

## Legislative Assembly of Alberta

Title: **Thursday, September 9, 1993**

**8:00 p.m.**

Date: 93/09/09

[Mr. Speaker in the Chair]

MR. SPEAKER: Please be seated.

head: **Government Motions**  
**Provincial Fiscal Policies**

6. Moved by Mr. Dinning:  
Be it resolved that the Assembly approve in general the fiscal policies of the government.

[Adjourned debate September 8: Mr. Mitchell on behalf of Mr. Decore]

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

MR. DECORE: Thank you, Mr. Speaker. When the hon. Premier and I as the Member for Edmonton-Glengarry entered this Assembly in 1989, the gross debt of the province of Alberta was \$10 billion. Today after seeing the budget of the province of Alberta, we can see that the gross debt is almost \$30 billion. Right from 1989 I and members of our Liberal caucus spoke out on the issue of putting a plan in place and bringing that debt under control and eliminating the deficit. Not much was done. In fact, very little was done.

In fact, since 1985 the record will show that the Conservative government has been on an unbelievable spending spree. Eight plans that the government has put forward have failed. We had in 1986-87's budget an actual deficit of \$3.4 billion; in the '87-88 budget an actual deficit of \$933 million; in the '88-89 budget an actual deficit of \$1.8 billion; in '89-90, \$2.3 billion; in '90-91, \$1.1 billion; in '91-92, \$2.1 billion; in '92-93, \$2.8 billion. Mr. Speaker, in the last seven years the government has overspent its estimated deficits by an average of \$740 million per year.

Going back to 1986, if you divided the then assets of the province – and there were more assets than liabilities – each Albertan had net assets to the extent of \$2,700. Today, in 1993, all of the assets are gone. If you factor in the salable areas of the heritage savings trust fund, apply them to the liabilities, the net liabilities per individual in Alberta are some \$4,600. The total loss, then, for Albertans is some \$7,300 per Albertan in just seven years. Seven years. I repeat, Mr. Speaker, for those who haven't heard it, who didn't listen, that from 1989 on I and members of our party have been pleading with the government to do something about the deficits, and no action was taken.

Now, Mr. Speaker, more specifically with respect to yesterday's budget, this matter was raised in question period today by me, and I want to reiterate the observations I made at that time. I believe that there is a usurping of the power of this Assembly. This Assembly has the sole job of ensuring that the estimates, the requirements to provide program services to the people of Alberta are approved in this Assembly. It isn't done in back rooms. It isn't done at a cabinet table. It isn't done in a Premier's offices. It's done in this Assembly. It's done in the open. It's done in an open process, a public process so that Albertans through their elected representatives can see what's happened, hear what's happening, and see the votes on what is happening.

Today in question period I referred to *Beauchesne*, and I just want to bring to the attention of MLAs the comments that relate

to the financial relationship between the Crown and Parliament or the Legislature. *Beauchesne* says that

the Commons [the Parliament] grants such aids and supplies as are necessary to meet the demands of the Crown and provides through taxes and other sources of revenue the ways and means to meet the supplies that have been granted.

Then *Beauchesne* says:

The Royal Recommendation . . . must be treated as laying down once for all . . . not only the amount of the charge, but also its objects, purposes, conditions and qualifications.

It's clear. It is clear that the job of this Assembly is to fix the budget.

When I say that I see a usurpation of that process, it is in seeing quarterly reports that are now taking place or quarterly assessments that are taking place. That in itself is not wrong, but the action that's taken from those quarterly report findings is one where a minister or a cabinet is taking unilateral action without the debate, without the consent, without the approval of this Assembly, and that is wrong. Those issues must be brought back for determination in this Assembly. If it is decided for whatever reasons, mismanagement or whatever, that there is a \$67 million overrun in health care, Mr. Speaker, it is not right, it is not proper for a minister to unilaterally say, "Well, we're going to cut this and make this money good in cutting back this program or that program in health care," because the budget process is a complete process. That matter must be brought back to this Assembly, and it was not. I suspect that we're going to see more of this in the future unless we bring this to the attention of this Assembly and do everything in our power to stop it.

The other issue that I'm concerned about is in the budget document, Budget '93 Update, on page 17, the statement that to eliminate duplication and waste the government is going to

initiate a new management board structure with selected ministers, deputy ministers and private sector executives to oversee management of financial affairs and planning activities.

Now, Mr. Speaker, we have already had an experience in this Assembly where strangers were given information that wasn't shared or wasn't given to elected members of this House. It is wrong, I submit, for the government to take into its confidences individuals who are not elected members of this Assembly and give them information that other members are denied. To allow those members from the private sector in concert with a minister or ministers and deputy ministers to take unilateral action on a budget, that, too, flies in the face, that, too, is contrary to the parliamentary custom that has been set out over decades if not centuries.

Mr. Speaker, the next observation that I wish to make is to look back in history for a moment and look at the passage of what we now know as the expenditure control Act, the failure thereof. The expenditure control Act of course is now part of Alberta's history; it was repealed by the new Act that the Klein government brought in. I need to remind members of this Assembly that when this expenditure control Act was brought in, this Assembly had to be adjourned for 10 or 15 minutes because of the laughter that was coming from members of the Assembly, the laughter being directed at the Treasurer because of the outrageous provisions of the expenditure control Act, the outrageous manner in which the government was operating its finances, and the laughability that this Act could do anything to clean or clear up the mess.

That expenditure control Act provided exemptions on the Alberta capital fund. It provided exemptions on the Alberta heritage fund and capital projects. It provided an exemption on debt servicing. It provided an exemption on losses on loan guarantees. It said that we were supposed to limit the use of special warrants, but on March 18 the Klein government issued a massive special warrant to the extent of \$4.52 billion without

seeking legislative approval, which was contrary to the expenditure control Act.

### 8:10

Now, Mr. Speaker, we move to another Act brought in by the Klein government, the Deficit Elimination Act. I submit that this Act has all of the earmarks, that we now see evidence that this Act is as big a sham as the expenditure control Act was. We see in this latest budget brought down yesterday, the son of budget – the philosophical budget, I guess we have to call it, of May 6 – an incredible example of creative accounting. This latest budget says that if there is a sale of assets, those assets can go towards the paydown of deficit or to the paydown of debt. That means that you can jig the books any way you want. If it needs a little beefing up for this year, if you need to provide some moneys to show that you're not in conflict with the Deficit Elimination Act, you put some money over to the deficit. That's not right. There has to be clarity and certainty in dealing with the books and the taxes of Albertans.

This creative accounting process goes further, and we see in the budget a provision whereby some \$217 million in a loss of a Husky upgrader is put into last year's deficit, and we see some \$364 million in unfunded pension liability going into last year's budget: all of these sums, almost \$600 million, done to escape the scrutiny of Albertans, done to do an end run around the Deficit Elimination Act. It is wrong, it is deceitful, and it is a hoax on the people of Alberta. Mr. Speaker, when you spin a tangled web, then it comes back to you, and it hurts you more in the end, in the future than if you had been forthright with the people of Alberta. We need a Deficit Elimination Act that has clarity, a Deficit Elimination Act that has teeth, a Deficit Elimination Act that will put the financial house in order that all of us need to see put in order.

The next comments that I want to make are with respect to the so-called plan of the government. There is no plan. Expenditures, we're told by the Klein government, are to fall by some \$2 billion over the next four years. Where? How? What are the details? Surely Albertans are entitled to specifics in this budget document that has been brought forward. This is the start of the process. This is where we are able to see the kind of area that's been charted out over the next four years. You can't see it, and I submit that the ship is headed for the rocks very quickly.

We're also told that revenues will increase by some \$1 billion over the next four years. [interjection] Show us the assumptions. Set out the assumptions that will prove that we can see that there will be an increase of some \$1 billion, because that will better determine what action is needed on expenditures, whether or not this is for real or not. [interjection] I submit, Mr. Speaker, that it is not for real. The hon. Member for Vermilion-Lloydminster is one of the biggest perpetrators, I think, of this hoax in his constituency and other parts of Alberta. [interjections] Well, I just want to make it clear that if the hon. member wants to engage in a little bit of heckling, he's going to get a little bit of response from me. [interjections] Get your guns, Mr. Minister; get your guns.

Let's look at the Klein record since December, because we are talking about assumptions that say that over the next four years revenues will increase by some \$1 billion. Well, we've heard nothing about assumptions on gross domestic product growth, nothing with respect to unemployment rates or retail sales or business investments or housing starts or average weekly earnings: nothing from the government, nothing included in this budget document. If we look at the real record in Alberta, we see that unemployment since the Klein government took over has increased

from 9.4 percent to 10.1 percent; 146,000 Albertans are out of work. Today in question period I noted as well that Albertans were fooled into believing that some 110,000 jobs were going to be created by the Klein government, or an environment was going to be created for 110,000 jobs. Well, the clock is ticking, Mr. Speaker; the clock is ticking.

### Point of Order Questioning a Member

DR. WEST: Point of order.

MR. SPEAKER: The hon. Minister of Municipal Affairs is rising on a point of order?

DR. WEST: Yes, under *Beauchesne* 482. I wonder if the hon. Leader of the Opposition would entertain a question during debate.

MR. DECORE: I'll finish my speech, and then I'll entertain the question.

### Debate Continued

MR. DECORE: Mr. Speaker, Albertans were told 110,000 jobs would be created, but no plan, no detail. Some reference is made to a document called *Seizing Opportunity*. If you look at that document, all it says is that so many people will get employment in this sector and so many people in this sector and so many people in that sector. Well, by what evidence? What evidence is produced that says that that will happen? There is no evidence. In fact, the situation is going the other way. Unemployment is increasing. The average weekly earnings for Albertans have declined by some \$3 since December of this year. Retail trade has fallen by \$10 million between January and May of 1993. Where are the signs of economic growth? They're going the other way.

Mr. Speaker, we were, I think, too hoodwinked by the May 6 document, which the government now says was a philosophical budget. A philosophical budget: a budget that had no detail, a budget that made outrageous promises, a document that said that we would have expenditure controls. After the first quarter we saw that some \$279 million of overexpenditures had occurred: some plan, some budget, some government.

Mr. Speaker, this document isn't good enough. The chickens are going to come home to roost. This Conservative Party in Alberta has created the mess, the mess that Albertans must now pay off and look after. The document that we saw yesterday is a shameful document that doesn't provide the charting for the next four years, the direction for the next four years, and I submit the chickens will come home to roost in health care, in social services, in agriculture, in education. Anger from Albertans will be extreme. The fire that will occur from mismanagement because of accounting tricks, because nobody wanted to listen to the concerns of Albertans when they said, "You have a mess; clean it up," and no action was taken is going to create great hardship for Albertans. I wish they had taken action earlier. I wished and I wish that they could have been honest with Albertans then and today.

Thank you.

### 8:20

MR. SPEAKER: The hon. Minister of Municipal Affairs is rising to ask the Leader of the Opposition a question?

DR. WEST: Yes. The Leader of the Opposition has gone on and on and on about identification of cuts and creation of jobs. Given that you went through an election where I heard you talk about a billion dollars' worth of cuts, brutally cutting in some areas of the

province, and every time you were cornered on that question, asked where you did, all I found you came up with was a bunch of furniture in some offices for around \$114 million, I would like you to point out to this Assembly as you attack here how you thought you were going to cut a billion dollars out of this budget and still create the jobs that you keep going on and on about.

MR. DECORE: Thank you for the question, hon. minister. We in fact did say that immediate action was needed to be taken particularly on the capital side of the budget. We said that some \$800 million of I think \$1.1 billion needed to be shifted from the capital side to the operating side immediately so as to give us breathing time to allow for consultation to take place, for programs to be assessed, and for matters to be brought into this Assembly to be determined on a free vote basis. Mr. Minister, will you listen to that one: a free vote basis to determine the priorities of the province. [interjections] Well, that's the way you do it, Mr. Minister.

We talked about a process of efficiency audits, of going into ministries with people who know what they're doing and saving money. In Texas this process was used and billions of dollars were saved. They thought when they set up the process of efficiency audits and review in Texas . . . Mr. Minister, listen. You asked for the question; I'm giving you the answer. Give me the courtesy of giving you the answer. When they employed this efficiency audit system in Texas, they thought that they would save a few hundred million dollars. They saved billions of dollars. They were so in awe of the process that they have now institutionalized the whole process of efficiency and productivity audits. This party, the Liberal Party, has been suggesting that in this Assembly since I got here in 1989. We're convinced that that process can save between zero and 10 percent. If you talk to people that are auditors general in government in Canada, they say at least 5 percent on a total budget can be saved in program delivery. We provided you with that suggestion, Mr. Minister, every year for the four and a half years that I was here, and most of you, including your Premier at that time, laughed at the idea. It's still a good idea. We're still going to submit it, and we still want you to buy it. That's a positive suggestion.

We suggested, Mr. Minister, that there be the closure of foreign offices, that some \$10 million or \$15 million – and I think there are more moneys that are spent in these areas. I think there is some hiding of moneys there. Moneys could be better served in giving these \$10 million or \$15 million to Albertans. We kept saying for four and a half years, “Don't provide moneys to corporations” – not to NovAtel, not to Myrias, not to GSR, not to Ski-Free Marine, you name it: \$2.1 billion in bad debts you created for Albertans, Mr. Minister. You were part of many of those decisions as you sat in cabinet and caucus. When you say, as you said during an election, minister, that we're not going to do this anymore and then you stand in this Legislature this week and talk about and defend Beatrice Foods and \$2 million, you should be ashamed of yourself.

Mr. Speaker, there are ways, proper ways, that have been tested in other states, in other provinces, in other municipalities by governments that have made it work. Your government has failed on every account. You're the ones that created the mess, and you're not cleaning it up the way you should. That's the answer.

MR. SPEAKER: The hon. Minister of Municipal Affairs.

DR. WEST: Yes. I'd like to make a few comments as it relates to the budget. I also want to respond a little bit to what was just said. First of all, this is not Texas; this is not the United States

of America. We have a lot of programs and infrastructure that we're proud of here in Alberta, and we're not going to subject them to the type of policies that are present there where their health care system doesn't serve 38 million Americans. If you propose from a Liberal perspective that that's the type of efficiency audits that you're going to bring into this province, then God help us in the future.

You talked about that you would dismantle the capital projects to transfer them over to operations. Anyone with any bit of background in this knows that that wouldn't have changed the structural content of spending and government one ounce. That would have just offset the tough decisions that would have to be made in administration and the operations of everything from education and health care right down to municipal affairs.

What would you do in your creation of employment with the people that you put out of work while you just stopped capital construction and maintenance in this province for one or two years dead fast? All the road construction people, all the other people that are vested in equipment and have been building this province for the last 30 years would just stand on the sidelines for a year while you tinkered away? Absolutely ridiculous. Efficiency audits: you know, I think that you'd go through and do those and then you'd come back and start setting up these commissions out there with people on them that you appointed. They'd become Crown corporations that would operate these things at arm's length from the government like the Liberals did in Ottawa until we had 650 Crown corporations set up in this country. That drove the federal government into disaster before the Conservatives took over and tried to operate with them and bring them back down – everything from Connaught Labs right through to the postal industry and all the miscellaneous Crown corporations that the Liberals put over here as if it wasn't part of the operational deficiencies of that government. You're the ones that brought the national energy program in so that it could bring forth efficiency in the operation of the federal government when indeed what it did was just rape and pillage this province.

We know that there are structural deficiencies in all governments in Canada and North America. We have balkanized our programs till now we have to step back and look at the role of government, restructure it, and get on with the future. This province has an infrastructure and services beyond anyplace I've ever visited in the world, whether it's roads, health care, our educational facilities. We're just not going to step back from them and devastate them, stop maintenance and construction and going forward, but we are going to pull them out of their silos, look at them, restructure them, and put them back in and see where the private sector and other things can be changed in order to do it better.

You have gone on here tonight just rambling away about how the past has been so bad. Well, let's get on and build the future. We said here about 5:30 that we were going to co-operate in this Assembly, start giving good advice and constructive criticism and not go on in that old rhetoric where the clock's ticking. The people made a judgment on June 15 about that type of rhetoric and constant criticism. They're fed up with all governments that just sit there and don't get to the heart of the problems and people that are in oppositions that just go like this all day long. We had a party in here that dwelled on that. They're not here now. If you keep it up the way you're doing here tonight, you won't be here next time either.

Seeing the hour and the fact that they have made me emotionally upset, I'd like to adjourn debate on this at the present time.

MR. DECORE: I have a question for the hon. minister.

MR. SPEAKER: Well, unfortunately there's a motion before the House that the debate on this matter be adjourned. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Carried.

head: **Government Bills and Orders**  
head: **Second Reading**

8:30 **Bill 2**  
**Appropriation (Interim Supply) Act, 1993**

MR. DAY: Mr. Speaker, I will take this opportunity of the subdued climate in the House to introduce for second reading Bill 2 on behalf of the Provincial Treasurer who will be momentarily with us. We would invite discussion on this particular Bill.

MR. SPEAKER: The matter before the House is Bill 2. The hon. Member for Edmonton-Whitemud wishes to participate?

DR. PERCY: Yes. Thank you, Mr. Speaker. I had understood that the Provincial Treasurer was coming.

It is with some regret that I speak against this Bill, and let me explain why. It is not that I am against interim supply for the province; it is that I am against the process we are seeing at work here. Had the interim supply Bills been brought before the House after the budget, it would have been possible for us then to go through the process of interim supply having a budget in hand. We could then assess the material brought forward in the interim supply Bills. As it was, the interim supply Bills were brought forward two or three days before the budget. It was a very short window. It could have been brought forward after the budget, from which we would have had a context in which to assess them, because the context that we did have was a budget that was not passed, a set of estimates that was not passed, and something that had been referred to even by the Premier as a philosophical document lacking detail. In that context it leaves us with a real problem, because the process here is flawed. You do need the information with which to ask specific questions to try and put the programs in context.

Point one on process: had the timing of this been different, had interim supply been brought forward immediately after the budget – and it would have been passed well in advance of any of the financial requirements of the government – it would have provided the opposition and other members of the House with the ability to assess and judge how we were going to allocate this sum of money. And \$8.9 billion is more than an allowance; it is a sizable sum of money. So on that issue of process I do not think we were well served, and I would hope that in subsequent interim supply measures they would follow the budget rather than precede it with such a narrow window, because that does allow for reasoned debate and analysis.

The other issue in general terms that's disturbing when you look at the magnitude of this interim supply Bill is that much of it is, in fact, driven by special warrants. In the previous House there had been real concern over the magnitude of special warrants and that they were used *carte blanche*. There had been an Act passed, subsequently rescinded. The issue, though, is: do we want to

finance so much government activity through special warrants that are not subject to legislative scrutiny?

There is something at work here in the budget update which is very worrisome. I will just read from the initial budget, the May 6 budget that never was, a discussion of the role of special warrants. It's under Principles of the Deficit Elimination Act. "Use of special warrants will be strictly curtailed to extreme emergencies." Well, in the subsequent update of the budget we suddenly find that "use of special warrants is strictly curtailed." Myself, I liked special emergencies a lot more, even though I did not think the summer vacation constituted an emergency.

We're seeing here a mechanism at work with a slippage, where the role of the Legislative Assembly in being able to scrutinize these expenditures is really being defused, and special warrants do that. So one would hope that in subsequent interim supply measures the magnitude of the special warrants that would be invoked would be far smaller, because this sum of \$6.2 billion is almost half the budget that we are being asked to approve almost retroactively. It doesn't lead to sustained and thorough analysis, and as I mentioned, in this issue of asking specific questions, which was so important Thursday, in the absence of documents to outline the specifics of program expenditures, there is a real disadvantage to the parties involved, particularly when there are 49 new members in the House.

Inherent in this budget, despite the comments of the Minister of Municipal Affairs, at least in this round, is a focus on across-the-board cuts, and there isn't any effort to really try and eliminate bad programs. Now, one can understand that in the interim one seeks money where one can find it, but when one would be looking at areas to cut, it wouldn't be in AISH and social services. It wouldn't be school bus passes for children whose parents are on social services. It wouldn't be school fees. In any set of reasonable ordering of priorities, those would not be at the top of the hit list, not in a world where government had a clear idea of what its role and mandate were, which is in fact to look at those who are more vulnerable in our society as well as creating employment.

So just on a simple point such as that, when one looks at the cuts and where they've been imposed, can one draw from that process an idea that there are priorities here that would accord with what normal Albertans would view as being the appropriate role for government? I would argue that we don't see that. I would also argue that when we would look at the process by which the midcourse corrections have been imposed, this again has been done in a reactive fashion. It has not been done within the Legislative Assembly. It really hasn't allowed the members, then, to assess where the cuts have been imposed, how the expenditure surcharge has arisen, and how one might go about getting at the structural reasons why expenditures are still out of control, because the first quarterly financial report did suggest program expenditures. In the absence of the correction we're \$279 million out of whack. That suggests a significant problem. The midcourse correction attempts to address it, but again it does it in a very ad hoc, reactive, across-the-board fashion.

Now, ministers can scoff at the importance of efficiency audits, but they do work, they do save money, and they do highlight where programs are. The essence in the first round has to be getting at waste and mismanagement and programs that are just driven by special interest groups, and we know that in every department of this government there are program evaluations that are in place that attempt to assess the cost-effectiveness of these programs. Much of this has already been done in government but is not available to members of the House or at least not members of the House on this side, and one would hope that with a freedom of information Act some of that material would be available. We

would like to see those. We would like to see what the government's own documents say about which programs ought to be cut, which programs ought to stay and why, but again that material is not available. To the extent that saving government money and trying to rationalize programs ought to be a nonpartisan issue if there ever was one – because again both sides of this House supported the Deficit Elimination Act – one would hope we would see those. But again, in the context of assessing this interim supply measure, we don't see any of these studies that highlight where the bad programs are. We just see these across-the-board cuts. We find that a serious problem. We would like to see it addressed.

[Mr. Deputy Speaker in the Chair]

In general terms that is why I will vote against this interim supply measure. I think the process is truly inappropriate; I think some of the structure of expenditures is inappropriate. We know that there is the information in there to make far more informed decisions, or at least the information is within departments, but we don't have access to it, and we ought to.

Another area I would like to address which deals with the principles underlying the interim supply in Bill 2 is the move of the province to net budgeting. Net budgeting appears to have virtues on one hand. It does decentralize the source of revenues. It does generate the signals by which various government departments can try and somehow price the services they offer consumers in a way to generate revenue. Nobody can quibble with that. User fees ought to be out there, but we're dealing in many cases with government departments that are monopolists. There aren't firms out there competing head-on with them so that we can get an idea of whether or not their prices are appropriate. This is one area where efficiency audits would be important. It would signal what the true cost is to government of providing those services. The incentives that exist in net budgeting, which are creeping and permeating the budget process in this province, lead one to believe that you will get administrative bloat. People joke and they say, "Well, give a politician money and he'll keep it and spend it inappropriately." Well, that's very much true of bureaucrats in government, and to the extent that you give them the ability to raise funds on their own and use them, you have built in every conceivable incentive known to generate an administrative bloat, growth.

This has to be addressed. It should be addressed either through the standing committees or it should be addressed in the House. We are creeping down a road that's sending out the wrong sorts of signals, and again this extends throughout the current budget. Furthermore, when we're attempting to assess the size of user fees in government, which are inherent in this net budgeting process, there are some areas where government prices have to take into account social costs and benefits. This is particularly true in environmental issues. They have to weigh, for example in the case of forestry, nontimber benefits in terms of pricing timber: the value of wildlife, the value of amenities. Using a market paradigm to try and set the fees for government when government is in those areas, in many instances where the private sector ought not to be, again leads one to a pricing strategy that may well be appropriate for the private sector but is really in fundamental conflict with the role government ought to have in terms of pricing some of these services it provides or pricing the services of the resources that it owns.

8:40

I strongly urge the Assembly, as it debates the budget in the next round, that we do try and get a handle on this, because if we

get a handle on it now, we won't be looking back three to four years down the road and saying: why do we have such a large administrative superstructure, and why is it concentrated precisely in those departments that can raise their own revenues? The solution to this is either to have efficiency audits, to have mechanisms that ensure that the departments price appropriately but to ensure that the funds go to the Provincial Treasurer. Those funds belong to the Provincial Treasurer for him to allocate where they're needed. You shouldn't decentralize that process of being able to hold on to the funds. That has to be at the top and allocated where needed. That is a serious concern as I look at the budgeting process of this province.

Another area that concerns me in the process of the budget is that budgeting in this province for the next four years is going to be done in the context of the Deficit Elimination Act. One would hope, then, as one sees the budget that it provides a very clear road map of what this province is going to look like four years down the road, when every government department has 20 percent less in the way of expenditures, and the nature of the educational infrastructure, the health infrastructure that will be on hand. From the interim supply estimates clearly you don't get that, and I would argue and will that you don't get that from the budget process or the budget document. The fact that we're here tonight debating \$8.9 billion in total in these three Bills with initially six pages of documents – now we have a budget which we'll be discussing subsequently – really doesn't lead one to have much confidence that the budget, the process of interim supply is really keeping us on the track that's going to lead to the type of infrastructure in education, health care and social services that we would desire.

Furthermore, to the extent that the budget process that we have in place is constrained by the Deficit Elimination Act, one has to be concerned with the emergence of now two sorts of dollars: long-term dollars related to unfunded pension liabilities – and one might be able to argue the merits of it. I'm not going to do that tonight, but this is the first of perhaps many loopholes that allows government to say: "Well, we met the target once we defined the target this way, and we excluded those sorts of expenditures because there's a good reason for doing so." I think the principle at stake here is that once you set a target, you stick to it, and a buck's a buck when it's a financial obligation that the province has.

The other point I would want to make in the context of discussing interim supply – and it certainly was brought up at question period – is the fundamental importance in the budget process, particularly when we're dealing with general revenues, of ensuring that any sale of fixed assets, any resource windfall has to be applied to the debt, and this has to be a commitment on the part of government. To the extent that we apply it to general revenues is a quick fix that appears to hide the structural deficit that was referred to, but the structural deficit still lingers. So it has to be an ironclad rule that we deal with it in a very clean fashion and that we know the nature of the gap between expenditures and revenues. Is it there on a long-term basis? We deal with it. But to use one-shot solutions, which I suspect is going to be increasingly the case down the road of applying asset sales, both disguises the nature of the problem that we face and also generates again another set of incentives to start selling off household goods to meet the mortgage at fire-sale prices.

It is with reluctance that I will vote against this interim supply Bill. I think the operation of the government is important. It cannot be brought to a standstill, but I think a signal has to be sent out about the process, at least in this interim supply measure.

Thank you.

MR. DEPUTY SPEAKER: Edmonton-Roper.

MR. CHADI: Thank you, Mr. Speaker. I, too, rise this evening to speak against Bill 2, interim supply. Interim supply, contrary to the belief of the Provincial Treasurer and the people of that side of the House, is not alien to the members on this side of the House. The concept is not alien. We understand it perfectly clearly, and we believe in interim supply. In explaining to us what his version of the understanding of interim supply is, the hon. member the other night spoke out and said that his child came to him, and when he asked for his allowance midterm and he gave him whatever it was, that indeed constituted interim supply. I thank you very much, hon. member, because now I understand that you know what interim supply is, and I truly appreciate that.

To vote on a Bill for dollars here without the details of how expenditures are to be made is clearly not something that I can live with, Mr. Speaker. I will not and cannot in all good conscience do that. The Treasurer has said that he has provided documents, documents to back up the May 6 philosophical document. These, I suppose, are the estimates, but the estimates in my belief are all wrong anyway. I mean, here we are almost six months later discussing interim supply without the benefit of a budget to attach to it. As of yesterday we got the budget, and I understand that, but we had to discuss it last Thursday. We didn't have the benefit of yesterday's documents, and today we still don't have all the data that we're after.

Mr. Speaker, in the May 6 philosophical budget the government announced that it would use the Audit Committee to provide an independent assessment on progress towards a balanced budget. Since May 6 we've had one quarterly budget update presented to us which showed that this government overspent by \$279 million. Two hundred and seventy-nine million dollars in three months, members. Three months. Now the Provincial Treasurer has come out to us and said: well, that only constitutes 8 percent, and we made a midterm correction. It constitutes 8 percent in three months. Taken over the full year, that's 32 percent. Provincial Treasurer, heads would roll in a corporation if you were out by that much; I can tell you that.

Was there another audit done by the Audit Committee? The Provincial Treasurer hasn't told us, although in the May 6 budget document they indicated that an Audit Committee would report to Albertans on August 31. Where is this magical report? We certainly haven't seen it. If you have it, would you advise us at some point in time how we actually came through towards balancing a budget? Or were we out another \$279 million or \$300 million? Where do we really stand? That is something I don't know, members of this side of the House don't know, and I suspect people on that side of the House don't know either.

Therefore, Mr. Speaker, I tell you that it's inconceivable for us to vote on a document when we received six pieces of paper prior to a budget and are told: vote on this; vote on this because we need money to pay the bills. I don't disagree with that. I'll reiterate that: we don't disagree with that. I disagree with the process, and therefore I will vote against it.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Edmonton-Ellerslie.

8:50

MS CARLSON: Thank you, Mr. Speaker. I'm speaking against these appropriation Bills. The concept of interim supply is valid, but I'm appalled by the lack of details provided. Hiding behind interim supply requests which lack detail is a means of avoiding disclosing that there is no fiscal plan and that there is a complete

lack of a system to evaluate the cost-effectiveness of programs. This lack of a process shows that the government has absolutely no commitment to fiscal responsibility and no commitment to being accountable to the people of Alberta. This does not bode well for economic development in this province.

What confidence can be generated in the business community for this government when the Premier states that the May budget is a purely philosophical document and the Treasurer introduces an interim supply request of \$8.9 million without providing details on how that money will be spent? The interim supply figures are meaningless if you can't back up the numbers with details, because without these details the numbers cannot be verified and performance cannot be measured.

As an accountant I find it fiscally irresponsible that a Treasurer would present a request for funding without providing any criteria to measure that request by. This certainly is not an acceptable practice on this side of the House, and it is not an acceptable practice outside of the House.

While the Minister of Economic Development and Tourism states that our province is open for business, this government certainly does not lead by example. This style of shoddy reporting proves that government cannot at this time properly take care of its own business. We are provided with no specifics on how they are actually spending our money. Klein has been touting this government as the beginning of a new era of openness and free access to government information. I'm sorry, but this kind of progress is a step backwards. At least Mr. Getty's government had the decency to give us some specifics about where our money was being wasted.

When will we be given some details on how much we are spending on each of Alberta's foreign offices? The budgets of these offices are all lumped together under one heading, and the people of Alberta haven't seen a report on how much we are spending on these offices since 1991. How can Albertans possibly know if these foreign offices are the most effective way of promoting Alberta business overseas if we don't even know what we are paying for them? On top of this, our only analysis of the effectiveness of these offices we have is a skimpy report from John Oldring and Dennis Anderson brought back from their \$40,000 taxpayer-supported vacation. We have no way of knowing whether or not we are getting our money's worth.

The sum of the recommendations in the Anderson-Oldring report amounts to only a declaration that we would save money if we were to reduce office space and staff. They claim in their report that we could save \$1.84 million through these innovative solutions. What they don't tell us is how much of these savings will be eaten up by the new foreign trade offices that they recommend we open in Singapore, Beijing, and Washington. The estimates for the department certainly don't give us any indication of what those dollars will be. In addition to this, how much more will we be spending on the new offices in Siberia and India that were announced in the government's Speech from the Throne.

It is time for this government to remove the shroud of secrecy and let Albertans know what is being done with their tax dollars.

MR. PHAM: Mr. Speaker, I would like to rise and speak to the House regarding some of the points that the hon. Member for Edmonton-Roper made earlier. He said that for a period of three months we have overspent \$273 million.

MR. DECORE: Two seventy-nine.

MR. PHAM: Yeah. That is not true at all, because that is the projected annual overexpenditure. That means that if we were

going to spend money the way we were, we would have overspent \$200 million and some by the end of the year. [interjections]

MR. DEPUTY SPEAKER: Hon. members, can we let Calgary-Montrose speak?

MR. PHAM: Those are the facts, and you should get the facts straight.

We have been sitting around here listening to all of these accusations flying around all over. There is a point where I have to stop and wonder where is the value of the truth? You know, whenever we speak, if we make any accusations, we have to check the book. We have to make sure that everything we say is backed up properly with evidence. That is very, very important.

Further to that point, where my friend makes an example of how he sees the interim supply Bill and what it means to him, he just gave an example that if he is up in Edmonton busy sitting in the Legislature, then he will provide the money for his kids to spend during that time. That is a very simple example, and I think it is a very, very good concept to get across because sometimes you have to explain in such simple terms, otherwise people may mistakenly think that, well, his son may have overspent all his money for the whole year, just like the hon. members have made the mistake of thinking that the projected annual overexpenditure is the same as we overspent for the last three months.

As the time goes on and on, I expect that there will be more members joining in the debate, and then we will get more facts out of the whole discussion.

Thank you.

MR. DEPUTY SPEAKER: Edmonton-Mayfield.

MR. WHITE: Thank you, Mr. Speaker, and I thank the hon. member opposite for the re-explanation of children's allowances.

Mr. Speaker, being a new member to this House and being a member that has not had a great deal of experience with the budget as presented in the documents that were filed by the member opposite responsible for finance, I had a little difficulty at first and decided that the avenue one would follow is to look up history, find out what was filed in the past. We recognize the blue books, as a number of these have been filed over the years. Going through these – and I'm speaking mostly to the members opposite that are as new and green as myself – I found that there was nothing near what I expected to find from my experience in municipal government. I know there are a number of members in this House that served on similar councils as myself. Throughout all municipal governments the object of the exercise of budgeting is a communication document such that we can tell ourselves and understand what the ramifications of a vote are on each individual line item, and you can chase it. You can find exactly where it should be spent and where it is spent subsequent to a passage of the bylaws.

Now, I expected to find an information overload and to have to deal with that when I arrived in this House the first time. Going through these documents, I had raised so, so many questions that I had difficulty believing that it was lack of information therein; it must have been a deficiency of my own. After reviewing it, I asked some of the members opposite – you know who you are – briefly if they had that same kind of difficulty. It was agreed that they did.

I find that the documents that are filed in all cases are to the detriment of Albertans, not just to myself or the members opposite but to all Albertans. Now, coming from a level of government where this House sets some definite rules about how they must

govern their affairs, I believe that is a relatively serious accusation. In fact, not only must they balance their budgets annually; they must produce documents and file documents for the scrutiny of a group of members that are appointed by this House every time they wish to borrow money beyond a very small limit. Those people must know in their heart of hearts that they are right when they pass those kinds of motions in that Chamber.

9:00

That's not the case here, it seems. The members opposite, particularly in the back benches – I'm sure that the front benches have had a great deal of experience with the former minister of finance and the difficulty with which you could understand a sentence or two that he put out. A compliment is coming there, Jimmy. At least when this minister delivers a sentence, you can understand it. The documents he presents are the same old items, and I have difficulty with that. I'm sure that some of the members that have had municipal experience either on school boards or municipal councils or in their local community league would never and could not pass documents such as they've had. Now, I don't chide the members opposite, particularly the newer members, because they haven't had that experience and really in their own caucus the time to get into these items. I do expect and I would hope, with the earlier conversations today of our front benches and with the backbenchers' concurrence, that something can be done in the future about the style and the presentation method that we have in these communication documents.

Now, it may be a surprise to some members opposite who don't know the members here that there is a lot of small "c" conservatism on this side of the House, as I'm sure there's a little bit of small "l" liberalism on that side.

SOME HON. MEMBERS: No.

MR. WHITE: No, couldn't be. I agree. Mr. Speaker, I must retract that because I know there are some members opposite who have absolutely no liberalism. However, there are some that may.

I must point out that the small "c" conservative here is honest and true. There is a denotation in *Webster's* and probably in *Funk & Wagnall's* also, but *Webster's* is the dictionary of the House: resistance to change. That is not the kind of conservatism that this side of the House believes in, small "c," and I know it was not demonstrated earlier today on the other side either.

Some of the changes that could and should occur are not difficult to fathom. You don't have to be, in the words of that famous Don Cherry, "a rocket surgeon" in order to find out that these kinds of items are really quite simple. Give the House a document that can be read and that can be taken to the people of Alberta and says: yes, this is how your government intends to speak to you and provide service to you. That's what you and I and all of those that are here in the House intended to do when we signed that document saying: yes, we, if elected, will serve.

Now, coming from municipal government, one of the tiniest of tiniest lines in these documents that I was able to read not from the experience gained in reading the things but from experience in the Chamber over the way, in another glasshouse over there with a strangely shaped dome, is \$200 million titled Alberta Local Employment Transfer program. Do you know what that really is? That's taking \$200 million from the net profits of the municipalities' borrowings in a revolving fund and saying: well, it doesn't belong to you municipalities any longer; we are just going to use that because we have a greater need than you. Well, you can't say that to municipalities without having them get a little upset, and rightly so, but then what you should do is tell the people of

Alberta yes – it may be so; I can't tell from any of the documents here presented whether it was legitimate or not. The past government, the former government, had no intention of telling anybody about anything. Then to put it into this budget as an item, that's simply a raid of the borrowings of the municipal governments, some of them that are in dire need of funding, as this level of government is also. I would hope that some of the spirit of earlier today carries on to a little freedom of information, information that specifically relates to how the expenditures are made. After all, tell me if anybody over there was hired for the job that they presently have on anything other than the basis of, "Take our funds," as Albertans have said to us all, "and spend them as wisely as you possibly can." Now, if any of the members opposite, particularly those in the back benches can honestly say that they can read the documents and understand where those funds are going and can honestly, whether it be to their child on an allowance or a businessman or a schoolteacher that lives in their constituency, say, "Yes, I can tell you where the money is spent," then I would surely like to have that member talk to me about it and explain how they can possibly be this giant of an intellect.

I have difficulty with how the other side presents the information, and I'm hoping that it will get better. Now, members were not here, and I certainly can't chide some of the members that were opposite; as a matter of fact, I knew the minister that was in charge for a number of years prior to his resignation – I have to ask whether he knew. I'm not dealing with this information just for this side of the House. I'm dealing with information for that side of the House also and for all Albertans. You can ask yourself this: if any member opposite knew what really was occurring with the funds that went down that pipe called NovAtel, including the minister, do you think any one single member would stand for that? Of course they wouldn't. Of course they would say, "There's something wrong here, guys." Whether you'd keep it in your own House or not, you'd certainly go to somebody and say – and a lot of members opposite I know would not give up until they'd said: "Something is fundamentally wrong with the way the money is being spent in this particular place. Why do we not do something about it?"

Now, that information certainly wasn't there. That's some information that is not provided, not even in one line in the documents – not one line. Now, I don't know how you intend to conduct yourselves over the next X number of years that we'll have this seating arrangement, but I would like to think that those members opposite will be true to the conviction for which the people of their constituencies trusted them and be a little more forthcoming in the future about the manner in which they deal with these kinds of documents.

MR. DEPUTY SPEAKER: Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. Just a few comments on appropriation Bills tonight. Bill 2, that we're debating at the moment, has a nice long list of figures that we are being asked to approve. With some trepidation we are asked to approve in a matter of a couple of days of debate eight-twelfths of the budget, with a couple of days' debate in Committee of Supply, a day today for second reading, and similarly another day – all told, a grand sum of four days of debate in committee and Bill stage readings to debate nearly \$9 billion worth of expenditures. The Treasurer then proposes that we will spend 25 days in Committee of Supply under our Standing Orders to debate the other remaining one-third of the budget.

Mr. Speaker, the peculiarity we have here of course is that we have a budget that was produced for May 6. We have some

interim supply requests before the House today that deal with a good chunk of money. Then we have another budget which of course was introduced yesterday. One would like to think that there is some correlation between them. There is some correlation, but there are also some areas where there seems to be less than significant correlation. For example, Economic Development and Tourism is one of the departments of this government that is a recently reorganized, amalgamated department from three previous departments. One would expect that when you downsize, amalgamate, co-ordinate, and streamline, you should be able to save money. One would expect that. But, you know, of the few departments in this government that we're asked to increase the expenditures on, this is one of them. It doesn't make any sense. We're asked to approve that tonight, at least the partial expenditure.

9:10

Mr. Speaker, in this downsized, streamlined, leaner, meaner government that's going to save us money by giving us a bigger budget in this one department, we're being asked to approve three-quarters of the budget after only two-thirds of the year has gone by. Now, that's not a whole lot of difference, if you work on it percentage-wise, you say. It's only a twelfth or about 8 and one-half percent of the budget. But this government and the people of Alberta and certainly the Liberal opposition know that one of the biggest challenges we face in Alberta today is getting our budget deficit first of all under control. Then, ultimately, when we get that under control, which is probably going to be four, five, six years down the road, we've got to start tackling the problem of debt. Yet here is at least one department that proposes, from all appearances in what is proposed in the interim supply Bill today, to spend money faster than what was allocated or suggested for it in the May 6 budget and what is in fact suggested for it in yesterday's budget, which again don't seem to have a whole lot of correlation.

Within that one department let me give you some examples of some of the concerns. Mr. Speaker, I've not raised it as a point of order because I know that what we have in our budget debate and in fact the procedure that we're going through today is very much along the traditional lines of what happens in this Legislature. That's not to suggest, however, Mr. Speaker, that what has happened in the past is in fact what is appropriate. I draw all hon. members' attention to *Beauchesne*, not that it's necessarily the best answer or the only answer. I'm not raising it as a point of order, but I'm raising it as a point of information to all hon. members, and in particular, hopefully, to the Treasurer, because I know that he will be . . .

AN HON. MEMBER: Could you speak up, please?

MR. BRUSEKER: Are you having difficulty there, sir?

AN HON. MEMBER: Just speak up, please.

MR. BRUSEKER: Sorry, that happens to me all the time.

*Beauchesne* 945 talks about how the estimates should be presented in the Legislature, and it's interesting. They talk about dividing the estimates into three parts: part I, an overview of government spending. We've received that.

Part II outlines spending by departments, agencies and programmes, and contains the proposed wording of the conditions Parliament will be asked to approve for the proposed expenditures.

Well, we didn't get that.

Part III, the most interesting part of all, I find.



Part III provides supporting detailed information including the results expected to be achieved for the money proposed to be spent.

In other words, in the estimates, right up front, according to *Beauchesne*, which as I said is not the tradition of this House, there is some indication of what we will hope to achieve from the money we expend.

Now, Mr. Speaker, I as a member of the Liberal caucus have asked many times of this government and members from the 22nd Legislature have said, "How do you propose to spend the money?" I know that the hon. Leader of the Official Opposition asked the question: can you tell us the value we're getting for our money within the now Department of Economic Development and Tourism for our foreign offices? The answer we hear back continually is: oh, that would be so difficult to do; it would be so hard to do an evaluation; gosh, we don't think we can come up with that. Yet we're being asked to approve in this particular budget \$98 million and change just for that one department, some of which, and we don't know how much, is going to go to these foreign offices. We know the importance of these foreign offices because we had two former cabinet ministers travel around, \$40,000 at taxpayers' expense, and come up with the startling conclusion that if we reduced the amount of office space and if we reduced the amount of people we had working there, we could save some money – no indication of what value we get for that; no indication of what benefits are going to accrue to Alberta. The standard response we get from this particular government is: gee, that would be too difficult to do; too difficult to track and come up with any conclusion.

Well, Mr. Speaker, in Calgary there's an outfit called the Calgary Economic Development Authority, and they do similar kinds of outreach missions that supposedly our Alberta trade offices do. So I called up the president, and I said, "Bruce, I understand you guys do some of these trade missions." Bruce McDonald is the president of the Calgary Economic Development Authority. He said, "Yes, yes; indeed that's true." I said, "How do you know if they're doing any good?" He said, "Well, we introduced a tracking procedure." A client tracking system they call it. I said: "Gee, that sounds interesting. Could you tell me about it?" He said: "Oh, absolutely; in fact, I'd be happy to send you the information. It tells us what kind of value we get for our investment." I said, "Gee, I'd love to see that." So they sent me a 28-page document. It said: here's how we track, decide whether or not we're getting value for our money. It ain't perfect; don't propose for it to be perfect. I don't think they do either, but they've tried.

Mr. Speaker, we've asked in this Legislature for four years: will you tell us how you're spending money? Not one line item. The Treasurer and all the hon. government ministers stand up and say: oh, you have all the information you need. We ask for the information time and time again on this one little line item in one department that's not even mentioned in this document. Can you tell us: on that one little thing how are we getting value for our \$10 million we're spending? The answer we get all the time is: that's too difficult.

That's just one example, and we sure have a whole long list of examples we could pick out of this. I don't propose to go through all of those tonight, but if the government can't satisfy one answer to one question from one part of one budget, what's the rest of it like? When we get two days to debate two-thirds of the budget, Mr. Speaker, in good conscience I can't support that.

MR. DEPUTY SPEAKER: The hon. Minister of Transportation and Utilities.

MR. TRYNCHY: Thank you, Mr. Speaker. I guess I'll be different from the rest. I will be supporting this. It's quite simple, and I guess maybe I'll give some of those members a lesson or two. If you look at Bill 2 and you read just part of it:

The sum hereinafter mentioned is required to defray certain expenditures of the Public Service of Alberta not otherwise provided for during the fiscal year ending March 31, 1994.

Mr. Speaker, we just had a budget presented May 6. We had an election. We had a budget presented again yesterday. What this Bill asks for is to have funding from April 1 until this budget that was presented to us yesterday is passed, put in effect so we can pay the bills that we must have.

Members across the way say that they can't understand what's happening. Well, I want them to turn to page 273, Department of Transportation and Utilities, and step by step, question after question if they have some, let's ask them. I'll tell you every line what it's for. It's there. You just got it yesterday. Look at it. Read it. Understand it. If you don't, I'll help you.

Mr. Speaker, the reason I support this: the people that are building our roads, the contractors across the province do their work in the summertime, so we need some \$300 million-plus for capital expenditures. They don't want to wait till March of '94 to get the money; they have to have it now. So whatever we put in here in this Bill 2 for transportation is necessary. As a matter of fact, we probably will need more than those figures, so I'd like to see us pass this very quickly. [interjections] Just a minute, just a minute. [interjections] Mr. Speaker, just today they said they would listen and then they would ask questions after. I listened while they spoke. I didn't interfere with them. The Leader of the Opposition hollers and screams: we've got to have answers. I'm trying to provide them. Now, if you'd just sit in your place . . . [interjections].

MR. DEPUTY SPEAKER: Through the Chair, please.

MR. TRYNCHY: If you would just listen, I'm sure it'll sink in in a little while. If not I'll repeat it, and it might even – well, no, I won't say it, Mr. Speaker.

It's embarrassing to hear this kind of – I've got to be kind now – garbage from across the way that they can't understand what's in the Bills, they can't understand what's in our budget which was placed there yesterday. Why don't they say, "Look, let's pass this so we can pay the people that have the funds coming to them"? Let's get into the budget, and then if you want to cut the minister's salary to a dollar or ask questions, do it. You have an opportunity to go through this book step by step, line by line and ask the questions. You're going to have four hours in a special committee that you're going to set up. The leader is going to announce the five departments he wants to put through. I hope he picks transportation; I sure do.

#### Point of Order Questioning a Member

MR. WHITE: A point of order, Mr. Speaker, under 482 of *Beauchesne*. Could I ask the minister a question subsequent?

MR. DEPUTY SPEAKER: Does the minister wish to entertain a question at this time?

MR. TRYNCHY: As soon as I'm done, I'll take all the questions from each one of them. Yes, every one of them can ask a question. You bet. I'm sure they'll all have a question.

### Debate Continued

MR. TRYNCHY: Let's get on with the job. Pick up the book, take it home with you, sleep with it if you have to, read it, understand it, and then come back and let's pass the budget so we can get on and do the kind of things we were elected to do.

I'll take the question.

9:20

MR. DEPUTY SPEAKER: Edmonton-Mayfield.

MR. WHITE: Thank you, Mr. Speaker. Mr. Minister, I won't sleep with the book, but I will take it home, thank you very much, and have done.

Page 283, sir, Municipal Services Development and Support: it went in 1992-93 to this year, '93-94, an addition of some \$11 million dollars. Could you tell the House in which municipalities in a global way those funds are to be expended?

MR. TRYNCHY: A very good question, Mr. Speaker. That funding is to provide water and sewer programs across the province at all municipalities. If he wants a breakdown of town by town, I'll get that for him, but that is to catch up on the backlog of programs we have committed to. We're trying to catch up.

MR. HENRY: Mr. Speaker, I'd also like to speak to the interim supply Bill. It's been quite a year. In February, I believe, of this year we had the Financial Review Commission. Later on we had the Auditor General's report. There were several recommendations in both of those reports regarding the reporting of finances in the province, the management of finances in the province. It's a disappointment that I find that most of those recommendations have not been implemented yet. I will acknowledge to the Treasurer that some work has been done.

I note my colleagues in the Liberal caucus have outlined some of the changes that we would like to see made. There are a couple of issues I'd like to zero in on. One has been raised before, the whole issue of efficiency audits. This is not an issue that's foreign to accountants; it's not an issue that's foreign to the Institute of Chartered Accountants. It's not an instrument that's foreign to the Auditor General, but as of yet the Auditor General does not have the power to move in and perform independent, at-arm's-length efficiency audits. I'll acknowledge that perhaps there's a little bit of time needed to put that system into place, to figure out how it's going to work, but I'd encourage the Treasurer to move on that. I would like to see and I hear a lot of Albertans telling me that they'd like to see this in the near future – not in four years' time, not a promise in the next election but actually in the next fiscal year.

There's one system, however, and one of the recommendations of the Auditor General that I think can be implemented fairly quickly, and certainly for voters in my riding it would restore a lot of faith in the government. That's the changes to the appointments process. The government is standing saying that we've got to work with less. We're asking Albertans to work with less. We're asking our civil servants to do with less. We're asking our institutions, our charitable agencies to do more with less. Yet what we're finding, a perception at least, is that it's friends of the government who get the appointments, who get the plums. I'm not going to stand here and argue back and forth with the Provincial Treasurer or other members of the government whether that's accurate or not. The facts speak for themselves. I don't think anybody can argue that the perception's out there.

I believe really strongly that there are two very significant steps that can be made, that can be done very easily and very quickly. Number one, keep to the Premier's promise that all appointments to government boards, agencies, and commissions will be referred to the Public Service Commissioner for review and shortlisting. Really a simply procedure, it doesn't take a lot of planning, it doesn't take a lot of bureaucracy; it simply takes the maintenance and the fulfilling of a promise.

Second, the Public Service Commissioner needs to be independent. It's very easy for me to stand in the opposition and fault all of the members in the government. I know several of the new members from other movies and other stories in our lives. I'm not looking at people who I think are bad people or people who I think are corrupt people or people who are trying to do something terribly evil, but we all know that when you get in positions where you're making decisions about appointments, you're vulnerable to all of the lobbying, to all of the pressures, to all of the pushes. If we took the Public Service Commissioner and made the Public Service Commissioner an officer of this Legislature, where the Public Service Commissioner was not beholden to any one party but to the entire Legislature, and the Public Service Commissioner reviewed all appointments, I think we'd have a much cleaner process.

We're being asked tonight in the interim supply to approve interim spending – and I acknowledge that interim spending – of about \$6.2 billion. We're told in the budget documents of yesterday, and I'm rounding off, that over the next four years we're going to see expenditures drop about \$2 billion and revenue come up about a billion dollars. The specifics of these projections of less expenditures and more revenue are nonexistent. They're not in the budget documents. They're not in the plan. We've heard members talk about that.

Now, I'm going to acknowledge that the hon. Minister of Education and I know other ministries including Health and advanced education are in the midst of holding roundtables to talk to Albertans and to discuss with Albertans the future of the various departments and the various services provided by government. The fundamental flaw with the way these roundtables are being operated: first we're being told that X number of millions of dollars has to be cut out of Health. Then people are being pulled together to be consulted, and the question put to them essentially is: where are we going to cut the dollars from Health? I believe we need to take a step back. A decision has been made behind closed doors to cut X number of million dollars from Health, to cut a hundred and fifty million dollars from social services. I believe we need to take a step back as a Legislature, and I encourage the government to do this. Let's have some broad consultation with Albertans, and let's look at where Albertans want the cuts on a global basis.

There's no doubt we need to cut expenditures. I think both sides of the House will agree with that, but we haven't had the public discussion yet. We're having some discussion publicly about where the health care cuts should come, and I anticipate that with Education and advanced education. We haven't had the public discussion yet about: should those cuts come in Education; should they come in health care at all; should they come in social services at all? Perhaps they need to come more in transportation, perhaps more in public works. I recognize that in public works and in transportation there is a balance of cutting expenditures without hurting the economy and destroying jobs at the same time. I recognize that's a balance, but we've seen no public discussion. All of that discussion about in which areas the cuts are going to be made has been made behind closed doors by a party that represents one section of Alberta, albeit the majority of seats in Alberta

and albeit the government of Alberta, but recognizably 44 percent or 45 percent of the popular vote. I think a public discussion about where those cuts should come, and let's have that discussion before we start determining where we're going to make the cuts.

Now, the Provincial Treasurer has committed to issuing quarterly budget updates, and in the last budget update he made what he called "corrections" to account or take over from \$279 million and change in projected overspending. Then all of a sudden it was announced that we were going to see cuts. We're going to see cuts in social assistance; we're going to see cuts in assured income for the severely handicapped; we're going to see several other cuts. I've gone back to my constituency. I ran on a platform very clearly that we needed to reduce expenditures, and I believe most people in this Legislature ran on that platform.

I've spent some time since the quarterly budget update going back to my constituency and asking people what they think, and I had a very big surprise. The surprise was that I thought I would have to go and set up some meetings with groups and perhaps have some coffee parties and perhaps have a town hall meeting to get people's opinion. I didn't have to do that. Since the budget update I went back, and I have been inundated with telephone calls. I have been inundated with requests for meetings, with requests for discussion, with requests for information. I have been spending a lot of my time meeting with people, talking with people on the telephone, meeting with groups.

What I'm hearing and the message I'd like to give to the government about the way the budget corrections are being made, the way the budget plans are being made without the kind of prior consultation I would like to see, what I'm sensing and one thread through all of the discussions is an intense and incredible very high anxiety. People on the street are talking about what next, who next. People are afraid that their particular benefit, something that they need – I'm not going to ask the minister to respond at this point, but there's something wrong with the aids to daily living program when I get a call from a constituent who needs some personal supplies, has received those over time. The constituent phones the drugstore and asks for a renewal of the supplies, and the drugstore says: "Well, I'm sorry; we can't do that because you haven't paid your last bill. You were cut off AISH a month and a half ago." The individual had no notification. Now, that may have been a mix-up in moving, and I acknowledge that and whatnot, but we're finding people with no preparation being cut off essential supplies. We're finding situations where there is very little planning in terms of how the cuts are being made, in terms of how the reductions in expenditures are being made.

### 9:30

One that's just happened in my constituency that disturbs me greatly has to do with new Canadians who have arrived in Canada who are attending English as a Second Language programs in Edmonton-Centre. Now, it so happens that they are attending a private institution, and they have been funded under social services. They've been receiving social services as well as their tuition being paid to take English as a Second Language. These are people who want to work. These are people, many whom I know quite well, who want to work, who want to contribute, who want to be involved in the economy in a very productive and meaningful way. What happened to them is that all of a sudden they got notice that starting August 31 you're not going to be eligible for social assistance anymore because you're attending a school full-time. Now, we did some investigation and found out that this was partially an effort to try to consolidate the assistance to students under advanced education. Students were told by

social services: "No problem. Just go the Students Finance Board, and you'll be able to get funding and you'll be able to continue yourself." So they went; I showed them where to go. Students finance said, "Well, you're not attending a designated institution, so we cannot fund you."

So we round up again, and we sit down and we say, "Where are there some designated institutions where these people can continue to learn English so they can then get integrated into the economy faster?" We tried Grant MacEwan College, Alberta Vocational Centre. We tried NAIT. We tried several designated, and none had spaces. We find that \$100,000 of social services' money was made available for agencies to open up spaces. Discussions with all the agencies show that none of them could get up and going before November. So we have some individuals who are being told: "You're not eligible for social assistance as long as you continue in school, as long as you continue to learn English and try to get a job after that, so go to students finance. You're not allowed students finance because you're not in a designated institution, and there are no spaces in the designated institutions."

Mr. Speaker, I spent a lot of time working on this one, and I would like to give credit to the bureaucrats and civil servants involved in this one, because it was eventually solved on August 30, one day before they were going to be cut off. An arrangement was made for interim branch financing, and the individuals are continuing in English as a Second Language.

I raise this as an illustration of what happens if there isn't planning and prior consultation. Anybody who is involved in English as a Second Language in the city could have told you there are no spaces open. There were no places for these people to go in designated institutions, but the cuts were made. They were sent the letters, and all of a sudden it was done. It was a done deal, and there was no consultation. You had people who for about six weeks were in tremendous anxiety having to choose between continuing in school and having no financial assistance and no income and not being able to pay the rent on September 1 or going home and doing nothing and being able to pay the rent.

Several other instances of this kind of lack of planning have arisen in my constituency. Do you know that one agency that serves the disabled individuals in my constituency has had to hire a person full-time – we're dealing with mentally disabled individuals – just to help deal with the clients and the parents of clients who have all of a sudden been told of all the changes in social assistance? Some are being reduced and some are being cut, and they're hearing all sorts of rumours and have all sorts of questions and are not able to get all those questions answered. If you phone the 1-800 number, you get exactly what's in the pamphlet and no more. You're not told what you can appeal, what you can't appeal, what's policy, what's regulation, et cetera.

I had two sisters in my office on Saturday morning who were both well into their 70s, literally in panic because they have a sister who's in low-level long-term care who has Alzheimer's, and she's in her 80s. They're worried because they're saying that she doesn't have a lot of money. They're wondering, if she is still around in five to 10 more years, is there going to be a place for her and should they be setting money aside now to help care for her. We all know that there are spaces. We all know that there are some services available. I raise the matter not to point to the government and say, "You're not looking after people with Alzheimer's," but to raise the level of anxiety that's out there in the community about what's happening in terms of health care and social welfare and, I add, also in education in our province.

As probably many members here, I visited several schools this week. I have the luxury of being in my riding, in Edmonton-Centre, while I stand here and being able to go to the various

schools and participate in Read-in Week. I went to every single public school in my riding, and not one single school did I get in and out of without teachers and in one case students pulling me aside and saying: "What's going to happen to education? Is it true that big cuts are coming? Is it true this?" Again I want to illustrate very clearly the level of anxiety that's out there because people don't see a plan that says, "Here's what kind of money we're going to have to cut out of this budget," or "Here's the kind of global amount; tell us whether we should be taking it out of transportation, public works, utilities, Treasury, social services, or Health." There seems to be a lack of consultation.

Mr. Speaker, I strongly urge the government to try some very simple measures, such as an independent appointment process that is channeled through the Public Service Commissioner that is responsible directly to the Legislature as a whole to instill some confidence. We have a good system. Those of us who are here in this room wouldn't be here if we didn't think the parliamentary and the democratic system is worth something. I think we owe it to the people of Alberta.

We've come a long way – and I commend the two House leaders and the two leaders of the parties – in making some changes to make this system better. I've been a student of this Assembly for a number of years, watching it very closely and working just outside of it. I know these are significant changes, but we have much more to do to instill confidence, not just in the government but on all sides of the House, that the system does work and people can be represented.

With that, Mr. Speaker, I'd like to conclude my remarks. I welcome comments or suggestions from the other side of the House. I hope that my comments are received in the manner in which I offer them, which is suggestions and information and what I believe is a true and realistic reflection of what I'm hearing in my constituency.

Thank you.

MR. DINNING: Mr. Speaker, if you'd permit me to conclude debate with perhaps some brief closing remarks. I've appreciated especially listening to our last colleague, from Edmonton-Centre, making a number of comments about the changes we need to make not only in our own parliamentary system but the kinds of changes that we need to make to ensure that there are services available to those Albertans who are truly in need and who will never be able to get back to the world of work and are wanting to live in dignity and have the kind of support that I believe all Albertans would want them to have. I look forward to more of those kinds of debates, especially as the budget speeches and throne speeches and other speeches are made in the days ahead where we can enjoy that kind of debate in this Assembly.

9:40

However, Mr. Speaker, listening to some of his other colleagues, I couldn't help but want for the days of Alex McEachern. I sort of thought that he might have been brought back here body and soul and transported back onto the floor of the Assembly, because I thought that maybe they had just read some of his old speeches. Listening to some of them made me realize what a painful evening this really has been. Knowing that this will be the last Thursday night we'll ever have to do this, we should thank the two House leaders for that kind of an agreement.

Watching the new Member for Calgary-North West over there, he reminded me that obviously the Liberals haven't had anything to do all summer except read that *Beauchesne* book. They're infatuated with *Beauchesne* and what *Beauchesne* has to offer to

the process of this Assembly because they are so infatuated with process and not substance.

[Mr. Speaker in the Chair]

They are opposed to interim supply. I respect people who will stand up and speak with facts as to why they would want to oppose interim supply. I haven't heard one yet tonight, but I do respect those who might normally want to do it on another evening.

I'm sorry; I haven't quite got all the constituencies. I might refer Edmonton-Roper to the quarterly report where proper mathematics – and I know some of the pages in the Assembly are fresh from math 30 or math 31 and would want to share that kind of mathematics with the Member for Edmonton-Roper. We have a budget that when we announced the quarterly report on August 19, we indicated that the quarterly report showed that were we to stay on that same track for the entire year, then the budget would be off by eight-tenths of 1 percent for the whole year – eight-tenths of 1 percent. Maybe he's looking for decimals. Maybe that's what they've been doing all summer, looking for decimals.

I would ask the hon. member to suggest as well the savings. Now, where were those savings found, Mr. Speaker? We believe that we pulled together a responsible budget on May 6 and spelled out responsible amounts that were fair and equitable, that would meet the needs of the people receiving programs and services from the 16, 17 government departments. It just so happened that as we came to the end of that first quarter, the advice from those ministers in six departments was that it was expected that those departments, without corrective action at the end of quarter one, would be off track for the entire year. Those six departments were the departments of Justice, Education, environment, agriculture, Health, and Family and Social Services. Transportation and Energy and Labour and Community Development, having taken their fair share and the people receiving programs from those departments having taken their fair share of the budgetary cuts and in some cases, my colleague the minister of transportation would suggest, more than their fair share, it was hardly, then, fair to say to the minister of transportation or the Minister of Labour that although you've already reduced your programs, reduced your spending, we're going to tax you even more because other departments have been unable to or may be unable to live within their fair and equitable allocated amounts.

Mr. Speaker, I'd ask the members across the way to return to yesterday's documents or the documents of May 6 and note that where those savings were found was in the departments which acknowledged themselves that they would be off track from the May 6 and now the September 8 budget.

I must say two last comments. One, I know the hon. members have an insatiable need for more and more paper and more and more information. We will do our best to provide answers to reasonable requests for information. But when someone asks the Treasurer or anybody else about the matter of NovAtel Communications, I would simply refer them to a very lengthy document of some 201 pages prepared by the Auditor General of the province of Alberta, accountable to and reporting solely to this Alberta Legislature, wherein those questions, Mr. Speaker, were answered. They were answered completely and honestly and openly at the request of the President of Executive Council. They were done so with a report that was filed with all members of the Assembly in September 1992. So I would encourage him to ask good questions, and we will answer those good questions with appropriate information as best we can. But for goodness' sake, we expect the

hon. members across the way to use their \$1.5 million research budget and do some basic research.

Mr. Speaker, one last comment. I couldn't help but hear one of the members across the way – it happened to be Edmonton-Glengarry the other day, and I heard one other member tonight – raise a question about a specific constituent, a constituent who was facing hardship, who was facing problems either getting through the bureaucracy or unable to make his or her way through a system. The system is designed to provide services but also to protect the taxpayers' dollars. May I suggest to the hon. members across the way that rather than drag out on the floor of this Assembly a hardship case in order to score political points on the backs of that hardship case, instead they bring that constituent's concern or problem to the attention of the minister. They have every opportunity. This Chamber provides that opportunity. The doors of virtually every minister's office in this building are open not only to the public but also to Members of the Legislative Assembly from both sides. I would encourage them that rather than score political points on the backs of the poor or the downtrodden on the floor of this Assembly, they do their job and meet with ministers to solve their problems as their constituents would want them to do.

So, Mr. Speaker, having had an opportunity to respond to some of the comments and questions from across the floor, I know we will be able to go into this in even greater detail, perhaps in Committee of Supply but most definitely as we get into up to 39 days of debate about the estimates and future debates on various Bills in the days ahead.

Mr. Speaker, I move second reading of Bill 2, the Appropriation (Interim Supply) Act, 1993.

[Motion carried; Bill 2 read a second time]

### Bill 3 Appropriation (Alberta Capital Fund) Interim Supply Act, 1993

MR. DINNING: Mr. Speaker, it's my pleasure to move second reading of Bill 3, the Appropriation (Alberta Capital Fund) Interim Supply Act, 1993. What this Bill basically does is provide funds, appropriate funds, authorize funds for the payment for five government departments – Advanced Education and Career Development, Environmental Protection, Municipal Affairs, public works, and transportation – to carry out various projects for which ministers are responsible and accountable and to allocate those funds to the total of some \$213 million.

Mr. Speaker, I believe the background for this Bill is spelled out in the documents that were tabled yesterday, but by and large backed up by material that was filed in this Assembly on May 6. I would so move second reading of Bill 3.

SOME HON. MEMBERS: Question.

MR. SPEAKER: The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Speaker. While I will not elaborate upon all the statements I made with regard to Bill 2, I believe the same basic points hold. I just want to reiterate for the Provincial Treasurer's attention, since he is now here, one fundamental point. He made the point that we had our chance on Thursday to ask very detailed questions. That would have been very nice had we had the budget then. As he well knows, the budget we were dealing with was a document that had not been passed, that the Premier himself said was not detailed and was a philosophical

document. So while he can make the point and grandstand, the bottom line is that we did not have the material with which to ask questions that would be useful and elicit information that would be of use to our constituents. I'd just like to reiterate that point for his information because I believe he missed it the first round.

One other point the Provincial Treasurer made in his comments was about decimal points. I'm glad he brought that up in his wide-ranging, discursive speech. It's very interesting if you read the budget that came forward, and of course I have read it. I have in fact taken it to bed. It's interesting that one table, '93-94, page 54, that deals with Loans, Advances and Long-term Investments – the only table in the whole document where there is rounding is that page. On every other page in that document you know to the thousandths of a dollar where the money's being spent. The Provincial Treasurer certainly believes that Albertans believe half a million dollars is close to zero. Nobody on this side of the House believes that, and I don't think an ordinary Albertan believes that half a million dollars can be rounded down to zero. I draw your attention to that. Read the budget. Look at the one table where there's rounding, where there are no decimal points. It's on loans, advances, and long-term investments. So it's interesting; it's a nice accounting change. You know, a buck's a buck except when it comes to loans, advances, and long-term investments. Then we can round down to zero if it's \$499,000. So yes, we are concerned about money. We are concerned about where it's spent, how it is spent.

**9:50**

With regard to the Bill that has presently been brought forward, Bill 3, the Alberta capital fund, I would again ask a very simple question. You look at Bill 3; we talk of capital investments. By gosh, we look at Bill 2; there's a section in there on capital investments. Gosh, Bill 4; we're in the heritage savings trust fund, yet more capital investments. Obviously these are different types of dollars and different types of capital.

One would ask a very simple question: why is capital in one Bill and not in another? What was the priority that let it be in for the interim supply? For example, just drawing one out of the hat, Environmental Protection. The figure there is \$17.5 million. Well, what project? Where? Why that one? Why not other expenditures? Why is it here in Bill 3? Why is it not in Bill 2? I'm sure there is a rationale, rhyme, and reason. It's not spelled out here. Of course, taking the Provincial Treasurer up on his very generous offer to answer questions at any time, I would like to pose that question as to the rhyme or reason of why some capital investments are in 2, some are in 3, some are in 4. I'm sure there is a very good explanation, and being a rookie I would be very pleased to understand the rationale. So I await the Provincial Treasurer's explanation when he gets the opportunity.

Again, I would speak against this motion, and it is with regret. I'm not trying to score cheap political points on this. If it had been presented to us after we had the budget, then interim supply, we would have been in a far better position to ask questions, to assess why these projects, why not others? So we can call this spilt milk, because effectively we are out of the loop on this round. In the next round on interim supply, should it emerge, I would hope the sequencing would be far different. First a budget, then interim supply. First pants, then shoes. I think there's a rhyme and reason to it that gives us a very good handle on how to proceed. [interjection] Yes, that's why it took me so long to get my doctorate: I always went out half naked. But it's taken you longer to figure out the sequencing between interim supply and the timing of the budget, and you've been here longer.

So, Mr. Speaker, I look at these Bills and ask – well, I can see the figure here in Bill 3. I can see that there's a sum here for Capital Investment. I do not know the project. I do not know its priority listing. I do not know why it's here as opposed to one of the other Bills. I don't know the sequencing by which it was felt it was very important to have it in interim supply as opposed to the rest of the fiscal year that would not be covered by interim supply. If we knew the project, we would say, "Sure, that's very good," but we don't.

So on those points, again, the issue of process is important. I would hope that as we debate the issue of the budget process, as we debate perhaps the existence of the heritage savings trust fund, we could try and rationalize the capital budget so it would be all in one hat. Then when we looked at the consolidated financial accounts, we would have expenditures, then capital, and it would be nice and clean. We'd understand it, Albertans would understand it, and we'd have a handle on the way the system works. As it presently stands, we have three sorts of capital here, and I'm sure in a legal sense it makes absolute sense. Try and explain it to your constituents and it's a different story. The whole purpose of this financial exercise is to be able to explain to our constituents how the money which is under our charge is being spent, where it's being spent, and why it's being spent. These interim supply Bills do not give us the handle to do that. And again, as I say, were there to be a budget, then interim supply in a subsequent period, speaking for myself, I'm sure that understanding we have to finance government I would not be opposed if I thought the process was appropriate, but in this instance I don't think it is.

So it is with regret that I, too, oppose Bill 3. Thank you.

MR. HENRY: Mr. Speaker, I'd like to take the opportunity to respond to some of the comments from the hon. Provincial Treasurer.

AN HON. MEMBER: On the Bill.

MR. HENRY: On the Bill. Certainly on the Bill, as the hon. Treasurer was.

I think it's very important that when we're discussing the expenditure of public dollars we understand what impact the decisions we make in this Legislature have on Albertans around the province. I know that why most members and probably all members of this Legislature ran and got elected was to represent individual constituents from their respective parts of the province. I think there are some parameters, and they're certainly parameters I follow. It's been suggested to me that matters be raised with the individual minister, to walk into the minister's office. I assure every member of this Assembly that any matter I would raise representing an individual in this House would have two components to it. Number one, it has been raised with a minister or a senior member of the department. I didn't get elected to come to this Assembly to make cheap political points at the expense of people in my constituency. Any issue on behalf of an individual that comes to the floor through me very clearly has been raised with a minister of the department.

Number two, from my professional and personal background, I think it's very, very important – it's been important to me and will continue to be important – that I would not raise a matter about an individual referring to an individual case without that individual's permission or that group's permission. I assure all members of the Assembly – and I'm sure we would all operate under the same ethical bounds – that I wouldn't raise a matter here without the individual's permission. So when I stand here and raise issues about how government decisions and legislative

and parliamentary decisions affect my constituents, and I use individual examples, I do that, number one, knowing that I've done everything I can to help that individual solve his or her problem. I know some members may find it very boring, but I think it's also very important to note that I also have that individual's permission to do that.

Mr. Speaker, I got elected to represent my constituents. I got elected to bring my constituents' concerns to this Assembly. It's very easy to look around and make decisions and say, "Gee, how is this decision going to affect you and your friends?" but it's very easy for each and every one of us in this Legislature – the Provincial Treasurer, the Premier, the Leader of the Official Opposition, and every member – to realize that the members in this Legislature are a very economically and socially privileged group in our province. We all know that the salaries paid to MLAs and ministers, et cetera, are above the average wage earner in our province. I don't want to get into that debate, but it's very, very clear that we are in a privileged position. If I have an opportunity to stand here and point out to members that a majority of people who live in my constituency are not so economically or socially privileged, I intend to take that opportunity to do so.

Thank you.

MR. SPEAKER: The hon. Member for Sherwood Park.

10:00

MR. COLLINGWOOD: Thank you, Mr. Speaker. I, too, rise to speak against the interim supply request, Bill 3. I would also like to reiterate some comments made on this side of the House to the hon. Treasurer. He has invited all members who have issues of concern to constituents who are in need and who need answers, to call upon the ministers and their offices for quick action. I appreciate the invitation, and indeed, Mr. Treasurer, I will take you and the ministers up on that invitation.

I want to just recall last Thursday, when I was in the House to hear the hon. Treasurer entertain us with a lecture on how this side of the House should not participate in debate about process. The hon. Treasurer indicated to members that we on this side of the House should not waste time in debate to discuss process. Well, Mr. Speaker, I think that it is my obligation and it is my duty as an elected representative for my constituency to indeed engage in that debate, a very rigorous debate on process. It is unfortunate that the hon. Treasurer chooses to demean process. In my very short experience in this Assembly the adherence to process is extremely important, and it is my obligation and it is my duty to engage in debate about process.

In listening to the hon. Treasurer's response in his remarks on how we on this side are wasting the House's time debating process, the thought struck me that perhaps the hon. Treasurer doth protest too loudly. In taking up the 10 or 15 or 20 minutes that the hon. Treasurer consumed of that debate, I thought to myself that perhaps he does understand that authorizing through interim appropriation two-thirds of this province's budget is not an appropriate process to undertake. I would encourage the hon. Treasurer to be less defensive about this process and to allow the debate to take place. Perhaps, Mr. Speaker, I liken this to when I sit my 15-year-old teenager down and he knows he's wrong and I know he's wrong, and I simply say: just sit quietly and take your lumps.

The hon. Treasurer invited us in his lecture to the House to ask pertinent questions on the information that was provided to us in the Bills. Mr. Speaker, in my opinion it is inconceivable that any pertinent questions could be asked with the information that had been provided to us in those Bills. I and my colleagues have

shared those Bills with our constituents, and they cannot believe that an appropriation debate would occur on the basis of those documents. I will not be persuaded by the hon. Treasurer's argument to engage in that debate on specific line items in these documents. I do not believe it will serve any purpose. Even if I did, if I were to engage in questions and answers with the hon. Minister of Environmental Protection, the gentleman would be unable to respond in the circumstances of this evening, so there would be little point in engaging in that debate.

Mr. Speaker, I want to say to all members of the Assembly that I am in a dilemma. I am in a dilemma because I know that my constituents would want me to support the financing, as the hon. Minister of Transportation and Utilities has said, to pay the bills. My dilemma is that my constituents obviously want me to support the paying of the bills of this government to continue to run our schools and to continue to run our hospitals and to continue to pave our roads and to continue with the government services and the payment of civil servants and so on that must occur in the interim period.

On the other hand, Mr. Speaker, my constituents, I believe, elected me to represent their interests in this Assembly and accepted my commitment to advocate for real change in both parliamentary reform and in the budgetary process. In weighing both of those, it leaves me in a difficult position as to whether I can in fact support the Bill for interim supply or whether I must in good conscience advocate for the budget process and demonstrate that by voting against the interim supply.

Mr. Speaker, in the recess today I had the opportunity to attend a mass called the Red Mass at St. Joseph's Basilica. This mass, sir, marks the opening of the fall assizes of the courts of Alberta. Father Richard delivered the sermon, and in the course of that mass he provided to us an anecdote that I'd just like to paraphrase for members of the Assembly. The anecdote that he provided in the sermon was that there was a Kansas farmer and his friend, a fellow who lived in New York City. He was visiting his friend in New York City, and they were standing on the street corner in rush hour traffic in the centre of Manhattan. The Kansas farmer said to his friend the urban dweller, "I believe I hear a cricket." His friend the urban dweller, said: "Well, that's impossible. First of all, you'll never find a cricket in New York City, and second of all, you would never be able to hear it over the din and the roar of traffic." And the farmer from Kansas said: "No. I do hear the cricket." He went to a bush, and he turned over a number of leaves, and in fact he did find the cricket. His friend said to him, "You have incredible hearing." And his response was: "No. My hearing is just as good as yours. It all depends on what you're conditioned to hear." He said, "Let me give you an example." He took out a pocketful of coins, and he dropped them on the sidewalk, and every head within hearing distance immediately turned at the sound of the dropping of coins. And he said, "It all depends on what you're conditioned to hear."

Mr. Speaker, while that anecdote was provided to me in a very different context, I urge members to consider that anecdote and ask themselves the question in this Assembly: what are you conditioned to hear? What are all members in this Assembly conditioned to hear as we go through this debate process on interim supply? Are you conditioned to listen to the hon. Treasurer convince you that the means justify the end?

We embarked today on a new path in parliamentary reform in what I saw as a spirit of co-operation. I have admitted to members of this Assembly this evening that I am in a dilemma. I have to in my own good conscience find the right answer to how I vote on interim supply. I have not heard other members from the other side of this Assembly admit to this House that they are

in the same dilemma, that they are not bound by the hon. Treasurer's comments that we must pass the interim supply at all cost. I would like to hear members opposite stand and admit to this House that they, too, suffer from this dilemma and put forward a cogent argument as to why, on balance, they're prepared to vote in favour of the Bill.

Thank you, Mr. Speaker. Those are my comments.

MR. KIRKLAND: I also rise in opposition to Bill 3, not because it's the Liberal thing to do but quite frankly based on a principle that the information provided to us at the time was woefully inadequate. I would suggest that if the hon. Treasurer with all his wisdom and intelligence could objectively look at it, he would realize that you cannot appropriate some \$8.9 billion based on six pages of figures that provide no details as to where that money should be spent. I also concede, as the hon. minister of transportation aptly pointed out, that we have the budget and it changes the process.

I would suggest that this is not the first time we've been in interim supply, and we have to be persistent, but I think we've heard time and time again that there's a very orderly progression and a satisfactory way this business in fact should be conducted. It's not sinking in. We have to be repetitive. We have to be persistent.

10:10

I'll give you an example of why it's difficult. As you all heard at that roundtable in Red Deer, the Westlock hospital should not be built, considering the fact that cuts presently are ravaging the medical and the nursing care in this province. I think that if in fact you attempted to identify or uncover that in the Bills submitted for interim supply, it would be impossible. I have to ask myself: how many other inappropriate or misappropriated dollars are being spent in that particular fashion? You certainly can't uncover it in the skimpy documentation that we were given. There's no way to identify it. Yet a very important part of our role here is to be watchers of the public purse, and I think that if we're not given proper information, we cannot make an intelligent decision on that. We should not, as if we are following the Pied Piper, rush forth without evaluating it.

The hon. Treasurer can and should provide us with timely and orderly information. In light of the conversations we've had in this Chamber today, I would like to think we're going to move along to that particular situation in the future, not only for the benefit of this side of the House but also so his members can intelligently and comfortably support such things as interim supply.

When I went through the profiles of the members opposite, I noticed that there were several businessmen recently elected to this Legislature. I think I would very clearly conclude my remarks by asking them: is this how you would run your business? Is this the way you'd like to see your business run? I suggest that it probably isn't.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The hon. Member for Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Speaker. I wanted to respond to the hon. Member for Sherwood Park with respect to the dilemma issue and the concern about how we sit here as new members and deal with this. I'll put a few facts together as I see it, and I'm sure some of my colleagues would share the same sentiment.

I wonder, sir, if in fact on June 15 there had been a change, as some members anticipated, given that you had not seen or had

access to information, how quickly you would have been able to prepare a budget to bring to this House and put before all Albertans to debate and discuss and eventually approve. I wonder, sir, if that were the case, would it be two weeks, five weeks, four months, a reasonable amount of time? What would happen to the constituents that your colleague referred to earlier when it came time to meet their social concerns through their constituency office or through the office of the minister through the number of programs that we fund if indeed there was no budget before the House and no way of paying them? I suggest, sir, that had that reversal occurred on June 15, you would be sitting here on this side asking for an interim supply Bill to pay for the needy and the concerned and the contractual obligations of this House.

So for me the dilemma is very, very simple. You do what you have to do. You make an appropriate decision, and quite frankly you get on with it.

Now, to answer the second part of the question about the lack of information. With respect to a major number of financial concerns which I make no apologies for and which in my mind happened at a time when I didn't belong to government but which I had to stand beside and give an alternative to, when I ran in Calgary-Currie, I made a serious commitment to my constituents that I would be as conversant with and as knowledgeable as I possibly could be with financial matters as they came before this House. My undertaking was under one of two issues. One was quite simply: what are the rules? How do we play this game within the context and the laws of our province? Interim supply is one of them. So I went before a number of constituents at the door, and I explained what that process meant. They, too, were concerned: "Yeah, it's happened before, you guys. You don't know your numbers. How can we count on you?" Quite clearly I had the guideline of the May 6 budget, and I had confidence in the Provincial Treasurer. I had a tremendous amount of confidence in our Premier, and I'm delighted with the quarterly report that came out about the same time as the interim supply issues were brought forward to this House.

I'm not going to tell you who I went to bed with last night, but I went with my numbers. I read my documents, and I'm prepared to answer questions of my constituents, not because I don't like interim supply or not because I think we are questioning the viability of fake numbers or whatever arguments you want to bring forward. I'm specifically answering your question on dilemma. I feel I'm knowledgeable; I feel I have some answers. I have the support of various tax organizations that challenge the government: the chambers of commerce, the financial institutions that rate our bonding issues, et cetera. I'm quite comfortable in saying that we're on track.

The new budget documents are supported in that context, and quite frankly if indeed we relate to the spirit that we talked about earlier, I would suggest that we conclude this debate when people have had a chance to finish airing their discussions, but my own sense is that the dilemma is resolved. I appreciate you putting it in that context, and it's moved me to speak to the issue. I will be speaking in support of it, and then hopefully when we get to the actual budget debate, some of the conscientious questions that you've raised can be dealt with.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Provincial Treasurer to close debate.

MR. DINNING: Mr. Speaker, I'd be delighted to do just that. I think there's at least one member on the other side who needs just one more passionate, convincing speech to get him to come onside, and I would encourage the hon. member because he's now

got a new document, the capital fund estimates, '93-94. I can think of two very good reasons why the Member for Sherwood Park would want to vote for this Bill. What this Bill does is provide interim advanced funding advancing supply for the construction of the Strathcona long-term care facility in Sherwood Park and also, if I can refer him to page 40, advances funds for the ongoing construction of the Leduc-Strathcona health unit in Sherwood Park. I could think of no better reason than for the hon. member to stand or to vote yea when you ask him to do so, Mr. Speaker, to vote on behalf of the constituents who sent him here to speak in their best interests. I know there will be some members across the way who will say, "No; let's follow the so-called back-of-the-envelope list of thoughts and ideas put forward by the competitors in the race that we've just completed," where they said that they were going to cut capital spending by \$800 million.

I was fascinated by that, Mr. Speaker, and the Member for Medicine Hat and I had a discussion about this the other day. It's very appropriate that the Member for Medicine Hat and I would have had that question in this Assembly, because the very next day after the leader of the Liberal Party said that they were going to cut capital spending by \$800 million, where did he go? He went to Medicine Hat. What did the Liberal candidate in Medicine Hat say? Laurence, we need to build a long-term care facility in the city of Medicine Hat. What did Laurence say? Laurence said: you betcha; that's exactly what we're going to do, ladies and gentlemen of Medicine Hat. That's exactly what our friend Larry said the day after.

MRS. BLACK: He didn't.

MR. DINNING: Oh, Patricia, I know it's hard to believe, but he did.

There are two very good reasons I would put to the hon. Member for Sherwood Park, asking him to think what's in the best interests of his constituents, to appropriate, to agree to Bill 3, which I would now move for second reading, Mr. Speaker.

[Motion carried; Bill 3 read a second time]

10:20

**Bill 4**  
**Appropriation (Alberta Heritage Savings**  
**Trust Fund, Capital Projects Division)**  
**Interim Supply Act, 1993**

MR. DINNING: Mr. Speaker, I beg leave to move second reading of Bill 4, the Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Interim Supply Act.

Mr. Speaker, there are a number of projects that are being sought for approval for interim supply, a number of worthy projects put forward through the capital projects division of the heritage fund. These are projects that are not found any longer, the hon. Member for Edmonton-Whitemud will be happy to hear, on the balance sheet of the province of Alberta. They are expenditures. Let's be clear about them. They are not assets as such for accounting purposes, but they are expenditures for worthy projects out of the Alberta heritage savings trust fund.

I would move second reading of this Bill.

DR. PERCY: I'll make this speech even shorter, Mr. Speaker. Mr. Treasurer, first pants, then shoes.

In reply to your comments to the hon. Member for Sherwood Park, the point that he was making was simply: had the budget followed the introduction of interim supply, we would have had



the information to ask very specific questions. That was the point. That is the point.

With regards to Bill 4, the appropriation for the capital projects under the Alberta heritage savings trust fund, because of the budget changes this is in a sense the last Act on the last night of last Thursday. I would just reiterate that many of the problems we see with this process are really highlighted by the heritage savings trust fund itself. The Liberal position has been that it should be liquidated, that the assets of it should be disbursed in an orderly fashion, and that through time those assets should be applied against the provincial debt.

The heritage savings trust fund gives the rest of Canada the perception that we actually have money. We don't; we're net debtors. The debt will continue to rise until we get the deficit under control. Every conceivable signal sent out by the existence of the heritage savings trust fund is that we have money, that we can continue to spend as we have in the past. It is also and has been a vehicle under which certain types of projects have evaded legislative scrutiny, and that ought not to be the case. That has been a point that has been made consistently through the day: that this is the Legislature, that this is the mechanism by which expenditures are approved.

Now, with regards again to the specifics of Bill 4, the elements in 4: why are they there? Why are they not in 3? Why are they not in 2? Well, I mean, it's the way the fund has been set up, admittedly. All I can say again is that on the issue of process, Mr. Treasurer and Mr. Speaker, had the process been that the budget was introduced, then interim supply, we would have been able to ask the questions that were required. We would have known that in Strathcona certain capital expenditures were going to be undertaken. It was pretty hard on Thursday to know that. Looking at Bill 4, looking at Bill 3, or looking at Bill 2 for that matter, these are single-line entries. They're not allocated to specific projects. I'm sure that the Provincial Treasurer must have telepathy when he looks at this and says, "Ah, \$17.5 million," and he knows automatically, exactly in Bill 3 – sorry to have jumped Bills – which project it's . . .

MR. DINNING: Are you speaking of Bill 3?

DR. PERCY: As an example. In Bill 4 it's exactly the same process. So I'm using an analogy.

Again, it is with regret that I will vote against this. It is on the issue of principle that first the budget, then interim supply. Had that been the case, had we had the information in hand, I think he would have found a far more different debate and far more detail. In the process of discussing the budget and in light of the – I could go on all night. In light of the parliamentary reforms, I think that the hon. members will get the questions that they seek. I guarantee it. There will be the detailed analysis, line by line, that you crave. On that note, I will then conclude my comments on Bill 4.

MR. WHITE: Mr. Speaker, I rise only at the challenge of the member opposite who is supposed to be running the finances of this province. He cites the one example – the one example – to bring a member on this side to that side's position. The point is capital works, sir. Bill 4 is the appropriation . . . [interjections] Read it well. The problem is that he cites one member a long-term care facility in the Edmonton region, in his constituency. At the time this was done, I happened to sit for many years on the central body that plans long-term care facilities. In fact the only reason that particular facility even came to the top of the priority was purely political, sir. It did not exist ever on any priority list.

It was only brought there. Now, I'm not one to say that it should not be completed. But just cite your examples, and remember that there is some history to every particular item you cite, and you should know the facts, sir, such as your member in the back ranks there reminded you of earlier.

MR. SPEAKER: Is the Assembly ready for the question? Would the Provincial Treasurer like to close debate?

MR. DINNING: Mr. Speaker, this has been a most enjoyable evening. I know that there are several equally if not more enjoyable evenings ahead of us, only three each week, thank goodness, though, Mr. Speaker.

I can't resist. We were arguing about the point, Mr. Speaker, and the point is – and I think it's fair that all members and all constituents in the constituency of Sherwood Park would know that on Bill 2, in providing interim supply to the Leduc-Strathcona health unit and to the long-term care centre in Strathcona, the hon. member voted against the Bill. I saw his lips move. They moved in the shape of no. You know, the hon. member across the way says that we have always known what the Liberal position was on the Alberta heritage savings trust fund. We've always known, and he's confirmed it again. The Liberal position is that they would liquidate the fund, and it's that kind of Liberal arrogance that Albertans rejected on June 15. That fund doesn't belong, thank goodness, to the Liberal Party. It does not belong to the government of Alberta. It belongs to the people of Alberta, and the people of Alberta will decide the future of the Alberta heritage savings trust fund, and we've made that commitment in the throne speech and in the Budget Address.

Mr. Speaker, the last point is that I couldn't help but be amused. You know, last Thursday we simply might have been able to forgive the hon. member for voting no in Committee of Supply. The Member for Edmonton-Whitemud said that he didn't know. He didn't know already, but tonight, now 28 hours later, he knows. He knows exactly what he's voting against when he votes against Bill 3. On Bill 4 I am hoping that all hon. members will look very closely at the worthy projects and the details spelled out in the heritage savings trust fund, capital projects division, '93-94 estimates and vote with their conscience and vote for these important expenditures out of the heritage trust fund.

With that, Mr. Speaker, I move second reading of Bill 4.

MR. SPEAKER: The hon. Provincial Treasurer has moved second reading of Bill 4, Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Interim Supply Act, 1993. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Carried.

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

10:30

[Eight minutes having elapsed, the Assembly divided]

For the motion:

Amery

Gordon

McFarland

Black	Haley	Paszkowski	Bruseker	Henry	Van Binsbergen
Brassard	Havelock	Pham	Carlson	Kirkland	White
Burgener	Herard	Renner	Chadi	Percy	Zwozdesky
Calahasen	Hierath	Rostad	Collingwood		
Clegg	Hlady	Severtson			
Coutts	Jacques	Smith	Totals:	For – 43	Against – 16
Day	Jonson	Sohal			
Dinning	Klein	Stelmach			
Doerksen	Laing	Tannas	[Motion carried; Bill 4 read a second time]		
Dunford	Lund	Taylor, L.	MR. DAY: Mr. Speaker, it's been quite a day. The Treasurer has advised us to take a book home and sleep with it; the Member for Edmonton-Mayfield said he'd take it home but he wouldn't sleep with it; the Member for Calgary-Currie said she's not saying anything about that subject. I'd suggest, given the hour, that we all just go home and sleep on it.		
Evans	Magnus	Trynchy			
Fischer	Mar	West			
Forsyth	McClellan	Woloshyn			
Friedel					

**10:40**

Against the motion:

Beniuk	Dickson	Sapers
Bracko	Germain	Sekulic

[At 10:44 p.m. the Assembly adjourned to Friday at 10 a.m.]