

## Legislative Assembly of Alberta

**Title:** Wednesday, April 23, 1997 **8:00 p.m.**  
**Date:** 97/04/23

head: **Committee of Supply**

[Mr. Tannas in the Chair]

THE CHAIRMAN: Good evening. I'd like to call the Committee of Supply to order. Again we'll use the traditional custom of only one person standing and talking at a time.

head: **Supplementary Estimates 1996-97**

### Community Development

THE CHAIRMAN: I'll call on the hon. Minister of Community Development to begin this evening's deliberations.

MRS. McCLELLAN: Thank you very much, Mr. Chairman. I'm pleased to come before the committee tonight to deliberate the supplementary estimates for our department. I will keep my comments brief to allow time for our colleagues to seek information.

I would like to introduce Rai Batra, who is our finance guru from the department - Rai, welcome tonight - and of course Maureen Osadchuk from my office, whom most of you I think know.

We are debating the supplementary estimates, which really all fall within the seniors' program in my department. The explanations on the program are really quite straightforward. There is \$1.225 million to fund increases that resulted from the elimination of the one-senior category, and colleagues will remember that that was quite a concern both to the seniors as well as in the complexity of that program. I want to acknowledge the assistance we received from the Seniors Advisory Council, from the Interagency Council on Aging, who have been fully in the consultation process with us in all of the changes that we've been able to put into this program to make it work better for seniors, to make it less administratively complex and costly, and certainly to make improvements for seniors.

The other amount is \$2.275 million that funds increases resulting from changes to the income definition that's used to determine eligibility for the Alberta health care insurance premium subsidy. Members will recall, I'm sure, that we used two different income definitions: one for calculating the cash payment and another for calculating the health care insurance premium subsidy. This resulted in about 34,000 more seniors paying no premiums or less premiums, so this was quite a benefit to the seniors' community as well.

The other \$2 million is an estimate resulting in changes to the special-needs program. Members will recall that again upon advice we received from colleagues as well as from the interagency council, the Seniors Advisory Council, and other consultations with seniors, there was a need for changes to the special-needs assistance program. We changed some of the criteria in the program to make it easier for seniors to access, to make it broader for seniors. We also raised the amount they were eligible for in one year from \$1,000 to \$5,000.

I can report to you tonight that from the letters and calls I have had from seniors, this program is indeed working, and it is working extremely well for seniors. There have been some suggestions that it might be wise to raise the income threshold by a thousand dollars. I can tell you that our estimate on that is that

that would benefit seniors at about \$12 a month. I think this program far exceeds that value, and I am pleased that we were able to change that program to make it more responsive to seniors and certainly benefit those seniors in need, which is what our focus is in this program.

Mr. Chairman, again I'd just like to acknowledge the work that has occurred over the past year, in particular from the interagency council, and to thank them for meeting with the minister on a regular basis. We have agreed to quarterly meetings at an executive committee level and at least one annual meeting with all of the groups involved. The Seniors Advisory Council has agreed to participate in that roundtable, and certainly the improvements that we've been able to make to seniors' programs in June and in September, October, and November of this past year are due largely to their efforts.

I look forward to the continuing dialogue with those groups to ensure that the programs we have in place for seniors indeed do meet the needs of those seniors who face the greatest need. Certainly I believe that with that continued dialogue and cooperation with groups who represent over 50 seniors' groups across this province, we will continue to improve those programs.

I can also tell you that we have a number of items that must be addressed. We started out just looking at what cause or effect the changes to provincial government programs had on seniors. We quickly realized that we have to look beyond that and look at the changes in federal programs. We have to look at the changes that may occur from private-sector changes such as utilities and so on. We've agreed and have committees that are working on all of those areas now, so I only look forward to more improvements in how we deliver services to seniors in this province with that cooperation.

With that, Mr. Chairman, I look forward to members' questions and comments pertaining to these supplementary estimates, I hope.

THE CHAIRMAN: The hon. Member for Edmonton-Glengarry.

MR. BONNER: Thank you, Mr. Chairman. I'd like to start by recommending that we vote for this estimate in the program 4. I do this with some reservations, but an increase of 5 and a half million dollars is a step in the right direction. Alberta seniors have faced net cuts in their provincial programs and benefits of at least 13.5 percent since this government was elected promising to protect the people who built this province.

Aggregate spending on seniors has dropped from about \$1.1 billion in 1992-93 to about \$950 million for 1996-97. This reduced spending is occurring in the context of a growing population of seniors, so the per capita spending has fallen even faster. There have been a number of changes from '92-93 to '96-97 to seniors' programs, and they've had a serious impact on seniors.

These are some of the changes, Mr. Chairman. Blue Cross for seniors under the Department of Health has been reduced. Aids to Daily Living under the Department of Health has been reduced. Exemption from health premiums under the Department of Health has been reduced. Extended health benefits under the Department of Health have been reduced. Home care for seniors under the Department of Health has been reduced. Long-term care under the Department of Health has been reduced. Alberta assured income program under Family and Social Services is now gone. The office of the Public Guardian under Family and Social Services is reduced. Senior citizens' renters' assistance under Municipal Affairs is gone. The seniors' independent living

program under Municipal Affairs is virtually gone. The unique homes program under Municipal Affairs is reduced. The housing registry program under Municipal Affairs has been reduced. Lodge assistance programs under Municipal Affairs has been reduced. The seniors' property tax reduction under Municipal Affairs has gone. All these reductions while Alberta seniors pay \$14 million per year more in provincial income tax as a result of the federal government broadening the tax base by increasing testing for the age credit.

### 8:10

The Premier had promised in a speech given to the Toronto Board of Trade that any moneys accruing to the province as a result of the broadening of the tax base would be rebated. Alberta seniors are still waiting. We do notice that in the total program in service to seniors under operating expenses, funding has increased 3.3 percent. The Canadian Imperial Bank of Commerce and Wood Gundy consumer price index is set at 1.7 percent. So the real increase is only 1.6 percent, yet the population of seniors continues to grow at a rate of 3.3 percent. With this, then, there are real cuts in per capita spending to the seniors.

My questions. Number one, will the growth in the Alberta seniors' benefit financial assistance each year just keep pace with the growth in seniors' population with no allowance for inflation or the increased user fees and taxes seniors face? My second question: what portion of the large increases in program support and operations will go directly to frontline help for seniors and what portion to bean counters verifying Alberta seniors' benefit program forms against income tax or other administration? Three, the seniors' programs were to have achieved division status within Community Development. How much does this designation cost? Four, what portion is earmarked for this year for the special-needs assistance program? Five, where has the money for the Seniors' Advisory Council gone? Has it gone into Health? Does the council still exist, or has it been folded into a new division within Community Development? Will annual reports advocating on behalf of seniors still be produced? Finally, what about an update of the excellent 1992 publication *Older Albertans*? Isn't it about time we had a survey of how seniors are faring in this brave new Alberta with respect to demographics, income, health, and accommodation?

Thank you very much, Mr. Chairman.

THE CHAIRMAN: Do you wish to go, Madam Minister?

MRS. McCLELLAN: Mr. Chairman, I think perhaps it would be useful if we had questions from two or three members, and then I'll respond.

I do want to thank the hon. member. He actually did get to the questions, and that was super. Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Calder.

MR. WHITE: Thank you, Mr. Chairman. Again I'd repeat some of the words of our member in saying that \$5.5 million spent at this time is a step in the right direction, but it's a baby step. The riding that I represent was built pretty well from one end to the other in the 1950s. A great deal of the population still live in those homes and in fact are seniors. If it weren't for the senior population, I wouldn't be standing here before you, because in fact they elected me. They elected me on the basis that I wasn't them, them being those of you mostly. Most of your actions were not directly related to my election of course. Certainly I hope a

little of it was because of me also. Certainly this particular set of citizens was not very pleased with this government. I'm sure many of you recognized that in your travels throughout your constituency. In fact they were very displeased, and so would most citizens be if some 12 to 15 percent of their programs were cut and then an increase in income tax. Certainly they found themselves in such a terrible state that they lashed out to the detriment of the government.

These were estimates of spending that was for a good deal of last year. It's too little and too late in the recognition of the damage that was done to the political reputation of this government. To say that the process was not politically motivated, to have to add some money into it – well, it would be rather difficult to sell me on that. Not that that's necessarily bad. I mean, political motivation is . . .

AN HON. MEMBER: I think Mr. Reimer may be offended by that.

MR. WHITE: No. I doubt if Mr. Reimer would be offended by that. As a matter of fact, Mr. Reimer personally told me that that was the case, and it's not necessarily bad. Politically motivated is generally a response to something that has occurred. It's not a derogatory remark. It is a knee-jerk reaction to an error in this case. The cuts were so drastic and draconian, some would say. I don't call them that, but some would and say that the reaction was tiny, infinitesimal relative to the need that was out there.

Of course the minister would say that the programs are working well and all the calls she's receiving are saying: yes, yes, you're doing the right thing. Well, if she really wants to hear something, I'm willing to buy lunch in the one or two of the seniors' residences that I have, and we'll get the true feeling of what the relationship of the average senior out there and this government would be. It's her choice as to which one of the many residences that I have. We'd arrive unannounced, and I certainly wouldn't seed the crowd at all, as some would say, but just to get a good feeling for it. That invitation is open to the minister at any time.

It is interesting the minister mentions the income threshold, because that's probably the single biggest sore point that I ran into when knocking on doors and in fact visiting seniors prior to the election. It seems to me that the threshold was in fact telling seniors that they make enough so that they can be what they term clawed back. Well, in fact it's not clawed back, but that's the way they view it. Probably that expression comes from the time the federal government did a number of not so pleasant things to the seniors, too, and they recall that in income tax. They believe that the money they have earned they should be able to keep. The threshold limits, particularly in something like health, they believe are way, way, way too low and deserve some consideration. I'm sure each and every member's heard that time and time again.

Overall, yes, there was some simplification required, and in fact the government does deserve some kudos in that respect just to be able to understand that seniors don't need 40 programs to pick and choose their way through. They are not businesspeople that deal with their finances every day, and in fact a great deal of them like to deal with their finances once a year and understand the expenditures they have and then be able to move on from there to know how to budget their funds and should not be changing things all the time. If the government can do one thing and one thing alone, it would certainly be nice to settle on a set of programs, fund those programs in a much better fashion; i.e., much more money in those programs, and then stick with the programs. Do

not go changing the programs again and again, because as much as the reduction is difficult for the seniors that I represent to deal with, so is a change in a program.

**8:20**

I recognize that a great number of seniors are, by their very nature, getting older, and it's difficult for them to re-examine their finances over and over and over again. In fact, some of the people that I know are not really competent to deal over and over with all the machinations of the financing they find themselves into. It's exceedingly difficult for them to recognize that they in fact do have money. Some of them, because a change occurs, regardless if it's positive or negative – it likely hasn't been positive for them – regardless of how negative in fact it is on their particular situation, they back off and close down on spending. They're afraid to spend for fear of getting to their last days and finding themselves absolutely destitute and being that poor person and having all of their friends speak of them as “that poor dear who died a pauper.” Now, that's not the kind of parting they want.

Consequently, what they do is they hoard, and they live like paupers in the last days of their lives. When the will is probated, they find that in fact they did have a great deal of money, but because external factors changed their perception of what they actually had, they pulled back and pulled back. So every time there was a change, regardless of how it really and truly affected them, they in fact were psychologically affected to the extent that they felt put upon. I know that's not the object of the exercise of the government. Certainly not. But that is many times the effect when one changes the programs for the most vulnerable of our society.

My hon. colleague went through a great deal of the cuts from the 1992-93 budget to the 1996-97 budget with the addition of the supplements. It really devastated a lot of people, particularly those who saved all of their lives at not high-paying jobs certainly but measured their life savings such that they would have enough to go out to the coast perhaps in the winter for a small vacation to visit a relative. All of that is now gone. A lot of people simply do not have those kinds of funds to be able to have those little extras or the things that are required to do a full garden, as they would, with all the bedding plants that they would like to have, or the little things that make living in their own home so much better.

Of course, there are no programs as there were in the '70s or the early '80s for home repair, that we saw a great deal of. A lot of the repairs that were done in that era are now getting a little on in years, a new roof or a little patch of roof required here, and if a senior can't afford these things, then they're having to move on. I don't believe that's fair.

In closing I have to say that, yes, the step in the direction of \$5.5 million was not insignificant and, yes, it was politically motivated. I would just wish that the motivation was a little bit stronger and that the seniors I represent would be the recipients of that and would be able to make their lives just a little bit better.

Thank you kindly for your time, sir.

**THE CHAIRMAN:** The hon. Member for Edmonton-Gold Bar.

**MR. MacDONALD:** I would like to commend the government. This is a start. Five and a half million dollars into the Alberta seniors' benefit is certainly a step in the right direction. However, I come from Edmonton-Gold Bar. We have double the number of seniors as is the city average. Eighteen percent of our

constituents are senior citizens. In some areas of Edmonton-Gold Bar it is as high as 33 percent. The majority of those people, whether they're living in seniors' housing complexes or still independently in their own homes, rely on the Alberta seniors' benefit. This increase of moneys is double, more than double that of the Brassard report, which cost 2 million dollars-plus to produce. For reasons which remain a mystery, it was cloaked in secrecy before it was shredded.

**MR. LOUGHEED:** No.

**MR. MacDONALD:** Yes. But it is pleasing to see the government, I'm sure on the election trail, from what they heard from the seniors of this province, see what was wrong with their past spending habits on the Alberta seniors' benefit.

A lot of seniors in Edmonton-Gold Bar who have been affected have been senior women. They raised their families in the days before the two-income household was the norm. They have very limited means, and they relied on this benefit to maintain an independent life. This in the last three years was reduced if not taken away entirely. They told me at the doors that they need that money.

How are we to define lower income seniors? How are we to define lower income seniors regarding user fees, a cost-of-living index, medication costs, accommodation costs? All these costs go up and up. We cannot expect the seniors of this province to find part-time work at a 7-Eleven store because their income does not meet the rising cost of living.

Exactly what does effectively anticipating the needs of seniors mean? How are we to do this if we make expensive reports and then send them to the shredder? How are we to track demographics? The seniors population is rising – we all know that – and the benefit is not. Is this what seniors have to look forward to as they get older and older and they become more suspicious of the society that surrounds them? Are they to live the last years of their lives in stress and in worry, fretting about medical care, housing, food, pensions? Is this what we are to expect from the government: more and more of what the seniors experienced in the last three years?

The Alberta assured income plan co-ordinated provincial supplements with federal government income supplement programs, thereby minimizing administration and income verification costs. Does co-ordinate the governmentwide approach refer to only co-ordination within the provincial government – Alberta seniors' benefits, health care, Municipal Affairs – or does it refer to a co-ordination process between levels of government: the federal, provincial, and municipal levels? If the latter, why was the so much more cost-effective, income-testing AAIP program scrapped in favour of this Alberta seniors' benefit program?

What are we to do to a segment of the population who cannot earn any more money? They are reliant on what we set, particularly in the lower income groups. They trust you; they rely on you. For us to sit here tonight and talk about \$5.5 million, it is not enough. There are groups of seniors who have fallen through the cracks. They need our help through no fault of their own. They have retired and they have very modest financial means. In order to live independently they need our help.

Thank you.

**8:30**

**THE CHAIRMAN:** The hon. Minister of Community Development.

MRS. McCLELLAN: Well, Mr. Chairman, I am moved to stand and respond first of all by saying that when this province's government set out to get its fiscal house in order, seniors in this province, I am proud to say, told us most emphatically that they wanted to be a part of deficit reduction and they wanted it to be fair. Most of all, they wanted to ensure that we protect those who are vulnerable and those who needed help the most. That is what the Alberta seniors' benefit program is designed to do.

If it is so bad in this province, perhaps one of the hon. members across the way on the opposition side can enlighten me as to why in-migration of seniors to this province is higher than any other province in Canada, higher than B.C. by 9,000 seniors in 1996, and British Columbia has the weather. These are not our statistics; these are Stats Canada's. Higher than any province in Canada in 1996. Get that year, 1996: a bad year for seniors according to these folks.

Mr. Chairman, if it is such a bad place, let's just look at it by province. I prepared to debate only these estimates, but this has become very broad. How many provinces in Canada actually provide an income supplement for seniors? British Columbia, Alberta, Saskatchewan, Manitoba, Ontario. How many provinces provide none? Quebec, Nova Scotia, New Brunswick – recognize some of these governments? – Prince Edward Island, Newfoundland, and Labrador. Let's look at the amounts, and we'll just do single seniors, because we don't want to take all evening on this. British Columbia, \$49.30; Alberta, \$114.17 to \$195.83, depending on the type of residence; Saskatchewan, \$90; Manitoba, \$37.20; Ontario, \$83.00. Remember; no income supplement for Quebec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland, Labrador.

Let's look at one other reason seniors may come to Alberta. What is the cutoff eligibility for provincial income supplements? British Columbia for a single senior is \$10,999; Alberta is \$18,105; Saskatchewan is \$11,347; Manitoba, \$10,807; Ontario, \$11,395. Of course they don't need this in any of the other provinces because they have no supplement for seniors.

MRS. SLOAN: Was this done by C.D. Howe?

MRS. McCLELLAN: No, this is not C.D. Howe.

Mr. Chairman, what we're dealing with here is fact and information from other provinces. All provinces offer some seniors' assistance for prescription drugs; however, there is a great variability in programs. There is no Blue Cross premium in Alberta for seniors. There is a 30 percent co-pay, but there is also a protection for seniors on high-cost drugs. They will never pay more than \$25 per prescription. This is a very valuable program for seniors. One of my learned colleagues across the way should certainly be aware of that, knowing that some of the ailments that can affect people in their senior years have very, very high-cost prescription drugs attached to them.

Now, only British Columbia and Alberta do charge premiums, but what are the costs? They are lower in Alberta for both single and family. Only Alberta offers any dental assistance to seniors, and only Alberta and Manitoba provide universal assistance for the purchase of eyeglasses. Health insurance coverage for allied health services, such as physiotherapy and chiropractic, vary across the country, but I can tell you many provinces in Canada have no allied health services assistance in physiotherapy or in chiropractic.

So, Mr. Chairman, without even going into the long-term care rates, which are again most favourable in this province, it is not

hard to understand why we have the high in-migration of seniors to this province.

Now, there are some other reasons. Alberta happens to be in probably the most buoyant economic position in Canada. A lot of people are coming here to work – a lot of companies have moved here – and of course in many cases they wish to bring their families with them, which extends to their parents in many cases. I'm proud that we have the programs that we have in this province to accommodate those folks.

Now, we did get some good questions among the rhetoric, and I would especially like to answer some questions from Edmonton-Glengarry. Will we keep pace with the growth in our population only, or will we look at a cost-of-living increase? We are definitely looking at how we keep pace with the cost of living in our programs, and that is one of the areas that we will be having a continued dialogue on with the interagency council and the Seniors Advisory Council.

What portion goes to seniors? I will tell you, sir, hon. Member for Edmonton-Glengarry, that I'm deeply offended to have valued civil servants, public servants, in my department referred to as bean counters. I can tell you that a \$29 million increase brings it to \$179 million, and the administration cost of that very complex program is held at 2.5 percent. I think you would agree that that is a very low administrative cost.

Division status. I wasn't clear if you were referring to the seniors' division in my department. A nod? No? Then we will have to talk more about that.

You asked about the portion for 1997 special needs. It's estimated that we would need about \$5 million to accommodate that program.

I also want to tell you that the Seniors Advisory Council does exist and continues to exist. The hon. member would know that it's an Act of this Legislature, and until it is otherwise dealt with, it will continue to exist. I'm also proud and pleased to tell you that the Member for Calgary-West is the chair of that council, and they are looking forward to continuing to consult with senior Albertans and to report on a quarterly basis to the minister and provide a full annual report to this Legislature, as is their legislated mandate.

I would agree that we do need to continually update our information on seniors. We have pretty good information, but we need to keep that updated so that we understand all of the demographic information that's required.

I think that I covered most of the questions that Edmonton-Glengarry had. I should just say, hon. new members in the House, I think the members who have been here before will tell you that if I miss a question or don't have the information, I will respond to you in writing, and I'm usually able to do that within a working week of our time in estimates.

Edmonton-Calder, I don't think seniors would be very flattered to be told they're not businesspeople and don't want to attend to their finances on a regular basis. I find that many of our seniors, in fact most of them, are very financially astute, perhaps better than many of us. I agree with you that they want stability in programs, and certainly that's what we're working towards. The special-needs program is working. That is the one that I was referring to. I think that if you check your comments in *Hansard*, you will note that you suggested that I said all things are working. I said the special-needs program is working.

**8:40**

I agree with you that they want stability, and I think that by working together, we'll do that, but I will not commit to this

House that we won't change the programs. If we find a program that is lacking, that can be improved by recommendations from good comments from your caucus or from my caucus or from the consultation that you or my colleagues have, we will implement those. They will be vetted with seniors and with the interagency council and the Seniors Advisory Council. I have made that commitment to them, and they do represent a large number of seniors. I didn't detect any other questions in your comments, but I will review *Hansard* to see if there are any ways that I can enlighten you.

I'm surprised, coming from Edmonton-Gold Bar, that there were so many references to shredded documents when the hon. Member for Edmonton-Gold Bar past had a copy of this document in her possession. In fact, if the hon. member wants to whip on down to the Legislature Library when it's open, he'll find one there. You should try that. It's a marvelous resource in this building. The important thing about that report is that the information that was gathered was utilized and put into the implementation of the programs. The other important thing is that the document was condensed to a very good working document and has still been used. I think you've got just about all the mileage you can out of shredded documents. It's ridiculous to talk about them when they obviously exist. They're in the Leg. Library for anyone to find, and I won't even comment on what's been made of that.

Edmonton-Gold Bar, I'll look through your comments to see if there were any direct questions as to the supplementary estimates, and I will commit to write to you at the earliest possible instance to make sure that you have that information.

I'd be very pleased to share with all hon. members the interprovincial comparisons. It's important to compare for a number of reasons. One, we can learn from other ministries in other parts of the country. Also, we want our Canada to be as mobile for people as possible. So we as ministers look at our programs and try to – try to – make them as mobile as possible. However, the indisputable fact remains that Alberta still has the best programs for seniors in this country. I think that we want to strive to continue that record, and I will take all of your comments tonight as valuable information to strive towards that record.

Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you very much. Mr. Chairman, I just wanted to add a few more comments and ask a few more questions on this, if I could. As the Member for Edmonton-Centre I have 13 subsidized seniors' residences in my riding plus a number of other seniors who are living in private residences. What they kept saying to me during the election was that they had noticed a difference of between \$2,000 and \$3,000 in their yearly income, taking into consideration all of the cuts and additional fees that had happened to them. They were certainly telling me that this was making a definite impact on their lives. For some of them it meant no vacation. For others it was much more serious than that. That's what they were telling me. I have to believe that is true in their lives.

They were definitely concerned about threshold levels. So the \$5.5 million, as many have said, yes, that's a step in the right direction, but I have a question. Just in my first time going through these estimates, where did that money come from? It looks to me like it might have been taken out of other areas that are under Community Development, but perhaps I'm misunderstanding this and it came from somewhere else. I'd appreciate knowing where it did come from.

Just looping back on the whole threshold idea, I think we really seriously have to consider raising those thresholds. Twelve dollars may not seem like a lot of money to some of the people in this room, but to many of the people that I met and spoke with, that is a significant amount of money for them. That's 12 coffee breaks with their friends in a month. It's 12 bus passes. It's a lot. When people are living on that kind of low income, \$12 does mean a lot to them. I wouldn't like to see that concern negated because it appears to be a small amount of money.

I have some questions about how the thresholds were arrived at to determine a low-income senior. Was the Statistics Canada low-income cutoff used? And if so or if not so, does the government recognize that the cost of living varies by region, that it's different rural to urban and all of those other factors in Alberta that can cause those kinds of differences?

What is lower income? Is this lower disposable income? Net income? Is it based on gross income? This has been a discussion in my family for many years, because I have some retired people who are retired on a pension, a teacher's pension or a nurse's pension or any sort of good, solid pension. I also have relatives who were small business owners. There is a marked difference in their net income. The small business owner had the house paid for by the business. The utilities are paid for by the business. It happened to be a small general store, so they get their food from the business. One of them is ending up with quite a difference and is never eligible for any kind of cutoff; the other one always is. So it'll help settle the family debate, if nothing else.

The ASB and the SNA thresholds have been set in constant dollars. I'm wondering if these thresholds will be altered to recognize, one, that they were set too low to begin with and, two, that these real eligibility thresholds are dropping when you factor in inflation and other possible user fees or any other additional moneys that may be asked of them. I'm wondering if there's ever been a consideration for indexing or partially indexing the thresholds so that seniors or soon-to-be seniors could plan ahead as to what they might be looking at trying to budget on.

With the performance measure of the percentage of eligible seniors receiving the Alberta seniors' benefit, why did 1 percent of the eligible seniors not receive the benefit in '94-95? To my figuring, this is like 1,500 people. What happened that they didn't receive this money? Did they fall through the cracks, or is there a reason? Has there been any attempt to reach them and reimburse them, or is that practical? I don't know.

I'm really interested in these performance measures. What is the cost of collecting the data on the performance measures? How many full-time equivalents are used? Is it done in-house, or is it contracted out? If it's contracted out, I'd like to know to whom. So what are the performance indicators regarding the collection of data, and when might Albertans expect to see results for '95-96? That's almost a year right now.

The word "satisfied": how is this defined, and who determines whether a senior is satisfied with what happened? These seem really subjective to me, and I don't quite understand how it's all happening. I guess part of it is that I don't see it being a real, objective, measurable performance.

I'm wondering if you've thought about using things like a turnaround time for processing an application. How many applications were processed without coming back for additional help or an additional request? I know the hon. Member for Edmonton-Calder mentioned how much trouble the seniors were having filling out these forms. For many of them this is not something that they're used to doing. They didn't grow up in a form world where everything was filled out in triplicate, and I know that's been a concern in our constituency office. Lastly,

perhaps the amount of time between the application being processed and the verification of the income tax data.

I believe that is all the questions I had. Thank you very much.

8:50

MRS. McCLELLAN: Mr. Chairman, I'll try to quickly deal with some of the questions.

Edmonton-Centre, actually, while many of your comments apply to the narrow supplementary estimates, I think we can deal with them better in the full estimates of the department when we start talking about the performance measures and so on. I would probably prefer to do it then, but we can get into some of that area.

The same with the explanation of the whole program. I would be very happy to send you a document, two or three pages on the unrolling of the Alberta seniors' benefit program, on what programs were rolled into it, how the thresholds were set. I have to say that I expect there was a lot of work that went into setting the thresholds, especially when I look at the thresholds in other provinces. It's interesting, you know, that Alberta is almost \$7,000 higher in threshold than the provinces who have that program and almost \$10,000 on the couples' side. The information that was used to determine that came from many, many, many sources, using taxation information, rental, the costs, in the attempt to bring all of the mix of the cost of living in the province of Alberta.

I'm not sold, as you are, although I agree with you that \$12 a month is a lot to anyone. But to universally raise that does not bring the type of benefit that you want for those seniors in need, which we did with the Alberta seniors' special-needs program: the increase in cash benefit to those seniors who are living in lodges, subsidized housing, and continuing care, which was an important one, and the elimination of the one-senior, two-senior categories to make it universal. If you are a senior and nonsenior couple, you are treated as a senior couple. We had to weigh those benefits. There was a \$29 million increase in that program. So where do you get the most value for your dollars? Do you get the most value by a program of raising the thresholds by \$1,000, which might cost you \$25 million, or do you get your value by putting those programs in place that really address significant needs?

I used the example, when we were looking at the special-needs program, of saying to the people around the table, the interagency council and the Seniors Advisory Council and my department: what happens to the senior on December 21 at 4 o'clock in the afternoon when it's 35 below, their furnace quits, and they have \$50 in the bank? What happens to that senior? I don't think it's acceptable to say, "Well, you apply to a special-needs program, and in six to eight weeks we'll process your claim." That just didn't work.

We now have the opportunity for our people to respond within hours. Interestingly enough, almost that exact thing happened. It was interesting to talk to that senior and find out that the program worked. We changed the program to allow our field people, whether they're in Lethbridge or Grande Prairie or Fort McMurray or Airdrie or Red Deer, wherever they are in the province, to make those decisions and have that help for those seniors in their hands. That was a very, very significant improvement to that program, because if your pipes have broken and your basement's flooding, you haven't got six weeks to wait for an application to go through.

We really had to weigh some of those things and have that dialogue with the people who are talking with seniors. I don't like to name people because there were many people who helped,

but I will mention Neil Reimer in Edmonton, who works with a lot of the seniors, Tony Storcer in Calgary, Noreen Mahoney from the Kerby Centre, and there are so many more people who have had direct input into explaining to us what seniors said.

Complexity of the forms. They are greatly changed. The complexity has reduced significantly, and it will reduce further now because we have taken out so many of those categories like one-senior couple. The Alberta Health premium subsidy level, because it was calculated at one stage and the cash benefit was calculated at another, has changed, and they're all calculated at the same rate. So we've been able to really make some changes that I think have improved the program.

We're looking at improving it even further, but are we going to go back to universality? No. Are we going to protect those seniors who need assistance? Yes, most emphatically yes. That is what we have to really set our sights on, I believe. There is universality in health services, and that's important because that's probably what seniors tell me is their number one concern. But can we go back to the days of universality where we pay premiums no matter what your means are? No. I remind you that we only income test our programs. We do not asset test our programs nor do I think we should, because we want seniors to stay in their homes, we want them to be comfortable.

Generally, I have one of the highest per capita seniors populations in the province. I haven't checked the demographics with the changed constituency to see how it stacks up now, but in my old constituency it was. I have a lot of discussions with my seniors. I listen pretty carefully to what they tell me about responsibility, living within your means, and making sure that the programs are as fair as possible and that we protect those who are most vulnerable.

For a few of the other questions that you asked on the cost of performance measures and so on, I will either respond to you in writing or I will discuss that further in our estimates, which I think will probably be in the next few days.

Why did 1 percent of seniors not receive the benefit? That's one of the real problems that we face with any program, reaching everyone. We've asked all of the seniors' groups who have flyers or newsletters or mail-outs to help us with that. They've agreed, and I think we've improved that communication a lot.

We have two storefronts in Edmonton, and we have a number of storefronts in other centres in the province. Certainly for anyone who needs assistance with filling out forms, we have volunteers from the seniors' group who want to do that. We also have very good staff. The Lethbridge office is fully manned to assist seniors, and I think it's working well - I think the hon. members from Lethbridge would agree with that - as are our others. But simply some seniors didn't apply, and you want to know whether that was because they didn't know about the program. We hope that if they are seniors who need help, that's not the case. But we do have to work on our communication.

I will respond to the balance of your comments as quickly as I can. Mr. Chairman, I would move these estimates, if it's agreeable to the hon. members opposite.

Agreed to:

**Community Development**

Operating Expense	\$5,500,000
Capital Investment	\$375,000

THE CHAIRMAN: Shall the estimates be reported when the committee rises and reports?

[Motion carried]

## Transportation and Utilities

THE CHAIRMAN: The hon. Minister of Transportation and Utilities.

9:00

MR. PASZKOWSKI: Thank you very much, Mr. Chairman. Certainly it's a pleasure for me to rise on behalf of the Transportation and Utilities department. I would like to at this time briefly introduce some of the key people, our cheering section from Transportation and Utilities: Ed McLellan, my deputy; June MacGregor, the ADM; Bob James, the acting ADM, finance and admin; Sheena Sheppy, director of financial planning; Jim Sawchuk, ADM for planning; Lyle O'Neill, the acting ADM; and Brian Hlus, my executive assistant. If you would rise and be recognized, I would very much appreciate it. I want to thank them very much for the guidance they have provided in carrying this portfolio along and certainly providing the guidance to their minister as well. I very much appreciate it.

Mr. Chairman, it's my pleasure to bring some information on the supplementary estimates of this particular portfolio. I'll be discussing with you today four major items that are involved in supplementary estimates. These are primary maintenance transition funding for the municipal district of Opportunity, the resource roads improvement program, and the national infrastructure program.

First of all, the primary highway maintenance program. Maintaining our highway system is vital for our trade, transportation, and tourism industries and in addition for ensuring safe travel for Albertans every day. In fact, one of the department's goals is to preserve the public's investment in the infrastructure, and I've made it very, very clear that before any additional roads are paved, we are going to make our number one priority at all times that of making sure that our infrastructure is maintained and continues to be maintained.

Colleagues, this past winter has been a very difficult winter in that we've experienced a large amount of snow in the north, south, east, west, throughout the entire province. It's been a severe winter and well above average as far as snowfall and rain and maintenance requirements were concerned. This has made a significant impact on the maintenance operating budget, and it's resulted in the need for additional funding. The first supplementary estimate addresses this and provides an additional \$10.2 million as operating expenses to fund primary highway maintenance and preservation. These funds were lapsed from the capital investment vote, which were experienced as surplus due to weather-related delays in new construction projects during the summer of '96. You're all aware of course that '96 was not one of our better construction years because of weather, and certainly at the end of '96 we had some money left over because projects were not completed. The money was therefore used in the additional needs of maintenance during the difficult winter.

The second item is the transitional funding for the municipal district of Opportunity. I would like to explain the \$1.1 million that were provided as transitional funding to this particular municipality. Improvements were provided to secondary highway 813 where this was considered a priority as far as capital infrastructure of the project in the area. As a result transitional funding of \$1.1 million towards construction was provided by the department using lapsed funds from Municipal Affairs.

The third item was the resource roads improvement program, and that's the third supplementary estimate that I would like to speak to. That amounts to \$12 million. The resource roads

improvement program announced last June under the government's reinvestment plan assists local road authorities with improving and maintaining local roads that are affected by through trips by resource-based and agricultural-intensive traffic. Really it's a municipality that's caught in the middle, where a resource is at one end and is being utilized at another end and you've got a municipality in the middle that really doesn't benefit from either of the benefits that are provided.

Municipal Affairs had agreed to help with our funding of the resource roads improvement program for three years by transferring \$6 million in each fiscal year of 1996-97, 1997-98, and 1998-99 for a total of \$18 million. Municipal Affairs has actually now fulfilled their total commitment of \$18 million to the resource roads improvement program for '96-97.

The total \$12 million was provided to the cities under the Alberta cities partnership program as primary highway connector ramps for projects related to the north-south corridor. These projects consisted of government priority for the upgrading of the north-south trade corridor through Alberta. The north-south trade corridor runs from Grande Prairie, Edmonton, Calgary, and Lethbridge, and construction agreements were in place between the governments in all four cities. By advancing these payments to the cities in this past fiscal year, it enables us to free up funds to be used towards the resource roads improvement program for '97-98 and '98-99. In each case it's a \$21 million program. We'll be addressing that with our estimates. At this time I'd like to extend our thanks to Municipal Affairs for their financial support.

The last item that I'd like to address, with your permission, Mr. Chairman, is the national infrastructure program. This brings me to the final supplementary estimate. As you're aware, the federal government announced an extension to the national infrastructure program, and incidently Alberta was the first province to sign this agreement. I think it's a good program and one that's going to be very useful to the province and to the country. The provincial portion is \$34.7 million. It's a tripartite program; the federal government contributes, the provincial government contributes, and the local municipality contributes on an equal-funding basis. As with the original program the funding has been provided on a per capita basis.

Mr. Chairman, that brings my opening remarks to a conclusion. I'll try and answer the questions. If time doesn't permit or if I'm not able to answer the questions, I do commit that we will respond in one form or another to every question that's asked here tonight.

THE CHAIRMAN: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Chairman. On behalf of the Member for Spruce Grove-Sturgeon-St. Albert, who is the critic in this area, I have been asked to make some comments on the supplementary estimates on Transportation and Utilities. As well, I would like to address some of the issues that come up on my own account.

A main issue comes up in terms of the additional dollars that are used for road maintenance, and I guess the request that we would put to the minister is to explain if this is done in the context of cost-plus contracting to the private operators that are now doing the highway maintenance and how this relationship compares to the way that the costs of highway maintenance were involved prior to the privatized contracting-out of the maintenance so that we could get a look at whether or not the additional costs fall in line with the kinds of additional costs that would have been

experienced had it been the public service, Alberta Transportation, still doing the highway maintenance.

This is an issue that comes up in terms of some of the concerns that have been raised by people involved peripherally or directly with the highway maintenance program, that some of the contracts have what they're calling extremely lucrative cost-plus options when requirements exceed the base level of maintenance stipulated in the contract. So there's been some concern expressed as to whether or not fair value is being given once the base level of maintenance has been achieved.

#### 9:10

The other concern that I noticed was when the minister was talking about the transfer of money from the capital project due to the delays caused by the bad construction weather last summer. He made a comment that this was going to push some of this construction back into the next fiscal year, the '97-98 budget. Would this in essence require an additional funding allocation for those capital projects in the new budget, or does this just automatically mean that given the fixed capital allocation for highway construction, all projects move back a certain number of days or months as the capital allocation is spread out? Or will new dollars be available now in the '97-98 budget to kind of catch up the delay in construction that occurred because of the bad weather in '96-97? So this is the issue that we need to look at in terms of how that transfer of money within the budget from the capital account pooled into the maintenance and repair budget impacts subsequently on this year's new capital allocations.

The resource roads additional allocation: I think the minister said it was \$12 million. This is designed to help the local municipalities deal with issues of the transshipment of resources, whether it be forest product, oil product, agricultural product, through their jurisdictions when they don't have the tax base to capture that utilization of their road systems. I think this is a real indication of a good, sound program, where we have co-operation at the provincial level for those kinds of community uses of their facilities when they don't have the tax base. This is a real issue, and I think it was precipitated a lot in southern Alberta right now with the large growth in the livestock industry. The feed trucks come in, and how do you decide who to target for the reduction in the quality of roads? The feed truck or the grain truck? Does it go to the feedlot or to the grain producer, who in many cases is not located in the county where the degradation of the road system is occurring?

This kind of a program supplements that until we can get around and have a better mechanism in place to more fairly reflect the wear and tear on local community roads in response to the kind of transportation that goes on them. This was an issue that I think a lot of the counties now have been trying to address. The county of Lethbridge, I think, took the initiative in this a year and a half ago when they put in that business licence that has been kind of been put in suspension. We need to look at these kinds of programs in terms of: how do we compensate the local tax base for the issue of transshipment or out-shipment of goods when there's no mechanism within the current tax structure of the local jurisdictions to make the users of those roads accountable for the wear and tear?

What I'm saying to the minister is that I think this is a good program and that it does help alleviate that, but it still leaves a lot of questions to be asked. I think a real evaluation of this program needs to be put in place to fine-tune it or to change it in a way that the issues that have been raised by the county of Lethbridge can be addressed in the context of: how do we maintain roads and

promote the kind of value-added, the kind of community development, the kind of disbursement of our economic growth that we're trying to promote in Alberta that's going to be a real advantage for all of our rural communities so that we can have the rural part of Alberta share in the opportunities that we have seen being achieved in some of our municipal or city centres? So I think these are good programs, and I just ask the minister to expand that a little farther.

The final comment that I want to make is dealing with program 3, the national infrastructure program. I don't think anybody can argue that this is a good addition to the budget. It's a real opportunity when we take advantage of three-way government co-operation to develop infrastructure. I guess the question that we have to raise about the infrastructure program is: when we're spending a lot of those dollars on local replacement infrastructure, what these really become is a tax subsidy to the local municipalities, because it's being used for expenditures that would have normally been taken out of their own tax base. Like, if you're replacing a water line or replacing a sewer, upgrading a water treatment plant, these kinds of things are just taking outside dollars into a community to replace revenues that would have had to be raised by local taxation.

What we should be doing when we put together these infrastructure programs that are, quote, directed toward job creation is looking at whether those dollars are spent on an activity that will directly result in a continuation of a job rather than once you've replaced a sewer, the people who did that are no longer employed because the project is finished. This is why we should be looking at possible infrastructure under this concept that in essence promotes in a secondary effect long-term employment: you know, the kinds of activities in communities that will generate spin-off industry, that will generate spin-off activity, rather than just a substitution of local taxation.

I think that even though these kinds of questions are raised, I still want to commend the government on getting involved in this program, because it does keep us as Albertans on a fair and level playing field with the rest of Canada as they upgrade their local municipal infrastructure. We need to do it to remain competitive. So I think this is a good program even though I do have some concerns about the overall long-term benefit that comes from it.

So, Mr. Chairman, with those few comments I think that I've covered the issues that I wanted to address in connection with the supplementary estimates for Transportation and Utilities, and I look forward to the minister's response either this evening or by mail later.

**THE CHAIRMAN:** The hon. Member for Edmonton-Calder. [some applause]

**MR. WHITE:** Geez, for a minute there I thought the Government House Leader from the other side was behind here pounding. It just fooled me; it fooled me. One sometimes is not enough.

Speaking to the estimates, I must commend the minister and the department for some expenditures that I see are reasonably well thought out and properly placed, particularly the primary highway maintenance and preservation. After spending a couple of weeks on the road post-election, I can say that it is sorely needed in some areas. I suspect that the department is being very selective in the locations, because as much as \$10 million in the paper sounds a great deal, the minister and I both know that that doesn't go a long ways to repairing some of the damage caused by this winter certainly. But it is definitely a step in the right direction



and selectively placed can preserve the infrastructure in our primary highways a great deal.

The grants to the transitioning municipalities. Now, I've often thought this was a very decent program and most necessary, otherwise the maintenance of those roadways would not be enhanced at all, although I'm struck by the government's insistence that it's the government's responsibility, when in a great number of instances in government expenditures the principle of user-pay often is applied. I don't know specifically which sites these are, but I suspect that if the ministry identified them in a priority list as to where the maintenance was, we'd find them, on one end or the other, a reasonably profitable operation. If in fact it isn't profitable in the short term, why is it that this government would find it necessary to subsidize that entity even in good and bad years? I'm certainly not advocating toll roads or anything of that nature, but if it's a single destination road, certainly the government may look into back-charging some of the maintenance to the user. I ask if that's possible in the current legislative regime, and if it's not, what steps would be necessary to put that into effect. There may be some other mitigating factors that I'm not aware of in the application of a policy such as that.

#### 9:20

The primary highway corridor agreements. It's good to see that these funds are being expended in advance, I suspect to do a lot of the preliminary work, the functional planning and that sort of thing, around the cities so as not to catch them short, in a bottleneck when the province comes through and does the upgrade infrastructure program up to the gate. I think it's commendable that the department would spend the time and the effort and the money, incidentally, to get out ahead of the program so as to involve the cities in the planning in a major way.

The only difficulty I have as I try to travel as much as I can throughout the province on rubber tire so as to get a feel for what is transpiring right on the ground is a little difficulty with the single choice of entrance to the markets to the south, just that one single corridor, and wonder if there isn't some money needed to be spent on going through Livingstone-Macleod, through that constituency, and heading west right to the border. That could certainly use some upgrading, and some consideration could then be given to encouraging our neighbour to the west to increase a little spending on that corridor through to perhaps Yahk or through to Cranbrook. That is a major transportation corridor in this province and has been for almost a century now. It really hasn't changed route a lot and certainly needs some upgrading in a number of areas.

The other area that I'd like to speak to is the infrastructure program, and that simply is from an old engineer's point of view. Stopping and going and stopping and going once again in an infrastructure program is not really the answer in a long-term, planned capital works expenditure program. You like to line up programs and have a constant flow of these programs so as to maintain a relatively constant cost per increment of whatever it happens to be, whether it be the paving or whether it be any other form of infrastructure, so that you don't get this hump and hollow, so that the contractors or those that supply the manpower and all the inputs to the program are able to plan ahead and say, "Yes, there'll be some work over a good deal of time" so that in these minor low times, in the case of most construction work through the winter time, they're able to keep personnel on doing maintenance of equipment and that sort of thing that they know they will need in the spring when the work commences. It would be so much wiser to maintain that at a level.

Now, this is not this government's responsibility, I'm sure, but it becomes the federal government's responsibility. If this government gave a commitment to the maintenance of infrastructure aside from the federal program and said, "We are going to have our own program," and funded a program to the extent of perhaps sharing of revenue a year late on a per capita basis to a municipality, a municipality would be able to say, "Okay; last year the earnings in the fund were such, so we should expect this amount." They could plan ahead and their contractors could plan ahead, because they're in very close contact. I suspect that we the citizens of Alberta in the long term would see a much, much, much better program, not stop and go and not having to have contractors and the like, right from designers to the fellow on the shovel, tool up every year to provide the service and then shut down again in order not to get caught short if the next year's program doesn't come through. I would submit to you that we would be much better off in the deliverance of overall service.

Another area in this same program that concerns me is that in Alberta we have a widely diverse province insofar as needs of capital programs. There are some areas that are relatively new towns and have an infrastructure program that isn't aging; in fact it is relatively modern and of technology that'll last a considerable length of time. We have others that have allowed their systems to languish to the extent that total rebuilds are required. Old cast-iron water mains have to be pulled out. There are cross-overs between sanitation and sewer systems. There are all of these areas that have this great deal of difficulty.

I'm saying that the needs in areas are vastly different from one end of the province to the other, and it's soup to nuts as to what you can find in any given municipality. There isn't any continuance of program to say that this municipality has greater need than this one relative to income. I know that could certainly not be delivered in this program, but I know it's something that could be decided for another program, that regardless of income level in a community, there could in fact be deliverance of service through the provincial coffers so as to maintain the infrastructure a little closer to what would be called a norm, if you will, because we certainly have the highs and lows in the province.

With that, Mr. Minister, I just added those comments, and I wouldn't expect that your staff would want to spend a great deal of time in analyzing that which I've said, but certainly a few lines or a short meeting wouldn't hurt. Thank you kindly, sir.

MR. PASZKOWSKI: Thank you to the two hon. members for bringing forward the points they did. First of all, we'll deal with the hon. Member for Edmonton-Calder. Good ideas as far as the humps and hollows are concerned regarding the vision of what the construction program is going to be for the coming years just so that people know well in advance. With that in mind it is my intention within the next very short time to table a three-year construction program for highways. It's my intention to table it in the House so that the construction industry will know in advance and on a revolving basis three years in advance just what the construction projects are going to be in this province. Therefore, they will be able to plan. When you have a tremendous amount of money invested in iron and things like that, obviously it's important that you have some assurance that you're going to be able to have work to do. As well, the people that are employed will have some assurance that they're going to be able to continue working.

I think it's interesting to know that in Alberta, for example, we have 13,800 kilometres of primary highway. Ninety-four percent

of that is surfaced. We have 1,600 kilometres of multilane highway. The secondary highway system is 15,000 kilometres of road, 66 percent of which are paved. So we do have a very extensive highway network in this province and one that of course we are growing. As our development of natural resources continues, we're going to have to continue to expand our road network. That's part of our program. That's going to be part of the Alberta advantage. Certainly infrastructure is going to be key to the development of a highway network that's going to be able to service, whether it's the fibre industry, the energy industry, or the agricultural industry.

9:30

The single corridor. We have to start somewhere. We've got to build a corridor that's going to tie into the north-south trade route. It's critical; it's important. We have to do it immediately, and that is our objective. That's what we want to start with before we start looking at multiple corridors. Certainly there will be other avenues for exit. We're concentrating on the Coutts station to make it streamlined so that there's a quick pass-through for the Canamex road. I think that's a good plan, and certainly that's going to become one of our major trade routes. In the past we've always concentrated on east-west. We've got two good east-west routes now. It's time that we complete a north-south corridor that's going to allow us to move. We move most of our export products through the south corridor, so obviously that route is going to be very key and very important.

Funding: an interesting concept. There are two different concepts that are really out there. One is the partnership where basically it's user pay.

Toll roads. That's the British formula, and certainly the federal government at the present time is sort of leaning towards that. There's also the American system that basically says that we utilize gasoline, so gasoline taxes should pay for that. That's the one that quite frankly I sort of favour, and that's the one that I would lean to. If you're looking at user pay, what better way of reinvesting in the roads than through the gasoline tax? If we're looking at user pay and you're asking me what my thoughts are, those would be my thoughts. So that's where I'd be coming from.

As far as overlay is concerned, and as far as testing of pavement is concerned and how do we determine what roads are going to be overlaid, it's done mechanically. What we do is we measure the moisture that's under the pavement, and once the moisture level reaches a critical area, then we put a top priority on overlay for that particular part of the road. It's not hit and miss. It's not political influence. It's nothing else. It's strictly mechanical testing that determines the amount of moisture that's under the pavement, and consequently you seal it back so that you keep your moisture down to a low level. If the moisture levels are excessive in a particular area, you may have to dig up that particular section or it's not going to last. That's the simple process as far as determining what's going to be overlaid. I think that pretty well covers the questions from Edmonton-Caldor.

Lethbridge-East, the infrastructure program. There were some good points made, obviously. With an infrastructure program you want to have it ongoing. You don't want the program to die. Everyone is looking for a job, and all of a sudden you've got a bunch of iron sitting around and you don't know what to do with it. But there are some advantages, because you do develop some training. I feel that the process we will be tabling, where indeed we're going to be laying out well in advance what the construction projects are going to be for the coming years, will allow people

to do some planning, some long-range planning as a matter of fact. It will provide for better service in the end and in some cases probably be more beneficial to us financially as well as to the industry, because they're going to be able to plan further and more in advance.

As far as financing is concerned, there's really only one taxpayer. Whether it's done municipally, whether it's done federally, or whether it's done provincially, it's the same person that's paying that tax. In some cases, though, we do have areas that just simply would not be able to maintain the infrastructure that's there, and that would be very unfortunate. If it's a municipal infrastructure, they are the ones that are responsible. In that sense I think this program is very beneficial and is being very helpful for those who just would not be able to pay the full dollar. There is some sharing in this process with the federal dollars, with the provincial dollars, and ultimately with the contribution the local municipality makes.

The resource road program. It's really a twofold program. There's \$6 million going into the resource road program. There's \$12 million going into the four major regions - Calgary, Edmonton, Lethbridge, Grande Prairie - where the bypasses and the infrastructure tied in to the trade route are tying in too.

Maintenance. Maintenance this past year has been a direct result of additional work that had to be done. I don't think there's any question or any doubt. Whether the government did it or whether it was done by private enterprise, the maintenance still had to be done. The snow has to be removed; the ice has to be handled. Certainly there was a monitoring that was done. There's a time where you have to go. When there's snow on the road and it's drifting, you've got to get it off. We have no indication that there was any wasted money whatsoever. As a matter of fact, the general indication is that it was business as usual, and there was very little change as to whether we did it or whether private enterprise did it. The quality of the maintenance I think was top quality, and that will continue to be our objective, that the services provided for our highways and our highway network are the safest and best maintained that can possibly be provided.

Agreed to:

**Transportation and Utilities**

Total Operating Expense	\$58,000,000
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THE CHAIRMAN: Shall the estimates be reported when the committee rises and reports?

[Motion carried]

**Health**

THE CHAIRMAN: We now have the estimates of the Department of Health. The hon. Minister of Health.

MR. JONSON: Thank you, Mr. Chairman. This evening I am pleased to be able to speak to the supplementary estimates of the Department of Health. In doing so, I'd like to start out by just commenting overall on Health spending and the quality of health services in our province.

As I think all members are aware, our government made a commitment last November to reinvest in health services in our province when we announced a collection of funding and program initiatives called Action on Health. That was on November 24. As we all know, reinvestment in health was made possible because

we were fiscally responsible as a government in eliminating our deficit and reducing our provincial debt. The reinvestment announced in Action on Health came about as a result of our government listening to Albertans' concerns about some parts of the health system. As a result of what we heard, we took action to address those concerns and to meet the health needs of an increasing and aging population.

The supplementary estimates that we're looking at today allow that action to happen and allow us to address those concerns. We've allocated \$41 million to the Calgary regional health authority and the Capital health authority for the delivery of provincewide services such as heart surgery, kidney dialysis, bone marrow and organ transplants, neurosurgery, cancer surgery, trauma, and burn treatments. We also provided these regional health authorities with 8 and one-half million dollars each to purchase equipment associated with the delivery of these provincewide services.

We responded by allocating \$21.7 million to the regional health authorities to hire more frontline staff. As a result we expect that close to 1,000 more nurses and other frontline health care providers will be there where they are needed: at the bedside, in emergencies, in long-term care centres, and providing home care. It will take the pressure off some of the very pressured areas as far as frontline staff are concerned, and it will improve, I think, the overall ability of our staff to get the job done. It will also reduce waiting times across the system.

#### 9:40

Briefly, other supplementary expenditures this year include allocating a onetime grant of \$10 million to be shared among the regional health authorities to assist them with equipment purchases. In addition, a total of \$15 million was allocated to the physician fee-for-service pool, and \$8 million was allocated to the Blue Cross nongroup benefits program to reflect the decision that any saving from the tripartite process will be retained in the health system.

Just to comment on that \$15 million and \$8 million, which add up to \$23 million. To be quite candid about it, Mr. Chairman, this also indicates that we have not been able to record the savings that we'd hoped from the agreement with the Alberta Medical Association, and we are indicating that we are still working on that particular initiative. Should savings occur in those areas, they will be retained within the Health budget and be allocated to the benefit of the health care system.

Also, Mr. Chairman, a total of \$5 million was allocated to unanticipated growth in the costs of the Alberta Aids to Daily Living program, a program that helps to keep Albertans, including many seniors, independent in their own homes and communities.

Mr. Chairman, to address the issue of increased drug costs for new drugs used in the treatment of cancer and HIV through the Alberta special drug program, we announced a total of \$5 million in 1996-97 that would go to the Alberta Cancer Board for new outpatient cancer drugs and the Calgary regional health authority and the Capital health authority for new HIV drugs. These new drug therapies will help improve the quality of life for Albertans with lung, breast, ovarian, and skin cancers. We also provided additional funding for a new class of anti-HIV drugs called protease inhibitors.

Finally, Mr. Chairman, an additional \$2 million has been allocated for the unanticipated increase in costs associated with allied health services due to volume increase.

This brings, Mr. Chairman, the total Health spending in Alberta for 1996-97 to \$3.82 billion, an increase of \$196 million over 1995-96.

I know this evening that there is likely interest in such an important and high priority area as Health, and I will keep my remarks relatively brief. The message I'd just like to raise in conclusion is, as I've said before, that because of the fiscal management of the government, we were able on November 24 to bring immediately into play a significant amount of money, that I've given an overview of this evening. The important thing here is that with the budget which was recently tabled in the Assembly – the minimum 4 percent increase to regional health authorities, the maintenance of the provincewide funding into the years ahead and so forth. The announcements that we made, which are part of the supplementary estimates, are dealing with for the most part expenditures that will be maintained and will be part of the health care budget on into the future so that we will in the health care system of this province, Mr. Chairman, have predictable funding on which planning can be based and on which we can continue to plan for and maintain a quality health care system in the province.

Thank you.

THE CHAIRMAN: The hon. Member for Calgary-*Buffalo*.

MR. DICKSON: Thanks, Mr. Chairman. I appreciate the courtesy of the hon. minister in keeping his comments short. It is a matter of great interest to members of the Official Opposition. My only regret would be that it's now 9:45. We know there's a closure motion on the Order Paper, and it's simply unfortunate we're not going to have as much time, as I expect some of my colleagues would like to raise the issue.

It's an interesting challenge about supplementary estimates. In one respect you look back at the budget for the last year, you look a little bit ahead in terms of the budget you know is coming, and we're confronted with supplementary estimates which fit somewhere in between. In fact, Napoleon Bonaparte is reported to have said that the stupid speak of the past, the wise of the present, and fools of the future. I suspect that in dealing with supplementary estimates I could be tagged with all three labels in the course of the same evening.

Where to start. [interjection] Somebody said I'm about to get the same treatment as that short Corsican. Mr. Chairman, I want it on the record: I'm hoping for a much better and different fate.

Mr. Chairman, my keen-eyed colleague from Edmonton-Riverview had reminded me that there's a sense of *déjà vu* in dealing with supplementary estimates tonight because in fact it was only a year ago that we were confronted with the supplementary estimates for 1995-96. Indeed, it's revealing and instructive to go back and look at what the then Minister of Health brought in front of this Assembly and said was in the area of unforeseen, unanticipated expenses. This was a requirement; we needed more funding. When we look at, juxtapose, and contrast that with the supplementary estimates we're going through tonight and we go through and see reference to unanticipated growth in the Alberta Aids to Daily Living program, see unanticipated costs of allied health services and high cost drugs, it's interesting to go back and note, just a year ago, what were the things that the Department of Health was here looking for some assistance with to make ends meet. Well, \$47 million for unbudgeted payments to physicians. Sound familiar? We're back looking at additional funding for physicians this time.

An additional \$9.3 million to pay for higher than budgeted costs of Blue Cross nongroup benefits. We can go on and look at additional money required. At that point, it was \$11.4 million to RHAs to increase the number of patients receiving cardiac

surgery, joint replacement surgery, MRI services, and so on.

What we've got is a department that has not distinguished itself in the province of Alberta in terms of accurate forecasting, realistic planning, and simply an ability to manage what is the largest single budget of the government of Alberta. That ought to raise, I expect, the concern and – “suspicion” sounds too negative – certainly the curiosity of members when we're confronted with what the minister brings in this evening.

A number of things to deal with, and I'm going to jump around a little bit with a number of questions. I guess my concern is that despite the best face that the Minister of Health attempts to put on this supplementary estimate, this is an indictment of a whole series of decisions that have been made at the political level. I was going to say at the administrative level, but basically at the political level.

The minister may well say that this is an indication of responsiveness, that this is a sign of a listening, open government. To me what this indicates is a government that simply didn't listen to the people in the field. It didn't listen to health care providers. It didn't listen to the message that it was getting and has been getting for a period of years. So now, in the run-up to an election, last November the government realized it had to act and act quickly. That's really what's generated much of what we see in front of us now.

The point is that the spending per person for health care in this province is \$1,363 per person. The spending is still the lowest in the nation. The spending is still only going to be up to \$1,462 per person. Looking at the full range of what the government projects over the next three years, still the lowest in Canada.

9:50

One of the other things I wanted to focus on was the whole business of the payment to physicians. I appreciate the hon. minister's frank acknowledgement that he's disappointed, but I think we have to go somewhat further and ask the minister for some specific reasons. What were the expectations that the minister had going in when he entered into the agreement with the physicians in 1996? What were the specific kinds of tools that he was going to use to measure success? What kinds of representations did he have from people in his department that led him to believe that he was going to be able to achieve the announced goal, the kind of \$50 million saving that was touted to Albertans?

[Mrs. Gordon in the Chair]

I'd like the minister to tell us how he can justify the differential treatment of physicians when we've seen the problems faced by the whole range of health care workers, everybody from medical lab technologists to nurses, dieticians. I mean, we've got a whole range of people in professions involved in providing health services in this province, and the minister struck a deal with one group of health care providers with very ambitious goals. He now comes back and tells us that he hasn't met any of those goals; the experiment has been a dud. It's been an abysmal failure using any standard you want to use. I think it's fair to ask the minister what induced him, what factors, what information, what studies he had that led him to believe that offering that particular kind of a deal to the Alberta Medical Association would justify the very different treatment that every other health care professional in the province was receiving or was able to access. How is it that the government has done such a poor job of calculating fees for service in the province?

I'd like the minister to go through and justify the discrepancy

between the expectation that he created with Albertans when he announced the pact he'd made with the Alberta Medical Association and the consequences we deal with now.

I'd like him also to address the recommendations that had been made in the Auditor General's report for 1995-1996. Interestingly enough, within that Auditor General's report – and I'm referring here to recommendations 20 and 21 in particular, starting at page 128 of the Auditor General's report, where the Auditor General focused on problems with the way that physicians are paid in the province of Alberta and identified a lack of focus on incentives to improve the health status of Albertans. He went on to talk about the money in supplementary estimates. In fact, I could do no better than simply to quote it at page 129.

The Department's agreement with the Alberta Medical Association in December 1995 allows the development of alternative payment methods for services as well as an incentive system to share potential savings with physicians. Alternative payment methods have not yet been developed.

Why not? I'd like the minister to specifically detail the steps that officials in the Department of Health took to ensure that the agreement entered into in December of 1995 was met and to detail all of the information he has in terms of why we fell short, specifically referencing recommendations 20 and 21.

Also, I'd like the minister to explain for me the comment on page 130 of the Auditor General's Report. I'll just read one quote: “Excessive compensation may be provided for pre and post operative care.” I'd like the hon. Minister of Health to explain what steps reflected in the additional payment for fee for service to physicians in the supplementary estimates he's taken to reflect the message from the Auditor General in that provision. On the face of it, it would appear to not have any bearing at all.

In the element 3.2.7, Aids to Daily Living, the reference there is to “unanticipated growth.” Now, I'd like to know the extent to which this means additional people who became eligible for the Aids to Daily Living program. Other references I've seen in news releases issued by the hon. minister refer to the higher cost of providing service to those people already eligible and receiving Aids to Daily Living, but I'd like a breakdown. I'd like to know whether there were any additional people who qualified beyond what had originally been anticipated when we dealt with the 1996-97 budget and just some particulars in terms of why we describe that growth as being unanticipated.

I'd also point out to the hon. minister that I had the opportunity, just before the House commenced sitting this evening, to attend the Capital health authority board meeting, and it was fascinating because they were dealing, of course, with the business plan and budget. I wasn't there when the budget was finally approved, but it was interesting looking at, from the point of view of the largest regional health authority in the province, sort of the end result of what the minister is doing in this place. I see some concern, particularly at page 33 of the Capital health authority financial plan, where they talk about “wait lists for diagnostic imaging services may increase.” I've got a concern. The minister almost represents in his news releases and in his statements that the backlog is going to be dealt with, but what's clear from at least the Capital health authority is that they're still anticipating wait lists in a number of areas, perhaps shorter wait lists, which is all to the good, but nonetheless wait lists. The one in terms of diagnostic imaging services was identified in particular.

Mr. Minister, I'm assuming that in the Department of Health, with all of the people involved in financial planning – I think we talked the other day, and it seemed to me there were something

in the order of 170-odd people in the financial planning section. I would expect that the . . .

MR. SAPERS: That's the PR section.

MR. DICKSON: Maybe that's the communications section. That's usually the biggest element of every government department.

I'm wondering if the hon. minister would share with us the kind of wait lists that he anticipates in the Calgary regional health authority and the Capital health authority for all of those key areas that he has identified as putting additional money into. He said the goal was to address waiting lists. Well, I'd like to know from the minister: is the goal to eliminate the waiting list altogether? Is it to cut it by half? By 75 percent? I'd like some particulars in terms of what the expectation is that Albertans can use as a set of criteria to measure whether the minister is successful in meeting his goals. This is a government that's big on performance measures and outcome measurement. I'm asking him to tell us what his internal performance measurements are going to be in terms of the supplementary funding that he's soliciting support for this evening.

I wanted to ask in terms of the \$5 million for high-cost drugs. Now, I've heard the minister tell us before that this is the case with the Alberta Cancer Board and some other agencies. It's new, expensive medications. He talked about protease inhibitors now being on – what do we call it? – the sanctioned list or the approved list. That's a positive decision and one, incidentally, I applaud the minister for taking, but I'd like to pursue that a little further.

I'm not clear whether it's simply new medications, new pharmaceutical products that hadn't existed before, or whether it's increased demand for drugs that had previously been on the approved list. I'd like the minister to tell us: what concrete, specific steps and initiatives have taken place at his behest or that of the provincial government to encourage the use of generic drugs in the province of Alberta? I'd like to know what specific steps this Minister of Health has taken in making representations to Alberta representatives in the House of Commons in the debate on Bill C-91. If ever there was an opportunity for the government to be heard on an area of burgeoning cost in Alberta, surely it would be Bill C-91 and the role of generic drugs in providing a lower cost, a manageable cost alternative in meeting the medication needs of Albertans. I'm most interested. It appears that some members of government seem to be in the hip pocket of the large brand-name pharmaceutical companies . . .

AN HON. MEMBER: Who?

10:00

MR. DICKSON: Well, it's been reported, Madam Chairman – I find this hard to believe – that the Premier of the province wrote a letter appointing himself as chief Alberta shill for the brand-name manufacturers of Canada. Now, I'd be disappointed if in fact that's true. I'm only relating second hand because I've been unable to get a copy of the letter. I'm interested in seeing a copy of the letter as soon as it's available. If in fact the Premier of this province is not going around beating a drum on behalf of brand-name pharmaceutical companies, I'll be the first person to stand in the House and clarify that and apologize to the hon. Premier.

I'm simply saying, Mr. Minister, that's what's been reported. I'm concerned, and I want to know if that's the approach of the government of Alberta to try and bring down what is by any

measure a very high cost of drugs. Since you're coming forward tonight and asking for an additional \$5 million to cover this off, I think it's highly relevant and I think it's appropriate that we know what steps have been taken in that direction. I'm certainly looking forward to that.

Now, the business in terms of dedicated program funding. I've made the point that last year \$11.45 million was committed in supplementary estimates for dedicated program funding. That appears to be roughly the same area where now we're looking at \$41 million for provincewide services through Edmonton and Calgary. It's called something different, but it appears to this critic that it's basically the same area. Now we're looking at \$41 million, which seems to demonstrate that the government has never really had a handle on the need and never really had a handle on the kind of substantial resources that would have to be made available to the people delivering the service, wherever that happened anywhere in Alberta.

Madam Chairman, I have some questions about element 2.0.3. This is the unanticipated costs going into what are described as allied health services: chiropractic, optometric, oral surgery, community rehab. I understand that would include physiotherapy, Mr. Minister. What I'd like some help with from the minister and from that large finance section and planning section in the Department of Health is in understanding how that breaks down. How can we have this unanticipated cost? With all of the people in his department doing planning and projections, \$2 million seems like a reasonably significant sort of error. I'd like some particulars on that. I know there'll be other questions for the hon. minister.

Thanks, Madam Chairman.

THE DEPUTY CHAIRMAN: The hon. Minister of Health?

The hon. Member for Edmonton-Riverview.

MRS. SLOAN: I'm more than prepared, Madam Chairman, to allow the hon. minister the opportunity to answer my honoured colleague's questions prior to my asking mine.

THE DEPUTY CHAIRMAN: What is the wish, hon. minister?

MR. JONSON: Madam Chairman, I would not want to interrupt the flow of the opposition's concerns, and I want to see every opportunity for them to raise their concerns this evening.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Madam Chairman. I would like to proceed actually in order of the information that's been provided in the supplemental estimates and raise my questions accordingly.

First, to deal with revenue. Information is provided that revenue to the department had increased by \$2.1 billion dollars in the supplementary estimates as approved in August of '96. I guess the question that I have around that, Mr. Minister, is we remember that in the last year in this province we have had an increase in premium rates. We have had mechanisms instituted that have required seniors – I'm not saying that there haven't been actions taken on the part of the Minister of Community Development – in the last several years to pay premiums. For some this has comprised their living status and their take-home income. In addition to that, we have had premiums paid by people that are living just above the poverty line. In the face of that huge

increase in revenue I would ask the hon. minister: rather than entertaining a tax dividend, as his Provincial Treasurer considered and mused about on budget day, is there any chance in the near future in this province that we will see the elimination of Alberta health care premiums?

My second area of questions, then, lies in respect to the estimates that are requested. We have \$57 million for the delivery of provincewide services, including \$17 million for clinical equipment. I would be the first to say to the minister that I have long been an advocate for the restoration of funding for program delivery in this province and have also encouraged members of the nursing profession and others to document repeated instances where equipment and other supplies were not readily accessible and in fact compromised patient care and endangered patient lives. So I would commend the minister on the identification of that. However, the question that I have is: how do I as an opposition member know that that money will not be spent by regional health authorities for administrative salaries and benefits, for private contracts, for additional supplements to physicians by way of upgrades, offices, et cetera, on site? Can you assure me, Mr. Minister, that those funds are in fact going to be directly provided for program delivery?

With respect to the next line, \$21 million to regional health authorities for hiring frontline staff, again the question there: can the minister provide to us exactly what defines frontline staff and what classifications of staff those are? Are they full-time positions with permanent hours, or are they a large contingent of casual employees that regional health authorities utilize to backstop the system on weekends and evenings and nights? Are they classifications, Mr. Minister, that are minimum-wage jobs with job descriptions, job classifications that basically say they are to be aides and trained on the job? There's no question in my mind that the system needs more staff, but the area of need and the area in which it has been most documented, I am not ashamed to say, is in the area of registered nurses. There is overwhelming legal documentation in the way of professional responsibility forms, a 400 percent increase in forms in '95-96, that there were not enough registered nurses on shifts in acute care facilities in this province. So I would ask that if he wishes our support with respect to that line, he provide more specifics as to what those funds will actually translate into in positions.

#### 10:10

That brings me to the physicians. I speak with a degree of history and authority on this subject. I sat with the hon. Minister of Health in 1993 at the Health Plan Co-ordination Project Steering Committee meetings. The minister, the Premier, Mr. Wagner, the hon. Minister of Family and Social Services were repeatedly warned by professional and community stakeholders at that time that they should not negotiate in 1993 a long-term agreement with physicians, that it would bind them, that it would make future negotiations by regional health authorities restrictive. All of those recommendations and suggestions and cautions were overlooked, and in fact we saw the province enter into an agreement which in fact did bind them. Now we see a request coming forward not only in this year's supplemental estimates but last year's as well for additional funds to backstop physicians' salaries, additional benefits, and other funds to further enhance their program delivery.

My questions specifically are: Mr. Minister, where is the \$50 million in savings that the AMA agreed to find in the agreement reached in December of '95? Where is that \$50 million? I don't see it being identified in the supplemental information as to where

this additional revenue is coming from. So where is the \$50 million that the AMA said they would find, and where's the \$50 million they committed would come from reduced prescription drug expenditures? Fifty million plus 50 million wouldn't quite cover your supplemental estimates, but it would certainly put a significant dent in them. I need to know that information.

I won't go into detail about this allocation being made and sought in the face of other public-sector workers having to threaten strikes to at minimum regain their 5 percent. I have very strong feelings on that. Suffice it to say, it appears to me that it's preferential treatment. It's the government bowing to a lobby group that has significant influence and significant funds. But in fact the minister is seeking our support with respect to these – and I'm certainly open to considering them – I would like answers to the questions I've asked with respect to physician allocations.

Also in that same area, the \$5 million unanticipated growth in Alberta Aids to Daily Living, I have to ask the question: what was the surprise? Home care nurses in this province from the very outset said that you are not funding sufficiently in the area of community supports. We have nurses in public health that are carrying three times the caseloads with the same number of staff as when they were hired in the early '80s, Mr. Minister. So there is no surprise, and it is not unanticipated growth. I would duly and respectfully request that in future the current Minister of Health or subsequent future ministers of Health bring more detailed rationale than unexpected growth. We're all getting older, and along with aging tends to come some deterioration of health. I would like more specific explanations, Madam Chairman, if that is not too much to ask.

My respected colleague has raised the issue about drugs, Bill C-91. I heard the Premier yesterday say in the press gallery that he had written to the brand-name pharmaceuticals, he had endorsed their campaign, and he supported their campaign on C-91. I would stand with my respected colleague and ask for a copy of that letter. The letter may not be able to be found, but I heard the words come out of the Premier's mouth. Why, in the face of that, are we being asked to vote to approve an additional \$5 million for primarily brand-name drugs when there has been undertaken, not only in this province but across the country, a significant lobby to end C-91, to stop the 20-year patent protection for pharmaceutical brand-name drugs and allow the generic drug industry to be able to compete? Again, I do not find the rationale provided in that aspect of the documents sufficient.

My final question goes to the program funding page. In a very small asterisk at the bottom of the page, I read:

Amounts have been adjusted by reallocation of \$47,358,000 from Dedicated Program Funding . . . and \$40,000,000 from Community Services Funding . . . to Regional and Provincial Health Authorities.

My question is: what are the consequences, what are the repercussions of the transfer of money from dedicated program funding and community services to regional and provincial health authorities?

[Mr. Tannas in the Chair]

I ask the question in the context that we have a growing number of regional health authorities in this province that almost since their inception have run deficits. Rather than transferring money from dedicated programs . . . [interjections] You know, I wish could laugh, Mr. Chairman. Unfortunately, for the last 15 years I've worked in the system, and the stark lack of funding and staffing in this province is not funny. I ask the question with all

seriousness to the minister: what are the repercussions of those transfers being made, and is it in fact a case where what we need to have is a government commitment to infuse new money into the Department of Health budget?

Thank you.

THE CHAIRMAN: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thanks, Mr. Chairman. Just a few comments for the Minister of Health. I'll try to give him ample opportunity to respond.

As I look at the supplementary estimates, I have some questions. First of all, the allocation of \$21.7 million as part of the overall reinvestment to regional health authorities of \$43 million: I understand that the rationale for this has been publicly stated to be the hiring of more frontline staff. I'm wondering whether this will actually result in an increase in the number of full-time equivalent positions. Or is this money that's being given to regional health authorities in anticipation of labour rate changes to do with negotiations, or has the department in some way restricted how the regional health authorities can spend this money?

As the minister is well aware, there are several contracts being negotiated now and others just on the horizon. The regional health authority members that I've spoken with are very concerned that they're not going to be able to make reasonable wage offers because of a direction and a lack of funding coming from the minister's department. I'd like some clarity on that, and I'd like some understanding of how that fits into the supplementary estimates.

10:20

The line item for purchasing of more clinical equipment I believe is about \$10 million. I'm quite pleased to see that in the supplementary estimates, although I'm distressed that it has to be in supplementary estimates again. I'm also wondering how the \$10 million . . . I'll wait until I have your attention, Mr. Minister. Thanks. I thought I'd just pause until I had your attention, because I'd like you to answer this question. I'm just wondering how you came to the figure of \$10 million. Clearly the regional health authorities individually could each spend, for the most part, close to that amount, certainly the larger regional health authorities. It really is a drop in the bucket, and I'm wondering whether in your creation of the supplementary estimates you had discussed at all the possibility of allocating new dollars for capital reconstruction as opposed to the purchase of equipment.

Many of the facilities, Mr. Minister – and I know that you've spent time with them and certainly I have and other of my colleagues have as well – are in need of repair. The physical plant is deteriorating around some of the new capital equipment that you're providing. This has all kinds of implications for the quality of care as well as the safety of the people delivering the services.

Mr. Minister, under allied health services spending, the estimate calling for \$2 million, I'm just wondering whether this has been driven by utilization or whether this has been driven by a commitment. In other words, has utilization of things like chiropractic care or on optometric care or oral surgery, et cetera, gone up? Or is this reflecting a commitment that your department has made to some of these practitioners? [interjections] I'm having some trouble, Mr. Chairman.

### Chairman's Ruling Decorum

THE CHAIRMAN: Hon. members of the committee, the Speaker sent around a note this afternoon that advised hon. members of a number of things. If people want to carry on lively discussions, then please do so in the Confederation Room or take a walk around the grounds, I think was the suggestion. Then we'd be able to hear Edmonton-Glenora, and he would be able to get through his questions that much quicker.

MR. SAPERS: Thanks, Mr. Chairman. I appreciate that intervention.

### Debate Continued

MR. SAPERS: My question was about the investment in allied health services, the \$2 million. I was wondering whether it was driven by utilization or whether a commitment perhaps was made to some of these allied health providers that the cap imposed by Alberta Health was going to be changed. In chiropractic care I know there's been considerable discussion about that cap and some to-ing and fro-ing on the government pre-election. I'm just wondering how that sorted itself out and whether or not it's reflected in part of this reinvestment.

Conversely, I'm wondering if the entire \$2 million is to address some of the problems in the community rehabilitation program, primarily the delivery of physiotherapy in Calgary and Edmonton. We've all heard of the number of clinics that have been forced to close and the waiting list, the misuse of the assessment form, the development of quotas as a commodity to be traded on the market, particularly in Calgary. So I'm just wondering whether that's what this \$2 million represents. If it does, how is it going to be allocated specifically, and how will it address the growing problems in physiotherapy services in Calgary and Edmonton?

Regarding the Blue Cross nongroup benefits, the request for \$8 million in supplementary estimates to be provided to your department, it seems to me that just about every supplementary estimate that we've dealt with since the government started these cuts in health care has asked for more money for nongroup benefits. I'm just wondering, you know, what is it that prevents your department, Mr. Minister, with respect, from getting this one right? I mean, we've seen the government move from a stated commitment to save \$100 million in drug-related expenses to a commitment of finding \$50 million in drug-related expenses to a series of supplementary estimates that is asking for ever increasing amounts of money.

It's clear that the government has not been able to achieve the savings that it planned. Utilization goes up, and we have to deal with it in supplementary estimates. So it seems that there is a huge dissonance between the stated intentions of the government, the budget plans of the government, and then what we're presented with in supplementary estimates. I'm just curious as to what it is that keeps on frustrating you, Mr. Minister, in terms of getting this line item nailed down.

I'm also wondering whether or not that commitment is finally going to disappear off the books, that \$50 million. We heard just the other day the Premier talk about those 30 tonnes of drugs that go down the toilet, I think he said. It was an interesting image that he created but not a very realistic one. I'm just wondering whether or not we've abandoned that commitment and we're going to be a little bit more realistic about how we pay for prescription drugs in this province.

Aids to Daily Living, the commitment of \$5 million. Mr. Minister, while I share some of the concerns raised that it shouldn't have come as any surprise, I have to say that I am very pleased to see this line item in your supplementary estimates. One of the things that has distressed me is when I hear firsthand from my constituents the stories that they tell about the care that saved the life of a loved one only to find that post-recovery the quality of life is threatened, is jeopardized because of the lack of commitment to support to Aids to Daily Living. It seems that you've got this problem. We will spend a large amount of dollars perhaps to take somebody through that posttrauma phase, you know, to give them the medical attention that they require, get them out of hospital into the community, and then they are really left too often to their own devices or just to scrape by. So I am very pleased to see the Aids to Daily Living commitment there. I look forward to debate of your main estimates, Mr. Minister, because I have some questions about the allocation of funds there. So I anticipate that exchange.

I have one last question for you, Mr. Minister, and I hope you'll permit this. It's not directly in the supplementary estimates, but its absence from the supplementary estimates is really my question. When the Capital health authority was created, it inherited an operating deficit, an accumulated debt from several of the institutions and facilities. That deficit has plagued and handicapped the Capital health authority. It's put them behind the eight ball in terms of managing their resources, and from time to time the government has made the commitment to resolve that problem, to eliminate that deficit, to provide adequate funds so that the Capital health authority can start in the black and be on an even playing field. That hasn't happened yet. This would have been another opportunity for you to live up to that commitment, and I'm just wondering why it's not here.

Thank you, very much.

THE CHAIRMAN: The hon. Minister of Health.

MR. JONSON: Thank you, Mr. Chairman. First of all, I thank the hon. members for their input and the raising of a number of issues. I would like to start out by just indicating that there are among the points that I recorded here a few that I would suggest are best responded to in writing because they are rather detailed in terms of their answer. I would commit to review my notes with respect to these specific technical questions and respond to the members in writing in terms of the detailed explanations.

However, with respect to the overall questions that have been raised, first of all I'd like to respond to the remarks of the Member for Calgary-*Buffalo*. There was a general concern raised about the phrase unanticipated growth. Now, I have a general response there, and that is that in this province we have a growing population and we have a growing older population. We are moving to predict the impact of the growing aging population in a very considered way within the department, but I would acknowledge that we do have a challenge there, one where we have to improve our database and our predictions as far as the needs of our aging population are concerned.

In terms of the overall growth of the population in this province, I think this is really in an overall general sense a very positive part of life in this province right now. I won't go through the whole rationale for it, but I think the overall fiscal plan of the government has contributed to that very positive growth. If, as was recently discussed in Education, our population growth happens to be half a percent or a percent more than

the best statistical analysis indicated a year or so ago, so be it. I think it's reasonable that we recognize that growth in terms of monetary support in the health care budget.

10:30

The second point raised by the Member for Calgary-*Buffalo* was the reference to comparisons with per capita expenditure with other provinces. I have two points I'd like to make there. One is an activity and initiative on a national basis commissioned about two years ago, I think it was, by the federal government. Let there be confusion about where this information came from, it was commissioned by the federal government. It was the establishment of the National Forum on Health. In the final report that they brought forward in February and presented to the federal government, they indicated overall that they felt there was enough money in the overall health care system. Along with, yes, possibly a pharmacare program and more attention to long-term care and so forth, they also indicated that what we really need to look at in the health care system of the country is performance and being able to measure outcomes and results. That is something that is part of our business plan and that we will be pursuing quite vigorously so that we can quantify and report on that performance.

I'd just like to make a general comment because there have been other general comments made in the debate this evening – it's of course a very unscientific comment, but there have been other unscientific comments too – and that is that it's been my observation, from many individuals that have written to and contacted me but also in talking to people in other parts of this nation, particularly to the immediate west and to the populated east, that they are quite impressed with the health care system here, not that it does not have its issues and problems. They would not trade the health care system here and the experiences they've had with it overall since moving here with the area they came from in Canada. So I think what we really need to look at here is to connect expenditure very clearly with performance if we're going to advocate major increases in health care spending.

Another very important point raised by the Member for Calgary-*Buffalo*, and I think it was also raised by the two subsequent speakers, is with respect to the physician agreement, the physician pool, and the supplementary estimates. The important point and the specific thing with respect to the supplementary estimates is that when the agreement was arrived at with the Alberta Medical Association and when the cap was provided and agreed to with respect to overall physician expenditures, which incidentally was an amount of money which was at least a 5 percent reduction from what had previously been spent in this province on physician services, the projections were based on the amount of funding, the amount of access that would be available in the overall health care system.

When we put into place the additional \$41 million for province-wide services that would go to the regional health authorities of this province, it of course had an impact in terms of the draw, you might say, on the physician pool. I want to stick to the supplementary estimates as much possible, but the question was raised and reference was made to the doctors really more with respect to the budget that's just recently been introduced rather than these estimates. We agreed that there might be up to 10 million additional dollars that was not part of the statistics and the database when that original agreement was negotiated with the doctors. So that is provided for in the budget that's before the Assembly for this coming year.

Mr. Chairman, I think the discussion has lapped over a bit into



the budget estimates that will be coming up within a few days, and I'd be pleased to respond to the whole area of the physician agreement that is in existence and will continue in existence for this budget year. Also I would be prepared at that time to speak to the set of principles which were agreed to with the AMA with respect to negotiating the next physician agreement, just as there has recently been a long-term agreement negotiated with the United Nurses of this province. There is nothing unusual about that.

Now, the other issue that was raised, I think by all three of the members who have spoken, related to the anticipated savings. When the overall agreement was made with the AMA, there was a clause in the agreement which said that the Alberta Medical Association would make best efforts, best efforts, to realize a significant saving in terms of drug expenditures, pharmaceutical expenditures, and fee-for-service reductions, new models and so forth, for the payment of physicians. On November 24, hon. members will probably recall, those who were here and some who aren't here, right at that time we admitted up front that to that particular point in time we had not realized those savings, and we have booked that fact in the overall budget of the Department of Health. We are still working in that particular area, both in the area of pharmaceuticals and through the tripartite process, in terms of getting some projects going which I hope will provide a model for a more efficient and effective physician service, but that is not a new development by any means.

One of the things that I was a little bit disappointed in, though, Mr. Chairman, was that the Member for Calgary-Buffalo neglected – and I commend him for having some interest in Edmonton, you know, because I know he's very proud of his own city – to mention that the Capital health authority, as I understand it, is in the process of approving a balanced budget. That's true. This is a very positive thing.

The other thing is that I think it's only right that health authorities, in this case the Capital health authority has the scope, with their professional advice and so forth, to make the decisions as to how that very significant amount of additional money for equipment should be spent. We talked about the whole area of diagnostic imaging. Diagnostic imaging is a much broader area of equipment than just MRIs. I think you would find that they have applied a significant amount of that money that was allocated to the overall area of diagnostic imaging, albeit I realize that there are waiting lists for that specific technology of MRIs.

I also understand, and we're following up, with the two major health authorities with respect to establishing standards as far as waiting lists are concerned on the best possible professional advice as to what is considered the acceptable standard nationally. That is not completely in place right now, but I understand that waiting lists in these key areas are coming down. We look forward to working on establishing those standards, and they're very clearly mentioned in the 1997-98 Health business plan.

#### 10:40

There was quite a bit of reference again from all three members, Mr. Chairman, to the matter of drugs. I found it quite curious. I believe it was the Member for Edmonton-Riverview who referred to this. There was the particular reference to the protease inhibitors and why on earth there weren't generics and why on earth there weren't certain other things. The fact of the matter is that a year ago this particular drug was not available; it was not approved for use. It is not something you can plan for. I suppose that if we hadn't approved these particular drugs for HIV sufferers, we'd be possibly being criticized for not doing so.

We felt it was a very high priority area. We approved the funding. How could you anticipate it? It wasn't there, and certainly there's nothing generic to substitute for it. So we did approve the drugs. Yes, there's a cost there. That's just one example of the types of changes that you face in the health care system, and I think our ability to respond is the right way to go in those particular areas.

As far as pharmaceutical costs overall are concerned, I think we have to keep in mind that in the whole area of health care there's a real challenge to keep the proper balance between having a climate for research, of which we are proud of a growing effort in this province – and I could list quite a number of examples of breakthroughs that have occurred or are anticipated in terms of treatment in this province. So we have to provide a climate for research, we have to provide a climate for investment and the development and the advancement of treatment in these areas, and we also have to make an effort to keep down the costs of drugs.

On that side, Mr. Chairman, we have a number of initiatives under way. I won't go through the whole list, but one of the very important initiatives is the establishment of the expert drug committee that we have in place, the adoption of the least-cost alternative policy with respect to authorization of financial support through Blue Cross, and an effort that we are undertaking through the University of Alberta: the establishment of the pharmacology institute and the associated advisory board to look at different ways of approaching cost savings as far as drug utilization is concerned.

Just getting on, I've been mainly responding to the remarks of the Member for Calgary-Buffalo. The Member for Edmonton-Riverview raised a couple of interesting questions which are hard to respond to because, first of all, one set of questions was prefaced by what we were going to do with the additional \$2.1 billion accruing to the Department of Health. I wish. But that is not the case, Mr. Chairman, so it's a little difficult to follow that particular one.

There was the question raised: is there any consideration to eliminating health care premiums? I would have to say no immediate plans, certainly no active consideration at the moment, although we fully realize that this is a broad revenue question to be debated, and I'm sure it will be in the time ahead. The question was raised as to whether or not the money for the equipment under provincewide services would go to equipment. The answer is yes, and we will be monitoring that expenditure and making sure that is applied in that area.

Secondly, with respect to the money for frontline staff, I think a fair question that was raised is: will it go to the hiring of additional staff? Yes. That is going to be monitored and followed up on. Another question that was raised, I think in a general sense, was: what staff will it be spent on? Here we know, Mr. Chairman, that there is that need for more frontline staff, but the mix of staff has to be decided at the local level, at the regional health authority level. I'd just like to emphasize that we're monitoring to make sure that money does go into additional staff.

What I found rather troubling, Mr. Chairman, is what seemed to be a focus exclusively on nursing staff, and while they – and I've said it over and over again – are a very, very important component of the health care system, I am also very sensitive to the need that may well be there for maintenance staff, for dietary staff, for people who are also working very hard and may need some additional help on the front line. I think that throughout the health care system there is also always a need to look at the need, not just the need within your own particular group but also

relative to some of the other frontline people, which sometimes aren't always properly recognized in terms of their very important service to the health care system. They certainly are not always paid at the same level as some other groups. [interjections] In any case, Mr. Chairman, I'll proceed.

I would just like to conclude by responding to some of the issues raised by the Member for Edmonton-Glenora. One of the points that he raised was with respect to the physical facilities or the capital investment in health beyond the actual equipment. I would agree that ideally I hope there's a point in time where we can invest more in this area, but our priority in terms of reinvesting is with services to patients and quality of care for patients.

I'll conclude on that point, Mr. Chairman, and I would like to move approval of the estimates of the Department of Health.

Agreed to:

**Health**

Operating Expenditure \$124,513,000

THE CHAIRMAN: Shall the department's estimates be reported when the committee rises?

[Motion carried]

THE CHAIRMAN: The hon. Member for Edmonton-Glenora and Official Opposition House Leader.

MR. SAPERS: Thanks, Mr. Chairman. I would at this time like to seek unanimous consent from those members present in the Chamber to accept a motion to reduce the time between bells, should a division be called for at some point in the evening's proceedings, from 10 minutes to one minute.

THE CHAIRMAN: All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no. Carried.

**10:50 Subcommittees of Supply**

13. Mr. Havelock moved:

Be it resolved that:

1. Pursuant to Standing Order 57(1) four subcommittees of the Committee of Supply be established by the Committee of Supply with the following names: subcommittee A, subcommittee B, subcommittee C, and subcommittee D.

2. The membership of the respective subcommittees be as follows:

Subcommittee A: Mrs. Gordon, chairman; Mr. Severtson, deputy chairman; Mrs. Burgener; Mr. Cardinal; Mr. Ducharme; Mr. Dunford; Mr. Friedel; Mr. Hierath; Mr. Hlady; Mr. Jacques; Mr. Johnson; Mr. Lougheed; Mr. Mar; Dr. Massey; Dr. Oberg; Mrs. O'Neill; Dr. Pannu; Mrs. Paul; Mr. Sapers; and Mr. Zwodzdesky.

Subcommittee B: Mr. Tannas, chairman; Mrs. Laing, deputy chairman; Ms Barrett; Ms Blakeman; Mr. Bonner; Ms Calahasen; Mr. Cao; Mr. Doerksen; Mrs. Forsyth; Mrs. Fritz; Ms Graham; Mr. Hancock; Mr. Havelock; Mr. Jonson; Ms Kryczka; Ms Leibovici;

Mrs. McClellan; Mr. Melchin; Ms Olsen; and Mrs. Tarchuk.

Subcommittee C: Mr. Tannas, chairman; Mr. Fischer, deputy chairman; Mr. Clegg; Ms Evans; Mr. Gibbons; Mr. Klapstein; Ms Leibovici; Mr. Marz; Mr. McFarland; Dr. Nicol; Dr. Pannu; Mr. Paszkowski; Mr. Shariff; Mrs. Soetaert; Mr. Stelmach; Mr. Stevens; Mr. Strang; Mr. Thurber; Mr. Trynchy; and Mr. Woloshyn.

Subcommittee D: Mrs. Gordon, chairman; Ms Haley, deputy chairman; Mr. Amery; Ms Barrett; Mrs. Black; Mr. Boutilier; Mr. Broda; Ms Carlson; Mr. Coutts; Mr. Herard; Mr. Langevin; Mr. Lund; Mr. Magnus; Dr. Nicol; Mrs. Paul; Mr. Pham; Mr. Sapers; Mr. Smith; Dr. Taylor; and Dr. West.

3. The following portions of the main estimates of expenditure for the fiscal year ending March 31, 1998, unless previously designated by the Leader of the Opposition to be considered by the designated supply subcommittees, be referred to the subcommittees for their reports to the Committee of Supply as follows:

Subcommittee A: Advanced Education and Career Development; Education; and the Provincial Treasurer.

Subcommittee B: Community Development; Executive Council; and Federal and Intergovernmental Affairs.

Subcommittee C: Agriculture, Food and Rural Development; Municipal Affairs; and Public Works, Supply and Services.

Subcommittee D: Economic Development and Tourism; Energy; and science, research, and information technology.

4. When the Committee of Supply is called to consider the main estimates it shall, on the six calendar days after agreement on the motion establishing the subcommittees when main estimates are under consideration, resolve itself into two of the four subcommittees, both of which shall meet and report to the Committee of Supply.

[Adjourned debate April 22: Mr. Mar]

14. Mr. Havelock moved:

Be it resolved that further consideration of the motion before the Committee of Supply regarding subcommittees shall be the first business of the committee and shall not be further postponed.

THE CHAIRMAN: Having heard the motion by the hon. Government House Leader, all those in support of that motion, please say aye.

SOME HON. MEMBERS: Aye.

THE CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

[Several members rose calling for a division. The division bell was rung at 10:51 p.m.]

[One minute having elapsed, the Assembly divided]

For the motion:

Amery

Graham

Marz

Broda

Haley

McClellan

Burgener	Hancock	McFarland
Calahasen	Havelock	O'Neill
Cao	Hierath	Paszowski
Coutts	Hlady	Pham
Doerksen	Jacques	Shariff
Dunford	Johnson	Stelmach
Evans	Jonson	Stevens
Fischer	Kryczka	Strang
Forsyth	Laing	Thurber
Friedel	Lougheed	Yankowsky
Gordon	Magnus	

Against the motion:

Blakeman	MacDonald	Sapers
Bonner	Massey	Sloan
Dickson	Nicol	White
Gibbons	Olsen	Zwozdesky
Leibovici		

Totals: For - 38 Against - 13

[Motion carried]

MR. DICKSON: Mr. Chairman, I think we're maybe in the process of setting a record this evening. This may have been one of the shortest periods of debate before invocation of closure. I haven't had the opportunity to do the research, but I'll challenge those long-serving members in the House to tell us another time when closure was invoked – in fact, let's just spend a moment and look at how brief the debate was that the government found necessary to squelch so arbitrarily and so abruptly. We had – and this wasn't even part of the debate on the motion – page 106 of *Hansard*, about a 30-minute debate on privilege which touched on some of the issues we're about now in terms of Motion 13. Then Motion 13 came forward on Tuesday, April 22 at the commencement of the House. At 8 o'clock we started talking about it. At 8:25 debate was adjourned. So we had 25 minutes of debate on the motion in respect of which the government has now invoked closure.

I think it was William Fulbright, Mr. Chairman, the U.S. Senator, who said that in a democracy dissent is an act of faith. So you may find some of us rising and arguing this with some evangelical zeal. We understand that when you're in an opposition, perhaps more acutely than those who have the privilege of being on the majority side, how important it is that there always be in this Assembly respected and acknowledged and understood the role for robust debate, and that's really what we're talking about here. What we talk about is that no matter how right the government thinks it is, no matter how convinced the government is that they have cornered the market on truth and wisdom and ultimate insight, we've developed a system that says that there's a really important role for people always to challenge the government.

Arguably there's no single thing the government does that affects Albertans like the budget. Certain laws will affect certain Albertans and certain groups and certain sectors of the province, but the budget is the one document that drives the whole government legislative program. To think that a budget that involves in excess of 12 billion tax dollars being spent is going to be scrutinized and questioned in a Cole's version, in a short form, in an abbreviated, truncated kind of format, I think offends the sense that has inspired prairie populism since the early days of this

province, the sense that Albertans have always understood better maybe than anybody else in Canada the importance of scrutiny of big government. Peter Lougheed understood it. Frank McKenna understood it. Look at the record. In those jurisdictions closure was invoked rarely. I don't have the statistics at hand, but the perverse thing is that with the current Premier we have seen closure used as a tool, a heavy-handed blunderbuss to reduce debate in this Legislature more times than it has ever been used since this province became a province in 1905. You know, it's a little bit . . . [interjections]

THE CHAIRMAN: Order, hon. minister, hon. Member for Edmonton-Meadowlark. Lively debate may be had out on the back porch or when your turn comes under this motion. We are on Motion 13.

Calgary-Buffalo.

11:00

MR. DICKSON: Thank you very much, Mr. Chairman. I think the point I was trying to make is: what's at issue here? Is it whether we respect and are prepared to invest in our procedures and our actions in this Assembly, in our respect for fair and robust debate? That's the issue. We can talk about the terminology of the motion and try and draw some nice, tight little symmetrical boundaries, but the reality is that what we're about is the privilege of speech, the single most important freedom and responsibility that every one of the members in this Assembly has.

I was referring back to the experience of Premiers who did have large, powerful majorities, and I'm thinking of Frank McKenna in New Brunswick, who had every seat in the Legislature. If you hear Mr. McKenna talk, he talks about the pains he went to to ensure that there was an opposition. In fact, he even created an opposition, maybe from the orneriest members. Maybe he didn't have a Deep Six, so he took the orneriest members of his caucus and constituted them the unofficial opposition. But the point is that he understood the importance of it. When Peter Lougheed had a huge, dominating majority, he actually went to great pains to ensure that there was an opposition voice. There may be people with a different view, but from what I know of that period of Alberta history, in the early '70s, he demonstrated what I thought was a pretty impressive interest and commitment to trying to make sure that there was more than a single voice heard in this Legislature.

What we have to deal with tonight is: how do we recognize the fact that 30 percent of Calgarians voted for somebody other than a member of the government party? How do we respect and understand and reflect the fact that on a provincewide basis it was about 35 percent of Albertans? [interjections] Well, we may have a variety of views in terms of how many Albertans voted. In Calgary 30 percent seemed like a pretty significant number. Edmonton has higher standards, Mr. Chairman. But the point I'm trying to make is that this is the only institution in the province of Alberta where it can be argued that every Albertan has a voice, every Albertan has representation. But what that means is that's only an empty promise and a hope unless the things we do in this House, in the way we govern ourselves, in the kind of respect we show each other and the way we breathe some life into the democratic system – that's the only ability we have to make this institution really work.

What closure is and what a truncated kind of debate on the budget process is – it's all tied together, Mr. Chairman. I see a quizzical look. Let me hasten to say that when we talk about reduced debate, it's that the A, B, C, D committees reduce the

opportunity for debate in ways that maybe we don't have to belabour now, because it seems we've talked a lot about it. We talked a lot about this in 1996, and we certainly talked about it earlier in this session. I think members understand when an opposition member says: "I have three critic responsibilities, and I'm supposed to be in committee B, that is meeting upstairs, to deal with the estimates for Community Development and the Human Rights Commission, and there's another committee meeting down here that's dealing with transportation." Yes, there may be some people in my constituency of Calgary-Buffalo that may have interests in one committee, and also I have constituents who have interests in the subject matter of another committee. It physically isn't possible to be both places at the same time, and we know that the 20 minutes that's left when we constitute ourselves a Committee of Supply again, there are always more speakers than there's time for those people to be heard.

Mr. Chairman, what we have is a system, frankly, that chills, reduces, marginalizes the role of an opposition. But it's not just the opposition members that lose out; it's all of those Albertans that want to ensure that there's a variety of voices, a variety of perspectives heard in this Legislature. There are some different competing values, and for those of us who believe that the best decisions come from that kind of a free exchange of ideas, at the end of the day hopefully the most valid ideas will prevail. But that means the other voices have to be heard.

Before we vote on this motion, I implore, invite, encourage every member to understand that what we're doing isn't just accelerating the budget process in the spring session of 1997. [interjections] Mr. Chairman, I want to assure you that some of the speeches you're about to hear are ones that you will never forget, because I hear some of my colleagues warming up, and it makes me glad to be a legislator and makes me delighted to be a colleague of the Member for Edmonton-Meadowlark, because I think she's got a lot of insight and a lot of commentary to share with members.

Mr. Chairman, I'm conscious that I'm starting to recycle the ideas I started my speech with, so this is probably a timely opportunity to take my seat and listen with keen interest to members on the government side who are going to tell us how they can justify all of these attempts to squeeze down and reduce budget debate.

In fact, just before I take my seat, Mr. Chairman, I want to point out to the government . . . [interjections]

#### **Chairman's Ruling Decorum**

THE CHAIRMAN: Order. Hon. members on both sides, the help that you're offering the hon. Member for Calgary-Buffalo is perhaps appreciated but not necessary. I wonder if we could just have Calgary-Buffalo sum up in his own words.

#### **Debate Continued**

MR. DICKSON: The summation may be the biggest part of my 20 minutes, Mr. Chairman.

The point I simply want to make is that last year when we dealt with an abbreviated budget review process, I think there were many members on the government side that discounted some of the hyperbole from those of us in opposition, thought that this maybe is a workable system, that it maybe does save some costs, that maybe it does help to focus a budget debate, and they were prepared to give it the benefit of the doubt. But it's clear now we have had the experience of seeing that system work. We've seen

the shortcomings with it; we've seen that it doesn't permit the full and thorough kind of scrutiny that Albertans want to see for this enormous budget project.

[Mrs. Gordon in the Chair]

We now, hopefully being wiser, have the opportunity to not make the same mistake in two successive years. We have a chance now this year to say that we'll find other ways to reduce the sitting time. All of us have plenty of constituents with concerns and things to speak to us about, except maybe for my colleagues who are a little closer to their constituency office. Many of the rest of us are anxious to get back to our constituencies, but let's make sure we don't do it at the expense of ensuring that the budget gets the full kind of scrutiny and the most thorough kind of examination that the numbers warrant and that Albertans require.

*11:10*

Madam Chairman, the additional point I was simply going to make is that I'd ask government members to recognize that they have an enormous advantage, and I'd appeal not to their generosity but to their sense of fairness. My experience in this Assembly has been that when government members come here, they're sated with consideration of budget and Bills because they've already gone through an internal process of standing policy committees, Calgary caucus, all kinds of other meetings where they have the opportunity to know exactly what's coming down the pipe. They have the opportunity to know. They have an opportunity for input. They have an opportunity to raise the concerns of their constituents, whether they're in Grande Prairie or Drumheller or Lethbridge. They have the opportunity to have that kind of input.

So I understand why government members come here and after an hour and a half say, "Enough; we're tired of talking about the budget," or that they're tired of talking about a Bill after 50 minutes of discussion. Why? Because they've already had that time to ruminate, to digest the Bill proposal, to decide whether they like it or don't and if it should be changed, how it should be changed. We don't have that opportunity. If this motion passes, once again we're not going to have that opportunity.

Madam Chairman, I think that the problem with the budget process is manifold. One of the concerns is this. I think it's inefficient, because what happens is that when an opposition member comes into a committee meeting that has already been going on for an hour and a half, you don't know what's already been asked and you don't know what's already been answered. It simply proves to be incredibly inefficient.

I think we've gone through what I thought was going to be the climax of my speech, and we've exhausted the anticlimax. So I'm going to take my seat, Madam Chairman.

Thank you very much.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Madam Chairman. I won't be as eloquent or as long as the Member for Calgary-Buffalo, but I would like to spend a few minutes outlining some of the reasons why I think it would be a mistake to support this move to committee examination of the budget.

I've listened carefully to debate over the last couple of years as we've tried this process, and the arguments seem to break down into a number of categories. The ones we hear most often of

course are the economic arguments: that this is more efficient and that it's going to save money. I wish that that were really true, and I wish that I could really believe that the government believed that that were true. We haven't really sat down ever as an Assembly, that I can recall, and spent any time deliberating and trying to debate how we might save money in this Assembly and what kind of streamlining of procedures, what kinds of changes to the Standing Orders, what kinds of changes we would make to the way we do business that would save money. In fact, the government actions have been quite the opposite. I recall being called back for two days in February so that an election could be called. I wonder what that cost, and was that a wise use of Alberta taxpayers' money?

So the efficiency argument somehow or other doesn't seem to hold much sway. I think the government's impatience with the process is understandable – and my colleague has referred to it already – because they have a familiarity with the documents that we don't enjoy. It may be frustrating for those who already know the material, but it's an opportunity for the opposition to do their job, the job we were duly elected to do.

There are economic arguments. There are democratic arguments. You've heard a number of speakers in the past talk about those arguments, and it basically boils down to: what are our rights as MLAs in this House, and should they be tinkered with? If they're going to be tinkered with, who should do that tinkering? Should it be the government, or should it be a joint decision by all the parties involved? I think it's worthy of really careful consideration before we take away the right of any member of this House to enjoy the office as he or she has been elected to do. So I think we have to be very cautious before we make those kinds of moves.

We had a visit by the Lieutenant Governor the other day that reminded me rather vividly of this, where he talked about what a great job description he had and all the powers in the constitutional documents that he supposedly has. Then he talked about how limited his actions really were, but no one has ever suggested that those powers should be taken away just because he hasn't exercised them. That was one of the arguments I heard in the House. I heard some members saying, "Well, the Liberal opposition didn't go to the meetings anyhow, so what difference does it make?" I think the same argument that the Lieutenant Governor makes prevails there. He doesn't use the powers, but it doesn't mean they should be taken away. He doesn't use the opportunity, but it doesn't mean it should be taken away, and for good reason.

I would argue it's the same with this. For a variety of reasons you may not see members at a particular meeting. That I don't think is cause to jump to the conclusion that the opportunity for them to attend that meeting should be taken away. The democratic arguments I think are important ones, and they undergird the whole debate on the issue.

There's something that happened during the last election that really makes me nervous. I'm not sure how prevalent it was across the province, but certainly in Edmonton we heard arguments such as, "You've got to elect a government member, and that member has to be in cabinet if your constituency is going to be served." As an old social studies teacher it raised my hackles and it made me extremely nervous, because it seemed to me that it signaled on the part of the people making that argument a deep misconception and misunderstanding about democracy in this province and in this country and the role of political parties. Those statements were made, of course, by people who were

running for the government party. We saw them not only at election meetings; we saw the same thing printed in letters to the editor: how necessary it was, if this city was going to be appropriately represented, for them to vote into office people who would be in the government and, more importantly, would be in cabinet, because if they were going to be served, they had to have cabinet ministers. If you carry that to the extreme, as one of the candidates did, it meant there had to be a cabinet of 83 members and they all had to be government members.

So I'm nervous about the government and this government's and particularly some of the members' view of democracy and how the political system works. It also reflects back, I think, onto my colleagues and myself. In a former life as a social studies teacher, I wondered exactly what we taught in those classes so that we have adults believing some of the things they do about the system in the province these days.

#### 11:20

One of the other arguments that it raises is the whole business of institutional change. How rigidly do we hang on to the things that we had in the past, or how flexible are we in changing the institution so it meets the demands of today? I believe this is a place where we should be rigid, that it makes more sense to hang on to tradition, to do what has been done in the past. It leads me to the reason why I think that, and that's the budget itself.

I think the breakup into different rooms, as I experienced the last time, somehow or other trivialized the whole process. There's quite a difference between sitting or standing in this Chamber, even if people aren't listening, and talking about budget matters than in one of those cramped rooms upstairs and repeating the same process. I think it brings to the budget deliberations a constant reminder to members of why we're here and who put us here and what this whole building represents to the people of this province. I think that's important, because we talk here in billions and millions of dollars. You listen to our conversations this evening, and we get very flippant about it. The Provincial Treasurer made a statement about how hard tax dollars had been earned and sweated for by people, and somehow or other that gets lost in much of our debate. We'll talk about \$50 million flippantly, as if it were not very important. I guess I worry about the trivializing and the way we talk about things and where we talk about things. I think it's important.

I guess to conclude, Madam Chairman, I hope that members really take seriously the actions they'll vote for this evening, because it has long-term implications and it certainly is going to change or has the possibility of changing fairly dramatically our rights as members and particularly our rights as opposition members.

Thank you.

THE DEPUTY CHAIRMAN: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Madam Chairman. To begin, I'd like to paraphrase a quote and hopefully not defame it to too large a degree. Cowardice asks the question: is it safe? Expediency asks the question: is it political? Vanity asks the question: is it popular? Conscience asks the question: is it right? Conservatives ask the question and then say: oh, there should be no questions.

Is this Legislature an elected democracy or an elected dictatorship? I would prefer the former to the latter, and I believe in the former rather than the latter. This Legislature is not about muscle or about closure. It is about privilege and respect. Part of that

is defined by a Legislature and the governing party allowing all members of the House to have equal opportunity to raise questions about issues and matters that are in relationship to the taxpayers and are in relationship to their tax dollars. The mechanisms proposed by this motion do not allow for that, and I wonder why that is. Why would a government choose to enact a closure motion so frequently? Is it because there is no informed discussion, debate, or questions? Or is it perhaps that they are afraid of the questions they will be asked? I would say in response to that that you have no need to fear that our role in this Legislature is to assist you in being accountable. I have found from my own experience that oftentimes people with contrary views and contrary interests can in fact identify different avenues, different mechanisms, different approaches.

#### Chairman's Ruling Relevance

THE DEPUTY CHAIRMAN: Hon. member, I would just remind you that we are talking about the establishment of subcommittees and not the closure motion. A few minutes ago we were talking about closure. We have dealt with that. We are now on the establishment of subcommittees.

MRS. SLOAN: Thank you, Madam Chairman, for the reference. Quite frankly, the creation of subcommittees that do not permit me as a new member and new critic to be at two meetings that are occurring at the same time, both of which I have responsibilities for either at a constituency level or Legislature level – I'm not quite sure what differentiates that from closure, but I will respect your guidance on that.

#### Debate Continued

MRS. SLOAN: To go back to my point that in fact the opposition has a role to play to assist the government in being accountable and that our questions, whether they be in committee or in question period or in formal or informal meetings, have a significant role to play in that. If you choose to pass the motion, I will take it that you are, number one, not interested in being accountable, and number two, that you are afraid of the strength of the questions that we would have to ask. If you want to restrict the process, obviously you have the majority to do it. I will not, however, go on record as supporting it and certainly will not go on record supporting it when it sets a precedent in the Legislature so that people, either the public or future members or future House leaders of this House, will look back to you and say: well, this must have been an okay way to conduct our business, because it worked in 1997. I do not want to go on the record as supporting that skewed definition of democracy.

Thank you, Madam Chairman.

THE DEPUTY CHAIRMAN: The question has been called on the motion as amended. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

THE DEPUTY CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

THE DEPUTY CHAIRMAN: Carried.

[Several members rose calling for a division. The division bell was rung at 11:30 p.m.]

[One minute having elapsed, the Assembly divided]

[Mr. Tannas in the Chair]

For the motion:

Amery	Haley	Marz
Broda	Hancock	McClellan
Burgener	Havelock	McFarland
Cao	Hierath	O'Neill
Coutts	Hlady	Paszowski
Day	Jacques	Pham
Doerksen	Johnson	Renner
Dunford	Jonson	Shariff
Evans	Kryczka	Stelmach
Fischer	Laing	Stevens
Forsyth	Lougheed	Strang
Friedel	Magnus	Thurber
Gordon	Mar	Yankowsky
Graham		

Against the motion:

Blakeman	MacDonald	Sapers
Bonner	Massey	Sloan
Dickson	Nicol	White
Gibbons	Olsen	Zwozdesky
Leibovici		

Totals:	For - 40	Against - 13
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[Motion carried]

THE CHAIRMAN: The hon. Government House Leader.

MR. HAVELOCK: Thank you, Mr. Chairman. I move that the estimates be reported when the committee rises.

[Motion carried]

THE CHAIRMAN: You have another motion for us?

MR. HAVELOCK: Let's try the next one. Mr. Chairman, I move that Motion 13 as amended be reported when the committee rises and reports.

[Motion carried]

THE CHAIRMAN: The hon. Government House Leader.

MR. HAVELOCK: Yes, Mr. Chairman. I move that the committee rise and report.

[Motion carried]

[The Deputy Speaker in the Chair]

MRS. GORDON: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the 1996-97 supplementary estimates, No. 2, for the fiscal year ended March 31, 1997, reports the approval of the following estimates, and requests leave to sit again.

Community Development: \$5,500,00 for operating expenditures, \$375,000 for capital investment, for a total of \$5,875,000.

Health: \$124,513,000 for operating expenditures.

Transportation and Utilities: \$58,000,000 for operating expenditures.

Mr. Speaker, I wish to table copies of the resolutions agreed to in Committee of Supply on this date for the official records of the Assembly.

Mr. Speaker, the Committee of Supply has had under consideration a motion proposing the establishment of four subcommittees of the Committee of Supply, reports approval thereof, and requests leave to sit again. I would like to table a copy of this resolution for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? Carried.

The hon. Government House Leader.

MR. HAVELOCK: Yes. Mr. Speaker, I would like to seek unanimous consent for us to revert to Introduction of Bills.

THE DEPUTY SPEAKER: The hon. Government House Leader has requested the Assembly's unanimous consent to revert to Introduction of Bills. All those in favour of this motion, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. Carried.

head: **Introduction of Bills**

**Bill 6**  
**Appropriation (Supplementary Supply) Act, 1997**

MR. DAY: Mr. Speaker, I request leave to introduce Bill 6, the Appropriation (Supplementary Supply) Act, 1997. This being a money Bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

[Leave granted; Bill 6 read a first time]

[At 11:38 p.m. the Assembly adjourned to Thursday at 1:30 p.m.]

