

Legislative Assembly of Alberta

Title: **Wednesday, November 3, 1993**

8:00 p.m.

Date: 93/11/03

head: **Committee of Supply**

[Mr. Brassard in the Chair]

MR. ACTING DEPUTY CHAIRMAN: We'll now come to order.

head: **Capital Fund Estimates 1993-94**

MR. ACTING DEPUTY CHAIRMAN: Do any of the ministers wish to respond to the questions that have been raised dealing with the capital fund which is under consideration tonight?

MR. THURBER: I had said last night, Mr. Chairman, that I would answer some of the questions tonight, and I thought I might open it up by dealing with a few of them just at the start here to maybe alleviate some of the questions that may come forward on that.

Last night the waste management budget was questioned. The health facilities waste management program is a program put in place to install cold storage units for waste management from the variety of health care facilities in the province, mainly the hospitals. There are different sizes and different types of cold storage units to be put in a variety of facilities to handle the waste management, and then they're hauled to a central location for disposal at that time. Now, there are incinerators at a lot of these hospitals which do not meet the clean air standards and the other environmental standards that are in place today, so we felt it was a matter of policy that these had to be dealt with in a different way. There's private enterprise involved in it. Through the use of these cold storage units these biomedical wastes are picked up and hauled to a central place for disposal. As I said before, there are different sizes and different scenarios developed at each of the hospitals; I just wanted to make you aware of that. There was some question last night about where the money went and what it was used for. Some of these cold storage units are in fact walk-in types and other ones are chest and freezer types to store these wastes in.

[Mr. Clegg in the Chair]

The other one that was brought up a couple of times – of course, it's been mentioned before in this House – is the Westlock hospital. Just for the record I thought I would speak on it for a moment. It's a very old building that needed to be replaced. It was initially built in 1927 with the latest repairs or additions back some 23 or 24 years. So it was needed, and the need was described and determined back as long as 1985. It was a very productive hospital. It had one of the highest hospital performance indexes of any hospital in Alberta. It serves a community of some 16,000 to 18,000 people. The argument has always been that this construction should have been stopped even after it had begun. I also wanted to mention, as I've mentioned before, that once a contract is let on some of these projects, a number of things happen. The contractors in this case – there are over 30 contractors and subcontractors – become committed in fact for up to 80 to 90 percent of the total costs of the building. It was one of the ones that there was a lot of question about, and I'm afraid that most of the questions were of a political nature as opposed to the need that was there and is still there. This project is going ahead and is certainly needed in that area.

As I mentioned again last night, I have a problem sometimes when we talk about people determining the need or the lack of need in a place like Westlock or Slave Lake from people that have never been there, and as such they make these determinations with no knowledge of in fact what happened or what the situation is in that particular community. The Slave Lake one was another project that was put on hold. It's in the planning and programming stages. Certainly the need for that hospital again has been determined through consultation with the local people and through consultation with the health care facilitators within the area and within the Department of Health. That one will be reviewed at the end of the roundtables, and it will be determined at that time whether it should proceed or not.

The same thing happened with the Alberta Hospital at Edmonton. It needs to be reviewed. It again was in certain planning and programming stages, with some needed repairs and reconditioning and brought up to code in certain areas. It was put on hold until the actual usage of that building could be further reviewed and determined by the Department of Health and certainly the construction by my department.

The Cross Cancer Institute involved the construction of about a 19,000 square metre addition, which would double the size of that 23-year-old facility. That includes the expansion of all diagnostic treatment and support departments as well as renovation of the existing departments. That again was reduced by a large amount of money because of a difference in scope and the different requirements that are found within that institution.

I think, Mr. Chairman, those were some of the main items that came up last night, and I just wanted to touch on them for the record and for the information of the opposition. Thank you.

MR. DEPUTY CHAIRMAN: The hon. minister of advanced education.

MR. ADY: Thank you, Mr. Chairman. I'd like to take a few minutes and respond to some of the questions and comments that were offered by at least two of the members last evening. I appreciate some of the thoughtful comments that were put forward by the hon. Member for Edmonton-Mill Woods. I'm sure that he's as interested as I am in improving our advanced education system, although he does approach it from a bit of a misguided view, being from the other side of the House. I guess we always have to contend with something. I'd like to respond to some of his questions though.

Chairman's Ruling Decorum

MR. DEPUTY CHAIRMAN: Hon. minister, if I could interrupt.

Order. When we're in committee, it doesn't mean we have to have public meetings around this House. It only means that you can go and sit beside somebody and have a quiet conversation. It's getting worse every night, and I think we have to tone it down.

Debate Continued

MR. ADY: Thank you, Mr. Chairman. The first question that the hon. member asked last evening was what kind of long-term planning of facilities is under way in our postsecondary education system? Our postsecondary education has a long developmental history in this province since the first Universities Act incorporated the University of Alberta in 1906. Successive governments of this province have made facilities available for higher learning. Today we have four universities, four private colleges, two technical institutes, five hospital-based schools of nursing, and the Banff

Centre. In addition, we have four community consortia, 85 further education councils, and over 80 licensed private vocational schools. These institutions have evolved as needed and as resources were available. I'm sure the hon. member would agree that they all contribute to one of the finest postsecondary education systems in the country. It also costs the people of this province over \$1 billion a year to maintain them.

The question being asked is: do we plan to build more? The short answer is yes. Facilities will always be growing. Extensions will always be added, and space will always need to be created, because I believe the demand will always be steady as long as our population continues to increase. A good example of this is the beautiful new Grant MacEwan Community College. That campus in downtown Edmonton was just opened to students this fall. But gone are the days of building new completely autonomous institutions, so I've given up my dream of building the university of Cardston for this year. [interjections] Yeah, if I can't build the whole thing all at once, we'll let it sit for a while.

AN HON. MEMBER: Maybe it should be Cardston college.

8:10

MR. ADY: No.

Our planning now is focused on using our existing facilities better and more productively, working to maintain those buildings that are in need of repair so that we don't have to build more new facilities. I'm looking at reasonable renovations of our institutions so that they can take more students. We also see a greater role in private funding for new facilities. The hon. member is certainly aware of the Timms fine arts facility currently under construction at the U of A, which is being funded by private sources. I recently visited the Fairview College to open the Trev Deeley Building, which will produce the best trained Harley Davidson motorcycle repairmen in Canada. So there are actually quite a few new construction projects under way that we don't often hear about that are funded through the private sector, because they, too, recognize the importance of our postsecondary education system.

The member also asked about the requirements that we place on institutions for multiyear plans for their capital projects. The boards of our institutions undertake similar planning for capital projects as school boards do, but their plans are linked to their individual strategic plans. Funding that requires funds from the public purse is naturally prioritized and co-ordinated through our department. There is a long list of capital projects already, but they all require money from a very limited budget. I can assure the hon. member that every effort is made to be fair and equitable to that prioritized list.

The member also asked about the contracts for construction. That, too, is under the auspices of the boards of the institutions. Our department oversees the expenditures and will assist with the project development if asked, but by and large each project is started and completed at the institutional level and in almost every case is done very competitively and professionally.

The member also asked about capital design. Who decides what a building will look like? It's true that you may see one building on campus in a peculiar colour or design right beside a classical older building, and it looks out of place. You may ask, "Who decided to put those two buildings together?" As the minister I can take the blame for a lot of things, but I'm afraid I can't take the blame for odd looking buildings that appear on campuses.

The final question was: do we share facilities? That was specifically asked. Do we share facilities between my department and the Department of Education? The answer is yes, whenever possible. Although this is sometimes the case between institutions,

it is particularly true for communities. Institutions are very good at providing their facilities to community events and celebrations, and in many smaller centres the college is a real centre stone of the society. In addition to that, we find that the consortia sometimes use our facilities, the further education councils use them, and we make every effort to make them available for those purposes.

Mr. Chairman, my hon. colleague from Lesser Slave Lake also had some important questions regarding student housing at the AVC in her constituency. The best way for that to be dealt with really is that the private sector will see an opportunity there and move in and provide those facilities for students, realizing that they can do it better than we and get involved in a profitable venture.

In the interests of time I'll sit down and let some of the other ministers respond. Thank you.

MR. DEPUTY CHAIRMAN: The Minister of Environmental Protection.

MR. EVANS: Thanks very much, Mr. Chairman. As well in the interests of timeliness I just want to respond very briefly to the comments that were made last evening by the hon. Member for Sherwood Park, who was talking about the Alberta special waste treatment facility at Swan Hills, inquiring rhetorically whether it would ever become a white elephant. Well, I would say, Mr. Chairman, that it most certainly will not. In these financial times that we face today, we have an incredible asset in Swan Hills. We have an asset which is second to none in North America for treating hazardous waste. The improvements that have been made and the reason for the capital fund expenditure in excess of \$26 million in this fiscal period is to ensure that we have capacity for both liquid and solid hazardous waste up at Swan Hills. We most certainly do not have any doubt at all that we will have a viable operation at the Swan Hills facility based on Alberta-only waste. There's no question about that. That was one of the questions that was asked through the Natural Resources Conservation Board process which had to answer whether it was in the public interest to approve the new kiln, based on social, economic, and environmental considerations. Quite clearly it was the NRCB's decision that indeed this expansion was in the public interest.

[Mr. Tannas in the Chair]

I don't expect that we will have any additional capital improvements to the Swan Hills facility in the foreseeable future, although there may of course be some costs attributed to the facility for maintenance and minor upgrading as the need arises.

I hope that answers the questions from the hon. member opposite. Thank you very much, Mr. Chairman.

MR. N. TAYLOR: In responding to the different ministers, I'll try to go through fairly quickly. I have an amendment, so if the pages want to distribute it now, that's all right. That will speed things up a bit.

Capital Fund Estimates

Moved by Mr. N. Taylor:

Be it resolved that the capital fund estimates be reduced by \$15.5 million.

MR. N. TAYLOR: Basically the opposition questions quite strongly whether the capital budget has to be as large as it is if

we're going to try to bring in line the total budget. What the government is doing, in effect, is continuing capital expenditures at a level that I think is higher than necessary yet expecting students in schools and people in our medical care system to get by with less. Much better that we cut back some of our capital construction here and then use the money saved to do a little bit better for our children particularly. You can postpone one, two, three, or four years one of the halls or putting a front facing on an education facility or a special waste facility. It makes little or no difference 25 years from now. But if you postpone a child's education or you give him an inferior education for four or five years, you pay for that, not only 25 years from now but for years and years.

I submit that government does not put their thinking caps on when they put out the budgets, and I'd like to specifically mention that I believe that in Advanced Education and Career Development we could have found a way of building those buildings just a little cheaper. I know we need advanced education and I'd like to see no cuts whatever in the classroom, but I'm not sure we need as much funding as we have there. But suppose we do.

We go on to Environmental Protection. Now, this I think is a classic case of boondoggling, Mr. Chairman. We put \$26 million into a facility that we're almost assured we don't need. In other words, we're not going to import any waste. Bovar puts up, I think, 60 percent, and we put up 40 percent. Nobody was ever kind enough to do that for me in business. I'm still in business. I've never been able to get the government to put up 40 percent for a bit of construction. Yet we're marching ahead. I see no reason why this is even in the budget. Twenty million dollars would go a long way in the next year to educating our children, keeping our classrooms going, and also for medical care.

8:20

Municipal Affairs, Construction of Social Housing. I actually think you're probably okay there. I actually think that's an intelligent thing, because in a modern-day society if you cannot house your poor and cannot house your lower income people, you're not going to get too far ahead. The ship of state, somebody said, is sometimes like a ship in a convoy. The ship of state can only move as fast as the slowest segment in it. You don't average the speed of a convoy to find how fast a convoy moves. It goes at the speed of the slowest ship in the convoy. If your poor people are slowed down, the rest of your economy is going to be slowed down too. I've lived in economies where they didn't pay attention to the poor. The rajah or the king had all the money, and I can assure you that it wasn't that nice a place to live.

Public Works, Supply and Services. I'm sure we should be able to find some money to cut there. I won't go into details.

Transportation and Utilities. That's another puzzler. Fourteen million dollars, Mr. Chairman, to go into putting in the rail link for Al-Pac, some of the richest companies in the world. Well, I'm almost sure that if it's a normal joint development contract, if the government were to renege and not put up its \$14 million, Al-Pac would do it and take it out of royalties payable down the road. So I think it only makes sense, rather than putting up your hard-earned cash now to run with Al-Pac, to fall back on what they call the independent operator clause in the contract. I haven't read it. There might be a little gremlin up there that's read the contract. But I've been in ones this size and more, and there's usually an independent operator's clause in there. If one side doesn't do it, the other side can go ahead and do it and extract it from the royalties and whatever the income is that's payable. It would make much more sense to me to put that \$14 million into education and health care.

Now, you should have by now a motion on your desks from our side reducing the \$311 million budget by 5 percent. Well, that's only \$15 million. That 5 percent cut could come out of the rail link alone in Peace River. It's almost a token cut, but it's significant: \$15 million dollars that we could be using in education, so I challenge those on the other side. I don't know if there's a free vote on it or not. The House leader is looking very happy. He's got a tie there that indicates that his personality is in a plus mood. Maybe he will not unleash the hounds of war on his back bench if you decide to vote free and independently. All you have to do is get up and give the signal Caesar did to Gaul. Just like this – all okay – and they will vote independently. I think they can knock off 5 percent. Five percent is all I'm asking out of the \$311 million budget.

I notice that the Member for Whitecourt-Ste. Anne is starting to preen himself and thinks it might go to highways, but that's not where I want the \$15 million saving to go. It is to go into education; 5 percent off this to go into education.

Thank you.

MR. CHAIRMAN: Fort McMurray.

MR. GERMAIN: Thank you, Mr. Chairman. I have risen to speak.

MR. CHAIRMAN: Hon. Member for Redwater, just before Fort McMurray begins his comments on your amendment, so that we are certain that the amendment is the same that everybody has and just so the committee understands that this motion is irregular. Is the committee prepared to entertain this motion? If we are not, there are five regular motions, and this combines all of them. Just so that you understand that. Alternatively to this, then, we would have a number of other amendments. So we've agreed to this one omnibus amendment. Is that not so, sir?

MR. N. TAYLOR: If this is defeated, I will not introduce four more motions. This is the only motion if they will let it go ahead.

MR. CHAIRMAN: Is the committee prepared to entertain this motion? All those in favour please say, aye.

HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no. Carried.
Fort McMurray.

MR. GERMAIN: I'm sorry, Mr. Chairman. I was rising to speak to the main estimates and not to the Member for Redwater's motion. If I'm out of order, I apologize. I'll be happy to be called on at the right time.

MR. CHAIRMAN: Okay.
On the amendment?

HON. MEMBERS: Question.

MR. CHAIRMAN: The question on the amendment has been called. No one has risen, so I'm calling for those who are in favour of the amendment as proposed by the hon. Member for Redwater. All those in favour, please aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Those opposed please say, no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Defeated.

MR. N. TAYLOR: Did you get that right? I thought that was more like a burp than a no.

MR. CHAIRMAN: Even my hard-of-hearing ears indicated that it was less of that than the other.

The hon. Member for Fort McMurray.

MR. GERMAIN: Thank you, Mr. Chairman. I recognize that today is the most inclement day of the season that we've had so far. I take it from this that winter has now come to Edmonton, and as a result I will be short.

It would be inappropriate for me, representing the residents of Fort McMurray, if I did not make a comment in response to one aspect of the Public Works, Supply and Service budget, and that relates to regional health care in Fort McMurray. I want all members of this House to understand that during the boom in Fort McMurray, when it was expected that Fort McMurray would grow to a city of 60,000 people, the Fort McMurray regional hospital was developed to five storeys. As a result of the anticipated slowdown, two of those floors were not developed.

For many years the residents of Fort McMurray and the health care givers in that community have seen a need and have recognized the need for long-term health care facilities. The long-term health care facility program, very correctly identified by the minister of public works and the Minister of Health, is identified in this budget as item 1.4.21 under the heading Regional Hospital, Fort McMurray. That \$3.3 million represented the first estimate that was sent out to tender to construct that Fort McMurray regional hospital addition. What happened to those estimates after the estimates and the tenders closed? The project was put on hold. The residents of Fort McMurray and the health care givers there were asked, Mr. Chairman, to come up with a revised plan that reduced the cost. They did so, and they drove that cost down to \$2.7 million. That is a significant percentage decrease and certainly coincides with the public's desire to cut costs and also to provide reasonable services.

Now, why is this important from a northeast Alberta concept, Mr. Chairman? It's important because when I rise to speak for the residents of Fort McMurray, I also indirectly rise to speak for the residents of the whole Athabasca-Wabasca area, represented by the minister of social services. The Fort McMurray area is the regional hospital for every single health care need in the Fort McMurray area. The present situation concerning long-term care in Fort McMurray is deplorable insofar as there is no effective long-term care.

Now, I know that the Minister of Health will support this comment that I make tonight in this House, and that is that when we have to use acute care beds for long-term residents, it is a higher cost and less effective way than having proper long-term care. I know that all across the province people interested in the health care field are crying for their capital projects in health care. I recognize that, but the plea I make today on behalf of the residents of Fort McMurray is for all of northeast Alberta.

Now, if the cuts to the Fort McMurray health care were not of themselves particularly difficult to swallow, Mr. Chairman, they were followed by another double whammy incurred by the residents of our oldest community in Alberta. Now, what is the oldest community in Alberta? The oldest community in Alberta is Fort Chipewyan, that proud community on the edge of that lake. There was \$150,000. The way we blow money in this province,

\$12 billion a year, and there was a measly \$150,000 project cut out of this budget for the mobile home needed in the Fort Chipewyan area for health care. The Minister of Health is sensitive and compassionate to the needs of those people in Fort Chipewyan, but sometimes money talks and rhetoric walks. Those people up there need that facility. We cannot say in this House that the federal department of Indian affairs must look after the health requirements of Fort Chipewyan, because at least 25 percent of the population up there are not covered by it. So what happened in northeast Alberta, Mr. Chairman, is this: the regional centre, the health care centre that needed the long-term care, was deferred, and on top of that the little bit of aid that they needed in Fort Chipewyan on this health issue was also deferred.

I want to conclude. I know there's a blizzard outside. I'm not going to ramble for 20 minutes. I say again to all members of this House: we can do better than that.

8:30

HON. MEMBERS: Question.

MR. CHAIRMAN: The question has been called.

Agreed to:

Advanced Education and Career Development

1 – Construction of Post-Secondary Education Facilities	\$67,860,970
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Environmental Protection

1 – Construction of Special Waste Facilities	\$26,560,000
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Municipal Affairs

1 – Construction of Social Housing	\$20,818,000
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Public Works, Supply and Services

1 – Construction of Health Care Facilities	\$166,315,000
2 – Construction of Water Development Projects	\$15,100,000

Transportation and Utilities

1 – Construction of Economic Development Infrastructure	\$14,600,000
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Total	\$311,253,970
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MR. CHAIRMAN: Deputy Government House Leader.

MR. EVANS: Thank you, Mr. Chairman. I move that the vote be reported.

[Motion carried]

MR. CHAIRMAN: Hon. Deputy Government House Leader.

MR. EVANS: Thank you again, Mr. Chairman. I now move that the committee rise and report.

[Motion carried]

[Mr. Clegg in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the Alberta capital fund, reports as follows, and requests leave to sit again.

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1994, a sum from the Alberta capital fund not exceeding the following for the departments and purposes indicated. Advanced Education and Career Development: capital investment, \$67,860,970. Environmental Protection: capital investment, \$26,560,000. Municipal Affairs: operating expenditure, \$20,818,000. Public Works, Supply and Services: capital investment, \$181,415,000. Transportation and Utilities: capital investment, \$14,600,000. In total, \$311,253,970.

Mr. Speaker, I wish to table a list of those resolutions voted upon by the Committee of Supply pursuant to the Standing Orders. I also wish to table copies of all the amendments considered by the Committee of Supply on this date for the official records of the Assembly.

MR. ACTING DEPUTY SPEAKER: Thank you, hon. member.
All in favour of the report?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Opposed, if any? Carried.

MR. KOWALSKI: Mr. Speaker, normally government House business would go a little later in the evening, but there is a blizzard outside. I want to thank the acting House leader for the Liberal opposition tonight for being co-operative in terms of the situation.

As well, I would like to extend thanks to my colleague the Member for Medicine Hat, who's also the chairman of the Alberta Research Council, for extending an invitation to all members in the Legislative Assembly to tour a taxpayer-funded institution in the province of Alberta and to all those individual members who did take time out of their busy schedules to see the research facility. Science and technology are extremely important, and I want to thank them all.

[At 8:39 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

