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| Alberta | 20e | 2e | Discours du budget | 27 mars 1984 | M. Louis D. Hyndman | Trésorier provincial | PC |

**Mr. Hyndman:** Mr. Speaker, Alberta is on the way back. Nineteen eighty-four will be a year of economic recovery.

Although in some sectors economic adjustments will continue to correct for past overbuilding and changed international economic environment, the worst is behind us. Albertans, characteristically, are shaking off the probability of the recent downturn. Future expectations have been tempered with realism. Together we can look ahead with confidence and a renewed pioneering spirit. Alberta's best years lie ahead of us.

Albertans recognize the dangers and costs of another boom. We all seek growth as an economic recovery goal - but growth at sustainable levels over a period of years.

Your government knows that Albertans have been through the most difficult economic year in more than a decade. We helped reduce the pain of the global recession by introducing the Alberta economic resurgence plan. Made possible by the Heritage Savings Trust Fund, it stabilized family and business incomes and sustained employment.

Many Alberta families and businesses have had to trim back, and some still face worrisome budget problems. We realize that government cannot be out of step with the realities facing our citizens. In 1983 we began to tackle government expenditure growth with a hold-the-line budget. This budget stays the course. It marks the second step in a necessary and orderly paring down of the provincial government sector.

The signals of renewed growth are beginning to emerge. To keep us firmly on the recovery path, the objectives of this budget are:

-to support a basically strong economy that is on the mend and to reinforce the recovery that will take us to sustainable growth;

-to make government operations trimmer, leaner, and more efficient;

-to reduce the gap between expenditure and revenue by dealing responsibly with the fiscal realities facing Alberta;

-to adopt a businesslike yet sensitive approach in reducing government expenditure and manpower;

-to maintain existing high levels of support for essential people services; and

-to support employment by reinforcing an economic climate conducive to private-sector investment and by continuing job creation programs, manpower training initiatives, and a large capital budget.

This budget sets the stage for a steady return to a more normal growth path. The precise timing and speed of Alberta's economic resurgence is hinged to world economic events, particularly in commodity markets that determine the demand for and the price of our agriculture, energy, forest, and other resources.

In 1983 most industrialized nations started to recover from one of the worst periods since the 1930s, but it was an uneven recovery. The United States economy rebounded sharply, registering real growth of 3.3 percent. In western Europe, growth averaged only 1 percent, and growth in Japan was also low by historical standards.

Some aspects of the sluggish global recovery have been particularly significant to Alberta. World demand for oil remained weak, resulting in an oversupply and downward pressure on prices. Contributing to the weak demand was the sharp rise in the United States dollar, which increased the cost of oil to many importing countries. And although the United States recovery was robust, it was consumer led, which meant that energy demand did not rise strongly. Real interest rates remained historically high in 1983 and had a negative impact on Alberta's investment-intensive economy. These factors partly explain why Alberta's economic recovery has been slow.

One of the more positive economic developments is the reduction in inflation throughout the industrialized world. Waged at a high cost in terms of lost investment and jobs, the fight against inflation could be in jeopardy if governments fail to address the problem of large budgetary deficits. There is a danger that as the economic situation improves, private-sector borrowing will clash with the financial requirements of governments, pushing interest rates even higher. Economic expansion cannot be sustained unless governments reduce their deficits.

For 1984, international economic expansion is forecast to continue and will accelerate for most of our major trading partners. This cyclical upturn should support the present fragile world oil price. Although OPEC has been weakened, it is expected to hold together and maintain the existing oil price, through 1984.

As in 1983, the United States is forecast to have the best performance in 1984, with real growth of around 5 percent. The expansion is expected to become more widely based as strengthening demand extends to the investment sector. Concern persists that their budgetary deficit will put upward pressure on interest rates, thereby constraining the recovery. Growth in western Europe should be somewhat improved, though still weak, while the Japanese economy is expected to grow by about 4 percent in 1984.

The international market will be very competitive in 1984, creating a major challenge for Alberta. Only if we intensify our efforts at marketing our products abroad will we succeed in deriving maximum benefits from the worldwide recovery.

The Canadian economy, after declining by 4.4 percent in 1982, recovered strongly last year recording a real increase in gross national product of 3 percent. This turnabout was due largely to strong economic links with the United States. As well, lower and more stable interest rates helped release pent-up consumer demand. Stabilized employment prospects and government policy initiatives also bolstered expenditure on consumer durables and housing.

The Canadian economy is expected to continue to grow this year. Investment growth has turned positive again, businesses have started to rebuild their inventories, consumers are cautious but still in a spending mood, and our exports of goods should continue to exceed our imports, although the difference will narrow.

The average unemployment rate in Canada this year will remain high, due to difficulties in absorbing the large number of Canadians who will rejoin the labour force. Unemployment is forecast to remain high through to the end of the decade a major challenge for policymakers.

A major concern regarding the economic outlook is the high level of real interest rates. If expansion is to be sustained over the longer term, there must be a higher level of investment to develop our natural resource industries, to modernize our plants and equipment, and to accelerate the penetration of high technology in all areas of production. High interest rates are a major deterrent to such investment.

Large budgetary deficits are putting strong upward pressure on interest rates. The federal government's budgetary deficit, estimated at $29.6 billion for 1984-85, remains a major problem area. Debt servicing costs account for more than 20 percent of total federal expenditure. Current forecasts that the deficit will not be eliminated in the medium term, even with the assumption of good economic performance, are very disturbing. If investor confidence is to be restored fully, federal policymakers will have to correct these budgetary imbalances, which are absorbing an inordinately high proportion of savings.

Last fall Alberta made a major contribution to the current debate on long-term economic policy objectives for Canada in releasing the discussion paper Alberta in Canada: Strength in Diversity. Several themes are developed throughout the paper:

- because Canada is dependent on foreign markets, Canadians must take measures to meet the challenges of a world in which these markets are increasingly difficult to penetrate and maintain;

-the private sector is the driving force of economic growth;

-through increased productivity and economic growth, the economic and social well-being of Canadians can be improved;

-governments have an important role to plan in creating a positive climate for private-sector initiative; Canada's economic potential lies in recognizing and building upon the strengths of all its provinces and regions; and

-governments in Canada must renew their commitment to intergovernmental co-operation and consultation.

Alberta's economic recovery is somewhat slower than that of many other provinces and of Canada as a whole. Many Albertans find it difficult to understand this situation, given our province's fundamental strengths which, in many areas, far surpass those of other countries, let alone other Canadian provinces. What caused our economy to turn down in 1982, and what are the prospects for recovery?

We must look beyond the statistics used by economists to understand what is happening in Alberta. Our economy was not transformed overnight from the strongest to the weakest, as some of these statistics often imply. The fact is that Alberta is in transition from a period of superheated, artificially high growth to one of more normal and sustainable growth.

This transition is most apparent from the declines in construction activity, business investment, and jobs. But a province's fundamental economic strength is determined by the level of economic activity it can sustain relative to the size of its population and work force. By this standard, Alberta has clearly one of the strongest economies in the country. This strength is illustrated by the fact that retail spending per person in Alberta continues, month after month, to lead the nation.

Nowhere was the need for adjustment greater than in the area of investment. Spurred by the rise in energy prices, investment grew by leaps and bounds in the late '70s and early '80s. There was very rapid growth in investment by our oil and gas industry. Commercial building quickly increased due to the surge in business activity. Investment in new homes and apartment buildings accelerated to provide shelter for a rapidly increasing population. As a government, we were obliged to increase our capital expenditure for health, education, transportation, and other infrastructure to meet the requirements of the fast-growing population.

The result was that the share of the gross domestic product made up by investment reached unsustainably high levels. By 1981 nearly 40 cents out of each dollar spent on goods and services in Alberta went to investment, compared to 24 cents for Canada as a whole. It is not realistic to believe that we could have sustained such abnormally high levels of investment.

Investment is now at a lower level, but the fact that it still represents a high share of economic activity shows that investors have not lost confidence in our province's potential. Today, as much as 20 percent of total Canadian investment is made in Alberta, a clear indicator of strength.

The adjustment process will take time, but it has been largely completed in many areas. Economic growth should therefore return to Alberta this year, subject always to the vagaries of world commodity prices, particularly for energy and agriculture. As the recovery firms up, economic performance will be more balanced, more broadly based, and more durable.

Throughout the downturn brought on by external factors, this government's goal was to work with our citizens in adapting to the new realities. In 1982 we introduced the economic resurgence plan to help smooth the transition by maintaining investor and consumer confidence. The plan included ongoing royalty reductions for the job-producing oil and gas industry, interest shielding for farmers and small-business men to help sustain employment, and mortgage interest reduction to provide relief from the federal government's high interest rate policy and' to support retail sales. Truckers, students, and small contractors also benefited. Over $2.2 billion in special assistance will have been provided to Albertans under the plan.

The number of people in Alberta with jobs remained relatively constant through the year, averaging slightly over 1 million, while the unemployment rate fluctuated between 10 percent and II percent. For 1983 as a whole, the unemployment rate averaged 10.7 percent. Unemployment is expected to remain at about that level in 1984, since those sectors which have not yet adjusted completely are labour intensive.

We are deeply concerned about the plight of those who would like to find a job at a time when firms are downsizing and not adding to their staffs. Albertans now realize, though, that the present unemployment situation is the inevitable result of the rapid growth in recent years. In the 1979 to 1981 period, close to 200,000 new people came to live in Alberta. It became obvious that when the cooling off occurred in the high-growth and labour-intensive sectors such as construction, the other sectors of the economy would not be able to absorb that large labour force.

It will take some time for all those seeking jobs to find employment. Some have chosen to leave Alberta, as indicated by the net out-migration observed in 1983. As the economy gains momentum, the private sector will start creating more new jobs, and the employment situation will brighten. With our basic energy and agriculture industries strengthening, job security for most employed Albertans is improving.

Alberta's economy is still a strong generator of jobs. We have the highest number of persons employed in proportion to our total working-age population. This is an indicator of Alberta's basic strength. Only a fundamentally strong economy can maintain jobs for such a high proportion of skilled workers.

Inflation has finally been brought down to more reasonable levels. The increase in the combined Calgary and Edmonton consumer price index was 5.2 percent in 1983, less than half that of 1982. In both Calgary and Edmonton, the index actually had two monthly declines in 1983. Last month inflation was 3.7 percent in Alberta.

Lower inflation is a signal for durable economic growth in the future. If inflation can be contained, we will avoid a repetition of the frantic speculative activity that occurred in the boom years, and our key private sector will be able to plan in a stable, more predictable environment.

Government action to reduce inflationary pressures will continue. For example, in 1983 legislation was passed to improve the arbitration process in public-sector labour disputes. Arbitrators are now required to take into account the fiscal policies of the government when deciding on public-sector wage settlements. This approach will help to ensure that compensation in the public sector does not lead that in the private sector.

The oil and gas sector is our most important producer of jobs. Although it is vulnerable to international economic and political conditions, and therefore is subject to temporary setbacks, this sector will remain a key source of Alberta's economic strength into the next century.

Many positive developments have improved the industry's 1984 outlook. On June 30, 1983, an amending agreement was signed which maintained the price of old oil at its current level of $29.75 per barrel and extended the new oil reference price to all oil discovered after March 1974 and to oil produced by infill drilling. Now, approximately one-third of Alberta's production receives that higher price - a major encouragement to new oil exploration and development. Natural gas pricing was also adjusted to keep Alberta gas competitive in the domestic market.

These measures, in combination with the 1982 oil and gas activity program and lower interest rates, have had a major, positive impact on the industry's cash flow and balance sheets. Net income is up significantly, especially for upstream operations. The value of land sales rose by 29 percent in 1983. Seismic kilometres shot increased by 21 percent in late 1983 over late 1982.

Spurred by the attractive fiscal regime developed by this government, major new investment is being undertaken in the nonconventional oil sector. In 1983 about $500 million was invested in oil sands, mostly at the Sync rude and Suncor plants. Expansion is continuing at both those plants this year. An experimental oil project at Wolf Lake is being developed. Facilities to produce heavy oil from bitumen at Cold Lake, a new pipeline from there to Edmonton, and the recent project announced for Elk Point are further initiatives. Overall, about two-thirds of a billion dollars is targeted for investment in nonconventional oil projects in Alberta in 1984.

The number of enhanced oil recovery projects approved jumped to 24 last year, and 11 more are pending. Total investment in this area in 1984 is estimated at a quarter of a billion dollars.

Natural gas marketing remains a real concern. Export sales declined in 1983, due to the mild winter and the excess deliverability of United States gas. This poses a challenge for our natural gas industry. The Alberta government is responding.

Last April we obtained agreement from the federal government to lower the price of export gas. In July we were also able to get agreement on volume discounts for United States clients who purchase in excess of 50 percent of licensed volumes. Marketing efforts in California and in other states have been intensified. In 1984 it is expected that export sales will be maintained at 1983 volumes.

In Canada, competition from central Canadian electricity producers and residual fuels reduced domestic sales last year. With prospects for continued recovery in the national economy, domestic gas sales are forecast to increase moderately in 1984.

Overall, our Alberta oil and gas industry is much stronger today than a year ago; it is poised for expansion.

The forestry industry experienced exceptional performance in 1983. Lumber production reached record high levels, and prices increased substantially. Prospects for this year are good. Pulp mills are also operating near capacity, and increases in pulp prices are forecast, In general, the Alberta forestry industry will again be one of our strong economic areas in 1984.

Total coal production in Alberta increased in 1983 to approximately 25 million tonnes, worth about $468 million. Production is expected to be stable this year.

Our fundamentally strong agriculture industry performed well last year. The record number of acres seeded combined with good weather conditions to produce a bountiful crop. Total farm cash receipts declined slightly, but total receipts from crops were higher than in 1982, which was a good year.

The government-supported Alberta pork producers' market insurance plan is having a beneficial impact. While North American hog production was decreasing in 1983, it rose in Alberta. As for cattle, increases in breeding cow prices are an indicator of the confidence of our cattlemen.

The Alberta government will intensify efforts at marketing our agricultural products abroad. The future growth and prosperity of our agricultural sector depend on successful expansion of Alberta's share of international markets. Our farmers produce high-quality products which can be sold at competitive prices.

The acceptance recently by the United States of canola oil imports for human use is a positive development, especially in the medium term. Not only is the United States a very large potential market, but the acceptability of canola there opens doors to other world markets.

Aimed at reducing farmers' operating costs, the small business and farm interest shielding program will have provided relief from high financing costs to 20,000 farmers. Interest rebates for beginning farmers will continue to be offered through the Agricultural Development Corporation. Other programs aimed at reducing both energy and transportation costs have helped farmers cope with operating expenses and tight profit margins. They include the rural gas program, the farm fuel distribution allowance, the remote area heating allowance, and rural electrification.

In 1983 Alberta led the country in the per capita value of total building construction. Last year Alberta had higher engineering construction expenditures, both in total dollar and per capita terms, than any other province.

However, Alberta's construction industry has not yet completed its transition to a lower growth environment, as evidenced by the industry's high rate of unemployment. Many construction projects that started before the downturn were based on expectations of continued high growth. As a result, there was overbuilding especially in the commercial and apartment sectors. Construction activity will remain weak in those areas until demand catches up to existing supply. Nonetheless, residential, industrial, and road building construction activity has remained at or above the national average.

In the early '80s, housing starts in Alberta accounted for a remarkable 20 percent of total Canadian starts. This pace could not be maintained. Still, housing starts numbered over 17, 100 last year, in line with our 9 percent share of the national population. New housing starts have reached a sustainable level. There is still, however, an oversupply of apartment units, which will not be absorbed for some time.

Very few commercial construction projects will be started in 1984, as there is surplus commercial space available in both Calgary and Edmonton.

Manufacturing improved substantially in 1983. There was a noticeable firming in both the value of shipments and employment. Shipments of refined petroleum products increased due to stronger demand and expanded capacity. Although the market for refined products remains fiercely competitive, production is expected to expand again this year, and Alberta will increase its Canadian market share.

The petrochemical industry also improved last year and has recovered the ground lost during the downturn. Despite excess capacity internationally, Alberta production will increase substantially this year. Five world-scale plants are coming on stream. They will add to the range of petrochemical products available from Alberta for marketing throughout the world.

The Alberta meat-packing industry has structural problems which must be tackled soon by packers, suppliers, and workers.

Primary metals and metal fabricating industries are in an adjustment phase, as are those manufacturing industries which depend on the construction and natural gas industries.

On balance, Alberta's manufacturing sector now produces a wide range of products in modern, cost-efficient plants. It can compete efficiently in foreign markets. Our challenge is to market these products around the world.

Engineering services sold by Alberta companies to other countries increased by 21 percent in 1983 to more than $100 million, and included major contracts in such countries as New Zealand, Indonesia, Norway, Australia, Pakistan, Kenya, Ecuador, Kuwait, China, and Korea.

Our high-technology service exports increased in 1983 to over $80 million to such countries as the United Kingdom, Denmark, Bolivia, and Madagascar. High-technology manufactured equipment sales from Alberta more than doubled in 1983 to over $90 million, with goods going to Japan, Austria, Finland, France, Germany, the United States, Peru, Iceland, and Belize.

More than 50 world class scientists are being funded by the heritage fund medical research foundation. Over 2,000 scientists are at work on research and development at our universities.

The medium-term economic outlook for the province is very positive. Alberta's economy will remain one of the strongest in Canada.

The job-producing oil and gas industry is well positioned for growth. With regard to oil supply, non-OPEC production, which has dampened international prices, is not expected to grow. United Kingdom production is peaking; Mexico is not likely to spend scarce funds on energy infrastructure, given its financial difficulties; and China will need all the oil it finds for its domestic use. Canada's northern frontier is not living up to previous billings, and there is increasing evidence of waning interest in that area. Investors will be attracted to Alberta the province with still undiscovered conventional supplies, huge known reserves of oil sands and heavy oil, and an attractive fiscal regime for exploration and development.

The weak recovery in world oil demand raises the question of the extent of structural shifts and interfuel switching in the energy field. However, the economic recovery, particularly in the United States, is expected to produce a cyclical boost in energy demand. The gas bubble there will begin to shrink at an increasing rate over the medium term. Alberta, with its large reserves and stable environment, will become a premium natural gas supplier.

Our energy and agriculture sectors will continue to provide a strong base for promising economic development. New linkages are developing between these base sectors and the manufacturing and service sectors. The high technology needed to produce oil from nonconventional sources is having positive spillover effects. New technology now being developed in Alberta enhances our competitive advantage in manufacturing. Our petrochemical plants are among the most modem in the world. Our food-processing sector is poised for major growth.

Through joint marketing efforts with Alberta companies, our export markets will become more diversified in the medium term. The Pacific Rim countries demand our close attention. With initiative and effort, many of our industries can secure a firm foothold in the world marketplace and make our private sector less vulnerable to North American economic conditions.

Albertans are continuing to build on strengths to diversify the economy. Alberta's best days are ahead of us. Justifiably, we can look to the future with confidence.

Alberta's fiscal situation was dramatically affected by external shocks in the late '70s and early '80s. The second wave of world oil price increases in 1979 was the cause of the present revenue and expenditure imbalance. Already high expectations about Alberta's economic and resource revenue prospects were raised to unrealistic levels. People and investment flowed to the province at an unprecedented rate. To service this growth, government operating and capital expenditures had to be greatly increased.

In the early '80s, our revenue picture changed very quickly. Ottawa introduced the confiscatory national energy program, which dealt a hammer blow to the Alberta energy sector.. Shortly thereafter, the global economy turned down and energy demand slowed. Prices softened, eventually leading to a drop in the world oil price a year ago and a subsequent reduction in the natural gas export price. This left Alberta with the unenviable combination of high expenditure commitments and uncertain revenue prospects. Fortunately, Albertans had the Heritage Savings Trust Fund, built up over the high revenue years.

A key objective of last year's budget was to begin a step-by-step adjustment of revenue and expenditure. Expenditure growth was slashed to less than 10 percent. In recent months other budgetary initiatives were taken:

- in health, our largest expenditure area, a new hospital user fee policy was introduced to create a greater sense of cost awareness by hospital boards and citizens able to pay;

-the graduated personal income tax rate was raised by five points to shore up revenue while still retaining the lowest provincial personal income tax rate; and

-amendments were passed requiring arbitrators to consider the fiscal policies of the government in making public-sector wage and salary awards.

Our hold-the-line program is working. For 1983-84, I am forecasting budgetary expenditure to be $250 million below the comparable budget estimate. Revenue is expected to be up by $157 million. As a result, the budget deficit for 1983-84 is forecast at $566 million, down considerably from the estimate. This compares to an actual deficit of over $2 billion in 198283. We should keep in mind, though, that income from the heritage fund provided over $1.5 billion in assistance in 198384. Without the heritage fund investment income, tax rates would have had to rise even more. It is still necessary to pursue policies that will reduce the deficit so that the recovery can gain momentum and so that the private-sector engine can move into higher gear.

In weighing the fiscal strategy options for 1984-85, the following considerations were fundamental.

- The strategy should be fiscally responsible. Deficits and interest costs must be contained so that revenues can be used to provide people services, not payment of interest on debt.

- The challenge of transition should be shared fairly. The public service and grant recipients must share with other Albertans the responsibilities of restraint.

- The size of government should be reduced now that the abnormal growth period has passed.

- The fiscal strategy should sustain employment and set the foundation for a period of steady, durable private sector growth and job security.

- High levels of support for essential people services should be maintained.

It is essential that our fiscal house be in order as we move from a period of unusual expenditure growth through a period of uncertain revenue performance. As Provincial Treasurer, I am committed to protecting Alberta's creditworthiness.

This budget will continue our strategy of deficit containment and reduction in order to maintain our international reputation for sound management of the public finances. Then, if resource revenue declines in the future, the province will be in a much stronger position to work through a period of revenue transition.

Our deficit reduction strategy has two main elements. First, the 1984-85 fiscal plan calls for a reduction in total government expenditure. This marks the first year-over-year decrease in Alberta since 1941-42. Contrast this reduction with an increase of more than 7 percent in the federal government's spending plans for 1984-85.

Second, to reduce the need for borrowing, heritage fund investment income will continue to be used for budgetary purposes until the financial situation improves. Appropriate legislative amendments will be introduced shortly. The transfer to the heritage fund of non-renewable resource revenue will continue at the 15 percent level to finance approved capital projects and a modest level of lending to Alberta Crown corporations. The transfer will maintain the fund at its present level after taking inflation into account. In real terms the heritage fund has not grown over the past year.

When the rainy days hit Alberta, the heritage fund umbrella was brought out and opened. By the end of 1984-85, $3.9 billion in heritage fund investment income will have been diverted to provide special support for Albertans. This year the investment income from the heritage fund savings account will provide approximately 16 percent of all budgetary revenue to the province. In concrete terms, for two months out of every 12, the heritage fund provides the money to operate our schools, hospitals, seniors' programs, colleges, the justice system, and other services. Without the Heritage Savings Trust Fund, it is clear that Albertans would face both tax increases and cuts in level of services. The heritage fund is truly our financial bridge to the future.

If we are to meet our 1984-85 expenditure plan, recipients of government grants must be partners in restraint. Many Albertans may not realize that approximately one-half of their government's operating expenditure is paid out in the form of grants to their school boards, postsecondary institutions, hospital boards, and municipalities. It is estimated that approximately 80 percent of these grants go to pay for wages and salaries.

In January the Minister of Education announced that basic per pupil operating grants to school boards in 1984-85 would be held at the same level as in 1983-84. Grants to postsecondary institutions, hospital boards, and municipalities will also be held at the 1983-84 level.

Some additional funds will be provided in departmental budgets for correcting inequities and funding special initiatives. In response to economic realities and the hold-the-line expenditure policy, no provision is made for salary increases. This reflects the November 1983 fiscal policy statement for public sector arbitrations.

The public sector must also shoulder the burden of restraint, now that the boom has subsided. Last year, as demand for certain government services began to drop, 237 permanent, full-time public service positions were eliminated.

Tonight, Mr. Speaker, I am announcing a further reduction of 869 permanent, full-time positions at all levels in government departments, I am also able to report that approximately 240 permanent positions have been cut from Crown corporations, boards, agencies, and commissions. In total, over 1,100 fulltime positions have been eliminated for an annual dollar saving of over $22 million.

These positions have become unnecessary because Alberta's population is growing at a much slower rate than before. Every effort will continue to be made to retrain or redeploy as many as possible of those affected.

Over the coming fiscal year, we will look for further reductions. Reductions will depend on government priorities, demand for services, fairness, efficiency, and the extent to which services can be moved to the private sector.

All government departments and Crown agencies are being asked to reduce their operating costs by priorizing goals, reducing duplication, rethinking present practices, and exploring lower cost alternatives. Our challenge is straightforward: to manage better with less.

One alternative is privatization. Government should not be doing work that could be handled more efficiently by the private sector. Strides are being made. Maintenance of government owned buildings is increasingly being contracted out to the private sector. In-house design and planning staff in the Department of Public Works, Supply and Services is being kept to a minimum, and private firms are used to the largest extent possible. The Transportation department will accelerate the amount of work contracted out to the private sector.

Over the coming fiscal year, we intend to privatize both the corporate name registry, now operated by Consumer and Corporate Affairs, and the temporary staff services function provided currently by the Personnel Administration office. Other areas will be examined, but we will proceed with care to ensure that the quality of public services is not jeopardized.

I welcome constructive government-downsizing suggestions from citizens all over the province. With your assistance, we can continue the process of evolving a trimmer and leaner government.

Albertans want a durable, broadly based recovery. The 1984-85 budget plan adds momentum to that goal by maintaining a known, stable fiscal policy environment. This is what investors are looking for.

To maintain jobs while the economy gains momentum, substantial capital funding is provided by this budget and through the capital programs of the heritage fund and various Crown corporations. Bids are down substantially from the bO°1!l years, so our capital dollars are going further. In addition, employment and manpower training programs will benefit many Albertans. However, lasting jobs come only from private sector investment, not artificial, government make-work projects. We will maintain a climate conducive to private sector risk-taking.

This year the government will continue to support vigorously marketing and trade development for Alberta's products. The international market is fiercely competitive. No existing Alberta market, whether domestic or foreign, is safe. New sales will require aggressive, imaginative initiatives. Now is the time to support our international sales force. The government will work in partnership with Alberta industry to help expand our markets.

Essential services for health, education, child welfare, our seniors, and the disadvantaged will not be sacrificed. There are no funding cuts in these areas. Albertans of all circumstances will continue to receive the highest level of public services of any Canadian citizens.

Last year's budget cut the expenditure growth rate from over 30 percent in ' 82-83 to less than 10 percent. The 198485 expenditure plan tightens the budgetary belt even further. Total government expenditure is targeted at $9.6 billion, down $169 million from '83-84. This is a drop of 1.7 percent from last year's comparable estimates.

Voted appropriations will be reduced on an estimate-overestimate basis by 1.9 percent to $9.4 billion. Statutory expenditures will increase by 6.2 percent to $232 million, due to increased debt servicing costs relating to the deficits of the past two years. Debt servicing accounts for only 1.8 percent of total expenditure in Alberta.

Even with this level of belt-tightening, Albertans will still enjoy the finest level of services and facilities of any province. On a per citizen basis, Alberta's expenditure on government services is approximately 35 percent above the average for all provinces.

Operating costs are the largest expenditure in budgeting for a household, a business, or a government. In these times when Albertans are restraining their day-to-day expenses, government must also constrain its operating costs. We must be in step with the rest of the economy.

Accordingly, in ' 84-85 we are targeting for a freeze in the operating budget. This signals a major breakthrough in blunting the annual upward spiral of operating costs of past years. But to be successful, the support of all Albertans is needed because demand for services and facilities fuels increases in our operating costs. Restraint by individual Albertans in their requests for government services will help keep government growth in check. As well, public-sector compensation must follow, not lead, the private sector.

Albertans are fortunate to have access to topflight health care services. This comes at tremendous cost, however. Health care is the largest and fastest growing component of expenditure. Alberta and all other provinces are experiencing mounting difficulties in financing health care. This is due to escalating costs and slow revenue growth made worse by a steady decline in federal health care funding.

In '84-85, funding for both the operation of health care facilities and medical services will total $1. 9 billion, up 10 percent from '83-84 and double the amount of only five years ago.

Funding for the operation of health care facilities alone will total $1.5 billion, up $98 million from '83-84. This includes $28 million for the additional operating costs of new and renovated hospitals and $22 million for additional employee benefits provided in last year's arbitration awards. Wages and salaries comprise a major part of the cost of health care.

There are two other elements to the control of health care costs: first, hospital use and, second, the utilization of doctor and other professional services.

To reduce, firstly, hospital usage, greater cost consciousness on the part of citizens, doctors, administrators, and hospital boards is needed. Until recently, the province automatically covered hospital board deficits. This policy was discontinued last year because it provided no incentive for hospitals to stay within their budgets. The new user charge system is a cost awareness tool which has encouraged hospital boards to avoid cost overruns.

Roughly 40 percent of the population, including all seniors and all Albertans of limited income, is exempt from these user charges. In addition, there is a low annual user fee maximum of $150 per individual.

The cost of services provided by physicians and other health care professionals has been rising steadily. The premium system covers only about 30 percent of the expenditure of the health care insurance plan for basic health services. Again, all senior citizens and those of limited income are exempt from paying premiums. In January a ceiling was placed on the doctors' benefits schedule. Nevertheless, expenditure of the Health Care Insurance Fund will increase by over $64 million, due to increases in utilization of services by citizens.

In the months ahead, the Minister of Hospitals and Medical Care will be working with the medical profession to find additional ways to curb over-utilization of services. Our success depends largely on the co-operation received from those who use and those who manage the system. If we cannot reduce the rate of increase of health costs, and if the federal government refuses to provide sufficient funding, then new revenue sources will have to be found. So that all Albertans can have the facts on health care financing, a special appendix has been included in this Budget Address.

Alberta senior citizens will continue to benefit from an extensive array of programs that are second to none in Canada: Senior citizen property tax rebates and renter assistance grants are budgeted at over $100 million, approximately $800 per senior citizen. About 45,000 seniors will benefit over the term of the unique senior citizens' home improvement program, which is budgeted at $44 million, up 69 percent from last year. It provides grants of up to $3,000 to our pioneers, enabling them to remain in their own homes.

Tonight I am announcing that the senior citizen home heating grant program will be extended into 1985 at an estimated cost of $8 million. This special program helps keep the cost of home heating for our seniors at manageable levels.

Alberta widows and widowers of limited means, aged 55 to 64, are eligible for senior citizen programs. No other province provides this benefit. Moreover, Alberta is unique in making available a pension to widows and widowers in need. Approximately 3,000 persons will be receiving these special benefits in 1984.

Bridging the affordability gap faced by homeowners and renters continues to be a priority. For '84-85 this budget contains nearly $200 million in various forms of shelter assistance for low- and moderate-income citizens.

The renter assistance tax credit will nearly double the $77 million in '84-85, reflecting the enrichment announced in the fall of 1982. This money will flow to Albertans over the next few months.

Through the heritage fund mortgage interest reduction program, we estimate that by the end of August almost $274 million will have been provided to over 150,000 Alberta homeowners. In addition, nearly 6,000 homeowners have been assisted in renegotiating mortgages to more favourable rates.

With a 1984-85 budget of $1.2 billion, Alberta's support for a comprehensive range of social services and community health programs is among the best in Canada.

In 1978 this government introduced the Alberta home care program to provide nursing, physiotherapy, homemaking, Meals on Wheels, and other services in the home. Tens of thousands of Albertans who might otherwise have needed costly institutional care have been treated in the comfort and convenience of their own homes. The program provides effective care at a reasonable cost, is popular with its patients - most of whom are senior citizens - and enables families and friends to assist on a volunteer basis.

I am pleased to announce tonight a major expansion of the Alberta home care program. Eligibility for the program will be expanded to include senior citizens with a medical condition who require only homemaking support. In the past, medical treatments had to be prescribed before such support was available. The new guidelines will be of substantial benefit to our senior citizens and the physically disabled who prefer to remain in their own homes. To implement all these new initiatives, the budget for home care in '84-85 will rise by 55 percent to over $28 million.

The aids to daily living and extended health benefits programs will be increased by 51 percent to benefit over 80,000 of our seniors and physically handicapped citizens.

Young Albertans represent the future of our province, and education is the key to that future. Better citizenship, a more productive economy, and a greater sense of community all depend upon a well-educated population with the necessary attitudes, skills, and knowledge.

For basic education this year, the government will budget $1.2 billion, an expenditure among the highest per capita in Canada. Alberta provides many special programs with greater scope and benefits than other provinces. Examples include early childhood services and multisensory handicapped programs.

Basic operating grants to school boards will amount to $674 million, providing the same per pupil support as last year. Additional funding of nearly $20 million will be available for the unique learning needs of handicapped and gifted children and for other special programs.

For self-governing postsecondary institutions, basic operating grants will total $607 million, the same as last year. Significant additional funding of $26 million will be made available to reflect surging enrollments, the opening of recently expanded facilities, and enhanced course programs. Last year $5.5 million in extra funding was provided to reflect the enrollment bulge in September 1983. These moneys were additional to the special extra enrollment funding provided in 1982. Both these extra 1982 and 1983 special funding initiatives are incorporated in this budget to enable institutions to cope with expanded enrollments.

Alberta leads Canada in terms of advanced education funding support per student. Many young Albertans who plan to attend advanced learning institutions are faced with personal financial pressures. This government provides unparalleled financial assistance for students. No other province makes available to students the total dollars or the wide range of assistance available here. In Alberta a single undergraduate can receive up to $8,800 per year, and a disadvantaged student can receive up to $12,800. Moreover, Alberta's loan remission program helps reduce a student's debt load after graduation.

Extra student assistance funding of $29 million was provided in January 1984. In 1984-85 the budget for student financial aid is more than doubled to $64 million. Approximately 42,000 students will receive support, compared to the 29,000 students who were assisted in 1982-83 through loans, grants, scholarships, and remissions.

The 1980s endowment fund will continue to provide matching grants to postsecondary institutions.

In 1984-85, unconditional grants to municipalities will continue at last year's level of $92 million. An additional amount of over $1.8 million will be made available to correct special inequities that have arisen over the years.

Albertans continue to enjoy among the lowest property taxes in all of Canada, thanks in large part to the continuing legacy of the $1 billion municipal debt reduction program of 1979-80 and the municipal debenture interest rebate program.

One hundred and fifteen million dollars is budgeted for interest relief on eligible debt of municipalities; in effect, a significant property tax reduction to Albertans this year.

The resiliency of Alberta's economy during the downturn is clear evidence of the depth and expanding breadth of our economic base. Steady progress is being made to diversify around our basic human and natural resource strengths by providing II climate conducive to private-sector investment. The highly successful offering by Vencap Equities Alberta Ltd. of shares and debentures is a show of confidence in Alberta's future. Artificial diversification, where government provides massive public handouts to lure industry, does not stand the test of real world competition.

Diversification, led by the private sector, is an economic objective, but it will not yield the budgetary revenue that Albertans secure from oil and gas. The economic reality is that royalties from the resources owned by Albertans will continue to be a primary source of revenue for years to come.

Small business is the backbone of the Alberta economy. To help build and strengthen those businesses, a new small business venture capital program is planned. Over four years it will provide approximately $15 million in assistance to stimulate the formation by private-sector investors of pools of capital of up to $50 million. Small business equity companies will then reinvest the moneys in new or expanding Alberta businesses.

To help reduce small business interest costs, the special heritage fund interest shielding program will have provided over its two-year term nearly $53 million to 21,000 small Alberta businesses.

An example of our outward-reaching trade initiatives is the decision to be a part of Expo '86 in Vancouver, the largest world exhibition in North America since 1967. Forty-five nations are expected to participate. This event is a significant opportunity for Alberta to attract tourists and promote our products and services. Planning and commencement costs of over $1 million have been budgeted.

Following up on the Premier's mission to the Pacific Rim, Alberta will host the Great Trade Show and Cultural Exhibition of China in April, the largest ever held by that country outside its own borders.

To assist research and development, over $21 million is targeted for the Alberta Research Council.

Agriculture is basic to Alberta's renewable resource strength and provides the balance wheel when energy prices and markets soften. The family farm is the social and economic bedrock that stabilizes our province.

To help reduce farm interest costs, the special heritage fund interest shielding program will have provided over its two-year life $33 million in assistance to 20,000 farmers.

The farm fuel distribution allowance continues to. reduce farm input costs. This budget contains $75 million to continue the subsidy for purple fuels. No other province has such a program.

The primary agricultural producers' natural gas rebate program, established on December 31, 1982, for two years, will continue into 1985 at a cost of $2 million. It assists large agricultural users of natural gas.

Since its inception in 1973, the rural gas program has provided natural gas to over 70,000 Alberta farms and other rural consumers through grants approaching $300 million. The program helps to assure that the quality of life in rural Alberta remains comparable to that in urban areas.

The Agricultural Development Corporation will receive a 23 percent increase in funding to over $80 million. Much of the increase will go to assist beginning farmers.

I wish to announce that the successful Farming for the Future program, supported by the heritage fund, will be recommended for continuation for three years.

Local agricultural service boards and agricultural societies will receive $6.7 million in 1984-85.

As part of our agricultural upgrading and diversification effort, the $8.6 million heritage fund Food Processing Development Centre in Leduc will become operational.

Albertans benefit from the lowest energy prices in Canada. The natural gas price protection plan will continue, as previously indicated, to March 31, 1985. Approximately $130 million in rebates to Albertans will be paid out under the plan this year.

The Alberta Electric Energy Marketing Agency will provide over $50 million in 1984-85 to move toward equalized electricity costs across the province.

Even though our economy is on the mend, employment growth will be slow since new job creation typically gains momentum later in the economic recovery cycle. Employment in construction and related areas is not expected to increase significantly until the current excess capacity in office space, apartments, and other areas is absorbed. To ease the burden until private-sector hiring picks up, an initial allocation of $40.5 million is provided for special employment programs:

- the priorities employment program,

- the employment skills program,

- the special placement program, and

- the summer temporary employment program.

These programs assist especially in alleviating the serious problem of youth unemployment. Further funding will be considered in the months ahead.

Funding for manpower development and training assistance will reach $38 million. These involve support for on-the-job training and skill upgrading. To reflect the surging enrollments in vocational training, $2.5 million in extra funding was recently made available.

Thousands of jobs will flow from this year's large capital budget. The total capital activity supported by the government will approach $3 billion in 1984-85. This is comprised of General Revenue Fund capital expenditure of $1.7 billion, Crown corporations' capital for new construction of nearly $1 billion, and heritage fund capital projects of almost $300 million. Alberta's capital budget on a per person basis will continue to be one of the highest, if not the highest, in all of Canada.

Capital spending has increased dramatically over the last several years, and we now have in place or in process most of the capital building projects required for the decade. Because construction costs are down significantly from the boom years, slightly fewer capital dollars can generate approximately the same degree of job activity in 1984 as in 1983.

Capital support for health care in Alberta will total nearly $300 million in 1984-85. This is part of the multi-year hospital construction and renovation program, which will see 103 hospitals built or renovated in 73 centres across Alberta at a total cost exceeding $2 billion. In 1984-85, 10 new hospitals will be opened.

To serve the existing population and the expected future growth of Edmonton and Calgary, we announce tonight that construction will commence within weeks on two major, new active treatment hospitals. Designed with 500 beds each, these state-of-the-art hospitals will each have a total cost of approximately $140 million, with $23 million budgeted for start-up construction this year. Over the 33-month construction period, a total of approximately 2,300 man-years of employment will be created by the two projects. These facilities will ensure that Albertans continue to have access to the highest quality health care in the nation.

Over the past few years, our rural citizens have benefitted from an extensive program of upgrading and replacing old and deteriorated rural hospitals. These improved facilities help sustain the viability of many small communities at a small cost. The operating budgets for rural hospitals total only 7 percent of the total hospital operating budget. The same is true of capital construction costs. The seven similar-design new rural hospitals will cost less than I percent of the total hospital capital construction program.

Universities, colleges, and technical institutions will receive capital support of over $138 million this year. Projects include completion of the new campus at Athabasca University, Scurfield Hall at the University of Calgary, the new business administration and commerce building at the University of Alberta, and a recreation facility at the University of Lethbridge. The budget also provides support for projects at Lethbridge and Mount Royal colleges and at the Southern Alberta Institute of Technology. Planning will commence on the future development of Lakeland College.

Capital support for basic education will total nearly $148 million, up 13 percent from 1983-84. Emphasis will be on modernization of existing schools rather than new construction.

Alberta will be the centre of world attention in 1988 as Calgary hosts the XV Olympic Winter Games. It is estimated that over one and a half billion viewers will be watching this world class event. The resulting global recognition will boost our international trade efforts and inject millions of tourist dollars into Alberta's economy. This budget provides capital funding of over $24 million for the first phase af Olympic development at Mount Allan, Canmore, and the University of Calgary. Provincial capital support will generate a substantial number of jobs during the construction period and will leave an unparalleled legacy of winter sport facilities.

Cultural projects across Alberta will continue to receive substantial capital funding. Nearly $9 million is budgeted to continue work on various historical projects: The Tyrrel museum, Drumheller; the Ukrainian village near Elk Island Park; the oil sands interpretive centre, Fort McMurray; the Buffalo Jump visitors centre, Fort Macleod; and the Frank Slide interpretive centre, Crowsnest Pass. The Calgary Centre for the Performing Arts will receive $12 million to continue construction.

Alberta's transportation network is one of the most extensive and efficient in the country. Capital improvements in 1984-85 will reach $650 million. Highway and road construction is budgeted at over $500 million. There will be support for the continued twinning of highways I and 16 and for construction of the highway between Grande Prairie and Grande Cache. Funding of $7.5 million is provided for a new streets assistance program for towns and villages. Urban transportation grants of $137 million will sustain our existing commitments.

The provision of priority public works has been budgeted at nearly $220 million. Of this amount, over 60 percent will be spent outside the Calgary and Edmonton areas. As a reflection of our significant capital development in recent years, almost 85 percent of the public works budget will be needed to complete and maintain facilities already started. Approximately $100 million is provided for needed water and sewer projects and for gas utility developments, which assist in improving the quality of life in many communities.

Financing for economic development projects will reach almost $60 million in '84-85. This includes $53.5 million as part of Alberta's share of the cost of financing the Prince Rupert grain terminal. Over $5 million is provided for financing computer technology, laser initiatives, thermoelectric generator development, and biotechnology.

Given the reduced growth pressures and the need for fiscal restraint, we have followed up on our commitment to reduce the financial requirements of the Crown corporations. Nevertheless, the activities of Alberta's major Crown corporations will directly result in capital construction activity of nearly $1 billion in 1984-85.

In the housing sector, funding will be provided for the construction of 1,460 shelter units for Albertans with senior citizens and low-income families being the primary beneficiaries Eighteen million dollars will be committed for the construction of 300 new housing units for low- and moderate income families under the family home purchase program, the most attractive in Canada. Approximately $38 million is committed to finance over 600 housing units for our senior citizens.

The Alberta Municipal Financing Corporation will continue to provide significant cost savings for local authorities and their taxpayers by providing financing to them for their capital projects at the government's comparatively attractive borrowing rate. In 1984 the Alberta Municipal Financing Corporation will make an estimated $650 million available in loans to Alberta's cities, towns, school boards, and other local entities at rates which provide a significant reduction in the costs borne by property tax payers.

During 1984, Alberta Government Telephones will continue to upgrade its telecommunications services to Albertans by making capital expenditures of $224 million, mostly in new plant and equipment. The program of improved telephone service to remote areas will be continued.

For 1984-85 more than $287 million was approved last fall for ongoing heritage fund capital projects that sustain jobs and provide economic and social benefits for our citizens. Major commitments to our agriculture sector will continue, with over $100 million earmarked for irrigation projects, the Farming for the Future program, flood control, and grazing reserves. Support for oil sands and enhanced oil recovery projects and research remains a priority with $50 million approved.

In the health field, $80 million has been provided for the ongoing construction of the Walter C. Mackenzie Health Sciences Centre, for cancer research, and for research and education related to occupational health and safety.

Recreation and parks projects in five urban centres and in Kananaskis Country will receive $47 million.

There are no new taxes and there are no increases in existing tax rates in this budget.

Albertans enjoy the most favourable overall tax environment in Canada. We continue to have the lowest personal income tax rate of any province. we are one of only two provinces with no gasoline tax, and we are the only province with no sales tax.

This means, for example, that an Alberta family of four with a $30,000 income pays approximately $1.350 less in provincial taxes than a similar family in Ontario. To ensure that Albertans are fully aware of their favoured tax position in Canada, a special appendix on Alberta's tax structure has been included in this Budget Address.

Albertans should realize that non-renewable resource revenue, not taxes, currently foots the largest part of the bill for the services we enjoy. In the other provinces the situation is reversed. It's clear that our low tax rates are possible only because of our natural resource wealth. If energy prices or markets deteriorate, or if expenditure on services cannot be contained, there will be no alternative but to look at a combination of service level cuts and tax increases.

For 1984-85, total budgetary revenue is expected to increase by 4.3 percent to $9.4 billion. Unlike the situation for most provincial governments who receive the bulk of their revenue from internal sources and federal transfers, our revenue forecast depends to a large extent on developments in external commodity markets for oil and natural gas. This makes revenue forecasting more difficult. The lessons of the '70s and early '80s have proven how volatile these commodity markets can be and underline the importance of restraining expenditure.

The forecast is for total non-renewable resource revenue of $3.55 billion in '84-85. Conventional oil royalty revenue is forecast to be down by $58 million, compared to '83-84, due to lower production of old oil. While progress has been made towards reducing shut-in oil, there is still uncertainty, so the forecast assumes the same level of shut-in oil as in 1983-84. We will continue to work to bring an end to this unnecessary problem. Synthetic oil royalty is expected to decline by $36 million, due to increased cost allowances relating to the job-creating Syncrude expansion now in progress.

Natural gas royalties are expected to rise by $13 million in 1984-85. We believe that the erosion of our gas exports is behind us and that we should be able to maintain export volumes at 1983-84 levels.

The estimate for the royalty tax credit is $339 million less than the 1983-84 forecast, due to the expiration of the enrichment on December 31, 1983, as announced back in April 1982.

Total net tax revenue is expected to increase by $246 million in '84-85, to $2.7 billion. This is due largely to the five point increase in the personal income tax rate announced last October, which adds over $200 million. The adjustment to the selective tax reduction, which was announced along with the rate increase, will direct an additional $10 million to reducing taxes for low-income citizens.

Payments from the federal government are expected to decline by $59 million to $968 million in '84-85. These payments represent 10 percent of Alberta's total budgetary revenue. By comparison, the other provinces receive, on average, over 20 percent of their revenue from the federal government.

The transfer of heritage fund investment income is estimated at $1.53 billion, up $25 million from 1983-84.

To recap, the budgetary plan for '84-85 calls for a reduction of 1.7 percent in total expenditure to $9.644 billion -and expected revenue growth of 4.3 percent to $9.386 billion. This results in a budgetary deficit of $258 million. The 1984-85 budgetary deficit is less than one-half the size of the '83-84 deficit and one-eighth the size of the' 82-83 budgetary deficit.

Financing requirements resulting from the '83-84 budget deficit were met in significant measure by sales of liquid assets previously accumulated in the General Revenue Fund, with the balance met by short-term borrowing.

Depending on market conditions, scope remains to meet some portion of '84-85 budgetary requirements by disposing of assets. To date the province has had in place successful treasury bill and promissory note borrowing programs in the Canadian market. These programs will be continued, and supplemented by other financing means where necessary, to meet the overall financing requirements in '84-85.

In 1983 both the Alberta Municipal Financing Corporation and the Alberta Government Telephones Commission had successful debenture issues in the Canadian market, in the amounts of $450 million and $150 million respectively. It is anticipated that further capital market borrowings will be undertaken in 1984 to meet the financial requirements of these two corporations.

The heritage fund will continue to meet all the long-term borrowing needs of the Alberta Agricultural Development Corporation, the Alberta Housing Corporation, the Alberta Home Mortgage Corporation, and the Alberta Opportunity Company in 1984-85. The total requirements for these four corporations in '84-85 are reduced significantly from their budgeted requirements in '83-84.

The highlights of the 1984 Alberta budget are:

- a reduction in government expenditure from last year's level, the first in over 40 years;

- a reduction of over 1, 100 permanent, full-time public sector positions that have become unnecessary in government departments and Crown agencies;

- a further drop in the budgetary deficit to an estimated $258 million in 1984-85;

- no new taxes and no increases in existing tax rates; continued use of heritage fund investment income to hold down taxes and reduce the deficit;

- a job-intensive $1. 7 billion capital works budget which will create as much employment activity as the record capital budgets of the past two years; as well, capital projects of the heritage fund and Crown corporations will total over $1.2 billion;

- special job creation and manpower training programs valued at over $78 million;

- maintenance of quality people programs through continuation of one of the highest per capita health, education, and social service grant levels in Canada; major expansion of the home care program with funding rising by 55 percent to over $28 million;

- additional funding to assist students in advanced education;

- a new venture capital program for small business; and a start on two major, new active treatment hospitals, one in Edmonton and one in Calgary, with an estimated total cost for both of $280 million.

In conclusion, Mr. Speaker, this budget represents a sound financial strategy for Alberta - a strategy of balance. It balances the need to maintain essential people services with the need to constrain operating expenditure. It balances the desire to encourage steady economic recovery and employment growth with the recognition that lasting jobs are created by the private sector. It meets these objectives while at the same time holding down taxes and reducing significantly the deficit and our borrowing requirements. The result is a budget in tune with the times, in tune with the aspirations, needs, and expectations of Albertans.