to introduce certain people to the House. They're all familiar with them, however. I would have said this on the actual day, but that is a Saturday. I'd like to recognize the hon. Member for Clover Bar and the hon. Member for Calgary Elbow who on the occasion of May 23, 1967, became Members of this Legislative Assembly and have served for a solid 20 years effective tomorrow. I think it's quite a significant commitment to our province. The date isn't as significant to the hon. Member for Little Bow; actually he had joined the Assembly in 1963. However, he was elected of course on May 23, 1967, as well. I think that's something the House should recognize these three gentlemen for. [applause]

MR. SPEAKER: Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and to the members of the Assembly, 37 students in grade 8 from the St. Mark school in the constituency of Edmonton Kingsway. They are accompanied by two teachers Mr. Tom Parada and Mr. Dallas Bentz. I would request that they rise and receive the warm welcome of the Assembly.

head: ORAL QUESTION PERIOD

Free Trade

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Premier. The Canadian and U.S. trade negotiators have recently met in a closed session at the government conference centre at Meech Lake. Now, there are obvious reasons why Brian Mulroney wants and needs a trade agreement with the U.S. It is not quite so obvious why a provincial government would support this need, unless there are obvious benefits for Alberta.

My question to the Premier: does he continue to hold the view that U.S./Canada talks are going on so well that Alberta will not insist on a ratification process?

MR. GETTY: Mr. Speaker, it's clear to the majority of Albertans how important these trade matters are to our province, and really they are to our country. There's no question that when you have a province like Alberta which produces so much more than it uses, the key element therefore is markets. With protectionist moves throughout the world these days to get assured markets -- because you can't plan your production on a day-to-day or year-to-year basis -- you have to have long-term assurance of markets. These trade talks are the kind of thing that can give us that.

Now, Alberta has said one of the real mistakes would have been, as some timid Canadians have advocated -- and true, the NDP are in that group -- that you shouldn't even try because you'll get beat anyway. Now, we couldn't have built this country with that kind of timidity. We are saying, Mr. Speaker, that we will try, and we're confident that Canadians can do every bit

as well as people in the United States, and we can establish and negotiate a good trade agreement with them. If we cannot, then we will not be part of it. But I think it's possible and that we're going to be able to do it.

MR. MARTIN: Mr. Speaker, it has nothing to do with being timid at all. All we want to know -- there is a 49th parallel; we're not sure the Conservatives understand that. The Premier said in the Assembly on April 10, 1987, that the trade agreement:

will eliminate tariffs, countervails that we have known, matters as FERC has put on our natural gas, matters about softwood lumber.

And he says:

It will either eliminate those things or I don't think a trade agreement would really be effective and we would probably say no.

So it seems to me, Mr. Speaker, that the Premier set out a clear test for any proposed trade agreement, even though he has not made clear how the test will be met. And I come back: will he insist then on a ratification formula which protects Alberta's interests on these points against the tyranny of the majority?

MR. GETTY: Mr. Speaker, we've talked about the ratification formula in the past. If the negotiations had been handled in what we might have thought of as an unsatisfactory way, then clearly a ratification formula may have been something to give serious consideration to. In fact, what we have done is taken the other position and convinced the federal government of the other position. That is, that the provinces are totally involved all the way along in the negotiations.

We have officials who deal with Ottawa, all the provinces do, on virtually a daily basis. We have our designated ministers, and Alberta's is our Minister of Federal and Intergovernmental Affairs, backed up by our Minister of Economic Development and Trade, and Agriculture, and others when necessary, who are meeting as well to make sure that we're fully involved. Then we have a virtually unprecedented situation where the first ministers meet every three months, at which time we get a report from the Prime Minister, a report from the minister, and a report from Ambassador Reisman.

Now, we are going along together fully involved in the negotiations. Therefore, when we get to the end and see the agreement that we've been a part of, we will be so involved that we will either say it's a good or a bad one. It isn't as though we had one suddenly dumped on us, and we would then say, "Well, we have to look and see whether we'll ratify this." But we've been fully a part of it.

MR. MARTIN: You're probably one of the only people who thinks he's been a part of it then.

To be a little more specific about one of the areas, as the Premier is well aware, the U.S. Federal Energy Regulatory Commission has recently brought in a ruling which may force Alberta gas exporters to absorb the cost of pipeline charges which were previously borne by U.S. customers. I don't need to tell you that's difficult for the industry, but legal sources say there's not much we can do to appeal.

Because he says he's been a part of this, my question specifically is: what action did the government take in relation to the Progressive Conservative administration in Ottawa to seek a resolution of this important issue at the political level as a precondition for Alberta support for further trade negotiations?

MR. GETTY: One of the most foolish things would have been to set a whole bunch of preconditions to any trade negotiation. But, Mr. Speaker, on the very matter that's being discussed, it's those types of things that cause so much trouble in the trade between our two nations. Yet that is our largest trading partner, our neighbour, and our friend, the largest trading country in the world, and we are working to get an agreement that eliminates the very thing the hon. member properly raises.

So I'm convinced that any true comprehensive trade agreement between our two countries will in fact eliminate that kind of harassment at the border. As I said in the House, if we are not able to do those kinds of things, then I would expect that the trade agreement will not be worth being a part of.

MR. MARTIN: Mr. Speaker, I would have thought that if they didn't do that, there should be no point in even continuing. That's the whole point; it shouldn't be a matter of just faith from the Premier.

I notice the most recent American demands at the free trade negotiations are for removal of restrictions of U.S. takeovers of Canadian companies, and specifically for removal of local purchase and local hiring rules for foreign corporations. That's very important for this province. I think people want to know this: does the Alberta government support inclusion of these demands in the new free trade agreement?

MR. GETTY: Mr. Speaker, I guess most people in this Assembly, perhaps not the hon. member, have been involved in negotiations before. When you're in negotiations, do you think you're never going to hear from the other side that, "You'd better do this" or "You'd better do that" publicly to try and get themselves a little better position in terms of negotiations? That's what it's all about; that's what a negotiation is all about. There's give and take. There are threats and they move back, but in fact the real . . .

MR. MARTIN: We give; they take.

MR. GETTY: You see, they are so timid. See, they're already admitting defeat, that we give and they take. That is their style; that's the way they think. But that isn't the way this country was built, with that kind of timidity. They don't have confidence in Canadians. Canadians are capable of competing and negotiating with anybody in the world. We don't start off saying we're going to get whipped the way this group does. We say we're going to win. We say we're going to do a positive thing for Canada and for Alberta. That's what we're determined to do, and that's what we're going to do. Now, we're not going to listen to the naysayers and the timid little old NDP who never even would have started, never would started. They'd have failed before they ever got going, because they didn't have the courage to even try. [interjections]

MRS. HEWES: Mr. Speaker, I'm not timid. It's reassuring to hear from the Premier that he says if we cannot negotiate a good agreement, then he will not be a part of it.

Now, we've begged to see the studies, Mr. Speaker, that this government has as to what the consequences and effects will be. Albertans need confidence in this process, Mr. Premier. They need to know what the precise criteria are that the Premier is going to use on our behalf. May we know what the absolutes are in this process, and what is up for grabs, in his thinking? Is there really a bottom line, or are we playing wait and see?

MR. GETTY: There was a group of questions there, Mr. Speaker. Nevertheless, I should say first of all that when you're in negotiation, again would you end up saying, "Here are the things that we absolutely make sure that we will never discuss"? You don't want to tell them what your bottom line is when you start. You may end up way above that if you do the right job.

Now, I can understand the Liberal Party asking for help in this matter and tell them what to do, because I've never seen a group, both on that and Senate reform and the Constitution, be so mixed up themselves. I mean that's why the leader yesterday was saying: let's delay this whole thing; let us try and figure out where to heck the Liberals stand; we don't know where we are; our federal leader doesn't know where we are. They're all split up. Sure, delay it.

But no, Mr. Speaker. We are going to do the positive things that are necessary for Canada. We can't wait for that old, tired bunch of Liberals to figure out where they stand.

MR. R. SPEAKER: Mr. Speaker, a question to the Premier. It's difficult to understand free trade when you want to lie in a socialist cradle. I preambled my question that way.

Mr. Speaker, to the Premier. In terms of the negotiations, are there two aspects being negotiated in terms of an agreement: first of all, the free trade agreement itself and then, secondly, at the same time, in parallel, an implementation process being negotiated as well? Are there two phases in terms of the agreement, or are we only looking at the initial one in terms of objectives of free trade and then working that out after those are accepted?

MR. GETTY: Yes. A very important question, Mr. Speaker, and it is a key feature that not only are we negotiating principles of a free trade agreement but we are in fact working within it in an implementation and adjustment period, the chance for those industries and parts of the country who have been protected all their lives. Well, in Alberta we haven't been; we've always been competing, at times paying even more than world price. So we're prepared to compete, and probably for Alberta we can end up in a win-win situation. The things we buy we will buy cheaper, and the things we sell we'll have assured markets for. But we are developing the implementation and the dispute-settling mechanism and the adjustment period as well. That will be part of the total package.

MR. SPEAKER: Second main question, Leader of the Opposition.

Contraceptive Counseling

MR. MARTIN: Yes, Mr. Speaker, we'll go from the sale of Canada over to the minister of hospitals and medicare.

Mr. Speaker, many Albertans share a deep concern about the alarming incidence of teen pregnancies, and a report prepared for Alberta's 27 health units shows Alberta's teens have 30.4 teen pregnancies per thousand compared with 23.7 as a national average. Now, every sensible person in the province wants to see this rate reduced. My question to the minister: will he reconsider then, with these figures, his decision to cut contraceptive counseling from the list of insured services under the health care insurance plan?

MR. M. MOORE: Mr. Speaker, the hon. Leader of the Opposition and certain of the news media have not accurately reported

what we've done in this regard. I indicated last Tuesday, in making the announcement about those matters which would be deinsured, that while we would be removing from the fee schedule a specific item involving contraceptive counseling, we would indeed expect physicians to provide that counseling as a matter of routine under a number of other fee schedules, mainly the annual checkup, during the course of visits for pregnancies, and other areas as well.

I have had an opportunity to review the matter again, and there are only two other provinces in Canada that provide a special fee schedule for contraceptive counseling. In all other provinces it's expected that the medical profession would provide that counseling as a matter of routine. The reports have been that we've somehow taken away the opportunities for doctors to provide contraceptive counseling. That is far from the case. The facts of the matter are that this particular fee code was being badly abused by some in the medical profession who were using it to pad their incomes, quite frankly, when they should have been providing this under the normal fee schedule under annual visits. So, Mr. Speaker, there is no suggestion whatever that medical doctors ought not to continue to provide this kind of information, and quite frankly I think most of them will.

MR. MARTIN: Mr. Speaker, I might point out to the minister that contraceptive counseling during pregnancy is a little late. He says that the doctors are abusing the system. You're not hurting the doctors; you're hurting the young people. Because we seem to always be dealing with treatment, will the minister explain why his new fee schedule for doctors funds therapeutic abortions but not contraception?

MR. M. MOORE: I'm sure the hon. member is aware it's possible to get pregnant more than once. It's certainly an accepted practice by the medical profession to provide that kind of counseling during the course of . . . There are 10 visits allowed under the health care insurance plan during the course of the pregnancy, and I would expect that most doctors, all doctors, when asked at least would provide that information.

The situation, Mr. Speaker, is as I said. It will continue to be provided, and we're hopeful that the medical profession will take their responsibilities in this area seriously, as they have in the past, and that there will be no change.

MR. MARTIN: Mr. Speaker, if the minister is listening to any people that deal with young people, many of them have a lack of awareness of sexual matters. These people want to work with the medical profession to encourage a healthy and safe life-style among our youth. I come back to the minister: what makes the minister think he can solve the problem by funding abortions but not contraceptive counseling?

MR. M. MOORE: Well, Mr. Speaker, the situation with regard to abortions is that we are following a federal law with regard to therapeutic abortions, and each hospital has a committee that judges whether or not an abortion is medically required and whether or not continuation of that pregnancy might affect the life or the health of the mother. So theoretically at least -- and all of us know that there are some doubts on occasion about whether or not abortions are really medically required -- we have a situation where federal law requires us to provide assistance in that regard.

As I indicated last Tuesday, one of the major reasons that we didn't want to make any move in the area of abortions is that it

is a matter that's currently being debated federally, and I think we have to await some direction in that regard before we make any changes there. It's not my anticipation that any will be made in the near future. I do have some concerns about the access, particularly in the city of Edmonton, as a result of the apparent withdrawal of the services of certain physicians who were providing those services. But that's not something that our government has any direct control over.

MR. MARTIN: Well, Mr. Speaker, the minister is avoiding the question. I want to know about contraceptive counseling, not get into a discussion about abortion. But my question has to do with the same study by the health units, which found that Alberta teens have a higher than average rate of sexually transmitted diseases. My question again to the minister: why doesn't he give more consideration to these sorts of problems and to the victims and deal specifically with prevention rather than treatment instead of going the other way, which will save us money in the future?

MR. M. MOORE: Well, Mr. Speaker, as I indicated in the House earlier this week, it's certainly my intention to work with the Minister of Community and Occupational Health and with other organizations throughout the province to ensure that that kind of information is provided as best as possibly can, and hopefully we can improve upon the delivery of that kind of information, particularly to young people.

I say again that I don't believe it is the best use of high-paid professionals' time to have the only system in existence be one of individual counseling by medical doctors. Surely we need to have in the education system, provided by health units and community organizations, by the family, by church groups in some places, the kind of information that is required. That is happening in this province, and I'm hopeful that this debate and the interest by the general public in this whole area will improve the kind of advice and information and programs that are available.

I could just conclude, Mr. Speaker, by saying that the Minister of Community and Occupational Health and myself and our government are extremely strong supporters of the kind of counseling being provided that the hon. member is talking about.

MR. DINNING: Mr. Speaker, if I may supplement the hon. minister's comments, just to reiterate what the minister had said, that contraceptive counseling will continue to be available through a physician in regular routine checkups when anyone seeking that advice and counseling visits his or her office. We will continue to provide funding to the 11 of 27 health units providing family planning and contraceptive counseling services. We will encourage those health units to do even more. We will continue to provide funding through the family and community support services program that provides funding to . . .

MR. SPEAKER: Thank you, hon. minister. I think the . . . Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. The minister was beginning to answer my question, and it's to the Minister of Community and Occupational Health. The minister of hospitals and health care has correctly identified that doctors aren't the only people that do this kind of counseling. Will the Minister of Community and Occupational Health therefore ensure that contraceptive counseling, family planning, will be available through all public health units through the provision of more funds to

them, including outreach programs for them, and that there will be increased support through the FCSS program for private agencies?

MR. DINNING: Mr. Speaker, those dollars are there, and we would hope to be able to encourage them and provide them with more resources in the days ahead. But those priorities, whether it's family and community support service agencies or whether it's the 27 local health units, are priorities established by those local boards of health in each of those health units. And we will continue to encourage them to take up those responsibilities.

But in addition to the comments I made, Mr. Speaker -- and I was simply trying to inform the hon. members across, and if they're not interested in the answers or the information, then we'll just continue to do the good work that we're trying to do -- on the health units, in addition to family and community support service agencies we will continue to work with the Department of Education and with all school boards in the province to provide what is going to be a first-rate career and life management program, human sexuality programs, and sex education where it's necessary, or gender education as my colleague to the right suggested the other day. We will continue to provide that assistance so that that curriculum is up to date, it's modern, and it tells our young children in this province how to deal with human sexuality in a modern kind of approach.

MR. DAY: A supplementary, Mr. Speaker, to the Minister of Education. As we're hearing that doctors are going to continue, health units will continue, and FCSS programs will continue, can the Minister of Education tell us if programming is going to continue in gender education involving students and also parents?

MRS. BETKOWSKI: Mr. Speaker, obviously the needs of young teenagers in this province are not all met in a physician's office, are not all met in the health units, which is why we've moved so steadfastly to develop a very excellent health curriculum for young teenagers, starting really in elementary but most importantly, for the purposes of this discussion, in junior high.

This is part of a comprehensive preventative program of government, and it doesn't simply affect one department. Within my own department the curriculum development speaks not only to the facts with respect to human sexuality but talks even more importantly, in my view, about the interpersonal relationships and responsibilities which young people pursue.

MRS. HEWES: Mr. Speaker, may I designate the first question to the Member for Calgary Buffalo?

AN HON. MEMBER: No.

Lottery Funds

MR. CHUMIR: Thank you, Mr. Speaker. Not needed. Not this time. To the Minister of Career Development and Employment. As the minister knows, many groups are interested in obtaining funding from lottery proceeds, including, I note with interest, lately the . . .

MR. SPEAKER: We're listening attentively to the preamble.

MR. CHUMIR: Definitely. I hope everyone else is listening. And I note lately that even the Edmonton Eskimos and the

Calgary Stampeder football teams are interested in obtaining lottery funding.

After three years the people of this province are still not being given information about the existing lottery operation nor about the government's plans. I would like to ask the Minister of Career Development and Employment whether he can tell this House whether the government is now prepared to allow some of the lottery funds to be used to fund some public education programs, in light of recent reports that he has had specific discussions with the Minister of Education on that topic.

MR. SPEAKER: Well first, hon. minister, the preamble has portions which are distinctly out of order and perhaps might be regarded as somewhat prejudicial to the member's own court case. However, the question can be dealt with by the minister.

MR. ORMAN: Thank you, Mr. Speaker. I hesitate to say this, but the Member for Calgary Buffalo is displaying his ignorance. There are 15 organizations in this province that are run by volunteers that make decisions on where lotteries proceeds go. Millions of dollars are distributed for recreation, culture, and amateur sport. It's distributed by volunteers to the various organizations such as the Wild Rose Foundation; the Recreation, Parks and Wildlife Foundation; the Alberta Foundation for the Performing Arts. There are a number of them that deal with lotteries proceeds. Thousands of people in this province benefit from the manner in which lotteries proceeds are distributed, and I can assure the member that it will continue to be distributed in that manner.

I know he has a particular concern about the surplus, Mr. Speaker, but I, as long as I am minister, will preserve the integrity of those organizations by making sure there is funding there in the future, irrespective of what happens to lottery sales in this province.

MR. CHUMIR: Is the minister telling this House that there is going to be no funding out of lottery funds for education, for creating jobs for the handicapped, for social services, unless decisions are made by existing beneficiary organizations to make those expenditures?

MR. ORMAN: Well, Mr. Speaker, we have within our annual budgets -- within a variety of departments, I guess -- billions of dollars that we spend in those areas. I should also say to the member that I have people tell me that the success of the sales of lotteries tickets in Alberta has a lot to do with where we direct those funds, that it goes to amateur sport, to recreation and culture, and they're willing to support it, along with the chance of winning a ticket. Organizations such as the Research and Training Centre for the Physically Disabled, which is now the Rick Hansen Centre, will continue with the use of lotteries proceeds.

I don't believe personally nor do my colleagues in government believe that we underfund in this government. We're trying to get a handle on expenditure, Mr. Speaker; we're not necessarily looking for more money to put in these areas. It's to preserve the needs of Albertans in a number of ways. But certainly in my view, I do not think lotteries proceeds should go to general revenues. I believe we take care in a very appropriate way of those organizations under health and education.

MR. CHUMIR: That's spectacularly enlightening, Mr. Speaker. Along the same lines perhaps I might ask the minister why he

has refused to provide myself with and make public a copy of the very basic licensing agreements between the provincial government and the Western Canada Lottery Foundation. What's he hiding?

MR. ORMAN: Well, Mr. Speaker, I'm not hiding anything. The hon. member has asked me for the information. I suggested he put it on the Order Paper; he has not done that. That's the parliamentary process. I'll address it at that time. For him to suggest that it's a secret -- there are thousands of people that access lotteries funds through these organizations. How can that be a secret?

MR. CHUMIR: We've just spent three weeks debating the minister's refusal to answer the last question on the Order Paper.

This is to the Premier, Mr. Speaker. The Premier is aware that many Albertans are hurting badly and that this matter has drifted for three years now. Why doesn't the Premier show some leadership on this issue and ensure that the government comes clean and makes some decisions now so that we can get the use of some of this money to save jobs and some needed social programs?

MR. GETTY: Mr. Speaker, the hon. Minister of Career Development and Employment has dealt very adequately with the comments made by the Member for Calgary Buffalo.

But I think it is clear that he is following the typical Liberal line: what you try to do is find every pot, every supply of dollars anywhere, and try and spend them. We saw them do that in Ottawa. We saw them look and try and find, not restrain themselves in any way, not try and do what was an adequate or right amount of funding but make promises, promises, promises, go about bankrupting the nation until they were booted out. Bankrupting the nation. They even had the nerve -- the Liberals, supported by the NDP -- when they ran out of their normal taxation dollars to impose the PGRT and come and rip off Alberta and spend that as well. Now, Mr. Speaker, we are trying to correct the abuses, and here he is again saying, "Give us more money so we can spend it."

MR. SPEAKER: Edmonton Highlands, followed by Little Bow.

MSBARRETT: Thanks, Mr. Speaker. I think the Premier forgot something about the \$50 billion. That usually comes in at that point too.

My supplementary is to the Minister of Career Development and Employment. Given the controversy about this very issue -- that is, the money is not being currently spent -- will the minister agree to introduce a Bill this sitting which would deliver over authority of the expenditures to the Legislative Assembly? Will he commit himself to doing that?

MR. ORMAN: Mr. Speaker, I'm not willing to make that commitment today. I believe the manner in which the proceeds from lotteries are expended in this province is very appropriate. I can assure, by the volumes of mail I get from the cultural, recreational, and sporting organizations as a result of the absurd suggestions by the Member for Calgary Buffalo, that we will continue to handle it in that way.

We license these organizations every three years. It's traditionally handled. They are people -- citizens, volunteers -- that volunteer their time for these organizations to review applications and then make decisions as to where funding should go. I

believe the people of Alberta that are on these boards have the qualities and the capabilities to make decisions as to where lotteries proceeds go. Those decisions just don't have to rest in this House. There are other people in this province that can make good and appropriate decisions about many things, including the use of lotteries, and I intend to continue along that line of thinking.

DR. BUCK: Mr. Speaker, I question the hon. Premier. In light of the fact that financial conditions have changed in this province in the last three years, is the Premier in a position to indicate if there is a committee of cabinet reviewing the large amount of funds that are under the minister's jurisdiction at this time to look intimately at how these funds are being spent and possibly look at a change in how these funds will be looked after?

MR. GETTY: Well, Mr. Speaker, on a constant basis all funds available to the government are considered by the Treasury Board and the priorities committee of cabinet -- the whole cabinet, for that matter -- and caucus. So there would always be a review of matters like this.

Agricultural Concerns

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer. As of yesterday interest rates increased some one-half percent. We've had severe frost damage in southern Alberta yesterday and the day before in terms of legume crops, and we have, as the minister well knows, had some 18 percent drop in agricultural prices. Could the minister indicate whether at this time the government is prepared to reconsider the 5 cent per litre tax on gasoline and fuels for farmers in Alberta?

MR. JOHNSTON: Again, Mr. Speaker, as I indicated in the House yesterday, there is no additional tax under the fuel tax legislation proposed by this Assembly for farmers. Farmers are exempt from the fuel tax.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Provincial Treasurer. I guess it's the mathematics at the other end.

Ontario yesterday announced in their budget that they would allow a 100 percent rebate in terms of taxes on farmlands. Would the minister indicate whether that's being considered by the government and whether that's one of the options that could be used to assist the farmers of Alberta?

MR. JOHNSTON: Again, any discussions with respect to a moratorium either on debt or on taxes has been clearly dealt with by the Minister of Agriculture and by the ministers over the course of the session this spring, in which we have said that we are not at this point prepared to deal with moratoriums of that order.

However, Mr. Speaker, it is a matter of record -- and I see that my colleague the Minister of Agriculture is in the constituency today -- that we have brought forward a very massive amount of assistance to the agricultural sector. In 1985 that amount reached close to \$800 million, and we continued with that obligation through the 1987-88 budget proposals, and again the amount of the assistance in a variety of programs is extremely significant. Coupled with that, the initiatives taken by this government as a result of the commitments in the election

of May 8, 1986 -- we did in fact put in place an unmatched and unparalleled funding program for farmers which provided them with long-term funding, long-term financial assistance at 9 percent levels.

Mr. Speaker, what I'm saying in a very small way here is that we have done an amazing amount for the farming sector. We realize the difficulties and the unfortunate situations that world-driven prices have placed that sector in presently. I do believe, however, that there is some optimism in the longer term with respect to two areas, both in the case of commodity prices and in the case of the new resolve to deal with the subsidies by many trading partners, which might in fact lead us to conclude that the prices should move up after this low period we're now going through.

MR. R. SPEAKER: A supplementary question to the assistant minister of agriculture. Could the minister indicate the impact that some of the sales of American wheat are having in terms of sales to Russia on the Canadian market? Has it been brought to the minister's attention, as the person responsible for agriculture here in Alberta... [interjection] Mr. Speaker, I'm closer.

MR. SPEAKER: You're getting closer: tax on fuel, tax on land, and now we're selling grain to Russia; that's a pretty difficult [inaudible]

MR. R. SPEAKER: We're just trying to help the farmers, Mr. Speaker, that's all -- in a general way.

Could the minister indicate whether the sales of wheat from Canada to Russia have been impacted by the gyrations that are going on in the United States at the present time, and is anyone, through her department, monitoring the impact?

MRS. CRIPPS: Mr. Speaker, I can assure the hon. Member for Little Bow that we are monitoring the impact. There's no question in my mind or I'm sure in anybody's mind in agriculture that the competition of other countries makes the sale of grain tougher.

One of the things that farmers in Alberta and Canada are particularly impacted by is the internal policies of the European Common Market countries and of the United States on our exports. One of the reasons, Mr. Speaker, that those internal policies impact so detrimentally on Alberta and on Canada is that the European Common Market exports \$2,000 worth of produce per farmer. The United States exports \$6,000 worth of produce per farmer. Alberta farmers export \$24,000 worth of produce per farmer. So the impact of their internal subsidies has approximately either 12 times the impact or three times the impact on our exports that they do on their exports. So there's no question that it's serious.

The Canadian Wheat Board indicates that they are keeping their sales intact. In fact, when I was down in Winnipeg, the United States sales people had just been there, and they were trying to find out how Canada had been able to maintain our export sales at the level that we were, given that our sales were higher and that they were offering subsidized sales. The fact is that our sales were maintained because of the quality and the consistent deliverability we've shown over the years to our customers.

MR. SPEAKER: Supplementary on agriculture, Edmonton Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. I assume I can ask almost any question on any variety of topics in agriculture, and I would like to focus on one particular ... [interjection] It's about Beaverlodge. It's a smorgasbord of delights for me.

I would like to simply question the Treasurer on one of his responses concerning the farm loan assistance program. Could the Treasurer please inform the House what portion of the farm loan assistance program is now in default, and when will the government begin foreclosing on these loans as they are other farm loans?

MR. JOHNSTON: Mr. Speaker, I have no record of any of the new assistance under the farm credit stability program being in default.

MR. SPEAKER: Member for Vegreville. If there is time we will go on to other members in the House today.

MR. FOX: Mr. Speaker, a supplementary to the Associate Minister of Agriculture. I'm wondering if she can tell this House and the farmers of Alberta how long the report on the review of the role and mandate of the Agricultural Development Corporation has been in her caucus, and why hasn't it been presently publicly?

MRS. CRIPPS: Mr. Speaker, I certainly can. We do not have the ADC Review Committee's report at this time in our caucus. We have discussed some of the possible ideas we've got on financing, because we recognize that financing agriculture today is very, very expensive and that the commodity prices today cannot in some cases cover the cost of financing and that we have to look at innovative ways of financing agriculture if we're to ensure a viable agriculture industry in the future.

MR. SPEAKER: Member for Cypress-Redcliff, followed by Edmonton Centre.

Day Care Standards

MR. HYLAND: Thank you, Mr. Speaker. My question today is to the Minister of Social Services, and it's related to day care standards and the enforcement of those standards. I wonder if the minister can inform the Assembly if in the last short while these standards for day care and the policy for enforcement of those standards have changed.

MRS. OSTERMAN: No, Mr. Speaker, they have not.

MR. HYLAND: Mr. Speaker, I wonder if the minister can also inform the Assembly of the fear that many parents have if they report what they think are infractions in day care operations and the concern they have if they can't immediately find another babysitter, another day care, for their children. Is there anything the department does to assist them in that, to see that they have no fear of reporting infractions, and who do they report these infractions to?

MRS. OSTERMAN: Well, Mr. Speaker, in the first part of the question I would say that parents, as they have done in the past and I would continue to encourage them to, would report infractions to their closest district office that relates to the day care centre under question.

The second part is that at all times the people who work in

the child care area are willing to provide information to parents as to day cares or family day homes that are located in their area.

MR. HYLAND: My second supplementary, Mr. Speaker, is to the minister. About a year and a half ago there was a supposed list of approximately 12 day cares that needed substantial improvement in the province. I wonder if now the minister is prepared to act on day cares that report problems, that are looked at either by the Social Care Facilities Review Committee or looked at by the department, if these problems appear more than once or twice rather than go on year after year after year before any action is taken.

MRS. OSTERMAN: Mr. Speaker, there is obviously some judgment exercised by the licensing officers as reports are brought forward. They can come in one of three ways. Obviously, the first concern usually is raised by parents. Secondly, the licensing officers in their inspections of child care centres may serve notice that there are a number of things that need to be rectified that offend the regulations.

Also, as the hon. member has quite appropriately raised, the Social Care Facilities Review Committee that visits -- and I think last year close to some 600 -- centres in the province, provides information and advice to the minister. At all times that information is followed up immediately by our licensing officers, and a judgment is exercised by those officers as to whether they believe that in fact the centre should have notice served that they could possibly be closed. Obviously, in other instances, as has happened now on two occasions, when information is provided to the minister because the department feels that the situation is growing to be a very serious one and children may be at risk, the minister may also exercise some judgment.

MR. HYLAND: Mr. Speaker, my final supplementary then to the minister is: in one of the reports of the Social Care Facilities Review Committee a year or two ago there was a recommendation that all day cares, private and public, would have to report their programs, their incomes, their expenses, and show that to the minister or the department. Is the minister now prepared to accept that proposal?

MRS. OSTERMAN: Mr. Speaker, to some degree I believe we have that in place. In fairness to our licensing people, they have had some difficulty in getting the information that was to be provided. Obviously, in an administrative sense it's a very cumbersome program, but where we have had the co-operation of child care centres, there has been no problem with it. But where child care centres, day care centres, choose to not abide by the regulations, certainly that is a problem for us. The regulations are in place, and we believe that at all times they should be enforced.

MR. SPEAKER: The time for question period has expired. Might we have unanimous consent to complete this series of questions?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Thank you.
Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. It's my understanding that when problems are identified in day cares by inspectors, the day care is referred to a consultant who provides support for correction. It's further my understanding that the consultant program has now been discontinued due to various restraints in the budget. Will the minister now undertake to reinstate that consultant availability immediately?

MRS. OSTERMAN: Mr. Speaker, we have some very excellent people in our child care programs, and if the hon. member is suggesting that a consultant can impart into any particular day care centre or the operator/owner of that centre some common sense or indeed some morality, I'm afraid she's mistaken.

MS MJOLSNESS: A supplementary, Mr. Speaker, to the minister. Will she indicate to this Assembly whether or not she will increase the number of licensing officers in order that proper and increased monitoring can take place to ensure that our children are placed in safe child care?

MRS. OSTERMAN: Mr. Speaker, we believe that we do have adequate monitoring in place. Certainly I mentioned the three areas, that at any one time from those areas concerns can be raised, and when concerns are raised -- and I certainly would be urging parents to much more closely watch what is happening in their child care centres -- we would investigate immediately.

MR. SPEAKER: Before calling Orders of the Day, the Chair just wants to express some concern about the slow-motion movement of question period. For example, for the third day in a row we have now left five, six, seven members of the House waiting in the wings, and a fair amount of the slowdown process is occurring for a variety of reasons. We have dealt today with approximately 29 questions, but we've only really got through five topics.

One of the difficulties that's happening here is that we're developing preambles to supplementaries, and that just simply has to stop. The matter also is that then we're coming up with two and three questions in our supplementaries, and so ministers of the Crown are then feeling that they have to respond to all three of the questions involved in the supplementaries. As a rough count, today I come up with at least 10 extra questions that were thrown into supplementaries.

So I just point this out to members of the House, that while members waiting in the wings are developing frustration, they should also realize some of the factors involved as to why the Chair is not able to get to all members of the House . . .

MR. MARTIN: Well, what about . . .

MR. SPEAKER: Well, hon. Leader of the Opposition, the Chair did point that out in the last two days, indeed some of the answers were quite long but dealt with that; some of the topics with respect to hospitals and medical care involved some slightly longer answers. And the Chair has indeed interrupted a number of cabinet ministers in the course of the week.

The Chair just offers these comments to the House. Then perhaps in question period we might try to deal with certainly far fewer supplementaries being asked in the supplementaries, or else the Chair will have to intervene after the first question has been asked as the supplementary.

MR. SPEAKER: The Chair also understands that there is a point of order to be raised or a point of privilege. Minister of Career Development and Employment.

MR. ORMAN: Mr. Speaker, I just wanted to . . . On the understanding that we're going to deal with the matter of privilege today that is before this Legislature, I wanted to deal with it.

MR. SPEAKER: The Chair is not aware of any matter at this point in time, so the Chair will wait and hear.

ORDERS OF THE DAY

MR. SPEAKER: Might we revert briefly to the introduction of special guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Member for Redwater-Andrew, followed by Edmonton Glengarry.

head: INTRODUCTION OF SPECIAL GUESTS (*reversion*)

MR. ZARUSKY: Thank you, Mr. Speaker. Today I'd like to introduce to you and through you to the Assembly, 32 fine grade 6 students from the Thorhild school, which is located in the northwest corner of the Redwater-Andrew constituency. They are accompanied by two teachers, Mr. Zinyk and Mrs. Tkachyk, and one parent and also bus driver, Mrs. Zilke. They are seated in the members' gallery, and I'd ask them to rise and receive the warm welcome of the House.

MR. YOUNIE: Thank you, Mr. Speaker. I would like to introduce to you and through you to members of the Assembly, 80 grade 8 students from St. Cecilia school in the riding. They are accompanied by Mr. Ron Zapisocki, the principal of the school; Mr. Andy Albas, social studies teacher; Mr. Gerry Roy, school counselor. As the leftwinger left in the wings at question period, I was looking forward to more or less performing for the fairly large audience.

I'm looking forward to meeting them downstairs shortly, and I would ask them to rise in the public gallery and receive the warm welcome of the Assembly.

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

Bill 38 Appropriation Act, 1987

MR. JOHNSTON: Mr. Speaker, I move third reading of Bill 38, the Appropriation Act, 1987.

In doing so, I'm sure there will be more opportunities to listen to the whines and the cries and the narrowness from the socialist opposition across the way. Nonetheless, Mr. Speaker, there has been a very long debate on the principles of this piece of legislation. The Committee of Supply has provided ample opportunity for questions and answers to be exchanged between my colleagues in the government, and I know that before the day is over, this Bill will be voted. The wisdom and the soundness in this piece of legislation is well understood by Albertans, and we are in fact bringing forward a very precise and com-

prehensive package to deal with a variety of services to all Albertans.

This piece of legislation, Mr. Speaker, in the context of what other provinces are doing is really a remarkable story. Just recently we have seen reports from a variety of other provinces. In fact, we recognize the difficulties they're dealing with, but they are attempting to some extent to deal with them in the same fashion as we are. All governments now have the problem of dealing with downsizing to some extent, with government deficits, and with the new reality which faces governments as they prepare their fiscal plan.

We think this plan, Mr. Speaker, is in fact a very fair assessment of where Alberta stands, presenting to Albertans the way in which we can fund those important services which Albertans have come to expect. Such services, for example, would include education, which is a high, high priority within this budget; assistance in terms of new jobs in manpower and career development; assistance to those Albertans who unfortunately may well be in need, the so-called assistance or safety net argument. And this program, Mr. Speaker, this request for some \$9.952 billion, in fact provides a very high level of services through all those agencies and groups which receive assistance from us.

Now, Mr. Speaker, over the past few days, going back to March 21, we have set out these priorities precisely for the people of Alberta. We have provided to them our priorities within this General Revenue Fund, within these expenditures, and moreover we have provided ample opportunity to debate the questions and problems put forward by members of the opposition. We respect that their view is to criticize and we respect that that is the parliamentary tradition, but we also would like to see some alternatives, however. Frankly, in reviewing the discussions over the 25 days in Committee of Supply, the debate on the various readings of this Bill, and, yes, even looking at the speeches during the general resolution, there were very few questions which would, at least to me, be seen to have been reasonable alternatives, given the financial context of the province and given the economic imperatives we're facing.

I understand that it's easier to criticize, and I understand that when you're in opposition you can cover a wide range of areas because you're never called upon to act. And as much as anything what this budget does, Mr. Speaker, is act: factoring in all the economic variables before us, dealing in a realistic way with the problems which have been confronted by this fiscal plan, and providing for Albertans a concise and precise way in which we can work our way out of the current predicament we find ourselves in in terms of lower international prices and accumulation of deficits going back for one year. That is where governments make or break it, and that is the statement we're making here today. We have taken hold of the problem. We have provided a concise plan of action. We have set out internally within this budget our own objectives, objectives which are now shared by Albertans, and moreover we have done that on a four-year basis, showing how we will resolve the long-term problems facing Alberta with a fiscal plan which meets not just the short term but in fact provides a four-year plan of action. That is the kind of government Albertans want, Mr. Speaker, and that is the kind of action this government will deliver.

So as we move through third reading, we have asked this Legislative Assembly for a large amount of money. A large amount of services are provided by these votes. And of course the action of government is essentially well felt right across the province. It sweeps north-south. It sweeps a variety of social agencies and a variety of economic assistance plans. It has a

large personnel component in it. It touches everyone in this province, and it is in fact a very significant fiscal statement.

So, Mr. Speaker, as we close debate today over the next two hours or so, we should reflect upon how fortunate we are in this province to come since 1905 to 1987 with no accumulation of debt, a heritage fund which is being debated elsewhere, and now an appropriation which provides the finest level of services any province can provide to its citizens: all that with the lowest level of taxation of any province in Canada, the highest level of services, and frankly with essentially a nominal amount of debt. That's what's been accomplished. Let's not be shortsighted, and let's not forget what in fact has been achieved. Let's get on with running the government as we intend to do. We've listened to the debates. We've heard the criticism, which is to some extent responsible.

Mr. Speaker, I therefore move third reading of Bill 38, Appropriation Act, 1987.

MR. PASHAK: Mr. Speaker, in addressing Bill 38, I'd like to essentially deal with two issues. One, I'd like to look at the way this budget impacts on my own constituency of Calgary Forest Lawn, and secondly, I'd like to raise the question of whether the cuts that are implicit in this budget were essential or could have been handled in some other way. With respect to my own constituency of Calgary Forest Lawn, it's not only probably being hit harder than any other constituency in the province because of this particular budget, but it's also being hit by a number of other physical problems that are peculiar to the area.

I'd like to set the stage for the social cuts by talking about the area in general. First of all, I've raised repeatedly in this House the question of the Hub Oil plant, and I've asked the Minister of the Environment to take some action on that. I just want to assure him that I will continue to bug him until this plant, which creates all kinds of noxious fumes, is relocated from the area. The area was also subjected to that cloud of toxic gas that wafted over the city in late March. We've been demanding that the government take some action with respect to that, and it's seven weeks later and nothing has happened.

Forest Lawn was also subjected to fecal contamination in its drinking water, and no one has yet discovered the source of that. In addition to all that, there is a major truck route that splits the community. There is obviously a need in a budget for a provision to build an east-west bypass around the city of Calgary. That would do much to improve the constituency. And there is no major regional park in that area. I've talked to the Minister of Recreation and Parks about that, but again no action has been taken.

So what you have in Forest Lawn is essentially one of the lowest income areas of the province; most of the social housing in the city of Calgary is located in that area. So when you have a budget that reduces social services, health services, and educational services, it does impact on an area like that much more severely than it would in any other constituency in the province.

[Mr. Deputy Speaker in the Chair]

With respect to education, for example, I could just mention a couple of schools by way of illustration. One community school in the area, the Skene school, accommodates students from grades 1 through 6, but in addition to accommodating these students it also provides through its community school programs a number of opportunities for adults to engage in extracurricular activities of one kind or another, evening classes

that range the gamut from dance classes to bridge classes, sewing classes, and that sort of thing. It provides a focal point for the community, in fact the only focal point for people in that area. They don't have the money to go downtown to attend plays, so it provides a vital service. So cutbacks in the educational budget, particularly the decrease in funding to community schools, has a particularly enormous impact on residents in a community such as that.

Last night I was at the graduation exercise for the Forest Lawn high school, and it was really quite impressive to see the number of people from different ethnic communities that received graduation diplomas. There were 450-some graduation diplomas handed out, and I would say that at least half of these diplomas went to students from visible minorities. In fact, there are some 42 different languages spoken at that school, and a lot of these students that were graduating had never spoken English before they had entered grade 10 at that school. So schools like these need special support services. As I said, there are 42 different languages spoken in this school, and if we really believe it's an important part of our society that everyone should have an equal opportunity to do well, it means that these students that come into our system with some disadvantages should have some special arrangements that allow them to cope on the same footing that students from, say, the Mount Royal district of Calgary would have in entering the school system.

Another elementary school in my area is characterized again by low-income families. I'd say, according to the principal there, that at least one-third of these children have had to be referred to special guidance counselors or they need special help with developing language skills. Many of these parents are single; many are on welfare. In fact, the principal's estimate was that fully a third of the children come from homes in which alcohol is a severe problem. So children like this need special support programs in order to survive within the school system. And in the long term I'd suggest it's to our advantage to provide those services now, because if we don't provide these children with the special support services that allow them to adjust to our society, it's going to cost us more in the long term to provide the jails and the other kinds of institutions that will be an adjunct of not providing these essential services at this stage in their development.

With respect to social services and to give you some idea of how cuts impact in this area, I've just picked one letter off my stack of letters that I got from area residents concerned about cuts to social services. Actually this happens to be a letter that was sent to the Member for Calgary Millican, and I was given a copy. It's from a mother with two children with congenital heart disease, and she is concerned about cutbacks regarding handicapped children. She's received some help from Social Services in the past, but she's concerned about how these are to be renegotiated in the future. She says that her children are very precious to her. She wants them to "develop physically, emotionally, and spiritually," and she says that the power to do this lies in the hands of MLAs because we "have the power to lobby on their behalf." It's a very eloquent letter. She points out that she's not just arguing for her children but for all children who are on some form of social assistance. In fact, I'd just like to read two sentences from this letter. The first is:

I do not speak just for my children, but on behalf of all the other children who depend on the services of Social Assistance, in-home support, host family relief programs, rehabilitation aides, hearing aid molds, dental services, respite care, special food allowances, speech &

occupational therapy, psychological & social work services, physiotherapy, nursing care, outpatient services, etc.

Then by way of conclusion she says:

Our children should not be thought of in terms of dollars and cents and should not be the pawns of political leaders. Without our health, we have nothing, and therefore, cutbacks which affect their well-being should not be implemented! Please help us give them a better life.

She concludes by saying "Thank you."

When it comes to health care services we seem to have all kinds of expensive health programs that we keep alive, but we don't address the problem of the need for community health clinics. My area could use at least two or three more community health clinics to be properly funded. I would suggest to every member of this Assembly that in the long term that will be a cost-plus benefit for us all, to prevent illness rather than deal with expensive medical problems that occur later on as a result of not providing that preventative care.

Well, I think I've given you a picture of Forest Lawn and some of the problems that exist there. Obviously, a lot of these points have been made by other members of our caucus in addressing the budget. I'd now like to turn my attention to the question of whether these cuts were in fact really necessary. I've gone back over expenditures over the last dozen years or so, and I'd just like to provide the members with some benefit from the research I've done.

During the period 1981 to 1985, through the Alberta petroleum incentive program, which really wasn't necessary -- in drilling programs, Alberta companies could have accessed federal funding, but we put \$1.357 billion into the Alberta petroleum incentive program. Just think of how much better off we'd have been if instead of handing that money to the oil companies we'd accessed federal funding and put that money into the heritage trust fund, for example. The exploratory drilling program between the years 1974 and 1986: we put almost a billion dollars into that; \$813 million to be exact. From 1976 to 1986 the geophysical incentive system program cost us \$200 million. All this is grants to industry. We get no investment in these operations. We get no equity. We get no return on that. We're just handing money we get from the industry back to the industry holus-bolus without any regard for meeting the social needs of the people of this province.

In April 1986 the government announced the Alberta royalty tax credit program. Ninety-five percent of the royalty that companies pay up to the first \$3 million is deferred. It's estimated that for this budget year coming up, 1987-1988, that will cost the provincial Treasury some \$419 million. Now, it's true that some of that money keeps smaller Canadian companies afloat, but why are we giving the big companies -- Imperial Oil and all the rest of these companies -- this windfall kind of bonanza? So we could recoup \$200 million there, I think quite easily, by just reducing the amount, capping it at, say, \$1.5 million rather than \$3 million, for example. And look what \$200 million would do to increasing the level of support we provide for people who have real education, health, and social needs.

In April of 1986 the government announced a drilling assistance program that was estimated at that time to cost the Treasury another \$500 million. Then three new programs were added later on -- one for \$100 million for development drilling assistance program, \$50 million for well servicing assistance, \$50 million for geophysical assistance -- and with what conse-

quence? We all know that very little of that money was actually taken up until the government came along and introduced a new kind of royalty holiday for oil companies. That took place in November. The government announced changes to the crude oil royalty holiday program. It was extended to November 1, 1989, and the estimated cost of that program is \$1.1 billion to the people of Alberta. The program did trigger, admittedly, a flurry of activity that took place in December and spilled over into early January. We all know the tragic consequences of compressing activity that would have taken place anyway into such a short period of time.

In addition, the government extended the adjusted royalty rate on Suncor's oil sands project. This represented a \$35 million windfall to Suncor, not a company that exactly needs a bailout. I think that when you look at this, these assistance programs are ridiculous, given the profits that the multinationals and major oil companies were making this year out of their refining and downstream operations. Their profit pictures were better than they've been since 1981.

Mr. Speaker, in the absence of markets, I'd like to take the Treasurer up on some of his suggestions that we do provide alternatives. In the absence of markets, it's pretty clear that we have to develop almost a go-it-alone Alberta strategy in this province. If we just fall into a free trade agreement, we'll be back to where we were years before: hewers of wood and drawers of water exporting resources. This doesn't create jobs. Without a good employment structure in this province, we'd never be able to develop the tax revenues that would enable us to provide for the quality of health and social and educational services we've come to expect as Albertans.

I think what we really must do is look internally, try to produce more of the products that we consume ourselves in this province. But basically we have to re-examine the whole question of energy resources in this province and revenues we derive therefrom, because 85 percent of the nonrenewable resources in this province don't belong to the oil companies; they belong to the people of the province of Alberta. It's only fair that we should extract a fair and honest return from that revenue. We've seen revenues from this sector fall from approximately \$4.5 billion two years ago to where it's estimated we'll only get about \$1.8 billion this year. The difference between those sums of money is equal to the cuts to social programs, to health care programs, to educational programs, and it's also equal to that plus the additional taxes that Albertans are being expected to pay. We've been squandering our wealth by not extracting a fair and legitimate rent from these resources that belong to the people of Alberta.

On the gas side, for example, this budget projects that we will receive about a billion dollars, \$1.1 billion, from the gas side. I think that figure is wrong. From talking to people in the industry, I think we're only getting a royalty on about 30 percent of the gas production in this province. I suspect, looking at these figures, that we'll be fortunate if we get \$600 million from royalty revenue from the sale of Alberta gas during the next year. This is a direct consequence of deregulation. Again, the minister asked for alternatives. Well, I'll just tell him that within a week from Thursday I'm going to present an alternative to the people of Alberta that will show how we can extract a better return from this resource.

AN HON. MEMBER: We'll wait for it.

MR. PASHAK: You can wait for it; it will be there.

In conclusion, Mr. Speaker, I'd just like to say that we've squandered the true and real resource of this province, and as the consequence of squandering that resource, we've put incredible suffering and hardships on the backs of the people of this province.

MR. DEPUTY SPEAKER: Hon. Member for Cypress-Redcliff.

MR. HYLAND: Thank you, Mr. Speaker. I'd like to participate in third reading of Bill 38, the Appropriation Act, 1987. I'd like to deal somewhat with the economic development portion of that Bill and with some words spoken by the last speaker. I'd like members of this Assembly to know that the same company that has a fertilizer factory in his constituency, that he suggested should be moved, also has one in Medicine Hat. Many of my constituents used to work at that factory, and the majority of it has been shut down over a period of the last three years. I will be noting his words and urging the owners of that company: if they feel the desire to move out of that, we will gladly welcome them in Redcliff and in Medicine Hat, and gladly welcome his constituents down there to work in that factory.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. I want to talk a little bit about some particular issues that I didn't get to speak on during the estimates earlier, and that is education. Of course, most members here know that I'm a teacher and that's a subject dear to my heart. I was second up for our caucus on the education budget debate supposedly, and we talked for two and a half hours here one night a while back and I did not get my turn. So you know that this budget has not had adequate debate.

I will start off by first replying to a couple of things the minister said that reminded me of some questions I'd asked him that he didn't answer. Then I'm going to talk a bit about education and then talk about the budget in total and sort of summarize some of the points I've made in the past and perhaps add a few new ones.

The Treasurer is fond of using words like "downsizing" and "fair." I guess the word "downsizing" is a cop-out for admitting that in fact you're cutting things. The term "fair budget" -- the taxes were not fair. Just a quick one to point out: 93 percent of the new taxes are going to be paid by people -- personal taxes -- and only 7 percent of the new taxes are going to be paid by corporations. That's not fair. The cutbacks to people on social assistance, the so-called single employables that are going to be forced into this work for welfare program, are not fair. The budget is not fair to them.

The Treasurer says that this debt the province has is a nominal debt. Well, some \$5.5 billion is a heck of a long way from a nominal debt. Now, you either have to admit that we have a debt of that much or else you have to balance it against the heritage trust fund. What we're really saying in this province: although we've had incredible amounts of money generated by an oil industry that we were lucky to have, it wasn't because Peter Lougheed or any other Conservative put the oil in the ground. It just happened to be in Alberta. Oil prices boomed. OPEC pushed the prices way up. It had nothing to do with Alberta; we just rode on it. But we had incredible amounts of money being taken out of this province, and the government has not done well with that, as my colleague from Forest Lawn

just pointed out. In fact, we've blown it. Here we are now with still an incredibly big oil industry, and if you balance off what's in the heritage trust fund against the debts we have, I'm not sure that we're maybe \$5 billion ahead -- maybe \$5 billion or \$6 billion. So we have not done well. This government has not done well, and they will pay for it in the next election.

I asked the Treasurer some very specific questions the other day in Committee of the Whole, and he chose to ignore them and didn't answer them. He says in his budget document, which I still have with me, that there's some \$750 million of capital expenditures being generated by Crown corporations in this province. He makes it sound like it's part of the budget in some way and he's in control of that; it's part of the \$2.4 billion capital budget of this province. The document fails to justify that number. I went through the Crown corporations very carefully: ADC, \$75 million; Alberta Opportunity Company, \$47 million; Alberta Mortgage and Housing -- in spite of the fact that we're giving them \$200 million out of the heritage trust fund, most of that will go for paying on debts we already have and only \$64.8 million of it will end up in new capital works. If you add those three together, you're a heck of a long way from \$750 million, but let's look a little further.

There's the Alberta mortgage finance corporation also mentioned in here: some \$340 million in capital expenditures. That may well be, but it has nothing to do with this government particularly. They are only one partner with a whole number of municipalities who borrow that money and will do those projects. It's not specifically part of this government's plan and this government's budget; it's what municipalities are doing. This government cannot claim to generate that, so that should not be included. But even if you did, you'd only be up to \$527 million.

Now, AGT isn't mentioned here. If they're putting some money into capital projects, then fine; where is it documented in the budget? It's not there. So that claim cannot be made or substantiated from this document anyway. Even if it is, it's not particularly something this government has promoted or decided to do. In fact, the other day the Minister of Technology, Research and Telecommunications was talking about cutting some of the subsidiary companies AGT is setting up and some of the activities they're getting into. Now, maybe he's talking about Treasury Branches, but we don't usually consider those in the budget. Maybe he's talking about the new North West Trust; maybe they're going to generate some of those capital expenditures. Maybe the new Capital City Savings and Credit Union will. I suggest not. Both of those are losers and have been losers and have been taken over by the government. In fact, taxpayers' dollars are going to go into those organizations. So, Mr. Speaker, the Treasurer failed to answer a very important question as to where he's getting his \$2.4 billion in capital expenditures.

As to education, the Treasurer was bragging that education is a priority. Well, if a 3 percent cut is a way of making a priority, I find that rather incredible. Of course, it's more like 7 percent when you consider inflation. In fact, when you look at some of the special programs that have been cut, some boards are experiencing a bigger cut than that -- you know, a 50 percent cut to community schools, cuts in the educational opportunity fund, the internship program cut totally; some of the rural areas have special busing problems that have not been addressed. One of the separate school board trustees in Edmonton assured me that they are experiencing at least a 5 percent cut, without counting inflation. So the 3 percent is really not owning up to exactly

how much you are cutting.

I attended an evening's banquet and discussion promoted by the zone 2 trustees' association the other day. They sent me away with some facts and figures and some documents -- some of which I'd like to take a few moments and take a better look at -- talking about these cuts. St. Albert district No. 6, staff reductions under certified staff: two regular classroom teachers, one special education teacher, one district educational psychologist, one district reading clinician, 11 intern teaching positions; under support staff: one speech pathologist, one teacher aide -- special education, 2.12 full-time equivalent caretaker positions, and 1.5 full-time equivalent security staff positions. Cuts in programs: Alberta education in-service, 100 percent cut; teacher internship programs, 100 percent cut; special ed student excursions, 100 percent cut; and French language remedial resources, 100 percent cut. These are programs they've had to cut totally because of the 3 percent cut. Just to skip around a bit more here, diagnostic reading program clinician position, an 80 percent cut; student services, 80 percent cut; and central instructional large capital fund, 80 percent cut. I'll skip over some of these. A total cut of \$1.3 million for that school board.

Another school board put forward some very specific results of those cuts. I hope the Minister of Education will take a look at these. Staff reductions -- this is the Edmonton Catholic school: 73 certified staff cut, 43 noncertified staff cut, 42 student intern positions cut, for a total of 160 cuts. These reductions will result in an increase in the pupil/teacher ratio at the school level, along with an increase in the number of combined grades. It will also involve a significant decrease in the level of district support services for classroom teachers. Some priority.

The inflation factor was also dealt with.

In addition to the foregoing the District is forced to deal with the reality of inflation. Inflation will present itself in three particular areas:

- a) cost of utilities
- b) cost of textual materials and supplies

This has been compounded by the reduction in subsidy from Alberta Education to the Learning Resources Distribution Branch from which the Board purchases the majority of their textual [materials].

My colleague from Mill Woods showed me a document the other day indicating that those textual materials from the learning resource distribution branch will go up some 21 percent on the average -- more user fees.

(c) contractual obligations:

- i) staff benefits will continue to increase
- ii) contractual increments will have to be honored in terms of increased experience and in terms of improved educational background of the teachers.

and that will impact on the budget and make the 3 percent even greater.

Finally, they sum up by saying:

While the district will be able to cope, with difficulty, with the reduced financing from Alberta Education there is great concern that the problem will be presented again next year. Even if Alberta Education limits its grants to 0% increase,

instead of, say, another 3 percent decrease as they've done this year,

the inflationary factors with which the Board is faced will result in a reduced quality of educational services.

It is conceivable that tenured staff will have to be released. It will also force the Board to pursue a vigorous program of school closures which, as we know, tends to have a negative impact on the local communities -- particularly if elementary schools are closed.

Mr. Speaker, it wasn't only this school board that mentioned the next year thing. Almost every trustee that spoke that evening -- and there were some 20 or 30 or them -- mentioned that maybe we can get by with this year's cut; maybe we can live with it; maybe we can make adjustments; maybe we can handle it. But by gosh, we certainly cannot if it's repeated next year -- even a zero increase next year. We will definitely have to cut the quality of education severely if we get another increase next year.

This government likes to brag a lot about its educational support, but quite frankly it's been the property taxpayers and the school boards in this province that have led the way in improving the education system of this province, not the provincial government. In the 1971 election they promised to fund education totally out of general revenues. By 1974 this government did support 84 percent of the cost of education in this province, and only 16 percent came from the requisitions. By 1986 it's more like a 60-40 split, and that is really not that much different than any other province in this country. So in effect, they've gone back on their promise, because we're back to the kind of split that most provinces have between property taxes raised by school boards and provincial revenues.

There was another very specific problem, and I'll try to be quick because I want to get back to the general budget. Equity funding -- the diverse sort of nature of the province and some of the school boards that exist out in the remote areas where they have small populations and long distances to travel -- has some unique problems, and I want to just mention some of those. The provincial funding overall from the general revenues should not be much of a problem. The money should be able to be distributed in a fair and equitable manner, with some recognition for special problems. The supplementary requisitions equalization grants in Whitecourt present a particular problem to that group, and I would request that the Minister of Education check into that a little more carefully. They certainly feel that they are being hard done by in that regard, and I won't take time to explain the details of that.

Property taxes of course vary tremendously from one county to another because of the different property tax base, and that can be a problem. But the third problem is sort of a new one that's come up. The machinery and equipment tax varies widely. There is a move to have the province collect that and then redistribute it equitably, whatever equitably means, and that's what the fight is all about, of course. We of course believe that educational opportunity should be equal throughout the province, so one needs to address that issue. However, there is a move on the part of some of the corporations that pay this tax to have it reduced or eliminated, and one trustee came up to me quietly and said that he feels the Premier has already promised them to reduce that tax to zilch. So I worry about that, and I would like the Premier to reply to that and assure us that that is not the case. Another trustee also said, "You know, these corporations are happy to have a good education system in whatever location they might be operating because they like to be able to attract people from all over the world to come and work in their industry, but they're not too keen on having to help pay the shot for that education."

Just a couple of closing comments on education. This gov-

ernment has come through a really bad spell in terms of education policy. The last minister who was there for two terms kept flying some rather silly and dangerous kites, and I'll just list a few of them. During his time we saw the stress levels of educators just skyrocket; the back-to-the-basics nonsense; the threatened split of the A T A; the revisions of the School Act and teaching professions, which we've still not seen the results of; a review of secondary education -- instead of setting up an all-party committee, the government sets up six Conservatives in a committee to decide what they want to do; the return to departmental exams; and the number of private schools has grown incredibly, mostly due to lack of government commitment to a good public education system.

So the new minister came in with a chance to mend some fences and make a new and fresh start. Instead, what did the government do? They saddled her with a 3 percent cut and a worse mess than ever. So the minister has certainly got her work cut out for her if she's going to restore some confidence of the population in our education system under this government.

With those comments on education, I'd like to turn now more specifically to the budget and some general overall comments. This budget is a result of the failure of this government. It's a failure in the oil and gas industry. We have not got the best out of that industry; we have squandered a lot of the wealth that was generated. And they've also not been able to diversify the economy. So the people of Alberta are being punished for the mismanagement of this government. In the boom years we expanded our expenditures in a wasteful manner. In the recession years, from 1982 to '85 we continued that wasteful manner of spending, even though the warnings were all there, and in many cases the revenue was not coming in as fast as it had been.

I think of a couple of examples. The Walter C. Mackenzie hospital was done on a much more lavish basis than necessary through a four-year period when they knew the costs were getting out of hand, and when they knew that it wasn't going to be all that functional and cheap to run. It's going to be an expensive facility to run, and now we don't even have the money to use it to full capacity. The Kananaskis golf course was perhaps the greatest symbol of squandering money and overdoing things. That, I suppose, and the continued high-rolling entertainment and the jobs for their friends were the kinds of things this government continued to do over a four-year period when in fact they knew that the economy was taking a downturn and was in a certain amount of trouble.

In fact, this government sort of reminds me of a joke aimed at Brian Mulroney and the federal Tories that I heard a short time ago, but it's becoming more and more true, I think, for this government as well. The question is: what is the definition of a non-Tory voter? And the answer is: anyone who hasn't got their government job or contract yet.

MR. DEPUTY SPEAKER: Hon. member, the Chair hesitates to interrupt . . .

AN HON. MEMBER: Order.

MR. DEPUTY SPEAKER: Order please. The Chair is having some difficulty relating the hon. member's comments to the Bill before the House, Bill 38, or its schedules. Now, if the hon. member wishes to debate in third reading sections 1 and 2, which deal with the budget as well as the supplementary requisition, referencing any of those schedules, that would appear to be in order. But it would appear to the Chair that the member is

straying somewhat from the matter before the House and discussing matters not related to the House.

Edmonton Kingsway.

MR. McEACHERN: Mr. Speaker, the budget is brought in in an economic context and, you know, if I have to relate it more specifically to the budget, the Treasury Department is covered here -- some \$13.9 million that relates how the Treasurer, who is responsible for the whole of the budgeting process and for the whole economic analysis that goes into it and the principles behind that budget . . .

MR. DEPUTY SPEAKER: Hon. member, the Chair is not quarreling with the hon. member's statement. The Chair is having some difficulty reconciling the Hon. Brian Mulroney to the Bill before the House. Would the hon. member please continue.

MR. McEACHERN: Thank you. That was, of course, just a little aside. I guess I was drawing a parallel between two governments. I will move on.

Mr. Speaker, this budget cuts too much too fast.

MR. JOHNSTON: I get to speak last, remember.

MR. McEACHERN: The Official Opposition has made many suggestions to this government, in spite of the Treasurer's protestations to the opposite. We have put out a paper, for instance, explaining how the government could cut many unnecessary expenditures without particularly cutting services. We put out another one suggesting how we might increase some revenues, and we put out an alternative throne speech which has some 130 or 140 suggestions in it, many of which would be very useful to this government, and no doubt they will adapt some of them in the years to come. The four-year plan to reduce the deficit should contain some of those suggestions and probably should also be spread over a longer period of time, unless the government can find some dramatic way to turn around our resource revenues. I might suggest, for a start, a floor price for oil.

[Mr. Musgreave in the Chair]

It's clear that this budget is not a stimulative budget, in spite of the fact that the Treasurer tries to claim it is. When you take an extra \$1 billion out of taxpayers' money, out of taxpayers' pockets, you obviously do not stimulate the economy of that society. And if anybody has any doubts to the contrary, they should look very carefully at the comments made by the Member for Edmonton Strathcona in Committee of the Whole on the difference between just a deficit and a stimulative deficit. He did a very excellent job of clearly explaining that, and I think the Treasurer could use that little economic lesson.

Mr. Speaker, this budget has no demand-side stimulus in it. In fact, it's the opposite. The cuts to Education, health care, and Social Services -- and by the way, I might point out at this stage that the cuts to Social Services were something the Premier of this province promised he would not do in the last election, and yet we see that that has been done. So much for Tory election promises. These cuts to expenditures in those major areas act as a depressant on the economy, not a stimulus.

I would like to go back to the deregulation of the gas and oil industry and point out that it is the reason for our \$3.5 billion deficit. So it's not that the government isn't responsible for the

deficit. They are. They keep trying to say it's international forces they have no control over, but as a matter of fact we could have a "made in Canada" oil and gas policy if the Conservatives, at both the federal and provincial levels, hadn't so committed themselves to the idea that they would go by whatever market forces might dictate. But I might point out that it isn't free market forces when OPEC controls the ups and downs of the oil industry. So why we would want to leave ourselves at the whims of some foreign organization that we have no control over, I don't know, instead of protecting ourselves from that.

The \$1 billion grab from the taxpayers of Alberta will hit Albertans with a double whammy in July, because a lot of that tax is not being collected immediately. The income tax part of it is going to wait until July and will be taken at a double rate in order to make up for the fact that it hasn't been collected the first six months of this year. So the economy of Alberta will see a depressant effect from this budget in the next few months, not a stimulative effect.

I want to turn to diversification for a moment. I pointed out to the members opposite on a couple of occasions, but I'll say it again, that what success they've had in diversification -- and it has not been very much; we're still far too dependent on oil, and our huge deficits of last year and this year prove that -- has been when they have specifically targeted certain industries, in some cases through the heritage trust fund. I think of medical research or of tourism, and to some extent they've had some success there. But at the same time they've failed to take up and use that same idea or learn the lesson that teaches in other instances; for instance, the money they gave to Vencap or the money they put into the Alberta stock savings plan. They had an opportunity to direct that money more specifically, and they have not. In the overall picture in terms of diversification they've given far more money back to the oil industry -- as my colleague from Forest Lawn just pointed out -- so they've actually, if you like, helped to concentrate on the oil industry rather than diversified this economy in the overall.

So my worry, Mr. Speaker, is that the \$1 billion tax grab will further depress the economy and put these fledgling new industries, these diversification industries, into jeopardy, and that will destroy our resource revenues even further. Having lost the oil and gas revenues, these new industries which are struggling to get started and the attempts at diversification that we've made will generate income for this province over the next few years, providing they're not killed off as they just start to bloom. And I see this budget as potentially killing that start.

This budget is really an accountant's budget. We had an accountant in charge and he said, "We must balance the books." But he didn't stop to think about the human cost or the hopes that would be dashed or the effects on ordinary Albertans in terms of their health care, their social safety net, or their education. The government is reduced to hoping two things: one, that OPEC will rescue the price of oil; and two, that free trade will turn out to be a panacea.

I just want to take a minute on free trade. You know, the Tories have stood up in this House many times and said that they're for free trade, they're for foreign investment. Well, let me just say a word or two about foreign investment. About 80 percent of the so-called foreign investment in this country does not come from outside this country. It is merely controlled from outside this country. And let me explain some of the sources of the money that make up that 80 percent.

First, there are many corporations working in this country and in Alberta that are controlled from outside Alberta, and so

they make profits in this country and they reinvest them in this country. Okay. I'm not saying it's good or bad. I'm just saying that they get a certain amount of money from that to reinvest, to buy us out a little further, if you like. Sometimes they make profits that they are supposed to pay in taxes, or some share of those profits that they're supposed to pay in taxes, and they get a tax write-off instead -- one of the favourite techniques of this government and the federal government. Sometimes, if that isn't enough, they get direct grants. They get money given to them from the taxpayers of this province; a third source of income for foreigners to own and control and expand their control of our society. And then if that's not enough, they have an advantage in borrowing, generally speaking anyway. They can borrow at the banks the few dollars that you and I and some of the workers of this country save. They can borrow them at the banks. Generally speaking, because the Americans developed their country ahead of ours, they have bigger and more powerful companies and they've been able to borrow in our own banks at a cheaper rate than our own people trying to get started. Our small businesses trying to get started have to compete with Imperial Oil for money at the bank, and they can't do it.

So we have handicapped ourselves in terms of developing our own economy for ourselves and have given foreigners an advantage to buying us out even more. And now we have a government that wants to make the 49th parallel disappear and say we'll have free trade as well and merely speed up -- they're claiming that the bilateral free-trade agreement will merely speed up and lead to improvements in the GATT negotiations. But that's not true. We should not put all our trade eggs in the American basket. We should be putting our efforts into the GATT negotiations and diversify our trade interests into many countries of the world, not concentrate them in one place.

We already have too much influence in our economy from the Americans. The American interest rates went up yesterday; our interest rates went up yesterday -- that fast. Our dollar suffers as a result. It goes down. Every time the Americans sneeze we get pneumonia. We're already too tied in to the Americans, and we should be diversifying into other countries around the Pacific Rim and Europe and around the world. We should not be putting all our eggs in the American free-trade basket.

We are in fact being stampeded into leaping through what the Tories like to call a window of opportunity, to land who knows where. And we're being asked to do it because Ronald Reagan and Brian Mulroney have an agenda of a couple of years. The President will no longer be in power within two years, and Brian Mulroney is up for re-election in a couple of years. So we are being asked . . .

MR. ACTING DEPUTY SPEAKER: Order. The member has only a few minutes left in his debating time. I would suggest that he revert to talking on Bill 38.

MR. McEACHERN: Mr. Speaker, Mr. Mulroney only has a few minutes left too, and we are on his agenda. That is relevant. Now, the Alberta government -- I guess maybe they're getting as desperate, even though they've got three years. They're saying, "Gosh, we've got to do something to try to rescue this economy. If OPEC doesn't rescue us, maybe free trade will." That's why they're jumping on that bandwagon, and I for one am not going to take a blind leap of faith through a window and not know where we'll land.

MR. ACTING DEPUTY SPEAKER: Order please. Would the

hon. member please return to Bill 38.

MR. McEACHERN: Mr. Speaker, I was never away from there. I am just about to sum up my comments, but certainly those are very relevant because this government is asking us to jump into a free-trade arrangement, almost blindly. So I think those points were relevant.

We have not been given any studies by this government about free trade, as to why we should do it. I guess I would just go back to saying that this government has brought in a budget that is not working and is not going to work. It's not a fair budget. It's got some very fundamental flaws in it which can best be summed up by looking at what happens in education. The cuts to education are not . . .

MR. ACTING DEPUTY SPEAKER: The hon. Leader of the Opposition.

MR. MARTIN: Thank you, Mr. Speaker. [some applause] Thanks. I appreciate that. Mr. Minister.

I've had a fair amount to say in question period about the budget. I don't think there's any misunderstanding, at least I hope not -- oh, the Treasurer's here; great -- at least from the Treasurer's perspective, about what I feel about the budget. I noticed that the Treasurer, in his usual way, justified an unjustifiable cause today, saying that Albertans shared with him this budget. Well, I don't know where he's been speaking or who he's been talking to, because I just don't believe it. In any polls that I've seen, people are definitely against this particular budget, Mr. Speaker. But I think it's the classic example of a Treasurer, perhaps -- I don't know if it was his idea or whose -- bringing in a typical Tory budget. You know, the old saying "Tory times are tough times" really comes true to people, and people are well aware of it now. Looking at it through rose-coloured glasses, we see what we want to see about this particular budget.

Now, Mr. Speaker, the point about this budget -- they say it's a tough budget. It's a tough budget on average people; there's no doubt about that. But as I've said many times before, they have been the ones that have been in power for many years. If our economy is floundering, there's no other group to blame but this particular government who spent money in the '70s like it was going out of style, like the proverbial drunken sailor: \$75 million birthday parties, \$1.2 billion overruns in the trust fund -- nothing was too good for us in Alberta. Then they come back and say, "Well, average Albertans, it's been all our fault because we've been living too high on the hog, so you have to be punished; you have to understand." This is the logic of Tories: blame everybody else but themselves for the problems they're in.

I remind them why we had this budget is that back in '74 they used to talk about diversifying the economy, Mr. Speaker, and they forgot about it because it was too easy here at that particular time. I remember when they were clinking champagne glasses, Mr. Trudeau and Mr. Lougheed, talking about the barrel of oil, what it was going to be: \$60 to \$70 now. How wrong they were, and how wrong they are when they predict in their budgets now.

The point of it is that even they should have recognized in 1980-81, when we had 51.6 percent of our provincial revenues coming from that one source, that they had been a miserable failure in diversification. And why, for the life of me, other than the triumph of ideology over common sense, would we move to

a deregulated market when everybody was predicting the price was going to go down? It made no sense at all.

[Mr. Deputy Speaker in the Chair]

So now we sit, after those two major mistakes, Mr. Speaker, and the Treasurer comes in and says, "You know, we have a \$3.3 billion deficit, and we're so responsible, Mr. Speaker, that we've got to punish the people for that deficit," instead of recognizing that it's their fault that we have the deficit that we have -- nobody else's but theirs. The point I want to make is that then they act typically like Tories do historically. They panic, and they have to worry about the deficit, all of a sudden, that they didn't worry about in the previous years they were in power.

The point that I make: what do they do? They don't cut away the needless and the frilly and the silly in this government. We see advertising going up. We see business as usual. We see voting ourselves a 10 percent cut. We don't see them cutting back in cabinet ministers, and we pay the top-level civil servants in this province more than anybody else. No, Mr. Speaker, we have to go after the most defenceless in the society. We have to go after the handicapped and the community schools and health care. We have to blame average Albertans for their mismanagement.

I just say to this Treasurer, Mr. Speaker, that this particular budget is going to make it worse. I know that the Treasurer is crossing his fingers and hoping that OPEC will pull us out, because certainly nothing he's done is going to pull us out of the economic doldrums. But what a terrible way to run an economy: you hope that the cartel will pull us out of the soup. This is the economic strategy of this government in this budget. And you know, Mr. Speaker, what they do is make it worse. The Treasurer actually says in there, although he tried to change his tune a little bit the other day, that growth will probably go down and unemployment will go up; not in so many words -- he tried to just sugarcoat it -- but that's what the Treasurer meant. He's well aware of that. Well, what kind of budget is that? What kind of economic strategy is that?

But at the same time, they can turn around and brag, "We are going to spend \$175 million more on social allowance benefits." And they're bragging about it, Mr. Speaker. The only reason they're doing that is that they're going to have higher unemployment. Albertans are well aware of that. The point I want to make is that this budget is just making the economy worse and it's making a lot of innocent people suffer unnecessarily. It's the wrong budget at the wrong time.

Now we notice that the Conference Board comes out -- and of course the Conference Board are just eastern people again; they don't understand us, you know; their predictions are wrong. They say that we're the only economy in Canada -- Newfoundland, P.E.I., Nova Scotia, Quebec are all going to grow a little bit, but Alberta is the only province . . . "First in the nation," they always like to talk. Yes, we're first in the nation in the retraction of the economy, Mr. Speaker.

ANHON. MEMBER: First again.

MR. MARTIN: First again, yes.

And that's the second year in a row, Mr. Speaker. I don't know why the Treasurer would be so upset by those predictions, because he's predicting the same thing in his budget, precisely the same thing. But the reality is: what are you doing about it? Anybody can predict with this budget, when you take over \$1

billion purchasing power, and we hear this tax, that tax. You know, they're taxing everybody. Pretty soon you'll have a tax if you walk across your door into your house. The whole point of it is that this budget is guaranteed -- guaranteed -- to retract the economy even further when you take that sort of purchasing power away from average people. There's no doubt about that, Mr. Speaker. Even Tories should have learned that in the Depression. Even Tories should have learned that. But I guess they forgot, and they always go back to their roots again: attack average people and blame everybody else whenever the times get tough, or blame somebody -- anybody. You know, I always laugh. You know, they always go back when they've run out of ideas and attack us over here: the national energy program, whether it's social services or everything else. It's everybody else's fault but theirs.

Well, I'll tell you, Mr. Speaker, a lot of people would like to have the problems they had when the national energy program was there, although I agree that there were problems with it. If anybody studies it, the only problem was not the Canadianization; the problem was that we were taking investment and putting it out to the fringe areas instead of here. And that was not supported by our party, if the Premiers here ever bothered to look at the facts rather than the rhetoric.

The gouging of average Albertans. You know, at the same time, he says: "Boy, we're fair to everybody. We're also going to bring in a fair taxation. We're really going to go after those corporations. We're really going to nail them." That's after the year before we paid out \$26 million more than we took in. Why, we're going to have them pay \$17 million, 7 percent, when in the days before this government it used to be about 60/40.

Mr. Speaker, this government totally represents the typical theory of the old trickle-down theory, that if we throw enough at the rich and the powerful and the corporations, some of it will trickle down to average people. I want to tell this Treasurer that there are not many people feeling trickled down upon right now; I can guarantee you that. Then they go on sort of what I consider mindless cutbacks. Instead of lowering government expenses, which we try to do going department by department, amalgamating, doing what is right, they go after the people services. Mindless cuts. Three percent: that's a good figure; we'll pick it out of here. The Treasurer started out with 10 percent; that was a good figure; we'll pick another one, 3 percent -- without even knowing what the impact will be. Then they refuse to listen to people in education and health services and social services. They say, "Well, we spend the most of anybody," and all the rest of it, when this government has got to recognize it's not just spending money; it's the quality of the service. But they don't understand it. And this has had, if this Treasurer and this government aren't aware of it, severe, severe impact on average people. If you travel around the province very long, you'll find that out.

And I say, Mr. Speaker, that you know -- and I think the Member for Edmonton Kingsway alluded to this. I always appreciate the Treasurer when he gets going; it livens up the House a bit. I appreciate that because we all need to be livened up a bit. But every time he talks, there is a preoccupation with the deficit that they've created. Now, we all have to be concerned about it, but we have to first of all, instead of worrying about balancing the books, balance the economy. It's that simple, and it should have been learned many, many times. Because as long as you have tremendously high unemployment, then you're still paying out the money. I've tried to point out

that people aren't paying their taxes, that we've lost production. I estimate by what we have now, we're over \$2 billion we've lost directly in the economy because of the unemployment that we have. If you work gradually -- maybe you can't do it all overnight, but target how much you can get unemployment down in one year and then work out a strategy of doing that. Your deficit will look after itself once you have full employment. The point is . . .

AN HON. MEMBER: Bullshit.

MR. MARTIN: Well then, let's have everybody laid off.

I heard the member say "bullshit" over there, Mr. Speaker, I guess I can say it back.

SOME HON. MEMBERS: Order.

MR. DEPUTY SPEAKER: The hon. leader knows better. If the hon. leader is going to say that the hon. leader's conduct is based on what other members in this House are doing, it's leaving the choice in a very awkward position. The Member for Edmonton Kingsway yesterday used the same expletive, and it's unparliamentary. So perhaps the hon. leader, before he has concluded, will withdraw that remark.

Hon. Leader of the Opposition.

MR. MARTIN: Yes. Mr. Speaker, I understand the member was talking about the Treasurer's budget, so I misunderstood it.

MR. JOHNSTON: Mr. Speaker, on a point of order. I didn't quite hear a full retraction of what the Member for Edmonton Norwood said: not what anyone else has alluded or could have said, what the Member for Edmonton Norwood said.

MR. MARTIN: The Treasurer is getting a little shrill and excited. His ears aren't working, Mr. Speaker. That's okay; we understand. I would be shrill and excited too if I had brought in a budget like that.

Mr. Speaker, as I was mentioning, there is a preoccupation with the deficit instead of balancing the budget. I know the Treasurer would like me to go on a lot longer, but I would like to come to a conclusion by saying, as I said before, that the Treasurer is a historical man; there's no doubt about that. He will be in Alberta's history; they'll call him "billion-dollar Johnston." He will be in history as the man that took the biggest tax bite ever from average people, found new ways to tax people that other people hadn't even thought of, Mr. Speaker. At the same time, he will be known in history as the person that did the most to cut back in the people services, and I'm sure that'll be a proud record for him. But also he will be known as the Treasurer that brought in the budget that led to the downfall of the Conservative government, when they get defeated.

I suppose I should thank the hon. Treasurer for the budget, because everywhere I go, especially Lethbridge, they're telling me what they think about the budget and what their hon. member brought in. I suppose we should thank him for giving us openings. It's always easier for us on this side of the House when Tories start acting like Tories. It always makes the opening. I should thank him. But the problem is that in the meantime we have this government here for another two to three years or whenever they have the courage to call the election, and a lot of people are being hurt in the meantime. I think fundamentally that's more important than the election.

But I just cannot believe that this government came with this budget at this time and said that Albertans support it. Mr. Speaker, that's just not the case. Everywhere we go, average people are fighting back against this government. I would hope that maybe hope will spring eternal, that this government will stop acting like Tories and start thinking about the people that they represent, and perhaps, being the optimist that I am, that they will come to their senses and in the fall session will have a new economic statement that is much more relevant to the people of Alberta. If they do that, even if they salvage their political lives, I will compliment them. I'll stand and support it. But this budget is a disastrous budget. It's a disastrous budget for the future of the economy, it's a disastrous budget for average Albertans, and I for one would have trouble sleeping if we didn't fight this in every way that we could.

MR. DEPUTY SPEAKER: Hon. Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. Here we are, third and final reading of the much vaunted Bill 38, the government's budget. I think we need to take a close look at what we as Members of this Legislative Assembly are being asked to do. We're being asked to endorse for the third and final time the plans this government has to generate revenues and expend money in the fiscal year 1987-88.

I think we need to put it in the context of the economic times we face. These are indeed tough times in Alberta, Mr. Speaker. They're tough times, and I think everybody in Alberta recognizes that. It took some people longer than others to recognize that, but certainly tough times. We have an economy that's more dependent than ever before on nonrenewable energy resources, and there are tough times in the oil patch. Therefore, our economy feels the effects of that. The other main economic pillar of our economy, agriculture, is in many sectors enduring some very difficult times as well, and that's generally understood by everybody in Alberta. We continue to have double-digit unemployment in Alberta, and I suspect that the real figures of unemployment go much beyond the figures that are quoted often by statisticians, because there are so many people who have been out of work for so long that they've given up looking for job opportunities and don't appear on the statistics sheets anymore in terms of describing unemployed people in the province.

So these are indeed tough times; there's no doubt. And this budget, in fairness, is the government's best shot or most adequate response to these tough times, and it's on that response that we in the opposition have based our arguments and fought the battle on behalf of Albertans, because we think they've made the wrong response, Mr. Speaker. Tough times indeed -- tough Tory times. This tired Tory team has come up with a budget that rather than taking some of the responsibility for the times that we're in and rather than creatively deciding what it is we ought to do to battle these times, to lift Alberta out of the recession, to build a better tomorrow for everybody -- they've come forward with a narrow and mean-minded document that punishes some of the people least able to defend themselves in Alberta.

This is a government, Mr. Speaker, who for so many years took credit for things they had nothing to do with. Putting oil in the ground and making it valuable: those are the two things that made this province great. We have great people in this province who have resolve and determination and talent, much like other provinces in the country. But we had some special advantages:

we had oil, and we had some friendly Arabs that made it valuable. And on that basis, we were able to build a very inflated and superheated economy that fooled us all. This government clearly took credit for all those things, and now, when times are tough, they're not prepared to take any of the responsibility. It's because of that inability to admit or to shoulder some of the responsibility that they've come forward with this mean-minded budget, Bill 38.

A government who feels they're blameless, Mr. Speaker, I think is shameless, because they clearly have to accept some of the responsibility for the position that we as Albertans face economically in this fiscal year. We have in one year accumulated a deficit of between \$3 billion and \$4 billion. It's not this party that created that deficit, although to listen to the responses from the hon. Premier and the hon. Provincial Treasurer, you'd think it was this party that created the deficit. No, it's the government that created that deficit. It's their plans for expenditure to win the votes of Alberta electors in the last election that created this huge deficit for us, coupled with their inability to recognize that the tough times were coming.

I think what we needed at this time from this government is an economic blueprint, something to lay before the people of Alberta to say: "Look, folks, this is the problem we're facing. This is what we can do about it. Let's work together to solve that." We needed an economic blueprint that mapped out in a very clear and creative way some plans to diversify the economy, to move away from our overdependence on non-renewable resources and come forward with some bold new plans for an economy to lead us into the 1990s and beyond.

What did we get instead? We got a political agenda. We got a budget whose sole aim -- and it's been repeated often by the member responsible, the Provincial Treasurer -- is to be able to present to the electors of Alberta before the next election a balanced budget. We want to reduce the deficit spending in the next four years to zero so that we can present to the voters of Alberta a balanced budget. That doesn't mention the accumulated \$7 billion, \$8 billion, \$9 billion, \$10 billion deficit that taxpayers will be shouldering at that time, but we can pretend that the economic problems have been solved by this government if we can present the voters with a balanced budget. And I say again that that's not an economic blueprint. It's a political agenda, and it's a shameless political agenda. We have a serious deficit. We need to do some things to cope with that. I think that trying to schedule that adjustment over such a short period of time is going to prove a disaster for the economy, and it's going to have exactly the opposite effect.

I echo the concerns of my hon. leader here, who says he appreciates the political opportunity provided to our party by the government with this sort of budget. Nevertheless, we're encouraging the government to adopt a more fair-minded and even approach to things for the benefit of Albertans. We're not concerned with our political agenda, as the government has seemed so preoccupied with theirs.

The hon. Provincial Treasurer is indeed a clever man, and while I admire that and it certainly causes a lot of excitement on his back benches, I don't think Albertans have benefited from that. We have a smoke-and-mirrors kind of approach to budgeting from this hon. minister, who seeks impact rather than effect, Mr. Speaker, with this budget. If I could point out a couple of examples, specific examples in the budget. You know, soon after I started farming years ago, someone was pointing to a neighbour who had started farming in a big way and with much bravado and bought the biggest and best of everything and failed

soon after. The guy said to me, "You know, it's easy to make a big splash, but the true test is to see who can swim." This government can admittedly make one heck of a splash, but they're not doing a very good job of swimming, and that's why we're in the mess we are today.

But back to the smoke-and-mirrors minister. Look at some specifics in the agriculture section of this budget. We have a plan to introduce the 5 cent a litre tax for Albertans on fuel effective June 1. In order to confuse farmers and make them think they're not going to be affected by that, the Treasurer said that farmers won't pay that tax. But at the same time we bring in the tax, we're going to lower the benefit farmers receive from the farm fuel distribution allowance from 14 cents a litre to 9 cents. The effect of that clearly is that farmers are going to pay 5 cents a litre more starting next week.

That may sound like a small increase to someone who doesn't know better, Mr. Speaker, but that in real terms represents a 34 percent increase in the price of purple gas to farmers and a 43 percent increase in the price of diesel fuel to farmers. At a time when grain farmers have never been in more desperate straits, at a time when grain prices are falling, when the federal Tories are raising freight rates on grain transportation, here we have a government that's going to . . .

MR. DOWNEY: Do your research.

MR. FOX: Yeah, do research. I have done research, and those are the bare facts, hon. Member for Stettler. It's going to cost farmers 23 cents a gallon more for fuel effective June 1, and that's an unconscionable move.

But what's the effect on this political agenda that the government has here, this agenda to reduce the budgetary deficit to zero by the time they next face the electors? The effect is to reduce the amount of benefit through the farm fuel distribution allowance by \$36 million in this budget year. That's what the government is saving: \$36 million. And I think I figured out, in terms of the amount of deficit they're trying to reduce this year, comparing that \$36 million to it, that it advances their political agenda by eight or nine days, Mr. Speaker. It's a shameful move, clearly the wrong move at the wrong time.

But I'd like to contrast that \$36 million saving to the Provincial Treasurer on that particular move with the money that the government is spending on the farm credit stability program, the much ballyhooed \$2 billion program for farmers. It's described as a \$2 billion program for farmers when you want electoral impact, when you want to demonstrate to people how much you're doing to help farmers. I should point out, remind hon. members, that I've stood up in this House and supported the intent of the program. But a \$2 billion program? Mr. Speaker, checking the figures in the hon. Provincial Treasurer's budget, it clearly is a \$35 million program in this fiscal year. The actual cost to the taxpayer of Alberta for this farm aid program, the cornerstone of the government's number one priority program, agriculture, is \$35 million.

So let's look at those two aspects of the Treasury Department estimates in terms of agriculture, because they both fall under his jurisdiction, Mr. Speaker. We've got on the one hand an expenditure of \$35 million for the farm credit stability program and on the other hand recapturing \$36 million through the reduction in the Alberta farm fuel distribution allowance. Where's the expense of the farm credit stability program? Clearly, this Treasurer has planned things in such a way that he's going to recover \$1 million. He's going to make \$1 million

over and above the expense to the farm credit stability program by capturing that money back, essentially from the grain producers of this province, to help advance his political agenda, and it's a shame. But he's done such a thorough job of selling that to his own caucus, the members who represent rural areas bang on the desk and appreciate the Treasurer's moves every time he speaks about it. But I think you have to look at it in that light.

The hon. Provincial Treasurer likes to brag about his budget too in terms of a bold step forward supported by the people of Alberta; they understand that it's their problem, not the government's problem, and they're willing to do anything that this government comes up with to combat the deficit. I'd have to say frankly, Mr. Speaker, from my contact with Albertans all over the province, they don't like this budget. They recognize that the government got them into this mess, and they resent the fact that the government is expecting the poor and the defenceless and the disadvantaged in our society to get them out of it.

But if the government is indeed so confident about the support that is out there for this budget, why don't they do what they did when they last presented a budget in this Assembly a little over a year ago? The budget was presented, and the hon. Premier stood up and called an election. Why don't they do that now if they're so confident? We'd love to go to the polls on this budget. Are you prepared to go to the polls on this budget, hon. member? That would be a true test of the voter support, the support of average Albertans for the political agenda: spend money on another election.

This government is taxing average Albertans an additional \$1 billion this year, Mr. Speaker, an additional \$1 billion. What's going to be the effect of that additional \$1 billion in taxation? What's going to be the effect of that? Were there any new taxes added to small business? Apparently not, according to the Provincial Treasurer, but let's take a closer look.

What is the effect on small business in rural communities, Mr. Speaker, of taking \$1,300 of purchasing power out of each and every family in rural Alberta, and in Stony Plain too? You might want to ask yourself that question. What's the effect on small business when you erode the purchasing power of consumers? It grinds the economy down into the ground. Instead of an expansionary budget, as this minister refers to it, instead of a budget that's going to lift Alberta out of the recession, we're dragging the economy down. We're taking purchasing power away from people who use it. We're not taking purchasing power away from the wealthy in the country who invest their money elsewhere; we're taking it away from ordinary average Albertans who spend their money, who invest it in goods and services and keep the economy growing. Those are the people that are being asked to shoulder the burden of this government's political agenda, and it's not going to work; it's just not going to work.

In terms of other effects of this billion dollar deficit-fighting measure that the Provincial Treasurer has come up with, you know, I have to compare it to approaches by other Conservative governments to strengthen the economy. What do they do in response to a deficit? They say, "Our number one priority has to be to wrestle the deficit to the ground." Not unlike Mike Wilson and the Mulroney Conservatives; the same agenda here: wrestle the deficit to the ground. Well, I'd like to ask hon. members: if you're a farmer who is losing his farm, who can't survive in the current economic climate, does it give you any solace to know that the government is trying to reduce the deficit? If you're an unemployed Albertan who has not been able to find employment, who has tried and struggled, run out

your benefits through UIC, and you're a single employable whose benefits have been cut by this government, does it make you feel any warmer, make you feel any more ambitious to know that this government is wrestling the deficit to the ground? If you're a small businessman whose business is faltering out in a rural area because of people moving out of town, farmers going bankrupt and various things, does it make you feel any better that the government is reducing the deficit? That's not what we want to see. The people of Alberta want to see an economic blueprint that will help build this economy from the ground up, not tear it down, and I submit that's what this budget is doing: it's tearing the economy down.

Clearly, what ought to be the first priority of this government is to reduce unemployment. There is a problem with the budgetary deficit, but I submit -- I agree totally with my hon. leader on this -- that if we were to tackle the problem of unemployment in a meaningful way, the deficit would take care of itself. We would have an economy that's building, that's growing, that's diversifying. People would be earning money and spending it. Instead of being a burden to the provincial Treasury with unemployment insurance or social assistance, they would be tax-paying, productive members of our society. That's the kind of focus we need. You can't build an economy; you can't lift yourself up by the bootstraps, hon. member. You've got to analyze the problem and come up with some creative solutions for it.

But what do we find? This government is going to be characterized by their less-for-more kind of attitude. At the same time we're increasing medicare premiums to Albertans by some 28 percent, we're cutting back on their services. We're cutting back on needed health care benefits that Albertans require in order to advance this political agenda, and it's mean-minded and it's wrong.

The government likes to brag from time to time that we have the lowest medicare premiums in Canada; we're number one in terms of having the lowest medicare premiums in Canada. Well, that's right. There are only two other provinces that have medicare premiums. The other seven seem to get by without having any premiums at all, but this government sees fit to brag about having low medicare premiums. They've increased them by 28 percent, and now they're telling Albertans every day and in every way that they're going to get less for what they're paying more for. I just don't think it's right.

One thing that is characterized through this budget in virtually every department, Mr. Speaker, and I don't think we've received enough answers on these issues, is something called payments to MLAs. You see it running through all departments. The government has budgeted ever increasing amounts for payments to MLAs. You know, I'd like to know what this money is for, Mr. Speaker, and I think the people of Alberta deserve to know what this money is for. In Agriculture, when they're going from \$6,000 in payments to MLAs to \$71,000 in payments to MLAs, which MLAs are getting that money and what are they doing for it? We get paid for what we do. We're honourable members of this Assembly that are paid to be Members of the Legislative Assembly and represent Albertans. What's this extra money for? [interjection] Yes, that might be right. Drain the bank before you're gone; that might be the case. I'd like to know, in terms of the different budgetary estimates, what these payments to MLAs are for and who's going to get it and how much.

The thing that concerns me most though, Mr. Speaker, in terms of the effects of this budget, is the effect on rural Alberta.

What's going to be happening in rural Alberta? We've got some serious problems in agriculture. We've got some serious problems in energy. This government's budget doesn't go nearly far enough to addressing those problems. As I mentioned earlier, we've got a grain economy that is seeing a 20 percent reduction in prices for grain, seeing a 5 percent increase in freight rates effective August 1, a 30 to 40 percent increase in the price of fuel effective June 1. What has this government's response been to those problems? There has been no response -- no response.

The government likes to brag about programs past and expired and initiatives that have been made, gone before. Since these new developments -- the fall in the prices paid for grain, the increase in freight rates, and the increase in the price of gas -- there has been no new response from this government, no initiative from this government that says, "We're going to back up our statements that agriculture is our number one priority with some meaningful new initiatives to help keep families on the farm." Because we've got a desperate situation out there in rural Alberta, and I know some members recognize that because they see it every day. There are record numbers of families leaving their farms, and what kind of families are they? They're young families. They're people who hold the productive future of this province in their hands. They're young people whose only mistake was to have started farming at the wrong time. Now they're being swept away from their farms and their futures by an economy and a government that doesn't seem willing or able to respond to that problem.

That has a much more far-reaching effect than the obvious effect of displacing these individuals from their farm. It has a serious effect on the people that they leave behind. I've talked earlier about the effect it has on the cities they move to where unemployment is already far too high and there aren't job opportunities, but let's look at the people that are left behind, the ever smaller number of rural Albertans who are struggling to try and maintain the essential services in their community: the schools, the hospitals, the roads, the businesses, the stores. The burden of supporting all of those needed institutions is being shared by fewer and fewer people, and it's just creating some very, very difficult times out in rural Alberta.

The effects of budget cutbacks in Education, for example. We've got many rural school divisions, Mr. Speaker, that are not only coping with a 3 percent cutback in government budgets; they're coping with declining enrollment. They're coping with shifting populations within their jurisdictions, and it's making it very, very difficult for the trustees in these school divisions and the county councilors and trustees to provide the kind of educational opportunities that students in rural Alberta need and deserve. I think this budget is really missing a great opportunity. We have a one-time only opportunity to prepare our young people for the challenges that lie ahead and to make sure they have the kinds of tools and resources that they need to compete as adults in this society and to help build this economy, to help build a better Alberta in the future. We're cutting back, and it's having a more serious effect, I submit, on rural Albertans. The same could be said of health care. There are some special needs out there in rural Alberta that I don't think are being addressed in a meaningful enough way.

Mr. Speaker, a little later this afternoon I'll be going out to my constituency to attend the high school graduation in Vegreville. It'll be a proud moment for the parents and children that are involved and the teachers that have prepared these kids. I'm happy to be going there, and I'm going to be proud of them

too. But there's going to be a thought lingering in the back of my mind when I look at these dozens of bright and eager and talented young people. How many of them will be able to find meaningful opportunities in their own communities in the future? How many of these people can we keep in rural Alberta? How many jobs are there for them? How many of them will be able to take over their parents' farms and make a living? It's a sad indictment of this government's policies over the last several years and of this budget that not very many of them will be. And I submit, and I'd like all hon. members to share this, that that is our greatest ...

MR. DAY: Shame, shame.

MR. FOX: It is a shame.

Our greatest challenge is to try and provide the kind of opportunities for people so that they can stay and make lives, if they so choose, in the communities they grew up in. This budget, I submit, is a shameless response from a tired Tory team to some serious problems, but as I said before, instead of an economic blueprint, we've been presented with a political agenda that is in the long term going to be very harmful for the provincial economy and the people that live here. On that basis I and my colleagues can't support it.

MR. DEPUTY SPEAKER: Hon. Member for Calgary McCall.

MR. NELSON: Thank you, Mr. Speaker. I thought I would rise and try to get in on this day's debate on Bill 38. I've sat here for a number of days now listening to the dribble of the members opposite, espousing the wills of Mr. Werlin and his communist views. [interjections] It's very nice to listen to these wimps over here laugh and giggle about the manner in which the government is dealing with the business of this province. These thin-skinned socialists that are sitting here just make me sick to my stomach.

MR. STRONG: Are you planning on regurgitating right now?

MR. NELSON: As you can see, Mr. Speaker, they can't even keep their mouths closed to listen to some of the truth.

Mr. Speaker, the world is not a perfect place, and I'm sure that we all agree that Bill 38 and some of the good planning of the government may in our view not be perfect. But we should, instead of listening to some of this rhetoric over here, maybe deal with some of the facts that are in here, and I may offer a little bit of that rhetoric also in defusing some of the garbage that we've just heard in the last few days and this morning. Let's be honest; it is garbage. I, too, certainly have some concerns about certain areas of the budget. But you know, when you have a time that is difficult, a time when we all have to pull up our socks a little bit those of us in the business community, those of us as private citizens having to pay the tax bill for all this so-called rhetoric -- God help Albertans if we were ever to turn the government over to this communist regime over here. God help us, Mr. Speaker, because we would need all the help we could get.

MR. DEPUTY SPEAKER: Hon. member, the Chair hesitates to interrupt. Regardless of who you're asking to help, we're going to have to deal with the Bill before the House. Would the hon. member please continue on Bill 38.

MR. NELSON: Mr. Speaker, I thought I was dealing with the Bill in the same light that the members opposite here were trying to do this morning, and I'm sure they did a lousy job with it. [interjections]

I'd like to carry on, Mr. Speaker, but . . .

MR. DEPUTY SPEAKER: Order please.

MR. NELSON: I'd sure like to carry on, but my thin-skinned friends over here just don't seem to keep their mouths shut.

Mr. Speaker, we talk about hospitals and medical care. This budget provides some of the finest health care opportunities anywhere. This budget has more money in it, as I understand it, than the budget of two years ago. We are continuing to open hospitals, we are continuing to build facilities, and we are continuing to offer Albertans care for their own personal difficulties. But unfortunately, some of our members on the opposite benches, these socialist dribble-ites, cannot seem to get their heads out of the sand and recognize the good intentions of the government in providing these health services for our citizens.

Then they start complaining about the amount of money that's there to assist those unfortunate Albertans who cannot, for reasons beyond their control, find suitable employment for their own economic well-being. Mr. Speaker, that is the care of a caring government for people who are less fortunate. The Social Services budget has a lot of money in it, and none of us likes to see that happening, because it is a drain on the opportunities of Albertans. That's all right for the members over here to laugh about. They laugh about unfortunate Albertans in a situation of concern . . .

MR. STRONG: We didn't think anyone could be as ridiculous as what you are.

MR. NELSON: The moment I get as ridiculous as you are, you wimp . . . St. Albert, you're a wimp.

Mr. Speaker, if we are to deal with the concerns of Albertans outlined in this budget, especially through the Social Services, and recognize the amount of money that is placed in here to assist those people, which obviously the gigglers opposite here have not found the ability to identify, then they've a problem.

Mr. Speaker, this government has been making and is making every effort to diversify the economy, to assist those Albertans in finding jobs. And yes, social assistance is there as an interim fund to assist people through a difficult period. It is not there as a regular employment fund or a sit-at-home fund, as many seem to think. I can tell you a little story about a lady who was on social assistance through the boom time and has been on it for over 13 years. She had a job, quit it because it didn't meet whatever she wanted met, and wanted to go back on social assistance. Those are the things that are happening out there. These people that have got their heads in the sand over here better start recognizing it. Maybe if they listen instead of opening their mouths and can't learn to keep it closed periodically, maybe they'd learn something.

MR. STRONG: Why don't you tell the Minister of Social Services about this cheater, Stan?

MR. NELSON: She knows. Mr. Speaker, unlike the Member for St. Albert, I do go to the minister and identify these things. But no, they've got to keep it in their hip pocket and then try to make a big deal out of it.

It's nice for the members of the socialist New Democratic Party to sit there and giggle about all these hardships that some of our Alberta friends are having out there that some of us are concerned about. The minister of manpower has programs that he's developed to assist Albertans in a short-term manner. Mr. Speaker, they've tried to take a number of days to find out some things about those programs, and all they've got to do is go to the library downstairs. That's all they have to do, and they can find out.

Talk about jobs. The biggest capital expenditure budget in Canada per capita is being put into this province's economy: \$2.5 billion. Have we heard them talk about that, all the jobs that's going to be creating? Amazing. We don't hear them talking about the positive effects of creating many jobs through a \$2.5 billion capital project. My God, \$2.5 billion and they've got to sit there and say, "Well, what are you guys doing to assist Albertans?" [interjections]

MR. DEPUTY SPEAKER: Order please.

MR. NELSON: It's incredible, just incredible that these guys and gals over here cannot get their heads out of the sand, and they've got such thin skin that every time you talk about something that's reasonably positive in the budget or otherwise around here, they can't keep their mouths closed. They've got to yap around like a little chicken without its head on. Maybe that's one of the problems around here. They look like they're wimps anyway.

Let's talk about some diversification. Diversification, Mr. Speaker, is a fact of life that has been going on, and in fact Alberta has the second most diversified economy in Canada. If some of our wimpy friends over here would listen instead of sitting there and trying to interfere and periodically interrupt the speakers of the members opposite to them they might learn something. But unfortunately, they don't want to learn -- academic know-alls that haven't got any smarts, haven't been out in the real world yet. How much high-tech development is in this province? How much business has been done through Economic Development and Trade? How much . . .

MR. DEPUTY SPEAKER: Order please. The Chair hesitates to interrupt the hon. member. Under Standing Order 61(5), on the appropriation Bill, the question must be put at this time. All those in favour of third reading of Bill 38, Appropriation Act, 1987, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Those opposed, please say no.

HON. MEMBERS: No.

MR. DEPUTY SPEAKER: Carried.

[Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Downey	Moore, R.
Ady	Drobot	Musgreave
Anderson	Elliott	Musgrove

Betkowski	Fischer	Nelson	Hewes	Mjolsness	Younie
Bradley	Getty	Oldring	Laing		
Brassard	Heron	Reid			
Campbell	Hyland	Schumacher	Totals:	Ayes - 37	Noes - 13
Cassin	Johnston	Shrake			
Cherry	Jonson	Stevens	[Bill 38 read a third time]		
Clegg	Koper	West			
Cripps	Kowalski	Young	MR. YOUNG: Mr. Speaker, for the information of the House, the business of next Monday will be Committee of Supply, heritage trust fund estimates, in the afternoon, and since the Committee on Privileges and Elections will be meeting in the evening, the House will not be sitting on Monday evening.		
Day	Mirosh	Zarusky			
Dinning					
Against the motion:					
Barrett	Martin	Pashak			
Ewasiuk	McEachern	Sigurdson	[At 12:56 p.m. the House adjourned to Monday at 2:30 p.m.]		
Fox	Mitchell	Strong			