

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Friday, March 25, 1988 10:00 a.m.**

Date: 88/03/25

[The House met at 10 a.m.]

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

O Lord, we give thanks for the bounty of our province: our land, our resources, and our people.

We pledge ourselves to act as good stewards on behalf of all Albertans.

Amen

head: INTRODUCTION OF VISITORS

MR. RUSSELL: Mr. Speaker, today I would like to introduce to you and through you to members of the Assembly, some important visitors to Alberta. They are sitting in the members' gallery: 27 visiting exchange scholars, scientists, doctors, and graduate students from Alberta's sister provinces in China, Japan, and Korea, from the provinces of Hokkaido, Heilongjiang, and Kangwon. They are here for periods ranging from one to three years to share their experiences with their Alberta counterparts, to learn things that they can from Alberta, and to become missionaries and friends of their provinces and Alberta. I'd ask them to stand and receive the welcome of the Assembly.

head: NOTICES OF MOTIONS

MR. DAY: Mr. Speaker, I beg leave to give notice of a motion under Standing Order 40. I'll be asking that the Legislative Assembly of Alberta extend congratulations to the municipality of Red Deer, which today celebrates its 75th anniversary of incorporation.

head: INTRODUCTION OF BILLS**Bill 11****Motion Picture Development Amendment Act, 1988**

MR. SHABEN: Mr. Speaker, I request leave to introduce Bill 11, the Motion Picture Development Amendment Act, 1988. This being a money Bill, her Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Legislative Assembly.

Mr. Speaker, the purpose of the Bill is to broaden the mandate of the very successful Motion Picture Development Corporation to permit the corporation, in addition to providing assistance in the predevelopment of films produced in Alberta, to provide minority equity in film productions of Alberta filmmakers. It also provides for an expansion of the amount of capital in the fund from \$3 million to \$10 million, and it also extends the term of the Bill in that the existing legislation would have sunset on March 31, 1989.

[Leave granted; Bill 11 read a first time]

head: TABLING RETURNS AND REPORTS

MR. KOWALSKI: Mr. Speaker, I wish to table the response to Written Question 195, accepted a few short days ago.

DR. WEBBER: Mr. Speaker, I'd like to table in the House copies of regulations pursuant to the Nova, An Alberta Corporation Act.

head: INTRODUCTION OF SPECIAL GUESTS

MR. ELZINGA: Mr. Speaker, it's my pleasure to introduce to you and through you to Members of the Legislative Assembly, 50 outstanding students from the Jean Vanier school in Sherwood Park. They are students in grades 5 and 6. They are here with their teachers Miss Howrish and Miss Eshpeter and with parents Mrs. Flamman and Mr. Emil Dell'Orto. They are in the members' gallery, and I would ask that they would rise so they could receive the very warm welcome of the Legislative Assembly.

MR. STRONG: Mr. Speaker, it's my pleasure today to introduce to you and through you to all members of the Assembly, a group of 84 grade 6 students from Bertha Kennedy school in St. Albert. They are accompanied today by their teachers Mrs. Marica Takacs, Ms Beryl Kerkhoven, Mrs. Sandy Cimino, and parents Mrs. Joanna DeVries, Mr. DesLauriers, Mrs. Carol Jordan, and Mrs. Garneau.

In addition, Mr. Speaker, we have a special guest who accompanied them, and that's Mrs. Carey Organ who is a school trustee for district 3 in St. Albert. I thank you for coming, Carey. It's wonderful that you have the commitment to the students to come out and spend the day in the Legislature.

Mr. Speaker, they're seated in the public gallery. I'd ask that they rise and receive the traditional warm welcome of this Assembly.

head: ORAL QUESTION PERIOD**Loans to Industry**

MR. MARTIN: Mr. Speaker, to the Premier. The Premier is well aware that the provincial government recently advanced \$12 million in cash to a company owned by Mr. Pocklington and issued a further loan guarantee of \$55 million. The ostensible purpose of this loan was for the construction of a new hog slaughter plant in southern Alberta. My question: does the Premier recall whether the government investigated whether Alberta has a sufficient hog supply to support such a facility before he agreed to the new loans?

MR. GETTY: Mr. Speaker, first of all, the government hasn't issued \$12 million cash to Gainers. As a matter of fact, that would be a loan of some \$4 million over three years, fully supported by the company at an interest rate of some 9.6 percent. In terms of the details of that loan and the various parts of our economy that it will support, those are matters my colleague the Minister of Economic Development and Trade handles.

MR. SHABEN: Mr. Speaker, I'm certain all members understand how important it is to have the capability to process our

agricultural products in Alberta. A key export of Alberta in recent years has been pork and beef. Historically there have been cycles in production of pork, and the packers in Alberta are conscious, as are the producers, of those cycles of production depending on price and market. The factors involved are many, including the price of grain, the opportunities for marketing processed meat in the United States, as well as the overall pricing regime in North America for red meat. Those are factors that were taken well into account when the package was negotiated with Gainers, and our expectation is that a hog slaughtering and processing plant will be constructed in southern Alberta within the next two and a half to three and a half years and in production.

MR. MARTIN: Mr. Speaker, back to the Premier. I wish the Premier would start showing some leadership and stop weaseling around on this particular issue. I want him to tell Albertans -- they want to know -- why one man, Mr. Pocklington, seems to have open sesame to the provincial Treasury, the Treasury Branches, and loan guarantees. Why is this happening?

MR. GETTY: Mr. Speaker, it's really interesting, the hon. Leader of the Opposition. I mean, we have loans to Syncrude, made up of Esso, Amoco, Gulf. We have loans to Husky. We have guarantees to a huge Japanese lumber company. We have guarantees to a huge U.S. lumber company, Champion. And what do they complain about? When an Alberta company gets a guarantee, then they're not caring about the Alberta economy. They don't care about jobs for Albertans or processing of agricultural products. They're playing cheap politics; that's what they're doing.

MR. MARTIN: Mr. Speaker, there has not been one job created, and there's been \$198 million given out, \$198 million of taxpayers' money. How can the Premier justify that?

MR. GETTY: It's interesting, Mr. Speaker, what the employees at Gainers said. They said: "This means we have a future. This means we can expand. This means Alberta will have this processing." They know who cares about jobs, and it's not that timid bunch across the way.

MR. MARTIN: Whenever the Premier doesn't have an answer, he calls people timid or wimps, Mr. Speaker. That's what they expect from this Premier: no answers, just name calling.

If the Premier is aware, he can talk about all the jobs he wants, but to come back, Alberta presently has a surplus of some 3,000 hogs per month, and this new plant would require at least 20,000 hogs per week or 80,000 per month. Now, my question to the Premier: how is it possible to supply these hogs without closing some other processing facility in the province? Have they talked to the Gainers workers about that?

MR. GETTY: Everybody knows, Mr. Speaker, or should know, that the key in food processing is to make sure you modernize and expand and process a greater and greater number of units. They should know. It's interesting that they have such a negative outlook of Alberta that they don't think our farmers can expand with free trade coming up, new markets into the United States and into the Pacific Rim. We're going to produce those hogs, and we're going to process them. We're going to make this economy go, and this bunch hates it. It's too positive for them.

MR. TAYLOR: Mr. Speaker, my question is a supplemental also to the Premier. I don't think our concern is jobs for Albertans; it's the fact that he has made just one job. He's created a job for one Albertan who's breaking his back hauling the government money to his bank. Would the Premier care to tell the House how much of Mr. Pocklington's purchase of Canbra Foods in Lethbridge of \$14 million was financed by the government or the Treasury Branches?

MR. GETTY: Mr. Speaker, I've said yesterday in the House that the government doesn't get involved in the Treasury Branch loans. I mean, this is a commercial arrangement made with a financial institution. I would think the leader of the Liberal Party would be saying, "Am I ever glad that with the banks withdrawing to Toronto and Montreal, we have a Treasury Branch that's supporting industry in this province," not trying to knock holes into something that's positive. They'd rather see things bad. They loved it when prices of oil were down and unemployment was high. Well, that's changed, gentlemen, and you just don't like it, do you? Tough.

MR. ZARUSKY: Mr. Speaker, since the hog producers are in favour of secondary processing industries in this province, I have a question to the Minister of Agriculture. Could he indicate what hog production in Alberta is? Is it on the increase, or is it decreasing? And any numbers, if possible.

MR. ELZINGA: Mr. Speaker, I'm happy to underscore the comments of our Premier, whereby the hog numbers are increasing in this province, whereby the local union endorsed this proposal. The president of the union, John Ewasiw, indicated it will create jobs, contrary to what the New Democratic Party is saying. He's president of local 280P. In addition to that, we have the endorsement of the hog producers themselves. I have a letter here that says, "Please be reassured that the board of directors . . . is most pleased about the prospect of having a pork plant in southern Alberta.

Mr. Speaker, again contrary to what the New Democratic Party is saying, our hog numbers are up. We've done an economic analysis to show that it is a very good thing for our hog producers and for the further processing sector in this province. If I could just underscore what the Premier said, whenever there's good news, we've got the bunch opposite who are just not accepting of something that's good for this province.

MR. R. SPEAKER: Mr. Speaker, supplementary to the Premier. The Premier enumerated a very impressive list of various companies that received loans or loans guarantees. Would the Premier consider tabling those kinds of agreements in their finalization in the Legislature so that we as the members of the Legislature are aware of that complete list or a list that grows as time progresses?

MR. GETTY: Mr. Speaker, certainly the government has announced them every time, and the members should have an ability to keep a list. In terms of requiring agreements, he should put it on the Order Paper, and we would see whether there is some competitive nature of a company that might be damaged. It's always been the custom in the House to make sure that government does not do something to damage the competitive nature of those organizations. [interjections] It's interesting that visitors to our Legislature would see that the two parties who have almost destroyed decorum in the House of Commons are

now trying to damage it here in Alberta. It's a . . . [interjections] Well, it is interesting, isn't it, Mr. Speaker?

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

MR. MARTIN: Yes, Mr. Speaker. I'd like to designate my second question to the Member for Edmonton-Kingsway.

Fiscal Policies

MR. McEACHERN: Thank you. Mr. Speaker, I had intended to ask my questions of he who can't remember; instead, I will ask them of he who doesn't know. Mr. Premier, according to the Provincial Treasurer's own speech on page 21, his much heralded tax cut will save rich families, a family of four earning \$100,000, some \$438, enough to buy about six bags of groceries. However, a family of four earning about \$40,000 will save only \$183, enough to buy about two and a half bags of groceries. Six bags for the rich, two and a half bags . . .

MR. SPEAKER: Hon. member, we're now up to three sentences. Could we have the question?

MR. McEACHERN: Would the Premier tell us what's fair about that?

MR. GETTY: Mr. Speaker, first of all, as the Provincial Treasurer said when he introduced his budget last night, by far the biggest impact and the tax reductions are for lower income families. It's obvious in the documents that were presented in the House. As a matter of fact, the hon. member's own information that he's giving you shows that per \$10,000 of earnings, you have a greater percentage of tax relief to the lower income earner. His own figures justify that.

MR. McEACHERN: Yes, Mr. Speaker, and we even have people living below the poverty line paying taxes and lining up at our food banks for their bags of groceries. Does the Premier believe that Albertans should be happy that last year his government grabbed a billion dollars out of their pockets, about \$1,200 per family of four earning \$40,000? Now his budget gives them back \$74 million, about \$185 for each family. Should Albertans be happy about that?

MR. GETTY: Mr. Speaker, what Albertans are happy about is that we're the only government in Canada that's reducing their deficit, reduced their deficit by \$2.5 billion. No government in Canada has the guts to do that, and this government has. At the same time, it's turned around the economy; at the same time, it's diversified the economy; and at the same time, it's giving tax benefits back to the people of Alberta while we're supporting medicare, education, the handicapped, senior citizens, and social services. That's why the people are happy.

MR. McEACHERN: Sure; isn't that wonderful. Last year we increased taxes, and that increased jobs. Hah.

MR. SPEAKER: Get to the question, please.

MR. McEACHERN: Does the Premier think it's fair that corporations paid 37 percent of the income taxes collected in this province in the first five years of Tory rule, paid 28.5 percent in

the next five years, 13 percent in the next five years, and in the three years we are currently in, the 1986-87 year to the 1988-89 year, they will pay only 4.5 percent of income taxes collected in this province?

MR. GETTY: Mr. Speaker, the whole overall corporate tax pot is expanding, sure. Therefore, their percentage might go down. But let's remember one other thing: we want profits in our companies because profits mean payrolls, and payrolls mean jobs. We're turning this economy around, and he just doesn't like it.

MR. McEACHERN: Mr. Speaker, to he who doesn't know, it's the royalty tax credits that are doing the job on the taxpayers of Alberta. The flip side of that coin is that the three-year average for the . . .

SOME HON. MEMBERS: Question.

MR. McEACHERN: Be patient.

The personal income taxes in Alberta for the last three years, then, for the years 1986-87 to 1988-89, will be 94.5 percent of the taxes collected in this province. Is that fair to the taxpayers of this province?

MR. GETTY: Mr. Speaker, one thing the people of Alberta, as I traveled throughout the province, asked us to do was to make sure we put the financial house in order with good fiscal management and put out a plan for a balanced budget. We've done it, and Albertans have supported that overwhelmingly. As a matter of fact, they had an opportunity to reflect on this in Chinook recently. They all lost their deposits. I suggest that they lay off the question to someone who can handle it a little better than what we just had from that individual.

MR. SPEAKER: Member for Westlock-Sturgeon, followed by Stettler, [interjections] Order please, in the House, [interjections] Order please, in the whole House.

MR. TAYLOR: Mr. Speaker, thank you. It falls again to me to bring some sense of decorum back to the table.

AN HON. MEMBER: What was that about Decore?

MR. TAYLOR: You get the apple; I'll get Decore.

A supplemental to the Premier with respect to fairness to all Albertans. The fact that the Treasurer announced that the increase to those on social assistance will be \$15 a month, a measly three and half dollars a week: does he really think that's fair, a three and a half dollar a week increase in the food allowance to those on social assistance?

MR. GETTY: Well, Mr. Speaker, the government uses certain measurements of what would provide a nutritious food allowance to people on social allowance. The government takes those measurements and then adjusts - in this case, a 13.5 percent increase. Talking to people who are in the social services area within Alberta recently, this morning, they feel that's a very, very good increase, and they're pleased with it.

MR. SPEAKER: Member for Stettler.

MR. DOWNEY: Thank you, Mr. Speaker. A supplementary

through to the Minister of Career Development and Employment. I wonder if he could estimate, in view of the budget announcement of \$2.5 billion in new capital expenditures, what that will do in terms of employment in the province.

MR. ORMAN: Mr. Speaker, I'm more than pleased to do that. As we indicated last year, we had one of the biggest capital construction budgets in the history of this province, and it created some 67,000 full-time jobs. That's at \$2.8 billion capital construction. This year with \$2.5 billion capital construction we are still going to see in excess of 60,000 full-time jobs in this province created as a result of that capital budget.

MR. TAYLOR: My main question is also to the Premier, about this great-news budget he has talked about, Mr. Speaker, for the last couple of weeks. It's really a masterpiece in PR, appearing to give something, fudging income, fudging the outgo. In particular -- and I think this is probably most revealing of all -- the Executive Council under the Premier is going to have its PR budget increased 38.2 percent to let us know how well we are. Naturally, when you give nothing, you've got to increase the PR budget.

AN HON. MEMBER: He's reading the paper again.

MR. TAYLOR: Read the papers.

The first question is with respect to agricultural crop insurance, Mr. Speaker. The Premier has cut the amount of money going into agricultural crop insurance by a third. How does he equate that with the Minister of the Environment's forecast that there would be a drought -- a drought of water, mind you, not a drought of words -- over the next year? And we're cutting crop insurance by a third.

MR. GETTY: Mr. Speaker, the crop insurance system is handled by the Associate Minister of Agriculture, and I'd ask her to respond to the hon. member.

MRS. CRIPPS: Mr. Speaker, the . . .

[Mr. Taylor stood]

MR. SPEAKER: Hon. Member for Westlock-Sturgeon, the minister . . .

MRS. CRIPPS: Do you want the answer or not?

MR. TAYLOR: Oh, I'm sorry.

MR. SPEAKER: Hon. minister, you can't ask that question, but please proceed.

MRS. CRIPPS: Mr. Speaker, the Alberta government covers the operational cost of the crop insurance program, and we have not, in fact, cut the crop insurance budget. We've maintained the operational and have actually added to that budget. The cut which is shown in the budget document papers is in relation to the high-risk subsidy, and that subsidy has been phased out because everybody is up to the normal coverage level.

MR. SPEAKER: Supplementary.

MR. TAYLOR: Mr. Speaker, if you can figure that one out,

you're better than I am.

But let's move on to another one, to the Premier. The Premier made much of improvements in health care, Mr. Speaker. Where in the budget is the reinstatement of insurance for chiropractors, optometrists, physiotherapists, contraceptive counseling? Where in the budget are those reinstatements?

MR. GETTY: Mr. Speaker, there's been no comment about reinstating those matters. But what the hon. leader of the opposition now appears to want to do is to go into sort of an estimates discussion of the budget, and we have hours and hours and days and days of time when I would expect him to use that time for those types of questions. I don't think it really is for the question period, although if that's the way he wants to use it, I'll try.

MR. TAYLOR: Mr. Speaker, it's interesting that there just might be a possible reinstatement of that. I didn't realize that.

Let's move to education, which is supposed to be, as Mr. Premier said time and again, the prime emphasis of his government. How can he argue that it's a prime emphasis when, in fact, the school boards are really going to get just barely over 1 percent increase in spite of the fact that the budget says 4 percent by averaging next year? Why didn't they say 10 percent and average it the year afterwards? Or 20 percent, but three years down the road? It's only going to be 1 percent this year. How can he call that emphasizing education for Albertans?

MR. GETTY: Mr. Speaker, first of all, it's a 4 percent increase on a school year. Now, I understand the position that the Liberals and the NDP take, and that is that you always try and spend faster than inflation. We've seen what those parties have done in our federal government when they spend faster than inflation. They end up lumping it onto sons and daughters and their sons and daughters, and they say that it's all free, and then some day in the future our children wake up and find that these two parties have put such a debt on their backs that they never, ever will be able to pay it back. That's their kind of budget.

MR. TAYLOR: Mr. Speaker, you put the heat on him and it really does show up that he isn't increasing things.

This is to the Premier again, in a field that he's familiar with, in energy, and Liken in context with his earlier statements about giving the major amounts of guarantees to large corporations. How can he justify increasing the oil sands equity management budget by 343 percent, nearly three and a half times, when at the same time our small producers and our drilling companies, our conventional oil industry, our rig count are going down each month?

MR. GETTY: First of all, Mr. Speaker, the rig count has been strengthening this year. The conventional oil industry is doing extremely well in this province, the best anywhere in North America. As a matter of fact, they are able to make the same dollars in the area with energy prices at \$16 to \$18 U.S. as they used to be able to make at \$28 U.S. They like the conditions, and they like the incentives. They're making money and increasing their employment.

As far as the Alberta equity in energy, obviously we are looking forward to building more and more oil sands plants. There has to be engineering and other work done to prepare for that. We have an interest in those leases, and the funds are there. Because we believe in the future of the oil sands, we're

going to make it happen.

MR. R. MOORE: Supplementary, Mr. Speaker, to the Minister of Hospitals and Medical Care. Now, on the question of funding in the budget for our medical area and also education, would the minister advise the House in terms we'd all understand -- get away from these percentages that we don't really hook up without the documents in front of us? Would he put it on a per capita basis of what financial support we're giving in the medical field?

MR. M. MOORE: Well, first of all, while the budget documents reflect the 7 percent increase in the Department of Hospitals and Medical Care, it should be recognized that a large portion of that is for the opening of new facilities including the Mill Woods hospital in Edmonton, the Peter Lougheed hospital in Calgary, and the Lethbridge hospital.

With respect to expenditures, as the budget documents indicated, when you consider the department I'm responsible for, Community and Occupational Health, and the health side of the Social Services department, we're approaching \$4,000 per family in Alberta or about \$1,400 per person.

MR. R. SPEAKER: Supplementary question to the Associate Minister of Agriculture with regards to the crop insurance premium. Could the minister indicate what effect that change of policy will have with regards to subsidies, I guess, from the government in terms of the farmers' premium, what effect that will have in terms of the farmers' premium payment in this upcoming crop year?

MRS. CRIPPS: Mr. Speaker, it will not affect the overall farmers' payments on crop insurance because it only applied to a few farmers in the first place who were in a specific area which had drought conditions, as opposed to the rest of the province. So it won't affect individual payments.

MR. SPEAKER: Main question, Member for Little Bow, followed by the Member for St. Paul.

Accumulated Budget Deficit

MR. R. SPEAKER: Mr. Speaker, my question was to the Provincial Treasurer, but I can direct it to the Premier. Generally, the budget presented last night -- I accept the principles. I feel it was rather a good job under difficult circumstances. The pursuit of the balancing of the budget, the reduction of the deficit: very positive.

My question, though, to the Premier relates to page 25 of the budget. There's an item there that is not dealt with in terms of future policy of the government, and that will be the accumulated deficit of some \$6 billion. Could the Premier indicate what would be the plan of the government following the fiscal year 1990-1991 when the budget is finally balanced and we have this budget baggage that has to be dealt with in an overall expenditure program?

MR. GETTY: Mr. Speaker, it's the intention of the government, obviously, to reduce the accumulated deficit as rapidly as possible, and we are building into all of our plans exactly that action. Of course, when the hon. member and I are talking about 1990-91, obviously neither of us can predict clearly that far out into the future. But it's the government's intent to re-

duce that accumulated deficit as rapidly as possible.

MR. R. SPEAKER: Mr. Speaker, supplementary question to the Premier. With regards to our current triple A credit rating, what does an accumulated deficit such as that have in terms of effect on that rating, if any?

MR. GETTY: I believe, Mr. Speaker, that the rating for the province is double A. Frankly, with the Alberta heritage trust fund, with the lowest debt-servicing costs anywhere in Canada, Alberta's credit rating, and the way that financial institutions both in Canada and throughout the world look at Alberta's debt and the bonds and debentures that we wish to distribute -- they seek them out very aggressively. We are able to be the most favoured debt instruments in Canada.

MR. R. SPEAKER: Final supplementary, Mr. Speaker, to the Premier. It's with regards to priorities. In terms of the Heritage Savings Trust Fund, we have taken the earnings and put them into general revenue, as well as any other potential redirected nonrenewable resource revenue. Would the Premier indicate which would be the higher priority of government: to deal with this accumulated deficit or to reinstate some of the funds to the Heritage Savings Trust Fund?

MR. GETTY: Mr. Speaker, it would be a balance of those. Obviously, once we have a balanced budget, we would then want to consider very much continuing to once again have the heritage trust fund grow with a portion of our nonrenewable resources. But when you're in a period of time when you are borrowing, it doesn't make very much sense to go and borrow money in order to put some money into the heritage trust fund. But we would certainly want to, as soon as we have a balanced budget, once again start to put some portion back into allowing the heritage trust fund to grow.

MR. SPEAKER: The Leader of the Opposition, followed by Westlock-Sturgeon.

MR. MARTIN: Yes, Mr. Speaker. In this next year, and it ties into the long term, of course, they're based on \$18.50 a barrel of oil. Now, most observers think this is somewhat optimistic. My question is, because this is so important in the discussion that we're having: what were these figures based on?

MR. GETTY: Well, Mr. Speaker, as everyone knows, trying to predict the price of oil is an extremely difficult matter. As a matter of fact, normally if you pick a price, probably the odds are you won't hit it exactly at all. However, the government of Alberta -- the Minister of Energy, the Provincial Treasurer, myself -- do get information and talk to people all over the world who are as knowledgeable as possible on energy pricing. Of course, we have the Energy Resources Conservation Board, the Department of Energy, we have the Petroleum Marketing Commission: all of them also monitor oil prices. We think \$18.50 is a good figure. It may well be stronger, because there are more and more people starting to say now that they're looking at a quicker escalation in prices in the future.

Everybody has his own judgment, but I want to point this out to the Leader of the Opposition. As well as the price of oil, remember the tremendous benefits flowing to our province because of increased markets for natural gas, an all-time record sale of natural gas in the United States. Into this year, into

1988, that is growing even more, so we are looking to that. As well, remember that we're diversifying this economy, so it's not just that oil base any longer. It's the forestry side, the technology side, the huge growth in tourism. This is a much stronger economy now, and I don't think you'll find that the oil price is going to be the single factor it has been in the past.

MR. TAYLOR: Mr. Speaker, again to the Premier, a supplementary to what the hon. Member for Little Bow started. With the preoccupation of this government in reducing the deficit and the difficulty, as the Premier has already outlined, of forecasting the price of oil, bearing in mind that our Canadian dollar going up also decreases what we receive for oil but bearing in mind that we might miss quite considerably on the low side on an oil estimate, would he give his guarantee to this Legislature and through us to the people of Alberta that he will not cut any of the programs that have already been set forward in the budget if indeed oil prices looked like they'd dropped?

MR. GETTY: Well, Mr. Speaker, it's typical of the hon. member that the first thing he does is pick the drop. As I said, we estimate what we think will be right. The odds are that we may well be as much conservative in the price of oil as we are being too aggressive. It was indicated from our budget when we had the large deficit that the one thing this government is determined to do is continue to make sure that the people programs in Alberta are supported, and that's why we have the best people programs in Canada.

MR. SPEAKER: Main question, Member for St. Paul, followed by Edmonton-Calder and then Edmonton-Meadowlark.

Forage Supplies Protection

MR. DROBOT: Mr. Speaker, I would like to direct my question to the Associate Minister of Agriculture, with regards to her responsibilities for Alberta hail and crop insurance. Last year due to severe drought conditions in northeast Alberta there were inadequate forage supplies. If any action has been taken to improve the situation for these farmers, since they were not eligible for the livestock feed security program . . .

MRS. CRIPPS: Thank you, Mr. Speaker. I would be pleased to respond to the member's question. Only north of Highway 16, basically, were the farmers in Alberta unable to obtain the forage crop benefits or the forage protection program, and there was indeed an area in northeastern Alberta which was very, very dry and did have short feed supplies. We made a decision earlier this year, which I announced towards the end of January, that we would expand the forage program to the entire province so that the farmers in northeastern Alberta have the option of making a decision about whether they want to protect their forage supplies or not.

MR. DROBOT: Supplementary, Mr. Speaker. I'm certainly pleased to hear that they will be eligible for the program. Is there a deadline for application, and what is the date?

MRS. CRIPPS: Mr. Speaker, there is indeed a deadline for the application; it's March 31. The crop insurance corporation has sent out notices and pamphlets to all agricultural producers so that they are aware of the extension of the program and the deadline for application.

MR. DROBOT: Second supplementary, Mr. Speaker. Since the program will be new in that area, will the minister consider extending the deadline should it be necessary?

MRS. CRIPPS: If there's a problem, Mr. Speaker, I certainly would take that into consideration. My understanding is that it has been highly publicized and there really shouldn't be any problem.

MR. FOX: In terms of the serious drought in northeastern Alberta, Mr. Speaker, I'd like to ask the Minister of the Environment if he's had time to consider the suggestion I made to him in a letter last week about reinstating the very useful drought assistance program run through his department during the last drought, which helped people whose water supplies both for domestic and livestock purposes were lost due to drought. Will he consider reinstating that program?

MR. KOWALSKI: Mr. Speaker, the suggestion put forward by the Member for Vegreville is under review, but having had a question asked, I think it's important to point out that we've just come out of the 13th warm, dry winter in a row, and we've got a very difficult situation facing Alberta through 1988, as it appears to be. In addition to having 13 cumulative years of a warm, drying trend, we've also got the second lowest snowpack in the Rocky Mountains in the last 20 years. So the efforts of the government through 1988 will be addressed to all aspects of water shortage and drought in the whole province of Alberta, and all of my colleagues will be working together to deal with that matter.

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

Assured Income for the Severely Handicapped

MS MJOLSNESS: Thank you, Mr. Speaker. My questions are to the Minister of Social Services. Many mentally ill persons receive the assured income for the severely handicapped from the Department of Social Services. Due to a recent policy change the department now has a regulation stating that if a person is admitted into a hospital for treatment, their benefits are cut off after 30 days. However, if you go on a holiday, you can receive AISH for up to six months. Can the minister explain this outrageous policy which encourages holidaying and discourages treatment?

MRS. OSTERMAN: Mr. Speaker, there is always difficulty in our various programs in assessing whether someone is going to be in a treatment facility for a short, medium, or longer term. At the same time, when that individual has to keep up a home that he may potentially go back to, some judgments have to be made. I believe that as a result of concerns that were raised with me earlier in the winter, we have lengthened the amount of time now allowed, but I will get that information and report back to the hon. member.

MS MJOLSNESS: A supplementary to the minister, Mr. Speaker. Does the minister not recognize that this policy results in patients' leaving institutions before they are ready, without having received full treatment, for fear of having their benefits cut off and losing their homes? Will she change this policy?

MRS. OSTERMAN: Mr. Speaker, I believe I just answered the question, and the hon. member hopefully will consider the answer before reading the standard question that she has outlined. It's for those very reasons that I reviewed the policy earlier this winter and we did lengthen the time. I'll report back to the hon. member as to how long that is.

MS MJOLSNESS: Well, Mr. Speaker, if there's been an extension, the social workers are unaware of that policy change.

Mr. Speaker, a supplementary to the minister. There are some other problems with the AISH program as well. The minister is surely aware that some AISH recipients are living in slum housing. Why is this minister not taking responsibility to ensure that taxpayers' money is being spent on adequate housing rather than unfit slum housing?

MRS. OSTERMAN: Mr. Speaker, it has not been the habit of the Department of Social Services and individual workers to intervene in the lives of people and say to them that they must not live in certain places. I think it is fair to say that certainly our workers would encourage people, when they see them in circumstances they believe could be improved, to make those suggestions. But in the end, individuals will determine where it is they are going to live.

MS MJOLSNESS: Well, a final supplementary to the minister then. Is the minister saying, then, that even though taxpayers' money is going to directly fund slum housing, she sees her department having no responsibility other than providing those funds to those people?

MRS. OSTERMAN: Mr. Speaker, it is always a balance to judge how far government walks into people's lives. It is our judgment that we must supply basic living support dollars in order for people to be able to look after themselves. But if the hon. member is suggesting that beyond that, social workers and others get into dictating precisely how that money will be spent by individuals, no, we have not done that.

MR. SPEAKER: Member for Dunvegan, followed by Edmonton-Gold Bar.

MR. CLEGG: Thank you, Mr. Speaker. I'd like to ask the Minister of Social Services how we compare in Alberta with other provinces in the AISH program.

MRS. OSTERMAN: Mr. Speaker, it's interesting that when trying to provide information through the legislative Question Period that relates to the full context of the discussion -- and certainly I think it's important that looking at how taxpayers are supporting the system in Alberta is an important one to do within the Legislature. Surely if the taxpayers are supporting a program, just as the hon. Member for Edmonton-Calder has just questioned, that they understand how well they are doing in relation to the rest of the country . . . Mr. Speaker, there is not another pension program like this in the rest of country. There is means testing in other jurisdictions that certainly doesn't allow for individuals to be on a pension instead of on some form of social allowance.

MRS. HEWES: Mr. Speaker, a supplementary to the minister. Will the food allocation increase spoken to yesterday in the budget be given to AISH recipients as well? They are already

calling to find out the answer to that question.

MRS. OSTERMAN: Mr. Speaker, the food allowance that was spoken to is one that only relates to the social allowance category. As well, there was recognition of that given to the foster parents, who obviously have taken on a great responsibility with respect to children in government care. The AISH pension is a global figure, and we do not have specific categories within it.

MR. SPEAKER: Member for Edmonton-Meadowlark.

Economic Development

MR. MITCHELL: Thank you, Mr. Speaker. There is a fundamental difference between a public relations budget based on the luck of the oil revenues draw and a substantive vision for the long-term economic development of this province. Important elements are missing. Diversification: how can the Premier claim a true commitment to diversification and then reduce funding to the economic development department, the one department charged with promoting small business, a key element in the diversification of this province?

MR. GETTY: Mr. Speaker, the hon. member should know, I would think, that the real people who make an economy diversified are the private sector. The government assists and establishes the climate, and that's what we're going to do.

MR. MITCHELL: So you admit reduced assistance to the real people who diversify this province.

Free trade: how can his government place so much public relations emphasis on free trade and its benefits for small business and leave unchanged total funding for trade development, export services, market development, and product development?

MR. GETTY: Again, Mr. Speaker, he's following along the same pattern as his leader -- I hope. He's doing an estimates exercise during the question period. The matters he's raising are within the budget of the Minister of Economic Development and Trade. He can deal with them in his estimates or he can take the time now, I guess. I'd refer that to the Minister of Economic Development and Trade.

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?

MR. SHABEN: Mr. Speaker, I'd be really pleased to deal with the specifics of the items referred to by the hon. member in the budget of the Department of Economic Development and Trade. He mentioned a couple: export services . . . And as a matter of fact, there is a provision for the reinstatement of the export services support program, which was to have sunsetted in the current year. There's also an expansion through the creation of a new modified management assistance program to assist small and medium sized companies to access the export market.

One of the reasons we've been able to reduce some of the expenses in the department is to draw increasingly upon the fed-

eral programs such as PEMD to support our small businesses and assist them in accessing these federal programs.

Another initiative, Mr. Speaker, will be to reduce the support to companies who have previously received support for trade missions on a number of occasions and try to provide support to newer companies. So we're pretty excited about the capability in our budget to respond to the export opportunities, and I look forward to discussing it with the member during the discussion of the estimates.

MR. MITCHELL: Public relations mastery, Mr. Speaker. Trade and investment development is reduced so that export services support can be increased. Nils out; no improvement.

Small business capital funding: another important element of diversification. How can the government claim support for balanced economic growth and then reduce funding to the Alberta Opportunity Company, which is an important source of capital funding for small business in this province?

MR. SHABEN: When one examines all of the initiatives for business development, one should focus as well upon the available support in the Department of Technology, Research and Telecommunications, in the Department of Tourism, and in other departments. Selective memory loss by the hon. member seems rather convenient, and I think members are well familiar with that penchant of the hon. member.

MR. MITCHELL: What about the small manufacturers in Brooks and Hanna and Lloydminster?

The Premier has increased his own public relations budget by 38 percent while reducing emphasis on small business support. This is to the Premier. When is this government going to stop emphasizing public relations and start doing its job for balanced economic growth through small business development in this province?

MR. GETTY: Mr. Speaker, it's interesting that the hon. member is talking about the Public Affairs Bureau. The large increase in there is to capitalize on the tremendous job that Calgary did with the Olympics, supported by all Albertans. It opened the eyes of the world to this province. Now we are following up on that with a world awareness program to make sure that we can capitalize on the benefits of the Olympics. That's those dollars all over the world selling Alberta to the world, because we're determined to diversify, and our tourism is booming. We're using this to attract people and investment, and we're flowing \$50 million into the tourism industry through lotteries.

We have \$1.5 billion in forestry -- I think it was \$200 million in the previous 20 years -- making that forestry resource an important part of diversification in this province. The technology benefits . . . So, Mr. Speaker, when the hon. member is talking about growth in this province's economy, we're talking not just agriculture and energy -- they are important, and they're both going to be stronger and stronger in the future -- but also forestry, also technology and research, also services, also tourism. There is a tremendous economy growing here, and you just watch it. Because we're doing the job for Albertans.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. For all the Premier's bragging the fact is that every economic department has

been cut, and we've been making large handouts to various organizations, which he was just bragging about today, all over the province. Why, Mr. Premier, don't you bring those plans for your economic activities in this province into this Assembly and have them debated properly and fully instead of suggesting that you might -- you know, well, people should be able to keep lists?

MR. SPEAKER: I think the question's been made.

MR. McEACHERN: Well, what's the policy?

MR. GETTY: Well, I don't know what kind of gibberish that was, Mr. Speaker. Here's the budget. The documents are here. They're going to be debated. [interjections] I know, to come back to it, how much they dislike the success story that's going on in this province, how they just can't stand the fact that the economy has turned around and rebounded so strongly. They can't stand the diversification that's happening. They can't stand the benefits flowing to Albertans from jobs and a stronger and stronger economy. So let's hear all about his concerns as the debate goes on, but don't claim that we aren't debating it in this Legislature. That's nonsense.

MR. SPEAKER: Calgary-North West.

DR. CASSIN: Yes, Mr. Speaker. To the Minister of Economic Development and Trade. Could the minister tell us what percentage of the expenditure in last year's budget pertained to developing the infrastructure to develop this department that's now up and working well?

MR. SHABEN: Mr. Speaker, a certain portion of the budget each year is for extraordinary measures. That's why it's difficult to compare year-to-year percentages. We have, however, as I indicated earlier, been able to trim expenses in certain areas such as hosting and entertainment in order to continue to achieve a high level of service to the small business community but at the same time reduce the overall spending.

ORDERS OF THE DAY

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. SPEAKER: First I would like to recognize, seated in my gallery, a former Deputy Speaker of this House and the former Member for Edmonton-Beverly, Mr. Bill Diachuk. I hope he'll be welcomed.

Government House Leader, introduction.

MR. YOUNG: Mr. Speaker, I would like to introduce to you and to the members of the Assembly, 29 students in the members' gallery who have joined us in the last few moments. They are from the McKernan elementary and junior high school in the riding of Edmonton-Parkallen, represented in this Assembly by the former Government House Leader Mr. Crawford. On his behalf I would ask them to stand and be recognized and receive the warm welcome of the House.

MR. SPEAKER: The Member for Red Deer-North with regard to Standing Order 40.

MR. DAY: Thank you, Mr. Speaker. On this day three-quarters of a century ago the municipality of Red Deer officially incorporated. The MLA for Red Deer-South, Mr. John Oldring, and I would like you and all members of this Assembly to know that 75 years later the city of Red Deer continues to shine as an example of a community that combines enterprise, progress, caring, and a unique sense of family to offer a superior quality of life to all its citizens. Mr. Speaker, on this important anniversary, as we look forward with confidence to the future, we look back with gratefulness to the men and women who have laid the sure foundations of strong values on which Red Deer now stands. On behalf of His Worship Mayor Bob McGhee, we invite you and indeed all Albertans to visit our fair city in this commemorative year and especially during the celebration week of August 1.

Mr. Speaker, I would now invite all members of this Assembly to consider a vote in the affirmative resolving that:

the Legislative Assembly of Alberta extend congratulations to the municipality of Red Deer, which today celebrates its 75th anniversary of incorporation.

Thank you, Mr. Speaker.

MR. SPEAKER: Under Standing Order 40, first, does the House give unanimous consent that this is an urgent and pressing matter? Do you agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried unanimously.

With respect to the motion as moved by the Member for Red Deer-North, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries. Let it be shown as being unanimous.

head: **GOVERNMENT MOTIONS**

4. Moved by Mr. Johnston:

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

[Adjourned debate March 24: Mr. Martin]

MR. MARTIN: Mr. Speaker, it's indeed a privilege to speak on the budget speech, especially after question period, where the government, especially the Premier of the province, seems to want to put on rose-coloured glasses. I'm sure this government, by the time this session is through, will have an awfully sore back from clapping themselves on the back. But the reality is that many people see economic and social opportunities much differently from this government. They may think they're speaking for all the people because they happen to talk to Peter Pocklington and some of the chambers of commerce, but there's a whole reality out there that they don't understand.

It was good to see the Treasurer and to realize he'd recovered his memory in time to bring down the budget speech, that his amnesia was now under control. I will be positive, Mr. Speaker: I thought he did an excellent job reading the speech. I didn't see much stumbling at all.

But, Mr. Speaker, this budget is being passed off, and with all the hype for months ahead of time, as a good-news budget. I

suppose it's good news. It's like hitting your head against a wall. After you stop, it feels better. It's good news in comparison to the unfair regressive budget we had last year. That's the only good news about it. This budget is actually a standpat, hold-the-line type of budget.

Now, Mr. Speaker, the government enjoys an apparent windfall because it deliberately underestimated revenues. I say "deliberately," Mr. Speaker, because most people at the time were saying that that price of \$17 was much too low. But it's always been that this government... [interjections] I've sat around and listened to this government. They always deliberately do this and then come back and say: "Oh boy, aren't we good managers? We have \$900 million more." The backbenchers may not like that, but some of them probably haven't read the budgets in the past; that's happened before. This means that last year -- now they're trying to pass this off as good management because they're bad predictors. This means the reality is that Albertans were overtaxed by some \$900 million last year, Mr. Speaker, and using the fiscal plan of the government as a measure. In other words, why did we gouge Albertans over \$1 billion last year if we didn't need it? We have \$900 million more. It has nothing to do with good management from this government. Certainly overtaxation is one way to reduce the deficit, but the point is that it's not fair. It's certainly not fair to average Albertans. It also indicates that not all the cuts imposed in last year's budget can be justified. That's the reality.

Mr. Speaker, we heard in question period today that the Premier has his crystal ball and he sits with the Minister of Energy and gets together with the Treasurer and some other people and they predict the price of oil. This year's budget appears to make the opposite mistake. I know that they're optimistic. They put on the rose-coloured glasses and see what they want to see, but they're forecasting oil to average \$18.50 compared with \$17 in last year's budget. At the present time the price is below \$17, and people are not sure after next month what's going to happen with OPEC. So I'm saying this may be wildly optimistic.

Now, Mr. Speaker, real growth, they say, is pegged at 3 to 3.5 percent, which is certainly higher than any forecast I've seen for the province from any objective forecasters -- it may be that they want to go into an election before people find out the truth; I hope they do -- but natural gas sales and housing starts are forecast to increase by 10 percent. Now, the point I make here is that this approach by this government is cynical and Machiavellian. They hurt people in the first part of their mandate deliberately, and then this year they're leveling off. As an election approaches, they hope to move into partial tax relief and partial restoration of the cuts to gather votes; that's what it's all about. This is old-style politics and it's no longer acceptable. None of these things were campaigned on in the last election that they did. They're hoping that voters have short memories as they go into an election year. But people don't agree that their family budgets and their opportunities in life should be manipulated by the politicians for partisan advantage. The family budgets of average Albertans have been savaged by a sneak attack from a very cynical provincial government.

Now, what's been happening in Alberta with the last budget? The government brags about an increase in revenues relative to a nonrealistic low estimate, as I already mentioned. They forgot that the resource commodity markets are not only beyond our control but are a source of vulnerability for our economy. Diversification, no matter how much money they give to their friends like Pocklington, remains a slogan, an excuse to provide sweetheart loans from public sources to friends of the govern-

ment. I'll come back to that later.

Unemployment has taken a dip, Mr. Speaker, but we should not forget that the recent numbers show an unfair imbalance. Unemployment dropped in Calgary during the Olympics -- 8 percent in February, for example -- but remains much higher in Edmonton: 11.6 percent. Unemployment remains at 23.3 percent in the construction industry despite a drop in the number of people considered to be part of the construction labour force. Many of them are in Toronto and Ontario.

Mr. Speaker, another tragedy: youth unemployment is also high at 13.6 percent. I would say to this government that that's nothing to brag about. Of course, I've said this before and I won't go into it in great detail: these are the official figures. They do not include, especially among the young, what we call the hidden unemployed; there are many more people out there that are unemployed than that official figure.

Now, Mr. Speaker, the provincial government is going on a fresh round of forced economic growth. This is the strategy of the government. This is called diversification. We go on a fresh round of forced economic growth using tax dollars and the credit of the taxpayers. Let me just sum up some of the things that have been announced recently as their so-called goal of diversification: loan guarantees for the Champion mill at Hinton; purchase of \$5 million in preferred shares in the Grande Cache sawmill owned by B.C. Forest Products; a \$64.5 million grant for Daishowa to set up a pulp mill at Peace River; a \$200 million loan guarantee and a grant of \$8.3 million for a newsprint mill near Whitecourt; a \$100 million line of credit to Peter Pocklington to purchase Palm Dairies; a \$55 million loan guarantee and a \$12 million loan to modernize a pork plant and possibly build a new plant in southern Alberta -- and I say possibly, Mr. Speaker, because as we know, there are no guarantees.

What the economic strategy seems to be is rather an interesting version of free enterprise. It is that the taxpayers pay the loan guarantees. If the thing goes broke, then the taxpayers are going to pay for a lot of it; if there are profits, the companies will get them. Now, I'm not sure, Mr. Speaker, that this is what Adam Smith had in mind when he was talking about capitalism and free enterprise, but it's certainly an interesting twist of free enterprise in Alberta.

[Mr. Musgreave in the Chair]

In addition, it is important to note that some of these projects involve significant land and forest management concessions, and these have a cash value and will certainly limit the options of future generations of Albertans. In saying that, Mr. Speaker, there is absolutely no doubt that Albertans want industrial development, but there are a number who are not sure, however, if the price being paid by the Getty government so that they can make these announcements now may be far too high in the future. Believe it or not, we have some history in Canada, and it is far from clear that these kinds of giveaways automatically produce prosperity. If you want to look at some of these attempts, look at certain states in the United States. Many of them are ruining the day they got into these types of projects. I say to this: the decisions made under the political pressure of salvaging the government's image may not correspond to the long-term interests of Albertans.

Mr. Speaker, while the government throws these grants, loans, and guarantees at its friends in the corporate world, people are being hurt by the cutbacks. I'll come to the budget part

of it in a minute in dealing with the cutbacks, but we have to look back at what happened in the last budget -- as I said, a very draconian budget. Now, the government has always contended that services were being maintained despite the cutbacks. There is now overwhelming evidence to the contrary. There are many studies and reports available which document the extent of the cutbacks and the ways in which they hurt people. The government certainly should not and cannot claim ignorance about this aspect. Even the Provincial Treasurer, with his legendary selective amnesia, can read.

One such study was published by the Alberta division of CUPE, and I'd like to cite some of the key findings. This is to put into perspective for this budget what the reality was last year. We'll look at whether this budget solved the needs. Health care:

In spite of the fact that Alberta's health care costs are at about the national average, the government continually attacks them and tries to reduce them by blaming the sick, the doctors, hospital administrators, and health care system workers -- not themselves -- for the way Alberta's health care system has been designed, constructed or administered by the government itself.

It has tried: implementing user fees; removing the right to strike from hospital workers; increased health care premiums; turning over aspects of hospital administration to private American companies, slashing government spending; de-insuring some health services; reducing doctor's fees; and even closing hospitals.

The reality is, though, that the results of this in the last year are:

- Province-wide ambulance standards that are the lowest in Canada. Three quarters of all accident ~~deaths~~ occur in rural areas where ambulance standards are lower than in cities.
- The highest rate in Canada of institutionalization of the elderly.
- Huge capital expenditures and cost overruns by the provincial government to build hospitals which the government then says it cannot afford to staff.
- Increase in contracting out of services to private companies resulting in lower standards, i.e. in food preparation.
- Staff cutbacks resulting in increased waiting lists for patients and increased workload for staff.
- Large numbers of bed closures resulting in decline in staff morale, and citizen confidence, and resulting in danger... for patients.
- Sharp cuts in benefits payable through insurance, including de-insurance of all family planning counselling and related medical procedures at the same time that Alberta has the third highest teenage pregnancy rate in the nation.
- Cutbacks in government support or increased user fees, or both, to the elderly.
- Reductions in W.C.B. payments.
- There is very little spending [contrary to the talk] on preventative health care.

Mr. Speaker, that's the reality in the health care system in Alberta.

Then we look at education, and I'll come to those nice figures they use in education. It's a rather tricky way that they put them in the budget, Mr. Speaker. I think the Member for Westlock-Sturgeon was talking about that. But in education: "The well-developed network of basic and advanced education institutions that was built up" -- and the Member for Little Bow will like this: the best educational system during the Social Credit time -- "during the 60's and 70's has deteriorated noticeably."

- Provincial support for basic education has gone from 70.1% ... for basic education in 1975 to [less than 60 percent] in 1984, placing serious pressure on local school boards, in spite of the government's own ministerial Task Force on Education Finance which recommended that the

Province fund 85% of basic education costs.

It was around the 80 percent mark before this government took over. Contrary to what this government says, their

- . . . cost per pupil is not the highest in Canada [anymore], as the government claims -- it is behind both Quebec and Ontario. And, it is ninth out of the ten provinces in terms of budgetary resources devoted to education and last in expenditures on education as a percentage of the Gross Domestic Product.
- At the same time enrollment is increasing -- 10,000 more students than five years ago.

Mr. Speaker, what are the results of this last budget?

- Almost half the schools in Alberta have cut back on support staff -- clerical, custodial, and teacher aide.
- The loss of 1,000 full time teachers is projected.
- Programs for special needs students have been reduced.
- User fees have been introduced or increased.
- In an attempt to cut costs, some school boards introduced school based budgeting -- a system which forces school principals to operate their schools as one would operate a [McDonald's] franchise.

Then we look at the municipal cuts, which should be one of the major ways that we create jobs in co-operation, hopefully, with the federal government -- unfortunately, we have a Conservative government there for the time being -- but also in partnership with the municipalities, Mr. Speaker. Now, when we look at the last budget and the reality:

Provincial cuts in municipal grants during a time of economic slowdown are particularly hard on municipalities, since they already face budgetary problems from a shrinking tax base.

- In the last four years financial support for municipal programs lagged 16 percentage points behind the rate of inflation. Unconditional Grants fell ten percentage points behind inflation in the same [year].

As a result of this, if I may use Edmonton as an example,

- Edmonton's unemployment rate skyrocketed and is expected to remain in the double-digit, 10-12% . . . until 1992.

That's the reality of the unemployment in this city, Mr. Speaker.

- Contracting out is widespread. The number of permanent positions in six city departments alone has declined by 25% (528 jobs).
- Casual and seasonal jobs have declined by 46% (1,237 jobs).
- Property taxes have risen steadily but services have declined. Citizen complaints about service (from private contractors) have increased by 11%.
- Morale and stress problems for remaining city workers have increased the demand on the city's employee assistance program by 15%.

Services being cut in municipalities include mowing, cemetery maintenance, building inspection, transit, libraries, recreation facilities, and so on. [At the same time] user fees are being introduced or increased.

In other words, Mr. Speaker,

Albertans are paying more for less in municipalities.

Now, Mr. Speaker,

The Alberta government has completely ignored the recommendation of the Federation of Canadian Municipalities to repair and maintain deteriorating municipal infrastructures -- roads, bridges, water and sewage systems, etc.

[And they] showed that if government minimally increased its investment to repair municipal infrastructures, it would create jobs, increase economic growth and would return money to the government coffers in taxes. But the benefits of this plan are being denied by [this Conservative government].

Now, Mr. Speaker, we talked about social services today -- the last part of this. These are the real figures. "One in six Alberta families lives in poverty" in this so-called beautiful Alberta that they talk about -- optimistic Alberta.

- Alberta has the highest proportion of working people

living below the poverty level of any province in Canada.

They are poor because they earn low wages -- the lowest minimum wage in the country . . .

Is that something to be proud of, Mr. Speaker? They also suffer because there's been, deliberately by this government,

- . . . deunionization; unfair taxation, a sharp reduction in the quality of public services -- in other words -- as a direct result of [this government's] policy.

- Between 1981 and 1984 the number of Albertans living in poverty [in this province] doubled.

Do they talk about that in their budget? No, Mr. Speaker.

- The welfare caseload in Alberta reached an average of 70,000 a month in 1987 -- an 11% increase over the year before -- and at the same time, welfare rates have been cut, especially the shelter allowance.

And I'll come to the recent budget in a minute.

- Instead of developing a program of full employment . . .

Setting targets, trying to get that down, working with other governments.

. . . the government introduced a "work for welfare" program that simply provided government subsidies to private business to employ people to a maximum of \$4.50 per hour.

Now this program, as we've mentioned before,

was . . . designed to allow people to build up U.I.C weeks in order to transfer the expense to the federal government.

But it's all the same taxpayer, and the reality is that this program also was unfair to young people going in to compete. How can they compete to get a job under those circumstances?

- The "work for welfare" program ran out of money [first of all] after only 7 months because of an unexpectedly high number of placements.

And the point I think I want to make here is contrary to Conservative thought.³

People on welfare want to work and will work if work is available -- even at a very low wage.

That's the one message we should have got out of that.

Now, I could go on. There are other social welfare cuts that are directed to women, native people, and children. But that's the reality, Mr. Speaker, of what we are facing at this particular time.

Now, this budget. I wanted to put that in perspective because that's the reality. What does this budget do? Optimistic: boy, \$900 million more; are we helping people out, Mr. Speaker. So we announce some increases in spending. We announce in the budget -- and I really love these figures -- 4 percent for education. You'd think that was keeping up to institutional inflation. And that's put in the books there. But when we look at it, it's really 1.3 percent. What they do is start in September into the next year; totally misleading to put that in the budget, Mr. Speaker, and to put that in the budget speech. Why are they doing this? Again, to put the best possible light on it; very cynically trying to put the best possible light on it so they can go after votes.

Then we have some for health care. They got in trouble, Mr. Speaker, because the nurses took them on and told them about the deterioration of the system, what was happening there. So they put some money in there, at least hopefully to keep up to institutional inflation. But remember that the bulk of that increase of 6.8 percent is going into two major hospitals in Calgary and Edmonton. I suggest to you that there's still not going to be enough money in terms of operating for the other hospitals in the province. There will still be a serious problem.

We've increased 1 percent for municipalities and a whopping 1.5 percent for postsecondary education, but in the budget we

say it's important, Mr. Speaker. All these things are important; they're always our number one priority. Farmers used to be the number one priority. They've been telling me they don't want it anymore if this is what happens in the rural area. They want to be down about sixth and get some money.

The reality is, as almost everybody knows, with these minimal increases -- and it would be one thing if we hadn't had the budget last year. I could accept it. But when you had a 3 percent cut across the board, Mr. Speaker, when you add in institutional inflation -- and it's much higher than personal inflation -- in real terms there was about a 7 percent cut last year in these areas. Now, when they get up to 1 or 1.5 or 2, in real terms that is still a cut. There will still be a gradual deterioration of those systems. And for this government to stand and pat themselves on the back and say, "Oh boy, aren't we treating you well?" -- I can assure you that people are not fooled by that.

Mr. Speaker, the question of improved services or filling the gaps in the existing network is clearly out of the question. We certainly found out about education. The mass of figures tabled yesterday is certainly confusing -- meant to be -- and they will be sorted out, I assure you, in the estimates. I think there's what we might call Conservative voodoo mathematics in this budget.

Now, Mr. Speaker, if I may move on to taxation and what I would call lack of fair taxation. Isn't this interesting? The government says, "Boy, are we going to treat you well." Last year they took a billion dollars away from average people. We found new ways to tax people that I didn't think anybody had heard of before: over a billion dollar tax grab. "But because we love you so much this year and because it's getting closer to an election, why, we're going to return \$185 million," which in reality is only \$74 million when you look at the budget.

Let's look at what last year's budget did. Last year's budget took some \$1,200 from a family of four with earnings of \$40,000 -- \$1,200 taken out of their pockets, Mr. Speaker. I can assure you that would have created a lot of jobs. This consisted of income tax, roughly \$687, including renters; gasoline tax of \$100; medicare, \$125; liquor and tobacco, \$230; insurance, \$10; hotel, \$25; vehicle registration, \$20: roughly around \$1,200. This year in their generosity they're going to return to average Albertans \$185. Well, average Albertans are saying to this government, "Big deal." Eighty-five percent of the tax grab from last year must be paid again this year. Average families are still worse off by about \$1,000 than they were two years ago. In fact, despite the reduction in the flat tax, the amount of income tax collected from individuals will actually increase this year by \$15 million. That's the reality.

Now, Mr. Speaker, the Tories, even when they bring in a tax cut, screw it up and make it unfair. Rich people get a much bigger break out of this than average working people, and the poor get nothing. They talk about percentages. You can't take percentages to the grocery store and pay for them. Here's the reality on their tax break. Under \$15,000 you get nothing, Mr. Speaker, on this tax break. If you have a family of four and \$20,000, you get \$121; \$30,000, \$139; \$40,000, \$183; \$50,000, \$227; \$75,000, \$336; and if you make \$100,000, you get \$438. That's a progressive taxation system, Tory style: the more you make, the more tax breaks you get. Don't talk to us about percentages; talk to us about dollars and cents.

Mr. Speaker, overall the impact of the taxation system is still very unfair. According to estimates, corporations will just pay 11 percent of the tax burden, while individuals must swallow almost 89 percent of the load. This is not fair, and Tories will recognize that average Albertans understand this now, and

they're not going to put up with it anymore. They want fairness in the taxation system.

Now, Mr. Speaker, we already talked a bit about economic development. But the budget fails to note any policies, programs, or initiatives regarding two of the most important projects to the future of Alberta. We've heard a lot of rhetoric about these, but nothing in the budget about it; that is, number one, the heavy oil upgrader -- I take it that they haven't been able to get their kissing cousins to do much about it -- and we no longer hear much about the western coal initiative. I expect there's a reason why we're not moving ahead with these two very important initiatives. The most the government will say about these things is that negotiations are continuing -- negotiations are continuing. Mr. Speaker, it's not good enough when we have high construction unemployment, and not when they've already dragged on so long. But I believe again that the Mulroney trade deal is a factor in the lack of progress on these projects.

Now, Mr. Speaker, the construction industry will suffer out of this budget. The capital fund has been slashed by 2.9 percent in the budget. This is compounded on top of a 15.9 percent cut last year. I say to the government: with so many unemployed in the construction industry, this makes very little economic sense. Meanwhile, government construction projects, projects undertaken by the government itself, are cut by 40 percent. Where's the job creation in that?

Then we get into employment programs; they're are cut by 19.4 percent or \$18.5 million. Again I come back to this. This is very hard to justify at a time of continuing high youth unemployment. Instead, Mr. Speaker, we get work for welfare. There are also serious cuts in skills training and unemployment counseling.

Mr. Speaker, let's take a look at rural Alberta. If I was a backbencher from rural Alberta, I would not be going out and talking about how wonderful this budget is to them. As I said, sooner or later the government is likely to suffer a broken arm from patting itself on the back. But despite the rhetoric, there is no new initiative for farmers and ranchers. In fact, the farm fertilization price protection program shows an expected decline in funding, which shows a sad effect, frankly, of the agricultural economy: fewer farmers are planting less crop. With current dry conditions this year -- and we talked about this earlier on -- it could be a very serious year for farmers right across the province. The actual cost of the farm credit stability program is \$28 million. This is the 9 percent loan program that the government likes to brag about. They like to say it's \$2 billion. Mr. Speaker, it's \$28 million. Now, it's clear that this program does not have a great deal of impact on farm families. This would be a good time to look at our proposal to reduce the interest rate under this program from 9 percent to 6 percent; that would make a significant difference.

[Mr. Speaker in the Chair]

Mr. Speaker, crop insurance assistance is being slashed from \$17.8 million to \$11.4 million, a cut of 36 percent. This will make it even more unlikely that Peace district farmers will have access to the type of crop insurance programs that they need and have been talking about for many years.

I do not see in here either something I would hope for: that there would be a recognition from this government that we cannot take on and compete fairly with the Europeans and the Americans with their subsidizing of their farmers. And surely,

instead of just worrying about the federal government, which is important to do, we should have made an offer about what we would do in consultation with the federal government. If we don't do this, Mr. Speaker, many of those farmers will not be around. It's impossible to compete under those conditions.

Mr. Speaker, the rural economy in Alberta is in great need of diversification. It's simply incredible that there is no initiative for the production of ethanol-based fuels using surplus grains. It's also incredible that the provincial government has refused to back the small power producers who could create significant employment and wealth in rural Alberta. I think it comes back to the same old story, Mr. Speaker: this is a government which listens to big oil and big utilities rather than the farmers of Alberta.

Mr. Speaker, in conclusion . . .

AN HON. MEMBER: Good.

MR. MARTIN: I thought you'd appreciate that, because you don't like to hear the truth. [interjection] That's right. Maybe I should go for another hour, they like it so much, Mr. Speaker. And besides that, as I said the other day, I love to give the backbenchers something to do, because they get so bored. Every once in a while they get a chance to yell out something. I think we should have exercise period in here every once in a while, Mr. Speaker, because the poor people back there just have nothing to do.

AN HON. MEMBER: The dinosaur club.

MR. MARTIN: The dinosaur club; yeah. We're moving up to Drumheller, Mr. Speaker.

In summary, this budget continues, and continues very clearly, the tax grab of last year. It's a standpat budget which fails to restore the cutbacks that created so much havoc, particularly in health and education services. I say again, in summary, that cuts in the construction budgets are unfortunate; the lack of agricultural initiatives is also unfortunate.

Mr. Speaker, this is a time when the provincial government should be seizing the initiative with a range of policies designed around a construction-led recovery. I say that the grab bag of ad hoc financial incentives is no substitute for such a policy. To come up with a budget like this in 1988 shows that the government is interested in hoarding funds to project its position into the next provincial election. This is what this is all about, Mr. Speaker: a little bit now in the status quo; watch as we follow again -- the next budget will be the goody year. We're told: "Oh, the recovery's come. It's all here. We've got a little more money to spend here, there, and everywhere." Then after -- not after; they won't be re-elected. If they were re-elected, then it would be tough times again. That's the way this government cynically operates.

Mr. Speaker, they hope to give people back some of what they have taken to get them votes. I say that Albertans have tired of this. I don't think this strategy will work, and I say to this government: if they were truly listening to average Albertans, not just their friends like Peter Pocklington, they would not have brought in a budget like this. I throw out a challenge to this government. If they think they want to go early into an election with this budget, please do so. And I say to this government: we are ready to take you on any time, if you want to debate this budget, even in Rocky Mountain House, certainly in Medicine Hat, certainly in Redwater-Andrew - but he won't

be around very long -- and certainly in Sherwood Park. Let's do it. Let's do it; let's go to an election, Mr. Speaker.

MR. SPEAKER: The Member for Westlock-Sturgeon, followed by Cardston.

MR. TAYLOR: Thank you, Mr. Speaker. It's a pleasure to have a chance to follow the Leader of the Official Opposition in this task. I don't know why he's demanding an election, though, because -- well, on the other hand, I guess he would still have his job afterwards. It would be the Liberals that would leapfrog over there to the other side. It's the spirit of the future that is sweeping from east to west across this country.

In speaking on the budget, one of the things that strikes you, Mr. Speaker, is that it's a very phoney document, and phoney in three ways. First of all on the whole question of oil revenue. Now, I suppose you can't fault the Treasurer for using that as an out. But I think what the Treasurer has to realize is that his back bench and the rest of the people that so mindlessly pound their desks do not have the intelligence to realize that he may be -- or do not have the depth of understanding to realize what manipulation he was doing by the oil pricing mechanism. He sits there and forecasts the price of \$18.50 a barrel, U.S. dollars rather than Canadian dollars. There's a very good reason for that. Right off the bat, in the last year, we have lost 10 percent on the price of oil in U.S. dollars, because as our Canadian dollar moves up, the amount of money that we realize in Canadian dollars per barrel of oil goes down. So in the last year alone we have lost very close to \$2 a barrel on the value of our oil because of our Canadian dollar going up. He makes no mention of that.

The second thing, of course, is the \$18.50 forecast when oil prices are at \$16. And I can tell you, Mr. Speaker, as I'm still involved to a certain extent in that, that a \$16 posted price is hardly ever paid; they are discounted down to usually \$15, \$14, as low as \$13.50 a barrel. So the fact is that what's happened here is a real exercise in public relations. If he had put the correct price for oil in on the amount of income it would have shown a big deficit. Then how could the Tories say that they are dedicated to stopping deficit spending? In other words, he would have been caught in a philosophical lie, philosophical conflict of interest, if you want to call it, dichotomy, or dilemma -- whatever it is that you land on. But the point is that he could not prophesy a deficit, unless he was able to cut expenditures.

Yet on the other hand, Mr. Speaker, the Treasurer was over there and he knew how unpopular the cuts to education had been, how unpopular the cuts in health care had been. The areas where this government had made its cuts were highly unpopular. So they knew -- especially after giving Mr. Pocklington and a few of the multinationals run by international buccaneers that have now heard that there is a government out in some place called Alberta sitting on roughly \$5 or \$7 billion that are not that sophisticated; you can stickhandle around them. Consequently, there is a long lineup at the door, and the big corporations and some of the local buccaneers -- who, of course, you can't fault for trying to do it -- go out there to get these loan guarantees and large loans that the provincial government is putting forward.

Well, the Treasurer knew just as sure as we're standing and sitting here, Mr. Speaker, that he could not continue a program of cuts as he had been doing. The Premier and the Treasurer knew that. So that was their dilemma. And I must confess they came out of it fairly well. Someone -- and I don't know whether

I should give credit to the front bench; maybe it's some leprechaun that's working in the back there, maybe underpaid -- came up with the brilliant idea: what we'll do is forecast the revenue way out of context because nobody can get us on that, and then we are philosophically pure; we have not budgeted a deficit, yet at the same time, we've handed over a great deal of money. In other words, we've repaired the cracks that we created last year by cutting education and social services too much. It was a brilliant move, and whatever little leprechaun back there told them to do that, I hope they're giving him or her a little bit extra vacation this year, because it was a move that kept their philosophical virginity, so to speak, and at the same time managed to get them out of the hole that they were in, of cutting services to health care and education. So that was a great move.

And in case we missed it, Mr. Speaker, they voted \$13 million to spread the good news. Well, you know, the first news when Paul went up through Asia Minor -- Mr. Speaker, as a reverend I'm sure you're aware of how the first good news was spread, through donkeys and boats and with a very small budget indeed. But the gospel according to St. Getty this time is going to take \$13 million to spread through this province, to tell them what a good job they've done in public relations -- an increase of 38 percent -- what a good job this government is doing by giving them nothing. And I must admit it's worth the gamble, I suppose, if you're on the government side. But that's the first big loophole in this budget.

The second, if you look at it philosophically, is that somehow or other the Treasurer and the Premier have missed their fair share of federal payments. Somehow or other, in the glory and the joy that was experienced by giving birth to a Tory government in Ottawa, they forgot to ask the midwife for some money down there. Obviously, the federal government apparently owes them something like \$200 million or \$300 million. Now, that is a windfall that's sitting at the side. But what I would like to criticize this government for . . . Instead of worrying and trying to stickhandle around with a gentleman like Mr. Pocklington -- and after all, Mr. Speaker, they have as much chance, in the front bench, of outsmarting Mr. Pocklington as I have of outstickhandling Wayne Gretzky; he's just too much for them -- I think the best thing they should do is decide there's a cap on what they're going to give him, give it to him, and ask him to stay away. Because if they keep dealing with him, he's liable to run off with the whole province. This front bench just does not have the ability to be bankers, and they should realize that.

But anyhow, that was the second part in the budget speech: where is the forecast income that's going to come from the stability payments from the federal government, and why did they get so far ahead of us? Why has nothing been said up till now? Why has this government, which is so noisy when it comes to bragging about who they're giving money to, completely silent on what we have owed to us by the federal government? I suggest that they don't want to rattle their cage or upset the atmosphere in any way until the federal election is over, because they're hoping to get 21 -- or what is it the next election will give? -- tame pussycats again, Members of Parliament, to go down there and do nothing, an occupation that is so sterile and dead that we have our own Minister of Agriculture coming back to get a little activity; he found it so hard to get to do anything down in Ottawa.

So possibly this is one of the reasons why they're so deathly silent on what the federal government owes, and I expect, Mr. Speaker, that is the other part of the budget. It's a shame that

one of the biggest sources of revenue we're allowing to slip through our fingers. Maybe the last canard that they're pulling, that the Treasurer has been able to work into his budget somehow or another, is that it is completely warped out of phase when you look at areas like recreation, parks, and culture. In effect, what we have is another budget operating. And while I don't know which is the heir apparent or the favourite son, I don't know how the other cabinet ministers like the idea that the minister of career development can wander around with \$100 million or \$200 million in his pocket, giving it out here and there, dispensing largesse.

AN HON. MEMBER: Horst Schmid used to do that.

MR. TAYLOR: Yes, and maybe the same thing will happen to this minister as happened to Mr. Schmid. I don't know. The fact is that this goes entirely outside the budget, so it makes it very difficult to compare in any way.

If I were a backbencher for the Conservative government . . . Some days, Mr. Speaker, I have that horrible nightmare. When I wake up -- you know, it's happened to all of us, that we're sinking into a hole we can't get out of. I have woken up at times wondering whether I was a Tory backbencher. Nevertheless, if I were one, one of the things I would attack and would bring forward is, why is there one cabinet minister favoured above all the others: this slush fund of \$150 million to \$250 million that he not only has disbursed in the past but it appears he's going to be likely to do in the future. [interjection] Yes, Mr. Speaker, it's indeed an amazing thing. It's entirely outside the budget.

Now, when we get down to it, those are the three basic principles I wanted to touch on, Mr. Speaker. But to go on to a few other areas and the more finer points, I'd like to issue it out: what the claim of the budget is and what the truth is, Mr. Speaker.

We take a look at Advanced Education. They claim financial assistance to postsecondary students has increased by 9.6 percent, operating grants by 1.5. Well, let's look at that. The institutions are being allowed to increase their fees; I think it's 3 percent. When you put it out over two years, the 9.6 percent to students puts us exactly back where we were before. Exactly as I mentioned a little earlier: when the Treasurer is appearing to try to give great strides forward, in effect all he's trying to do is scramble back onside before the public of Alberta blows the whistle.

We come to Agriculture. This has to be one of the more intriguing areas. When we come to agriculture, as the hon. Leader of the Opposition so well pointed out, this has been a number one spot. I'm sure the farmers want to get down there to number six or seven. Agricultural support is down 42 percent from the '86 or '87 levels. Crop insurance assistance: 36 percent, and we heard the Associate Minister of Agriculture say that we're not going to reduce premiums. Well, what in the dickens are they going to do? The hon. Associate Minister of Agriculture must be planning on pulling something like the minister of career development did, and wandering around, maybe rewarding the odd farmer -- is it? -- with crop insurance, others not, if they're raising the right crop. But here we have a provincial government, supposedly committed to agriculture, whose support is down 42 percent from the '86-87 levels, Mr. Speaker.

We look at debt lending assistance: up 27.3 percent. Now, that's talking; that sounds like we're doing fine. But she still refuses to put teeth in the debt adjustment board, still refuses to

take the part of the farmer, still refuses to try to put together an organization whereby the land could be bought from the farmer when foreclosure comes and then leased back to him on a lifetime basis, with the chance that he could go ahead, somehow keeping the rural community going and allowing the farmer the dignity and respect of farming his land. No. The worst foreclosure today, Mr. Speaker, out there in the rural countryside -- if you go through the countryside, no longer is it the capitalists of down east or the foreign entrepreneurs or "them fellows on Bay Street," as they used to get away with for years -- the meanest foreclosure today, the one that will listen not at all to the farmer's most urgent pleas is a department of this government: the Agricultural Development Corporation. There's no meaner forecloser around, and no one that will listen less. Yet our two ministers sit there, dangling their bonnet and plume, saying, "Maybe agriculture's our top one, and we'll do our best, but we won't interfere with the laws of the marketplace."

And we go on into the other budget area where they make their forecasts -- they make them on what they're actually doing. We come to Career Development and Employment. They say the employment alternatives program increased by 69 percent. Well, you have to have all the gall of a Missouri mule to make this claim, because half of that belongs to the federal government. Federal government money comes in there. I suppose that may be par for the course, but it would be nice for the public to know that the increase is due more to federal government money than to provincial. They said the training component of the EAP, the employment alternatives program, will be boosted. Well, Mr. Speaker, this is a snare and a delusion. Half of the money was taken from training services last year and then given to a wage subsidy, and has now just been given back. It's playing fast and loose with the truth.

We come to Education. Special education grants to school boards are to increase to \$74 million. Now, this is really intriguing, Mr. Speaker. Talk about doublespeak; talk about changing things around. Last year it was \$78 million. How can you get an increase to \$74 million when last year your estimate was \$78 million? Intriguing indeed.

Provincial operating support for basic education will increase by 4 percent. Well, actually the overall spending for education is only up 1.3 percent. "Well, sure," they say, "it's 4 percent." By saying, "Well, if you take in the budget the following year and include it in, we can get it up to 4 percent" I say: why not take the budget on for the year after that again? It might bring it up 104 percent. Why go ahead a few months to bring in? What you have to look at is what you're actually increasing.

No, one of the more intriguing references -- and I notice that the Minister of Education isn't here -- equity grants to fiscally disadvantaged school boards, Mr. Speaker. It's supposed to increase by 6.6 percent. Are we seeing a little peek through the veil of secrecy that normally clouds the dealings of this government? Or, indeed, are they just flying a bit of a kite? Because that sounds like they're going back to option two in the minister's financing and equity of education, whereby they're trying to lower a school board's assessment to a respectable amount. Well, 6.6 percent will hardly go far enough, but possibly that's a step in the right direction. At least, Mr. Speaker, this gives some cheer to those that hope the plan of robbing from the rich to give to the poor that this government is trying to pull, by taking away from the rich municipalities and giving to the poorer school districts, may be being junked.

Let's move on, Mr. Speaker, as we look at other items on the

agenda: the claim that social services are down 1.3 percent, which insinuates a decrease in welfare recipients. Ah, the leprechaun that gave advice to put this budget together knew that you could hardly ask for more social services and claim that unemployment is dropping. So it was fine, fine thinking there. So they said, "Well, if employment's increasing, we have to drop social services." But last year social claims rose by 17.6 percent. What has rendered the heavens apart? What is going to strike Alberta to suddenly take an increase in welfare payments of 17.6 percent and turn it around into a decline of 1.3 percent? It's rather amazing indeed.

I've already commented in question period about the stupendous rise in food allowances, something that must make even Mr. Pocklington's mouth water. A raise of 13.5 percent -- \$180 a year, \$15 or so a month, \$3.5 dollars a week. That would make any capitalist jealous to see that kind of money thrown around by this government. I just hope that you haven't corrupted the morals and the future of our people on social service by giving them \$3.5 more a week. Mr. Speaker, any government that is interested at all in the spiritual welfare of its citizens would be more careful in throwing around largesse such as that without having them account for it.

Now we come to looking on to other areas: Community and Occupational Health. This is a very interesting one, because in Community and Occupational Health, Mr. Speaker -- an area that I'm quite interested in because of the Mirosh report. It made much of the fact that this government -- and I think it was a very commendable aim -- made much of this government's desire to try to keep people in their homes, allow people to establish in their homes more. But home care services are up 1.1 percent. One point one percent hardly visualizes a mass move from our nursing homes back to their homes, or a stop of the hemorrhage now of seniors from our communities and from their homes into these sterile aluminum and glass palaces that this government is so proud of dedicating -- a little bronze plaque in the corner saying this was opened by et cetera, et cetera, et cetera. Independent living benefits, in fact, have been unchanged, Mr. Speaker. Here's a claim by this government that for the dignity of individuals as well as the charges to the taxpayers' purse, they're going to move to more people living in their homes. But no; independent living benefits are zero.

Health and safety down 2.4 percent. How, Mr. Speaker, can you equate that with the statement of the Premier awhile ago that our conventional oil drilling is picking up? Surely oil well drilling accidents, which have been one of the sorriest records that this government has of lack of training, lack of inspection -- yet we have a 2.4 percent decline. The only thing we can assume there is that there's going to be a lot less oil well drilling, as we have said, and consequently less accidents.

You look down to the Workers' Compensation Board. Their demand for money is down 7.8 percent. Now, next to the Agricultural Development Corporation, which probably takes the title for the meanest Grinch this government has, the Workers' Compensation Board has to trot along a very close second. If there is anybody that's ever been persecuted by government in the last five years in this province, it's highly likely to be either the Agricultural Development Corporation or the Workers' Compensation Board, yet they're going to cut funds to the Workers' Compensation Board by nearly 8 percent. Obviously, something is remiss there. They're going to become even meaner, or indeed that little leprechaun that put these things together knew that employment was not going to increase -- employment was actually going to decrease in especially dangerous

areas -- and corrected for that.

We go on, Mr. Speaker, in other areas like Economic Development and Trade. The truth of the matter is that financial assistance to Alberta businesses will be down 29.1 percent. Obviously, they have found a reason to maybe stop Pocklington. But on the other hand, it may well be that the reason that grants, financial assistance to Alberta business are down 29 percent is not so much that they're stopping Pocklington; they're just going to give all the money to Pocklington from now on and forget about small business. Either way, I'm going to be interested to wait and see what debate shows on how they're going to spread the little amount as financial assistance that we have left in the budget more equitably out around the rest of the province. It is intriguing, though, how a Conservative government that prides itself on being the cornerstone of individual initiative, free enterprise, and rugged resourcefulness can cut the amount of money that goes to small business and increase the amount of money that goes into the large corporations.

If I may close on two items in the economic sphere, one of the intriguing parts is: how does this government expect to make economical many projects that obviously the large corporations think are not economical? In other words, the tar sand plants and heavy oil and occasionally some of the other ones in packing or magnesium, which was one that hasn't been mentioned but was mentioned by the government. One of the intriguing parts -- and what concerns me and, I'm sure, concerns many taxpayers, Mr. Speaker -- is if these megaprojects cannot fly on their own, what is the particular use of putting some of our money in, the taxpayers' money, when indeed that money possibly and probably given out in better education, given out more in helping small businesses on loans, not on grants, would do much more to prime the economy?

I'm afraid our cabinet and our Premier have become megaproject junkies, and like all junkies they go to tunnel vision, Mr. Speaker. They can see only the megaproject, the trickle-down theory. If you can get a huge plant digging a huge hole out there, cutting lots of trees, doing magnesium, get some large corporation -- and after all, it's favoured, because here is a name you read in the *Wall Street Journal* and a name you've read in the *London Times* coming in and saying, "Hello, Zeke; how are you?" They're coming over and actually sitting there. You can meet them face to face. They must think we're wonderful. We can give them \$50 million or \$100 million guarantees so they can start a big project under way, and we hope somehow or another that it will filter out to the peasants down through the neighbourhood. What we don't realize is that we may be setting a leech at our economic throat in the future, Mr. Speaker. We may be setting a leech that we cannot stop.

As we saw when the tar sand plants just stumbled a bit out here, when Syncrude stumbled, we had to dig up \$40 million to pay the payroll of mighty Esso because they threatened to close. This goes on all over the world. This is why you call them a megaproject junkie, because once you have one of these large corporations, big as they are, with that concentration of votes, that concentration of people all in an area, all they have to do is stumble. They come in and say, "Mr. or Mrs. Government, you know, we need some money to get us through this year." "Well, we just gave you a grant four years ago of half a billion to build a plant," "Yes, we built a plant, but now we've got unfair competition somewhere else in the world. We need our royalties cut. We need you to take part in our labour to keep the labour rates down." So you do that. A few more years later they come back again: "Sorry, we're still not competitive. We need your

help, Mr. or Mrs. Government, again." "What do you need this time?" "Well, give us some more money to build a new plant, because the old one isn't out." You set a leech. You set a process ongoing that really means, like the person that's a cocaine addict or on heroin, once you're a megaproject junkie, Mr. Speaker -- and I kid you not; as you go around this world, I've been involved in it for years -- you have to keep feeding these crocodiles year after year after year. That's where the budget goes. Otherwise, they threaten to quit, and your unemployment rate goes up. You're going to lose the next election.

No, Mr. Speaker, this government knows not the horrendous mistake they're putting Alberta in by their absolutely almost insane desire to finance the megaprojects of this world, and they think that maybe the trickle-down theory will somehow or another bail us out.

Mr. Speaker, I'm sure we'll have much more to say on it, but I notice I have silenced the back bench there. There is a certain fear, the spectre coming through the crowd, that indeed, the great, cheery words of last night may not be there. They may feel this cold breeze flowing through that they may have launched themselves on a career that their children and their grandchildren will curse them in the ultimate for.

Thank you.

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

MR. SPEAKER: Having heard the motion by the Member for Cardston, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries.

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

Bill 14 **Appropriation (Interim Supply) Act, 1988**

MR. HORSMAN: Mr. Speaker, as Acting Provincial Treasurer, a permanent position to which I do not aspire, I would like to move Bill 14, the Appropriation (Interim Supply) Act, 1988, to provide interim funding authority for the operations of the Legislative Assembly and government from April 1, 1988, until Royal Assent is given to the appropriation Acts of 1988.

This includes authority not only to incur expenditures for the internal operations of government but also to disperse grants to other levels of government, to businesses, and to individuals. Of course, there are three interim supply Bills: one for the main estimates, to which I've just referred; one for the heritage trust fund, capital projects division; and one for the Capital Fund, which I will deal with subsequently.

MR. SPEAKER: Call for the question?

SOME HON. MEMBERS: Question.

[Motion carried; Bill 14 read a second time]

Bill 15
Appropriation (Alberta Heritage Savings
Trust Fund, Capital Projects Division)
Interim Supply Act, 1988-89

MR. HORSMAN: Mr. Speaker, as Acting Provincial Treasurer, I move second reading of Bill 15, the Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Interim Supply Act, 1988-89.

MR. HAWKESWORTH: Mr. Speaker, just a brief comment. I'm a bit curious. Given that this is an interim supply Bill, as best I can tell, under Agriculture, vote 2, the full required estimate that was submitted to the Legislature last night was for \$25 million. I see that the interim supply Act asks for the total amount of \$25 million, and the same occurs under the Recreation and Parks department, vote 1, Kananaskis Country Recreation Development, for \$460,000. I don't know whether this is the general procedure that's followed. Most of the votes ask for some portion, not the full amount. I'm curious as to why this might be occurring in these two particular votes, why the full amount is needed at the present time. I don't intend in any way to hold up the vote or anything about that, but when it comes to Committee of the Whole or in closing remarks here this afternoon, perhaps that question could be addressed.

Thank you.

MR. YOUNG: Mr. Speaker, if I may respond to the hon. member, it is not the intention -- and I would give assurance that despite the fact that the full amount is contained in the interim supply, there will be an opportunity during the debate on estimates to cover any of those sums in the normal course of events. There is no attempt to deny that opportunity to the House, and I'll give assurance that that won't happen.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Yes, Mr. Speaker. I just wanted to make a couple of comments with regard to the figures in this Bill. The total, as the House will see, is some \$85 million. That is a little over 50 percent of the total intended to be spent under the capital projects division of the heritage trust fund this year. It's a little unusually high. Generally, our interim supply Bills have come in at around 30 to 40 percent, as did the one we just passed, number 14, which was some 40 percent of the total budget. I'm a little curious about that and also would like to say that that will then imply an increase in the capital projects division. I guess we can get into that debate later as to why that's happened. We were under the assumption last year that the capital projects division was winding down, so we will end up, I think, debating that later.

The other thing that I just would like to raise at this time and ask the government to think about is the capital projects division supply Bill. When it comes, it will get some 12 days of debate or at least legally be allowed that much. Obviously, we don't need that much, and I would seriously like to ask the House leader to consider shifting some of that time over to the budget. We have been kept pretty tightly to one day per department for the budget and so far as I can hear from the plans so far, no more time to debate the budget in general before we start into that department-by-department time. So I just put that plea in to the House leader to look at that.

SOME HON. MEMBERS: Question.

MR. SPEAKER: There's a call for the question.

[Motion carried; Bill 15 read a second time]

Bill 16
Appropriation (Alberta Capital Fund)
Interim Supply Act, 1988

MR. HORSMAN: Mr. Speaker, once again on behalf of my colleague the Provincial Treasurer, I move second reading of Bill 16, Appropriation (Alberta Capital Fund) Interim Supply Act, 1988.

MR. McEACHERN: Just a question, which probably won't get answered at this time but just to sort of put it on notice. Is the \$26 million being used for the construction of water development projects? Will any of that be going in to the Oldman River dam?

MR. SPEAKER: One assumes that the details will be dealt with in Committee of the Whole, because generally speaking second reading is the broad basic principle, which in this case is just the supplying of the funds from the general envelope.

Is there a call for the question?

SOME HON. MEMBERS: Question.

[Motion carried; Bill 16 read a second time]

Bill 8
Natural Gas Rebates Amendment Act, 1988

MR. ELZINGA: Mr. Speaker, I have the pleasure on behalf of the Minister of Transportation and Utilities to move second reading of Bill 8, the Natural Gas Rebates Amendment Act, 1988.

This Bill will allow us to extend for a period of three years the benefits under the program, and it underscores our continuing commitment to the reduction of ag input costs as it will allow us the extension of the primary agricultural producers rebate program.

If you'll allow me just one minute, I will give you a brief description and the eligibility requirements. This provides a direct rebate of natural gas costs to consumers engaged in primary agricultural production. Those eligible are those agricultural producers engaged in the production of field crops, livestock and poultry operations, greenhouses, irrigation, grain drying, sod, peat moss farms, and alfalfa processors.

MR. SPEAKER: Member for Calgary-Forest Lawn, followed by Westlock-Sturgeon.

MR. PASHAK: Yes, Mr. Speaker. I don't have any particular concern about this measure, but I do have some concerns about the Act that is being amended by this particular Act, and of course that's the Natural Gas Rebates Act. My understanding is that that Act would come to a conclusion for all consumers in this province on March 31, 1988. I have some concerns that this Act and its protection should be extended not just for farmers but potentially for all consumers in the province of Alberta.

I have a further concern about this particular Act and

whether or not, if we should enter into the Mulroney trade agreement, this provision would escape the provisions of that trade agreement, because it does provide a protection for our farmers. I could see a farm group in the United States getting together and saying, "Oh, those farmers in Alberta are shielded in terms of their costs of production through a gas rebates plan; we're not" And they could bring it forward to one of their trade tribunals that could launch a countervail action against Canadians.

I also have a further concern in that at the moment there's very little money coming in to that fund because the price of gas has fallen so dramatically in this province. Right now the cost of gas to consumers is approximately \$1.80 a gigajoule; that's just for the commodity portion of their gas, and of course the fund is not triggered. It was a very important fund when we were paying about \$2.80. So when you look at the budget that came down last night, you would see that in '86-87 we actually spent \$56,808 million that was allocated to the natural gas rebates plan that went back to Alberta consumers. There's only \$4 million provided for 1988-89, and again that just reflects the fall in the price of gas.

But when we start to look into even the immediate future, we begin to see a gas bubble disappearing in the United States. We saw our exports to the United States go up rather dramatically this winter. This is dangerous, because in spite of what most people in this province think, we do not have have a superabundance of gas. The estimated amount of reserve of gas that we have in this province is approximately 62 trillion cubic feet, yet we produce over 2 trillion cubic feet a year. Not all of that gas is cheap, low-cost, and relatively sulphur-free. That is precisely the gas that's being flushed out of the province at the moment, so as that gas disappears, I can see not just a gentle pressure to push prices up, but I can see rapidly rising gas prices in the very short term, in the next three to five years. I can see gas going up to maybe \$5 or even more a gigajoule. Then where will Alberta consumers be?

So I would suggest that the minister and the government take maybe a closer look at this Bill and, instead of just shielding farmers and members of the farm community until three years from March 31, 1988, begin to think of keeping this Act alive for all consumers of gas perhaps over the next 10-year period of time.

MR. SPEAKER: Westlock-Sturgeon.

MR. TAYLOR: Mr. Speaker, it's along very similar lines to the hon. Member for Calgary-Forest Lawn, in view of the fact that natural gas has been sold at dirt cheap prices. I know the government makes much of the fact that their natural gas sales have increased, but I don't know if most of the back bench realizes that natural gas prices have gone from \$4 an mcf to only about \$1 an mcf. So although we are selling a little bit more gas than we did, we're getting on average 25 to 40 percent of what we got four years ago. What it is is a classic case of the fellow that's playing the market, that's buying high and selling low and trying to make money on the volume. We're getting rid of our assets at an alarming pace at dirt cheap prices. That's the first area.

The second is: what this leads to is that with the cheap price of natural gas, as the hon. member puts it, it doesn't kick in. So why are we jeopardizing our farmers' chances at exporting by having a gas rebate Bill on our books, Mr. Speaker, that could give succor and cause and help to those farm groups in the U.S.

that want to file a . . . What's the word?

MR. WRIGHT: Countervail.

MR. TAYLOR: . . . a countervail against some of our produce up here, because that's what they'll try to do, even if we're competing quite *fairly* and aboveboard. This thing is on the record. It's not doing anything for the farmers anyhow, because the gas price has cratered. Why would this government jeopardize a good deal of our farm exports by having something like this that the Americans can point to as a reason for countervailing a product that may be coming in and hurting them in competition?

SOME HON. MEMBERS: Question.

MR. SPEAKER: There's a call for the question.

[Motion carried; Bill 8 read a second time]

MR. YOUNG: Mr. Speaker, it would be the intention to call the throne speech now. I know that there is the matter of the House's actions of yesterday, and if it is a desire to clarify that matter at this moment, perhaps it would be an appropriate moment to do so.

MR. SPEAKER: Hon. members, yesterday at 5:30 a motion was entertained on Bill 201. In reviewing *Hansard*, it's apparent that members may have had different perceptions as to what the motion was. Unfortunately, reading *Hansard* does not clarify the situation, and it still remains unresolved as to what the order of the House was with respect to this Bill.

To resolve this question, *Erskine May*, pages 391 and 392, allows the Speaker, in a case where procedures were irregular, to ask the House to declare an order of the House null and void. If together we can assume yesterday's order null and void, it would be treated as if it did not take place, and the Bill would stand on the Older Paper. The House will decide any question on the Bill should it come up again.

The Chair therefore asks the House now if we might have an order to declare the question put to the House yesterday as null and void, and the Chair recognizes the Associate Minister of Agriculture.

MRS. CRIPPS: Mr. Speaker, I move that the proceedings of the House on the motion of the Member for Edmonton-Kingsway with respect to Bill 201 be declared null and void and that the Bill stand on the Order Paper.

MR. WRIGHT: Mr. Speaker, while it may be the case that there was some misapprehension about or miscontraction of what exactly was happening, that is not an uncommon thing in this Chamber, and the result of it was reasonably clear, that the Bill was voted down, because there were some complaints immediately afterwards that there were some speakers who wished to speak and so on. The complaint was not that there was any doubt about what had happened but that there were some people who wished to speak who were unable to.

So I submit that the basis doesn't really exist; fortunate or unfortunate is another question. The basis at the time was reasonably plain, that the Bill was voted down, and therefore I speak against the motion because I submit that the basis for it does not exist.

MR. SPEAKER: Thank you.

The Member for Edmonton-Kingsway, followed by the Government House Leader.

MR. McEACHERN: Thank you, Mr. Speaker. I would just like to say, as the one who said, "With that I move the Bill," that my intentions in my mind were very clear. I intended that the Bill be voted on at that time. In fact, the Speaker, when he called the vote, did call the vote with that in mind, and the people in the Assembly voted with that in mind. So I don't see any reason to revert it. The Assembly has decided that the Bill will be defeated, so I don't see any reason why that shouldn't stand as it proceeded. Although it may be that the wording I used wasn't quite appropriate, nonetheless the intention was very clear and everybody was very clear when they voted.

MR. YOUNG: Well, Mr. Speaker, I wasn't here. I did read *Hansard*, and my understanding is that the Member for Edmonton-Kingsway in moving the Bill yesterday said in fact, "I move this Bill." I'm not sure on what grounds it is possible to do that, and in acceding to the suggestion that we try to sort this matter out through the motion which is being advanced here, the attempt was to accede to what I understood were the wishes of the mover of the Bill, the original sponsor of the Bill, to keep it on the Order Paper.

Inasmuch as there is a reflection of the party of which that hon. member is a member to have the Bill having been declared defeated yesterday, that's amenable to me as well. If we wish to regularize it in that manner, as I gather we do, I will then urge the hon. members of the government benches to vote -- since we have a motion before us from the deputy House leader, I'm sure she will recognize what's happening and that we have misread, and did so with the best of intent, the will of the members of the opposition party. If the motion can't be withdrawn, I will urge members of the government benches to defeat the motion currently before us, and the record will stand that the Bill was in fact defeated, whether properly or improperly, effectively.

MR. SPEAKER: A request has been made to the House, and the Chair would just point out that if indeed the Associate Minister of Agriculture wished to have the motion withdrawn, it would have to be made as a formal request to the House and there would have to be unanimous consent for that to take place.

MR. FOX: Well, Mr. Speaker, I'm not sure of the procedural ins and outs of what the hon. Government House Leader just laid before us, but I do understand why the government is perhaps a little bit sensitive about apparently defeating the Bill, the Freedom of Information and Personal Privacy Act, that was moved in the . . .

MR. SPEAKER: With great respect, hon. member, it was a request from the Chair to clarify the procedures of the House because the Chair was involved in a misunderstanding of what was taking place. This is not a government issue. It is a matter of a request from the Chair.

Please continue.

MR. FOX: Again, Mr. Speaker, my understanding of the proceedings yesterday, and I can certainly understand why there's some confusion, was that a vote was held on the Bill and the government members voted against it. Now they've asked for you to clear that up for them. I can understand their sensitivity

to voting against an Act that advocates freedom of information from the government, but if the minister is willing to withdraw the motion, I certainly wouldn't argue with that.

MRS. CRIPPS: Mr. Speaker, if the House would give me unanimous consent, I will withdraw the motion.

MR. SPEAKER: There is a request by the Associate Minister of Agriculture for unanimous consent to withdraw the motion as proposed. Those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries. The motion is withdrawn.

The Chair would just like to read into the record some elements of confusion that occurred yesterday. With respect to the question that was put on Bill 201, that it be now read and received, Mr. McEachern, the hon. Member for Edmonton-Kingsway, moved the question. Under Standing Order 25(1) the mover of the motion, the hon. Member for Calgary-Forest Lawn, had the right of reply, and Mr. Speaker has the duty to inform the House that the mover will close debate. Mr. Speaker did not do that. Since other members wished to contribute to the debate, further debate should in all likelihood in the normal course of events have been allowed. If it was the intention of the hon. Member for Edmonton-Kingsway to move the previous question, which properly worded would have been "that this question be now put," under Standing Order 47(1) debate still would have continued on the Bill as the previous question itself is debatable under Standing Order 18(1)(c) and *Beauchesne* 452(1).

So in actual fact, that's part of where we got ourselves to today. So whatever happened now stands. Thank you.

head: **CONSIDERATION OF HER HONOUR THE LIEUTENANT GOVERNOR'S SPEECH**

Moved by Mrs. Mirosh:

That an humble address be presented to Her Honour the Honourable the Lieutenant Governor as follows:

To Her Honour the Honourable W. Helen Hunley, Lieutenant Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate March 23: Mr. Hawkesworth]

MR. HAWKESWORTH: Mr. Speaker, I'm pleased to be able to get back in on this debate. When this matter was previously before the House a day or two ago, I felt that I was only going to have a few minutes, and I came to the particular point that I wanted to make, given the time period. But now that I have a few more minutes, I appreciate that opportunity to say a few more things in detail about the Speech from the Throne.

I would acknowledge and recognize the appropriateness of the government in the very opening paragraphs of the speech, giving credit to those who volunteered to make the XV Olympic Winter Games in Calgary a success. From my particular point of view, Mr. Speaker, I was pleased to see the success of the games from a financial point of view, that the contingency fund

that OCO had initially many years ago said they would be setting aside for an endowment to fund the ongoing operation of these facilities became a reality. I am pleased to see that with the surplus in the operating costs of the games -- that in particular is to me one of the major successes of the games that I hope is not overlooked. It's one that I wanted to see accomplished, and I'm pleased that OCO accomplished it.

Then, Mr. Speaker, as we go on in the speech, we see a highlight here. The next series of paragraphs are highlighted as Alberta Leadership, so I could go through the speech and find out where this government anticipates showing leadership. It was interesting to me, in going through the speech, to hear all of the committees that the government is setting up. The government has set up a committee to study ambulance services. This they did some time ago. They still haven't reported. It indicates that they'll soon be making their recommendations; that's very nice. I don't know what will be in that report, but we on this side of the House have for years been proposing action, not more committees.

Mr. Speaker, A New Vision for Long Term Care -- Meeting the Need. Very good; I commend that this committee has been set up. In fairness the report has just been released, and there's discussion going on. It's perhaps too early to act on those recommendations. If that were the end of it, that would be fine enough. But we carry on in this speech, and we find that under the Department of Municipal Affairs we now have a Municipal Statutes Review Committee, something that was, as I understand it, committed many years ago. It's only now finally getting under way and reviewing legislation -- long overdue. I don't know how long that committee is going to take in order to bring forward recommendations, but again it's another committee reviewing another series of issues facing rural and urban municipalities in this province.

The Premier's Provincial-Municipal Council: again, Mr. Speaker, I commend the Premier for setting it up. But the question is: is it going to be going any further than simply being another around-the-table chat fest with the Premier and municipal leaders, out of which nothing ever materializes?

We look down to find further on that page the Premier's Council on the Status of Persons with Disabilities. Again, it's all very nice to set up councils. I looked at the Bill that was introduced; we'll get a chance to debate that in this session. But as far as I could tell from that Bill, there was nothing in particular to give a mandate to this council, other than that it would review issues and do a little bit of research and from time to time sit down with government and talk to them.

We also find under Treasuring our Heritage, Mr. Speaker, that a multicultural commission has been set up. You know, you go through this list, and this is now about the seventh or eighth commission or committee that's been set up, but nowhere in this Speech from the Throne have I seen anything where action is being taken on any of the recommendations of any of these committees. Nor, more importantly, do I see anything in this Speech from the Throne implementing recommendations of previous committees or commissions that have been set up. I might, with one exception, note the labour review committee, which took I guess -- what was it? -- half a million or a million dollars to travel all the way around the world. I don't know what the figure was now. [interjection] Half a million dollars to travel all the way around the world. The minister says that he's going to proceed with a new labour Bill, but it's not at all clear to me that he's learned any lessons as a result of his review and his travels around the world.

So I see only the setting up of new councils, new commissions, and new committees to look at old problems that demand action. I don't know where you can find leadership in that, Mr. Speaker, but I consider it a pretty poor substitute for leadership when there are problems facing our province that require actions. To take that kind of route in setting up all these committees in my mind just doesn't warrant or rate any kind of bragging or boasting in a Speech from the Throne.

It was interesting too, Mr. Speaker, to find that in this current Speech from the Throne the government went back and regurgitated some comments they made in the Speech from the Throne two years ago about the establishment of a magnesium plant in southern Alberta. In fact, it was the people in High River who were the movers and shakers in making that a reality, and it was they who went out and worked very, very hard to get that plant in Alberta without much help, as I would interpret it, from the provincial government. But, anyway, it makes its way into the speech as some evidence of leadership. I say: yes, but it's not from leadership at the government of Alberta level.

I was also intrigued, Mr. Speaker, that it was not too many months ago when the Premier announced that it was only going to be a matter of days, perhaps weeks, but there was going to be a deal signed that would get a heavy oil upgrader in the Lloydminster area under way. In fact, I traveled out to Lloydminster and met with some people there very shortly after the announcement was made. Perhaps I was mistaken in believing the press report, but I said: "Well, I'm pleased to see that the government is about to reach agreement, and I'm looking forward to it. It'll mean a big boost for the Lloydminster area. Won't it be a good thing to see? It's been something our party has been promoting for over five years. We would have liked to have seen it happen earlier, but now that it's coming, all we can do is applaud the government and commend them for that initiative." Well, I got an interesting response from some of the people in the Lloydminster community when I talked with them about it. Their answer was, "Well, that's nice, but when we see the spade in the ground, we'll believe it." They're becoming quite cynical about these government announcements.

Well, that was back in November. It's now March, almost April, and there's still nothing. That deal has not been signed. I don't know whether it's going to go ahead or not, but there are some references made in the Speech from the Throne that there will once again be major projects undertaken in the energy sector in the area of tar sands and heavy oil upgrading. I don't know; I'll believe it when I see it, Mr. Speaker. When the shovel is in the ground and the actual sod is being turned, then I can believe it. But given the fact that it appears in the Speech from the Throne, I don't accept that that of itself is going to mean anything.

Mr. Speaker, the other thing I found interesting is that in a couple of places here it appears to me to be an admission of past failures. It wasn't too, too long ago, I believe, that the province of Alberta decided they were going to drop out of the co-operative research program for farm implements, I guess to save money. But now we find in this Speech from the Throne, recognizing the mistake of that decision, the provincial government is proceeding with the Farm Machinery Research Centre at Lethbridge. Well, it's fine to say that this is a new initiative. It's another thing to say, "We recognized our previous mistake, and we're rectifying it."

I also noted from the speech and also from the budget speech last night a change in the social allowance rates. As all members know, it's something we've been questioning and arguing

about for many months in this Legislature: to draw to the minister's attention that the rates have to be based on some reference to what is needed to live on and get by on and the nutritional needs of families in this province. The rates were at one time tied to those figures but in recent years have not been. I can see that now the provincial government finally recognizes their mistake. Again, it's one thing to call it a new initiative, but it's another thing to recognize reality, that it's due to a mistake in the past that this government is trying to rectify.

There was nothing in particular that I could see for the senior citizens of this province. One thing that all members of the Legislature should understand is that it's the seniors in our population who are proportionately much higher users of our hospitals and medical health care system. When we talk about reducing levels of service in our hospitals, it's the senior citizens of this province who, as a proportion, are more largely hurt by those reductions than any other population group in our province.

Again, I hear the Provincial Treasurer saying that spending in this department is out of control. Well, Mr. Speaker, I know that in my city of Calgary there's a hospital under construction, just about completed. Before it was even open, the government had to go back in and do renovations to that hospital, spend I don't know how many hundreds of thousands of dollars to renovate a building that hadn't even been opened. On top of that, with all the hospital beds that are contained in that building, not all of them are even going to be open for some time to come. All I can say is that if they're spending out of control in the Department of Hospitals and Medical Care, it's not in the area of nursing care or money for the people at the bedside who provide professional care to people. Those that are out of control are building new buildings that aren't going to be used, building beds that aren't going to be opened, building buildings that aren't even operational. Before they're even open, they have to go in and renovate those buildings.

Mr. Speaker, there are whole other areas that I'd like to get into this afternoon. The whole free trade area, which this government is trumping, is not going to provide the benefits to this

province that the government says it will. I think it's going to erode seriously our control over natural resources. Many of those comments, particularly in regard to a misunderstanding of what's in the trade agreement, I made in my previous debate, Mr. Speaker. Given that I know there are other members in this Assembly who would like to also make some brief comments on the Speech from the Throne, with those brief overview remarks I would like to close my remarks.

Thank you.

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

MR. SPEAKER: Having heard the motion by the member, those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries.

MR. YOUNG: Mr. Speaker, by way of business for next week I would advise that the Legislature will be sitting on Monday evening and Tuesday evening. It is the intention that the government business on Monday afternoon will be further readings of Bills 8, 14, 15, and 16, and then a debate on the budget. On Monday evening Committee of Supply will deal with the estimates for the Department of Advanced Education. On Tuesday evening Committee of Supply will deal with the estimates for the Department of Agriculture, and further attention at that time will also be given to Bills 8, 14, 15, and 16.

[At 12:50 p.m. the House adjourned to Monday at 2:30 p.m.]

