

## Legislative Assembly of Alberta

**Title:** Tuesday, February 17, 1998 1:30 p.m.

Date: 98/02/17

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon. Today's prayer is taken from the Legislature of the Northwest Territories.

Let us pray.

Our Father, may Your spirit and guidance be in us as we work for the benefit of all of our people, for peace and justice in our land, and for constant recognition of the dignity and aspirations of those whom we serve.

Amen.

Please be seated.

head: **Presenting Petitions**

THE SPEAKER: The hon. Member for Highwood.

MR. TANNAS: Thank you, Mr. Speaker. With your permission I wish to present a petition today on behalf of approximately 1,000 constituents of Highwood. The petitioners are requesting "funding for a new Catholic School facility in Okotoks."

head: **Notices of Motions**

THE SPEAKER: The hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. Pursuant to Standing Order 34(2)(a) I am giving notice that tomorrow I will move that written questions appearing on the Order Paper stand and retain their places with the exception of written questions 1, 2, and 6.

I am also giving notice that tomorrow I will move that motions for returns appearing on the Order Paper stand and retain their places with the exception of motions for returns 7 and 11.

head: **Tabling Returns and Reports**

MS EVANS: Mr. Speaker, I am pleased to table with the Assembly four copies of a report by the Edmonton Joint Planning Committee on Housing. The report, titled Supply and Demand Update on Affordable Housing for Low Income And Special Needs Households, will be an excellent planning tool for our ministry and will help us guide our needs assessment in the city of Edmonton.

THE SPEAKER: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Speaker. I am tabling excerpts from July 30, August 18, and August 25 reports prepared by Goepel Shields & Partners for Alberta Treasury on the status of the Al-Pac loan.

THE SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Speaker. I stand here to table 32 letters from the school council of M.E. LaZerte high school. They do not support any increase in funding to private schools.

THE SPEAKER: The hon. Member for Calgary-North Hill.

MR. MAGNUS: Thank you, Mr. Speaker. As chair of the Council on Professions and Occupations I am pleased to table the 1996 annual report of the Alberta Dental Association and a report of the proceedings of the 88th annual general meeting of the Alberta Land Surveyors' Association.

Thank you, Mr. Speaker.

MRS. McCLELLAN: Mr. Speaker, today I am pleased to table a letter congratulating the Tom Reed rink for winning the men's provincial curling championship in Edmonton this past weekend. Mr. Reed curls out of Edmonton, but I understand that most of his rink is from the Tofield area. They will represent Alberta in the 1998 Labatt Brier in Winnipeg later this month. On behalf of all of us I wish them the best of luck there.

head: **Introduction of Guests**

MS EVANS: Mr. Speaker, it is my pleasure this afternoon to introduce 52 students from Jean Vanier school seated in the members' gallery. They are accompanied today by their teachers Mr. John Convey and Mrs. Vicki Whalley and also student supervisor Jeff McIntyre and Andria Whalley. They are here to tour the Legislative Assembly, and I'd ask the members to give them a warm welcome, please.

THE SPEAKER: The hon. Member for Cardston-Taber-Warner.

MR. HIERATH: Thank you, Mr. Speaker. I would like to introduce to you and to members of the Assembly Ryan Dunford. Ryan is the son of the Minister of Advanced Education and Career Development. I would like Ryan to stand receive the warm welcome of the Assembly.

MR. MITCHELL: Mr. Speaker, it's with great pleasure that I rise to introduce a group of University of Alberta students. They happen to also be members of the University of Alberta student Liberal association. You can tell because of the intelligent look in their eyes. I'm a little older than them, so I'm going to use these glasses. They are Stella Varvis, David Brodie, Cheryl Fougère, Sophie Mathew, Nick Cartmell, Sarah Stewart, Rachel Carpenter, Alfin Haji, Khadija Jetha, and Colin McKone. They have risen in the gallery, and I would ask that we give them our warmest welcome.

THE SPEAKER: The hon. Minister of Family and Social Services.

DR. OBERG: Thank you very much, Mr. Speaker. It gives me great pleasure to introduce to you and through you the daughter of my communications director. I would ask Lisa Scott to please rise and receive the warm welcome of the Assembly.

head: **Oral Question Period**

**Payments to Physicians**

MR. MITCHELL: Mr. Speaker, the Provincial Treasurer tells us that doctors will receive a 5.5 percent increase over the next three years, but his colleague the Minister of Health tells us that doctors will receive a 9 percent increase. This happens to be a difference of about \$25 million. Dr. Bill Anderson, the president of the Alberta Medical Association, says, however, that after discounting for population growth, for aging, and for inflation, the increase will be much closer to zero. In fact, I quote Dr. Anderson when

I say: if you believe that physician fees will increase, then you probably still think that Bre-X is a great investment. To the Premier: who is telling the truth? They can't all be right, Mr. Premier.

MR. KLEIN: First of all, Mr. Speaker, I would advise the leader of the Liberal opposition that we are still in negotiations with the AMA, but our priority certainly is to ensure that all Alberta doctors are fairly compensated for the work they do while maintaining the financial viability of the health system. Certainly doctors' salaries are a very, very important component relative to our costs associated with delivering health care. While we're prepared to give more money to doctors, there is a limit as to how much we can afford. We want to make sure that the extra dollars certainly go to compensate doctors but will also go to help improve the health care system for Albertans.

MR. MITCHELL: I want to thank the Premier for reaffirming that there is a limit to what he's prepared to pay doctors. The question I want to ask again, Mr. Speaker, is: could he tell us which limit it is? The 5.5 percent limit established by the Treasurer or the 9 percent limit established by the Minister of Health, or in fact is it the zero percent increase which Dr. Bill Anderson of the AMA has pointed out so aptly?

MR. KLEIN: Well, Mr. Speaker, I do feel uncomfortable about negotiating through the Legislature, because there is a process. There is a process, and that is the Department of Health negotiating with the Alberta Medical Association. As I understand it, the most recent government offer to doctors includes a 5.5 percent fee increase over three years: 2 percent, 2 percent, and 1.5 percent. I also understand that the offer includes additional funding to cover the cost of overexpenditures in the last year of the current contract. It includes extra funding for increased population and utilization in future years and increased funding for medical insurance premiums for doctors. I'm advised that in the overall package the offer would increase government spending on doctors – not on salaries but on doctors – by \$140 million, or 20 percent, over the next three years.

1:40

MR. MITCHELL: Isn't it odd, Mr. Speaker, that the Treasurer would underestimate in his own budget speech the amount of money he's actually dealing with here? My final question is to the Premier as well. Why is this province paying . . .

MR. DAY: No, Mr. Speaker, that's not odd.

MR. MITCHELL: It isn't odd, because he often is wrong with his figures.

Why is this province paying a professional headhunter up to \$1 million to recruit South African doctors when we can't keep graduates from our own medical schools here in Alberta because the system is collapsing and because he won't fund it properly?

MR. KLEIN: I will take that question under notice, but I can give a general answer, Mr. Speaker. One of the problems we're facing – and the Leader of the Liberal Opposition knows this – is that we're having a very difficult time recruiting doctors for rural areas. This has become a critical situation. For some reason big city doctors in many, many cases are reluctant to go to rural areas, and we have to look afar and overseas to find doctors to provide for medical needs in rural areas.

THE SPEAKER: Second Official Opposition main question. The hon. Member for Edmonton-Mill Creek.

#### Alberta-Pacific Forest Industries Inc.

MR. ZWOZDESKY: Thank you, Mr. Speaker. The Premier and the Treasurer seem to be on completely different wavelengths regarding the Al-Pac loan. In fact the Premier is in a rush and is willing to sell the loan on Al-Pac for only \$260 million. However, the Treasurer is writing to one of Al-Pac's major shareholders and saying that the sale price should be as close as possible to \$383 million. My question is to the Premier. Mr. Premier, why are you telling Alberta taxpayers that the best price we can get is \$260 million when the Treasurer is out there writing to the president and CEO of Crestbrook saying that the government wants \$383 million?

MR. KLEIN: Mr. Speaker, the government assigned an MLA to negotiate a deal with Al-Pac. The original deal came in at \$250 million. The hon. member was sent back to see if he could get a better deal. It came back at \$260 million. It was an offer that seemed to be appropriate and acceptable to the government at that time, but for reasons of their own Al-Pac decided to reconsider that offer, as I understand. As of this point today, unless the Treasurer has any additional information, that is the offer that is on the table.

The \$130 million to which the Liberals allude . . . [interjections] The \$133 million to which the Liberals allude is not a figure, because there is nothing on the table at this particular time. But if we did have the \$250 million dollars, we could invest that money and certainly make up the interest payments that we would have otherwise lost. This is the old saying that a bird in the hand is better than two in the bush.

MR. ZWOZDESKY: I'd like to ask the Premier then: who's actually in charge here and the responsible spokesman on behalf of the government regarding Al-Pac? Is it the Premier, or is it the chief financial officer, the Treasurer, or is it the MLA for Calgary-North West? Who's the official spokesman here?

MR. KLEIN: Well, I was elected leader of the party, Mr. Speaker, and last March the electorate expressed their confidence in my leadership.

Thank you.

MR. ZWOZDESKY: Well, I'm assuming, then, that the Premier is the ultimate person in charge, Mr. Speaker. So what I'd like to ask the Premier is: what is it that transpired between August 28, 1997, and November, when he made his comments, that would cause the Premier to disagree with the hon. Provincial Treasurer's figures and revise things from \$383 million down to \$260 million? What changed there? What happened?

MR. KLEIN: Mr. Speaker, I don't know if anything changed, but I'll certainly have the hon. Provincial Treasurer supplement.

MR. DAY: Mr. Speaker, the Premier has one hundred percent accurately described not only the present but the past state of events related to Al-Pac, and with all of these issues I am totally in accord with what he has described.

You know, when negotiations start, the Liberals might think and maybe the opposition leader with his dismal performance in investment at Principal Trust might think that you start at the

lowest and try and bail yourself out from there. Mr. Speaker, I can tell you that when you're negotiating on behalf of the people of Alberta, you take to the table the highest possible opportunity. It was reflected to the individuals related to this particular corporation: "Here's the full amount. We'd like to get the full amount. Now, if you want to talk about something less than that, come and talk, but we'd like to get the full amount." We start at the top.

THE SPEAKER: Third official main question. The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Speaker. There seems to continue to be a difference of opinion between the Premier and the Treasurer with respect to the value of the Al-Pac loan. My questions are to the Provincial Treasurer. If the Treasurer in his letter to Mr. Jim Shepherd on August 28 said that the value of the loan was \$382 million, why did the Premier in November of the same year say that it was \$260 million?

MR. KLEIN: Mr. Speaker, there is some uncertainty as to whom the question was directed. She's talking about the Premier, and she's looking at the Treasurer. Or was she talking about the Treasurer and looking at the Premier? I'm not quite sure. So take it from there. Right. I'll sit down.

MR. DAY: Again, I'm happy to supplement, Mr. Speaker. I can tell you that if she can't get it together any better than that, she's going to have a hard time even getting a fire sale price for her membership for the leadership race over there.

Mr. Speaker, I have offered for officials to be able to meet with the Treasury critic on the opposition side. He has availed himself of that opportunity, and he finds that it equips him better to more properly criticize us. I would extend that invitation also to the would-be leader over there, as she's obviously falling a little short in terms of the ability to comprehend these things. By all means, I would make officials available and I would be available to her to explain that when you negotiate with somebody, you don't come in at the lowest possible amount and say: "Here. Gouge me for this amount." You come in with the top dollar, and you start it from there. Now, if she'd like some further instruction in that, I'd be happy to accommodate her.

MRS. SLOAN: Again to the Treasurer: will the Treasurer agree to table tomorrow the value of the Al-Pac loan as it existed and as the Premier committed to do last Thursday so we can put an end, Mr. Speaker, to this leader and wanna-be leader on the Conservative side of the House?

MR. DAY: Mr. Speaker, we've kept up-to-date and we've kept the public up-to-date all through this process. We've also said on this question and on others related to negotiations on how the process flows, that when and if – and I have to underline "if" – a deal is closed, all that information will be made available. Obviously at this point in time, because of the value of the asset and what the different markets are doing, different people have different perspectives on that. The price goes up and the price goes down, and it will be up to the market to make some final decisions. All information related to this will be made abundantly clear if – and I underline "if" – and when a deal is closed.

1:50

MRS. SLOAN: My final question is to the Premier. Doesn't this

difference of opinion and amount between you and the Provincial Treasurer really constitute a breach of trust and communication between you and your cabinet member?

MR. KLEIN: Mr. Speaker, as I claimed before, any negotiation begins with an opening position. We sent out, as I explained, a member of our caucus to conduct negotiations on behalf of the government. The offer came back at \$250 million, which I understand is the principal amount owing. They wanted to pay that off. The hon. Member for Calgary-North West went back and negotiated yet a better deal at \$260 million. Again, we thought that we could take that \$260 million, invest that money, gain the interest that we otherwise would have lost, and in my mind and in the mind of this government it would have turned out to be a good deal for the government and a good deal for the citizens of this province.

The simple fact is, Mr. Speaker, that there is no deal. There is nothing, as I understand it, on the table. What we're talking about right now are ghosts. If they come back with another deal and if that deal is finalized by the government of Alberta, then as the Provincial Treasurer says, all of that will be made public and the Liberals can go to town on it if they want. But right now we're talking about ghosts. We're talking about nothing because there is nothing on the table.

#### Federal Transfer Payments

MS BARRETT: In the budget document last week, Mr. Speaker, I found an interesting little section. It's a paper that refers to federal/provincial fiscal issues. By my figuring, the elves from the Alberta tax federation have been working overtime in the department of Treasury. This paper, which could have and maybe was written by the Fraser Institute, advocates eliminating federal cash transfers to the provinces for services like health care and education because it would better insulate the province from federal interference in niggly little things like preventing extra billing and curbing two-tier health care. My question to the Premier is this: considering that the reduction by the federal Liberals in transfer payments for health and education exacerbated the crisis we already had in this province, will the Premier indicate today whether or not he supports the continuation of federal cash transfers, and if he doesn't, why not?

MR. KLEIN: Yes, I favour the system as long as it is fair and equitable. The question here, Mr. Speaker, one that we've been trying to resolve with the federal government, not just the province of Alberta but all of the provinces, is really the whole question of the roles and responsibilities of the federal government as it relates to the Constitution and federal spending powers generally. A case in point is health care. Yes, we will abide by the fundamental principles of the Canada Health Act, but when it comes to interpretation of the act, all of the Premiers in this country would like a system of fair and proper adjudication of the interpretation and not just an arbitrary ruling on the part of the federal government.

MS BARRETT: Well, Mr. Speaker, that's not what this budget book says, so I'd ask the Premier why he would be promoting an agenda that would allow his government to introduce two-tier health care without the threat of being penalized by the federal government when he knows that most Albertans, if not all, want to continue to receive those federal cash transfer payments.

MR. KLEIN: Well, of course, Mr. Speaker, we want to continue to receive those federal cash payments. But when you consider that in the province of Alberta now, when we're paying approximately 89 percent of health care costs through provincial revenues and considering that health is clearly under the Constitution a provincial responsibility and considering that, yes, there is a Canada Health Act that is supposed to reflect consensus amongst the provinces and the federal government as to how health care services are delivered, considering all those things, we want to make sure that whatever is done by the federal government is fair and equitable and that the provinces have a reasonable say in how health care services are delivered within the Canada Health Act.

MS BARRETT: Well, Mr. Speaker, perhaps the Provincial Treasurer can sort the Premier and everybody else in the province out by answering this question: why does the budget say in black and white that Alberta wants to get rid of the federal transfer program and go to a tax credit system if not to allow this government to get out of the responsibilities of fulfilling the Canada Health Act?

MR. DAY: Mr. Speaker, first of all, tomorrow I would like the opposition NDP whatever over here to please table for everybody to see her comments that she has just said right now and show those words verbatim in the budget book, because the trailing was a trailing, and it was trailing way behind reality.

The hon. Member for Red Deer-South, representing me in New Brunswick just last week while we were doing our budget deliberations here, was very careful to maintain Alberta's position, which is that we support the process of equalization grants. As far as the CHST goes, we are very, very concerned that that would be done across the country on a per capita basis, because as we improve and as we launch into certain programs, the federal government diminishes what we get in terms of that transfer, a case in point being the excellent work that was done in family and social services in terms of reducing the caseloads. When we did that as a government, when we took some tough but, as it's turned out, some very successful steps in reducing welfare caseloads by 63 percent, we get penalized for that, because the CHST itself, that particular transfer, is not based per capita. So we support the equalization payments one hundred percent. We are asking that all provinces get per capita on the CHST.

THE SPEAKER: Hon. members, before calling on the hon. Member for Highwood, I would ask for permission to do something a bit abnormal, and that's to revert to Introduction of Visitors.

HON. MEMBERS: Agreed.

head: **Introduction of Visitors**

THE SPEAKER: The hon. Minister of Environmental Protection.

MR. LUND: Thank you, Mr. Speaker. It gives me a great deal of pleasure to introduce to you and to the members of the Assembly, seated in your gallery, His Excellency Vladimir Kuramin. He's the Minister of Northern Development for the Russian Federation. Minister Kuramin is accompanied by his deputy minister, Mr. Zaidfidim, the president of the Russian Association of Indigenous People, and senior officials from the Canadian Department of Indian Affairs and Northern Develop-

ment. The minister and his delegation are visiting Alberta under the Canada/Russia institution-building for aboriginal peoples project, which is designed to provide assistance to the Russian federal government to formulate a new northern development and aboriginal strategy by way of examining the Canadian experience and expertise. The delegation has met with officials from Alberta Intergovernmental and Aboriginal Affairs and the Northern Alberta Development Council to gain an insight into Alberta's policies and programs in this area. This afternoon the minister will have the opportunity to meet with chiefs from the First Nations in Alberta, the Métis Settlements General Council, and the Council for the Advancement of Native Development Officers. I would ask that Minister Kuramin and his delegation now rise and receive the cordial, warm welcome of this Assembly.

THE SPEAKER: Thank you, hon. members.

head: **Oral Question Period**  
(continued)

THE SPEAKER: Mr. Clerk, please add on that time that was used for that.

The hon. Member for Highwood.

### Hunting and Fishing Licences

MR. TANNAS: Thank you, Mr. Speaker. My questions today are for the Minister of Environmental Protection. The Department of Environmental Protection has made an arrangement with Information Systems Management to manage the sale of fishing and hunting licence sales to begin in March of this year. While most new computer-based systems experience some initial difficulties at the beginning, this one seems to have more than its fair share. Could the minister describe how the arrangement for converting previous hunting and fishing licence dealers has progressed around this province?

2:00

MR. LUND: Mr. Speaker, currently all of the current vendors have in their possession a package that was sent out by ISM. They have until February 25 to respond if in fact they want to sign up and become a vendor under the new process.

MR. TANNAS: Mr. Speaker, my first supplementary is again to the Minister of Environmental Protection. What is the minister prepared to do in an active hunting and fishing area like Highwood, given that only two dealers out of 16 are committed to joining this new system?

MR. LUND: Mr. Speaker, from the initial assessment we knew that in fact there would be probably about a 50 percent reduction in the number of outlets that would be actually handling under the new system, but there's interest being shown by people and companies who are not currently vendors. As a matter of fact, many of the Alberta registry people are interested in becoming vendors. They have looked at the new process and believe that in fact it will work. The registry is a very good example of where a similar system has worked.

MR. TANNAS: Mr. Speaker, my final supplemental is to the Minister of Environmental Protection. Will the minister commit to a rigorous monitoring of the dealership issue in the next month or so to ensure fair and accessible licence sales and to reviewing this matter at the end of the 1998 hunting and fishing season and beyond?

MR. LUND: Mr. Speaker, we have undertaken that commitment before. We have said that we will be monitoring it very closely. Part of the contract with ISM calls for a distribution of outlets that would serve the public, so we will be looking to see if in fact there are vendors within the communities that currently have a vendor. Now, that doesn't mean to say that there's going to be the same number. No, there won't be the same number, but we will endeavour to make sure that the public, the people that need to buy a licence, will be served without much inconvenience.

THE SPEAKER: The hon. Member for Calgary-Buffalo, followed by the hon. Member for Fort McMurray.

### Health Care Funding

MR. DICKSON: Thank you, Mr. Speaker. Health care resources in the city of Calgary are badly stretched as a result of an influx of some 70,000 new citizens over just the last three years. This government, however, has decided to disregard advice from the Calgary regional health authority and has given that region some \$27 million less than what the Premier's own handpicked advisers said was necessary to meet the demand. My question this afternoon would be to the Premier. Will the Premier permit the Calgary regional health authority to run a deficit, even one as large as \$30 million?

MR. KLEIN: Mr. Speaker, I've had this discussion with the Calgary regional health authority and with the hon. Minister of Health. We will – and I've said this publicly before – work with the health authority to identify pressure points. If indeed those pressure points can be justified in terms of additional funds being allocated, we will address those needs. I understand that the chairman of the Calgary regional health authority welcomes such a review. We will have that review, and if the pressure points can be identified, if they are indeed legitimate, they will be addressed.

MR. DICKSON: Well, Mr. Speaker, turning provincewide, let me ask the Premier what his instruction is to the other regional health authorities: cut more essential health services or run up larger and larger deficits?

MR. KLEIN: The instructions, really, to the regional health authorities are to run a good service, provide adequate health care, and continue to look for better and more effective and more efficient ways of doing things.

Mr. Speaker, if there are problems within the Calgary regional health district or Capital regional health or any other regional health authority within the province, we will look at those issues and address them on a case-by-case basis. We've always said that if there are pressure points and if people are at risk, we will deal with these situations, because our commitment is to provide quality health care.

MR. DICKSON: Mr. Speaker, that response begs the question: why does this Premier attach more importance to the tax rate in the province of Ontario than he does to meeting the legitimate health needs of Albertans, the people he's been elected to serve?

MR. KLEIN: Mr. Speaker, the hon. member well knows that there was a significant increase to health care last year. There is a significant increase to health care this year. There has been massive restructuring to the health care system throughout the

province. We're to the point where indeed we're quickly arriving at a state-of-the-art health care system in Canada, a system that is operating with far less administration, a system that is running more effectively and more efficiently than ever before, and a system that, notwithstanding problems from time to time, still on the overall is providing first-class health care.

Mr. Speaker, again I say to the Liberal opposition: look at all the people who go into the health care system throughout this province day in and day out. Literally thousands of people get good health care treatment, get good treatment, and indeed are thankful for the treatment they get.

Mr. Speaker, this is so typical of the Liberals. They concentrate only on the negative. Well, Albertans aren't negative people. They know that overall the system is working, and they know that overall this government is committed on a priority basis to quality health care in this province.

THE SPEAKER: The hon. Member for Fort McMurray, followed by the hon. Member for Edmonton-Manning.

### Transportation Infrastructure

MR. BOUTILIER: Mr. Speaker, Albertans must travel great distances to get from place to place within Alberta, and of course gasoline is a very important commodity towards that end. My question is to the Minister of Transportation and Utilities. Can the minister tell the Assembly this afternoon what portion of a litre of gas the province receives in terms of fuel tax?

MR. PASZKOWSKI: Thank you, Mr. Speaker. Assuming that a litre of fuel costs 50.7 cents, the distribution basically is a crude oil cost of 39 percent, the refining costs and marketing are 12 percent, the retail margins are 6 percent, the federal tax is 26 percent, and the provincial tax is 18 percent. On that basis, the provincial portion works out to about 9 cents a litre.

MR. BOUTILIER: Thank you, Mr. Speaker. My supplemental to the same minister: can the minister tell this Assembly how much money the province of Alberta is putting into transportation infrastructure?

MR. PASZKOWSKI: This year, Mr. Speaker, the amount will be almost \$720 million. Of that, we raise about \$525 million from the sale of fuel that's used on highways. This particular year we've also infused an additional \$100 million that will be dealt with in the supplementary estimates.

MR. BOUTILIER: My final supplemental to the same minister: if the province is putting the money collected from the road users back into infrastructure, Mr. Speaker, why are our roads, especially in rural areas, in such poor shape?

MR. PASZKOWSKI: Mr. Speaker, I don't agree with the statement that our roads are in that poor of shape. Of course we have to recognize that we've gone through a very difficult year and that two-thirds of the province basically had 150 percent of the average amount of moisture that they normally receive. The rural roads, the dirt roads of course, have lost a lot of the aggregate and that, in part, is going to be where some of this additional money is going to be infused.

Having said that, we also want to remember that the federal government is capturing 26 percent of that fuel tax, well over half a billion dollars that the federal government is capturing from

Alberta every year. They return zero to the infrastructure of this province, absolutely nothing. Since 1989 the province of Alberta has received a total of \$50 million.

THE SPEAKER: The hon. Member for Edmonton-Manning, followed by the hon. Member for Calgary-North Hill.

### 2:10 Children's Gambling

MR. GIBBONS: Thank you, Mr. Speaker. KPMG Consulting recently reported in a gambling study that two-thirds of Alberta teens gamble. As people walk into convenience stores, they are being accosted by teens wanting adults to buy sports lottery tickets for them. The government's own study, sponsored by AADAC, shows that 8 percent of Alberta teens are addicted gamblers. To the Premier: what does the government consider to be acceptable levels of child gambling addiction, since it's obviously more than zero?

MR. KLEIN: Mr. Speaker, I take it – and I couldn't quite hear him – that it was child gambling addiction?

MR. GIBBONS: Yes, Mr. Premier.

MR. KLEIN: Well, no level is acceptable. However, I remember as a kid, 13 or 14 years old, going to the Shabens' garage and playing some cards. I think all kids did, but it probably wasn't acceptable, because when we were caught by Mr. Shaben, we didn't sit around there very long, I'll tell you. But, Mr. Speaker, no, of course we don't.

Aside from that, as I understand it, certainly children under the age of 18 are not allowed into casinos. Children under 18 are not allowed into bars. I don't know about bingo, if they're allowed to play bingo or not, but if they are, it's something that we certainly should look into. I would think that the gambling age for all people should be the age of consent.

MR. GIBBONS: Mr. Speaker, my second supplementary to the Premier: what percentage of young Albertans can we expect to be addicted to gambling a year from now? What are your goals?

MR. KLEIN: Mr. Speaker, that is too totally hypothetical. We hope that no children are addicted to gambling. But what is he talking about? You know, I would like clarification. If he's talking about children being addicted to VLTs, then there is something very, very wrong, because children are not allowed into bars, and the only place legal VLTs are allowed is in bars. If he's talking about children going into casinos, again there's something very, very wrong on the part of the operators, because children under the age of 18 are not allowed into casinos. If he's talking about children going to the pari-mutuels and betting the horse races, then there's something very, very wrong there, because people under 18 are not allowed to bet the horse races. So I don't know what he's talking about.

MR. GIBBONS: I'd like to start my preamble again. [interjections] Okay. Supplementary two, Mr. Speaker, to the Premier: why doesn't the Premier do the right thing and stop the government from profiting from the addiction of young children?

MR. KLEIN: Mr. Speaker, that question is probably – and I've been around here now nine years. This is, without doubt, the most ridiculous question I have ever heard. Quite simply: it is

illegal for minors to gamble, so we don't profit off illegal gambling.

THE SPEAKER: The hon. Member for Calgary-North Hill, followed by the hon. Member for Edmonton-Norwood.

### Transportation Infrastructure (continued)

MR. MAGNUS: Thank you, Mr. Speaker. Coming from the city of Calgary, we are in the fortunate position of growth and expansion. Unfortunately, with that growth it is difficult to maintain our infrastructure with the transportation grants that we receive. Can the Minister of Transportation and Utilities please advise why the city of Calgary receives so little? Did anybody hear that, Mr. Speaker?

MR. PASZKOWSKI: Thank you, Mr. Speaker. Basically the city of Calgary receives the same grants as every other city in the province. That's \$25 per capita. This year we're bumping it by \$7. We're advancing \$7.50 per capita as well as the \$1,959 per lane kilometre of primary highway that's located within the city. This amounts to almost \$32 million.

MR. MAGNUS: Thank you, Mr. Speaker. Because the minister earlier responded that he had a concern that other jurisdictions are not putting money back into an area where the money comes from, I would like to ask the minister: how is this different as it relates to the city of Calgary providing the province with \$200 million in fuel taxes per year?

MR. PASZKOWSKI: Mr. Speaker, we have the responsibility of servicing the infrastructure for the entire province because indeed our resources are generating revenue from the entire province, and our responsibility has to be shared throughout the entire province. We, again, are paying more than or as much as we receive out of the fuel tax. Our total budget is actually more at the end of the day. We have another level of government that's collecting far more as far as taxes on fuel are concerned and putting nothing back into the provincial economy. The question is: is that the right system?

MR. MAGNUS: Thank you, Mr. Speaker. My supplementary question is: is this all that the city of Calgary is going to receive?

MR. PASZKOWSKI: Calgary is in the fortunate position of also being on part of the north-south trade corridor. So a good portion of the infrastructure money that will be going to the north-south corridor will all eventually flow to the city of Calgary as well. So as the north-south trade corridor is developed, Calgary will also be eligible for funding to help develop the north-south corridor.

THE SPEAKER: The hon. Member for Edmonton-Norwood, followed by the hon. Member for Little Bow.

### Children's Services

MS OLSEN: Thank you, Mr. Speaker. The Department of Family and Social Services contracted Coopers & Lybrand to do an assessment of child welfare. The minister said that this was to ensure that our house is in order before regional child and family services authorities are appointed. One authority has already been appointed; all the authorities are to be appointed by April 1 of this

year. To the Minister of Family and Social Services: will you table in this Assembly the Coopers & Lybrand assessment so that we can, all of us, be assured that the house is in order?

DR. OBERG: Thank you, Mr. Speaker. The Coopers & Lybrand report was given to me, I believe, on January 23. What we are in the process of doing now is studying the document, which is some 300 pages. There are some excellent recommendations. There are some excellent issues that are being raised, and quite frankly there are a lot of issues that we have to take a look at and we have to address. The hon. member is absolutely correct when she states that we wanted this report in place prior to putting the authorities in, and it is in place. When we are done with our work on this report, we'd be more than happy to table it in the Legislature.

MS OLSEN: Thank you, Mr. Speaker. This is to the minister of children's services. If that's the case, why is the government, then, scrambling to proceed with an unproven system: no funding model, no standards, no monitoring and evaluation process in place?

MS CALAHASEN: Mr. Speaker, those are excellent questions. Actually we've got a funding model that's being prepared presently. It's taken a lot of work from various community members as well as people who've been on the commissioner's staff. We've also had the department who've been involved, and people have gone out and heard from people as to what should be happening with the funding model.

Mr. Speaker, in terms of standards we have been working on that also. The standards paper will be coming forward in terms of what needs to be done and what needs to be added. I think we have to be sure, whatever we do, that we have givens within the standards and that we have to ensure that the community can have flexibility to be able to work with what needs to be done in a community. That's something that I think the community members have told us. When we're talking about handicapped children's services, that's an area in the funding model that has come out as a concern. We're dealing with that issue.

Basically, Mr. Speaker, I would say that everything seems to be going on track. We've got a funding model that's going forward. We've got an allocation that's being looked at presently. I think it's a worthwhile effort for us to be able to go through and ask the community to be involved. I would insist also, in terms of looking at what we have done in a number of the other areas, that it is perfect when we're talking about people involvement. I think that's the most important part when we look at what's happening with children's services.

MS OLSEN: Thank you, Mr. Speaker. You know, we are six weeks from the appointments. Can this government tell us where the pilot programs will be? Surely they wouldn't proceed without one. That question is to the minister of children's services as well.

**2:20**

MS CALAHASEN: Mr. Speaker, when we're talking about community people who have been appointed, we have one group that's already been appointed, and that's region 4 in Calgary. That community and the people who have been appointed are excellent people who've been chosen. They've gone through a whole system of who should be involved. Those people have been chosen by the community. That's one model that we're

looking at in terms of what has to happen in community involvement. They have been involved in making sure that they are going to take this course of moving from what we call a bureaucracy system to what we call a community-based system. That takes a lot of transition. When we're talking about people taking control of their own lives, it means that we have to give them that time. We have given them three, four years of planning. We have also given them some time towards the end of 1998 to January 1, 1999, where we hope to be able to hand over the responsibility of family and children's services, specifically children's services.

Mr. Speaker, that to me is probably one of the greatest models that we have. I know that Calgary Rockyview children's services have been working very hard to make sure that every step has been taken care of. I know these people who've been appointed are intent on making sure that whatever we give them, they're going to be able to ensure that they do a good job.

THE SPEAKER: The hon. Member for Little Bow, followed by the hon. Member for Edmonton-Ellerslie.

### Community Lottery Boards

MR. McFARLAND: Good afternoon, Mr. Speaker. This past weekend I met with a number of municipal leaders in southern Alberta who seemed to have many concerns and some questions, maybe a lack of information that's clear on the operation and makeup of the community lottery boards. My question today is to the Minister of Community Development. Madam Minister, in a riding that has 13 elected councils and scores of community groups within one community lottery board, would you please inform this Assembly how that community lottery board is to select two municipal councillors to represent all the other municipal boards?

MRS. McCLELLAN: Mr. Speaker, I will certainly speak with the hon. member a little later on on the numbers, because I don't know of any area that has 13 elected councils in one lottery board. In the hon. member's area I think there are three community lottery boards. It still begs the question; you have six or seven or eight or less municipal councils or town councils.

What we have suggested in speaking with those municipalities is that they rotate: have two from an area for a period of the lottery year and two for perhaps another portion. If you had six, you could split it. I guess the most important thing is not how many municipal representatives you have on these lottery boards; it's how many community leaders you have on these lottery boards. We want to make sure that the municipal councils, in putting this process in place, look for people who have experience in their community, who are leaders, and who have the best interests of their community in mind. I am confident that every community lottery board will find that expertise and that commitment in their community.

MR. McFARLAND: Thank you, Mr. Speaker. My second supplementary is to the same minister. Once the community lottery board receives and approves an application, why does it have to send that application to Edmonton for further approval?

MRS. McCLELLAN: Well, if I could just clarify what is anticipated to happen, Mr. Speaker, my colleague from Lacombe-Stettler is working very closely with the community lottery boards that are formed and the ones that are getting up and running to

make sure that they understand the process, but the community lottery boards themselves will review all of the applications. They will, according to their community's priorities, approve the requests. Once those are approved at a local level, they will go to our regional office, where they'll be reviewed to make sure that there are no unanswered questions on the application and that they meet the general criteria. That's to save a lot of problems for the local community lottery board. Once that process has occurred, they will be submitted to Edmonton for the cutting of the cheques. There is no approval in Edmonton. The approval is at the community level. The regional staff will be there to assist them and make sure that every grant application that comes to Edmonton will be approved at the community level, and the cheque will be cut here.

MR. McFARLAND: Thank you, Mr. Speaker. My third supplementary that I'm asking on behalf of these municipalities is: rather than send all the applications to Edmonton for the issuance of a cheque, wouldn't it be just as cheap and more efficient to have the cheques issued by one of the municipalities that make up this community lottery board?

MRS. McCLELLAN: Well, Mr. Speaker, that was certainly our first premise as well. However, in a lot of discussions with municipalities, they felt that the administrative burden was going to be too onerous for them. I won't say that's a hundred percent across the province, but it was significant. They felt that the cost of cutting the cheques was going to be too much. Also, the other concern was the cost of auditing or tracking or making sure that the money had indeed been spent on the project outlined. So there was a decision made that we would provide some administrative services to those boards, and that comes in the way of cutting cheques, of auditing, of preparing brochures, guidelines, and promotional information. We have taken that responsibility on and have added \$1 million in administrative help so that the full \$50 million will be returned to the communities.

THE SPEAKER: The hon. Member for Edmonton-Ellerslie, followed by the hon. Member for Red Deer-South.

#### **Parks and Recreation Areas**

MS CARLSON: Thank you, Mr. Speaker. The quality of life in Alberta is declining. It's declining. You don't like to admit it, but it's very true. Albertans recently ranked nature as a top factor in the quality of life in this province, but attendance at parks, nature reserves, and related sites has been steadily dropping since its peak of 9 million visitors in 1994. Is the Minister of Environmental Protection's reason for anticipating a continued drop in attendance due to his parks privatization policy and fee increases that take effect at the beginning of this year?

MR. LUND: No.

MS CARLSON: Well, then, Mr. Speaker, how can the Minister of Environmental Protection justify setting a target attendance for our parks that is 1 million visits lower than the attendance he got before his budget cuts took effect?

MR. LUND: Mr. Speaker, I don't know where the hon. member's getting that kind of information.

MS CARLSON: Well, Mr. Speaker, he doesn't want to read his own business plans.

Maybe he can answer this question. Will this minister change the legislation so that interest, just the interest, from the environmental protection and enhancement fund, that now has over \$230 million in reserve, be used to keep parks and recreation areas open and run by the government? This would be in accordance with what the Auditor General's looking for. That's a little hint.

MR. LUND: Mr. Speaker, the revenue in that fund was never intended for operational.

head: **Members' Statements**

THE SPEAKER: Today three members have indicated their desire. We'll begin first of all with the hon. Member for St. Albert, followed by the hon. Member for Edmonton-Mill Creek, followed by the hon. Member for Airdrie-Rocky View. We'll begin with the hon. Member for St. Albert.

#### **Business Awards of Distinction**

MRS. O'NEILL: Thank you, Mr. Speaker. One week ago I attended the 1998 Alberta business awards of distinction in Calgary. This annual event celebrates the best, the brightest, the most innovative, and successful Alberta businesses. It also serves as a forum to highlight the outstanding contributions of the larger business community to Alberta's stellar economic performance. Alberta's enviable economic outlook is largely attributable to Alberta's hardworking, risk-taking, and highly skilled business community. Our entrepreneurs are quite simply a cut above the rest. They have an international reputation for technical excellence, customer service, and integrity.

I wish to take this opportunity, Mr. Speaker, to congratulate each of the nominees and award finalists for their hard work and outstanding achievement in the marketplace. The Premier's award was presented to the International Mascot Corporation of Edmonton. This is Canada's leading designer and manufacturer of top quality promotional character costume products.

From St. Albert the nominated finalists were Brilyn and Associates for the business service award of distinction, Farlie Worldwide Travel for the marketing award of distinction, and Pro-Western Plastics Ltd. for the manufacturing award of distinction. I am proud to represent all these owners and employees whose distinctive contribution to our local, provincial, national, and international economies are worthy of our appreciation and our admiration.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Mill Creek.

#### **2:30 Fiscal Stabilization Fund**

MR. ZWOZDESKY: Thank you, Mr. Speaker. Last Thursday the Provincial Treasurer tabled Budget '98, entitled Agenda for Opportunity. I want to begin by thanking him for allowing opposition members into the lockup and debriefing regarding that budget process. It was an historic move of openness on his part.

However, although the Treasurer is projecting a surplus of \$165 million for the coming year, even he must recognize that if the price of oil were to average \$16 per barrel and the price of natural gas were to average \$1.55 per million cubic feet over the course of the next year, then the government would be back in the business of cutting core programs in health care, education, and social services, and I don't think anyone wants that to happen. Yet Budget '98 is a budget of a missed opportunity because it fails to address how to effectively manage the fiscal surplus within the

framework of volatile revenues in order to sustain investments in our children's future that are crucial to our competitiveness.

Mr. Speaker, we do have a revenue problem in Alberta that has contributed to the knee-jerk, boom-and-bust budgeting process that we've experienced. How can you go on budgeting like this when you're out by billions in revenue projections, for example? Alberta Liberals believe there's a better way to sustain investments in our children than to rely on the price of oil as set in Cushing, Oklahoma, or the setting of natural gas prices in New York. Our plan is called the fiscal stabilization fund. Establishing a fiscal stabilization fund with annual allocations of \$200 million per year over the medium term would ensure that the province could balance the budget, pay down the debt, and sustain funding levels for our children and our competitiveness as a society during both good times and bad. The fiscal stabilization fund is an investment in our children's future and in our future as a province as we enter the 21st century.

Mr. Speaker, I look forward to constructive discussion in debate with members from all parties when my Bill 222, the Fiscal Stabilization Act, comes before the Legislative Assembly later this spring. Such a fund would provide easily liquidatable and accessible cash for unforeseen budget difficulties and/or for so-called pressure points. It's time this government gave this idea of a fiscal stabilization fund a very serious look.

Thank you.

THE SPEAKER: The hon. Member for Airdrie-Rocky View.

MS HALEY: Thank you, Mr. Speaker. I wanted to take a moment to acknowledge a group of young men and women who were kind enough . . . [interjections]

#### **Speaker's Ruling Decorum**

THE SPEAKER: Okay, hon. members. You know, Member's Statements are an important opportunity for all private members to express an opinion. It's been a time-honoured tradition that people shut their mouths and listen.

I'm sorry to interject, hon. Member for Airdrie-Rocky View, but I will introduce you again. You begin, please. Take your time. The hon. Member for Airdrie-Rocky View.

#### **Discussion with Young People**

MS HALEY: Thank you very much, Mr. Speaker. I wanted to take a moment to acknowledge a group of young men and women that were kind enough to spend part of their Saturday evening with me. The purpose of our meeting was really quite simple. It was an opportunity for them to question me about government programs and policies and an opportunity for me to hear their concerns or ideas about our province. Several are currently attending university; some are thinking about it. Others are taking time off to work, travel, and try and figure out what they want to do with the rest of their lives.

We discussed the employment standards review that is currently taking place. They had little to say about the minimum wage issue but instead focused on the employment standards manual that I had taken with me. They had never seen these manuals before and were fascinated that there actually were laws that governed at least a little of this important area of their lives. Perhaps this is an area that should be included in our mandatory CALM courses that our high school students have to take. The concerns they raised were things like: were they required to work for free while

being trained; what could they do when they weren't paid for overtime or work on statutory holidays; what could they do when their paycheque was late, when it was smaller than they thought it should be, or when it bounced, in fact, at the bank? Clearly, Mr. Speaker, we have to find a way to better inform our youths about their rights in the workforce.

We talked about the Speech from the Throne, the budget speech, and also about tuition fees. Interestingly enough, they were less concerned about what they were paying in tuition fees, and they were far more concerned about what the university itself was doing to ensure value for the money that they had to pay. For example, one young man said to me that his tutorials were not helping him because he could not understand his tutor. When he asked the professor for help, he was told to go to the tutorial. Clearly some work needs to be done here by the university. These are, after all, customers paying for a service that the university is trying to provide. Customer satisfaction is important.

Overall, Mr. Speaker, I learned a lot from them. I hope to have the opportunity to meet with them again to continue the dialogue that we began. I find them to be bright, articulate, and confident, not only in our province's future, but in their future in it.

Thank you.

THE SPEAKER: Before we proceed to Orders of the Day, we have a point of order. Edmonton-Glenora.

#### **Point of Order Abusive Language**

MR. SAPERS: Thank you, Mr. Speaker. I rise under Standing Orders. I'm making specific reference to 23(j), when another member "uses abusive or insulting language of a nature likely to create disorder." I am making reference to the exchange between my colleague from Edmonton-Riverview and the Provincial Treasurer, where in the Provincial Treasurer's response, in his efforts to avoid answering the question, he made several statements including those which were designed to undermine the credibility of the Member for Edmonton-Riverview and to question her ability to understand the issue that she was questioning.

In his typical fashion, Mr. Speaker, the Treasurer was very patronizing, very condescending, and whenever he's feeling particularly prickly about an issue, he tends to get a little dismissive and a little juvenile in his response. Now, I know that he's clever enough an orator that if he's choosing to avoid answering the question, he has the ability to do that without reducing himself to the petty and personal attacks which unfortunately he stooped to today.

So I would ask that the Treasurer withdraw those particular remarks and be cautioned about using his position as a member of Executive Council during question period to be insulting and dismissive of legitimate questions that are put to him. If he chooses not to answer the question, that's his business. He doesn't have to add insult to that injury.

MR. HAVELOCK: Well, Mr. Speaker, I listened carefully to the Treasurer's answers to the questions from the Member for Edmonton-Riverview. He basically made some factual comments. He stated that she's a would-be leader, although the way things are going it's more appropriately a wouldn't-be leader. I would think also that . . . [interjections] Mr. Speaker, did I listen to him?

THE SPEAKER: The Government House Leader did listen attentively, so let's hear what the hon. Government House Leader has to say.

MR. HAVELOCK: Thank you. He in no way used insulting language. His language wasn't provocative. He simply pointed out that he felt the hon. member from Edmonton-Riverview was having some difficulty understanding the issue. Quite frankly, today that was probably an accurate statement. Therefore, there's no point of order.

THE SPEAKER: Well, actually hon. members, in listening to the arguments put forward by both House leaders, probably there were more provocative words used in the exchange in this matter than there actually were in the exchange between the hon. Provincial Treasurer and the hon. Member for Edmonton-Riverview.

One listened very attentively. I guess it was Tuesday. It's been a long weekend. There were a few statements made today which were probably a bit biting, but all in all one did hear leader wanna-be from both members, the Provincial Treasurer and Edmonton-Riverview, so we call this a tie and move on with Orders of the Day.

*head:* **Orders of the Day**  
*head:* **Public Bills and Orders Other than**  
*head:* **Government Bills and Orders**  
*head:* **Second Reading**

2:40 **Bill 204**  
**Workers' Compensation Amendment Act, 1998**

[Adjourned debate February 11: Mrs. Soetaert]

THE SPEAKER: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Speaker. It's a pleasure to rise this afternoon and say a few words about Bill 204.

The Workers' Compensation Board here in Alberta was founded at the end of World War I and operates under the authority of the Workers' Compensation Act. This Bill 204, the Workers' Compensation Amendment Act, 1998, is a legislative amendment which will allow the WCB on behalf of an injured worker to take action against an employer other than the accident employer in a transportation-type accident where public liability insurance is held.

The hon. Member for Calgary-Egmont is to be congratulated on bringing forward this piece of legislation. I think it would be safe to say in this House that the majority of us have case after case in our constituency office where workers feel that they have not been dealt with fairly by this board, the Workers' Compensation Board. If this piece of legislation is passed and becomes law and helps improve not only the rights of the workers and their ability to recover from their accident but also the rates of the employers, their total workers' compensation payroll tax, whatever that is, if that can be reduced through this, then this is a positive piece of legislation.

This bill will also grant the WCB the discretionary power, in the event that medical opinions are in conflict, to resolve the issue through a process of consultation involving the worker, and this may include convening a medical panel. We all realize there are certain policy issues for which the WCB must have background research from scientific, clinical, or legal specialists before proceeding to either ongoing or formal consultations. In case of

a conflict in medical opinion, to resolve the issue, a more comprehensive expert consultation process should happen. The highest quality medical knowledge is required to help determine the relationship between illness or injury and the workplace. The WCB needs to look outside its own organization from time to time to find external scientific technical research to clarify knowledge or complex conditions, diseases, or injuries. For example, Mr. Speaker, the knowledge may be needed for workers with respiratory ailments, those workers that have been exposed to asbestos or asbestos products in the workplace and have also smoked extensively. Now, this is one group that we have to think about.

Whenever this panel gets together, what becomes of the information, the disclosure of that information? We have to be very, very cautious about this, and I don't know whether Bill 204 can address this, Mr. Speaker. There are confidentiality provisions in the Alberta Workers' Compensation Act to protect workers, employers, and other persons. The Act gives the WCB discretion to disclose information from a worker's claim or an employer's account file in certain circumstances. The WCB needs to obtain expert opinion to determine the appropriateness of disclosure in some situations and the impact of Alberta's Freedom of Information and Protection of Privacy Act on disclosure policy.

The main disclosure issues, Mr. Speaker, for this expert medical panel in Bill 204 are, I believe, medical information which could be misinterpreted by unqualified individuals or could include information not relevant to the issues at hand. What is the best means of providing an employer with relative information about the worker's disability and work restrictions without breaching personal privacy?

Another point, Mr. Speaker, is that the current policy indicates that once an investigation is completed and the information becomes part of the file, the WCB may disclose information to persons directly concerned. However, inconclusive investigation findings have no impact on decisions that are not currently placed on the claim file. While full disclosure may help a worker or employer better understand the circumstances leading to a decision, automatic disclosure of all investigation material may bias an employer and affect further employment or hamper the effectiveness of further investigations.

Now, should the WCB automatically release information to the worker or third party following one of these investigations by a panel? Should inconclusive investigative findings become part of the claim record? Mr. Speaker, the WCB receives requests all the time from safety associations funded under the act to release the total premium and claim data and some individual account data, such as an employer's name and address. There is some concern that safety associations are not persons directly concerned or agencies of the government of Alberta and may not be entitled to the information. However, it seems reasonable to provide relevant information to safety associations funded through the WCB in an effort to reduce workplace injuries. I ask: are the conditions governing the release of employer information to safety associations funded under the act appropriate, or should we have a look at them, perhaps in Committee of the Whole later on, regarding this Bill 204?

Now, Mr. Speaker, the fact that the medical panels should be convened and that they should be convened fairly and the fact that this is going to be outside what's presently going on, maybe this is going to stop some of the frustration that occurs at our constituency offices whenever constituents come in with a problem. One problem that has long been prevalent, as I said before, is the frustration that many injured workers have due to the fact they do not believe that this organization, the Workers' Compensation Board, has taken into consideration the full severity of their injury

or disability and has therefore not provided them with their rightful entitlement.

Now, a few constituency offices have not been contacted by frustrated workers. My office is contacted by workers from all over the province, and these workers have spent years trying to convince the WCB that their injury prevents their ability to work or to be retrained to a greater extent than the board has determined. This frustration, hopefully, Mr. Speaker, will not end in violence. The worker's claim is usually supported by their own doctor, and this three-doctor panel that's proposed is a step in the right direction. In some cases frustration can lead to violence, but as I said before, I hope it does not anytime soon. You go to the WCB, and the glass is very, very thick, and that is to prevent frustration from boiling over. Whenever spring comes along, I'm sure the parade of injured workers up here on the hill will start again. If this bill can stop that, then the hon. Member for Calgary-Egmont has done this Legislative Assembly and this province, the workers, and the employers a good service.

Whenever we're talking about the WCB, Mr. Speaker, we should consider what is not in this bill. There's nothing in this bill, in this amendment act, that addresses the concerns of the Auditor General, and I think that has been overlooked. We all know that the Minister of Labour states here in the House that the Workers' Compensation Board is at great arm's length from the Department of Labour. Well, the Auditor General has other things to say about this. He feels that perhaps there should be some proposals put forward by the government to make sure that there is open accountability of this institution. That is not happening here in this Workers' Compensation Amendment Act, Bill 204.

In the future, if members across the way could kindly read thoroughly the Auditor General's report and what he has to say about the Workers' Compensation Board, I think we would have a finer Workers' Compensation Board in this province.

Thank you, Mr. Speaker.

THE SPEAKER: Before I call on the hon. Member for Edmonton-Centre, might we revert briefly to Introduction of Guests?

HON. MEMBERS: Agreed.

**head: Introduction of Guests**  
2:50 (reversion)

THE SPEAKER: The hon. Member for Calgary-Fort.

MR. CAO: Thank you, Mr. Speaker. On behalf of the Member for Calgary-East and myself I would like to introduce to you and through you to the members of the Assembly a young and dynamic member of the Calgary city council, Alderman Joe Ceci. I would like to ask Alderman Joe Ceci to rise and take the welcome from the Assembly.

**head: Public Bills and Orders Other than**  
**head: Government Bills and Orders**  
**head: Second Reading**  
**Bill 204**  
**Workers' Compensation Amendment Act, 1998**  
(continued)

THE SPEAKER: Hon. Member for Edmonton-Centre, I'm afraid

I've made an error. I should have recognized the hon. Member for Calgary-Montrose, who did catch my eye before. You'll be next, hon. member.

MR. PHAM: Thank you, Mr. Speaker. It is my pleasure to join the debate on Bill 204 today, the Workers' Compensation Amendment Act. This bill deals with an area that I have followed very closely over the last two years, and I would like to commend the Member for Calgary-Egmont for bringing this bill forward.

The first part of the bill deals with the amendment of section 18 to allow injured workers and their relatives to go after a third party in the court if those people did cause the injury because of negligence and so forth. I have no problem with that amendment, because any amendment that gives the injured worker more options to compensate for their loss is always welcomed by me.

I would like to focus more on the second part of the bill, which deals with the problem of when there is conflicting medical information. That is an area that over the past several years I have had many, many complaints on from injured workers. One of the principles that the WCB Act has is the thing that's called benefit of the doubt. Whenever there is conflicting medical information, the injured workers are always supposed to be given the benefit of the doubt by WCB. However, it only works in theory; in reality it doesn't work that way. Many times that decision is left up to the caseworker, who may not necessarily have all the required knowledge to make the decision on which way he should go.

Most of the time the medical opinions of the WCB doctors are taken in precedence over the decisions of the other doctors, and I think that the idea of creating a medical panel where you have

- (a) one physician selected by the Board,
- (b) one physician selected by the worker, and
- (c) one physician selected by the members appointed under clauses (a) and (b)

is a good, balanced approach to this problem. If we have a case where conflicting medical information is presented, I think it makes sense to ask for a third medical opinion, and that third medical opinion has to be neutral. The best way is to have the two physicians who disagree on the medical opinion come up with the third person that they can all agree with and all have respect for. That is important because today WCB does have that monopoly, and that monopoly is a very, very strong tool that they can use in dealing with the workers. Even if the workers are not happy with WCB policy or performance, there is not much they can do because they only have one way to go. They only have the WCB to deal with.

If a worker is not happy with a WCB decision, they have to go to the CSR, the Claims Services Review Committee, and if they're still not happy with the CSR decision, then they can go to the Appeals Commission. After that, if they are not happy with the Appeals Commission decision, then it can go to the Ombudsman. Then only after that can it go to court. At the court level – I didn't find this out until two years into my mandate – even if the court renders the decision against WCB, if they find that WCB is not doing the right thing, the best they can do is to refer the worker right back to WCB again. So the worker can be in that group or that cycle forever. That is very distressful for many of these workers. We have to realize that they are not the kind of people in the best shape. Most of the time they are long-term injured workers who have suffered financially over a long period of time, and behind every case there are family members and financial hardship that we cannot even imagine.

I met with a constituent in my office about a month ago. He'd

spent 15 years in the Canadian armed forces, and he'd received many distinguished awards from the Canadian armed forces. He was a tough man. He must have been a very tough man when he was in the army to have received all of those awards, but he broke down and cried in front of me in my office. This man's history was an eye-opening experience for me, because he lost everything. After he suffered the injury at work, he lost his family, he lost his marriage, he lost his house, and he's practically a homeless person now. The root of his problem is, again, conflicting medical information. His doctors say one thing, and WCB doctors say another. For me, I can never imagine how a case manager can make that decision and be a hundred percent certain that it is correct.

The major difference between the WCB and any government agency or, for that matter, any private agency that I know of is the question of accountability. The question of accountability is very, very, troublesome when it comes to WCB because today WCB is not truly accountable to anybody. On one hand it has a monopoly, but on the other hand it is arm's length from this government. So even the Minister of Labour, if he wants to, cannot intervene, cannot interfere with anything the WCB does. The board of directors of WCB is appointed by this government, but after that, they become an independent body. Even then they only can set a policy. They have no power to intervene in the day-to-day operation at WCB. Policy is one thing, but once you apply the policy, it is quite a different matter. You can have the best policy in the world, but if you do not apply it properly, then it still doesn't work for injured workers.

I mentioned earlier about the benefit of the doubt policy. That policy, if it was applied properly, I think could eliminate many problems that we have today. But it was not and it has not been applied properly, and I do not know how to end that problem. This Bill 204, if it is passed, will help somewhat in establishing a way to handle conflicting medical information. But I think it is still a long way to get to a point where I can personally feel comfortable to look in my constituents' eyes and tell them that there is a way for them to hold the WCB accountable.

Mr. Speaker, I am going to vote for this bill because I think that it is a step in the right direction. I hope there will be more that we can do in the future to even strengthen the act and give that accountability to the workers, because after all, the system is there to serve them. Whenever an agency is set up to serve a group of people, that agency should, I believe, be at least accountable to that group of people. In our society today I cannot think of any other agency that has that kind of power and that can get away with that kind of absolute power like the WCB organization has. I strongly encourage every member of the Legislature to look at it and think how to find a way to make sure the WCB is accountable to somebody.

Thank you, Mr. Speaker.

**3:00**

**THE SPEAKER:** The hon. Member for Edmonton-Centre, followed by the hon. Member for Calgary-Fish Creek.

**MS BLAKEMAN:** Thank you, Mr. Speaker. I'm pleased to rise today to speak in second reading to the intent of Bill 204.

I'd like to note the comments made by the hon. Member for Calgary-Montrose, a very thoughtful analysis of some of the points covered in this bill. But I would have to disagree with the hon. member on one point: I don't think the Workers' Compensation Board was set up to be solely of benefit to the workers. It was quite clear to me in my reading of the origins of this that it

was set up mostly to the benefit of the employers in that they would not be sued. I believe it came out of a terrible mine accident in the Maritimes. So the people that truly benefit from this act are the employers, and nothing much has changed for them.

I think there was a time when the Workers' Compensation Act was of more benefit to workers than it is today. Again, the hon. member has touched on the topic of the benefit of the doubt. I know that in the past the benefit of the doubt principle was applied more liberally than it has been in the last four or five years. I would hope that during this debate on Bill 204 we would examine some of the reasons why that has changed, because these are people who have worked hard, presumably in an occupation that is of benefit to all of us. Then they are injured, and now we are financially penalizing them as well. So I think whatever we can do to strengthen the Workers' Compensation Act to be of more benefit to the worker the better.

Workers often feel very disenfranchised from the process. Not many of them are lawyers or hold MBAs. They're not very good at reading the fine print. They find that it baffles them. The legalese which greets them as they start this process is very alienating for them. They often feel that they've lost control over their own life, and this is happening to someone who is injured. This is not happening to someone who is at the height of their physical and mental abilities. This is happening to someone who does not feel well, and in that, I think sometimes they're taken advantage of by this system.

For the workers that have come into my office – and the other speakers have alluded to this, and I will certainly support them on that one – next to social service concerns the workers' compensation concerns are the second highest reason to bring a concern through to my office. They have great concern. By the time they come in to see an MLA, they've probably tried a number of the appeal processes that are available to them through workers' compensation.

The medical information is a point of great contention. A worker's own family doctor, to whom they have been going for years, does tests on them and says, "Yes, indeed there is a lifelong disability here," to whatever extent, and then that file seems to be reviewed by medical advisers that are appointed by the Workers' Compensation Board. Without ever seeing the patient, they can overrule what the GP has said. This is a miracle of modern training, I guess, but there seems to be very little attempt to actually get the workers in and order additional tests for them. Perhaps that's because there was nothing in the act to allow them to do that, in which case the section in Bill 204 which does allow additional tests is an improvement. But I suspect that they always had the ability to request additional tests. So the armchair medical advisers that overturn what a worker's own doctor has said are most baffling to the worker and, I'll admit, to this member as well. When they have the ability to order new tests and they don't, when they just do it from the paperwork off the file, I don't agree with that.

I think the idea that is explored through Bill 204 of a medical panel, especially since it allows for the panel to be made up of the two opposing sides and then a third member that's agreed upon by both of them, is an excellent idea. This is what a lot of the people that have come to me are looking for: just a fair opportunity to represent their views. There have been a number of complaints brought to me by workers about information in their files that has gone missing. They've provided it, but it doesn't turn up in their file. Their information turns up in someone else's

file. Someone else's information turns up in their file. Then the medical adviser reads someone else's information in my worker's file and rules that they don't get a benefit. It's pretty frustrating, all of that. My understanding is that you have to present new information when you go forward in the appeal process, and it's difficult for the workers to understand what the new information would be because they really at that point have no idea what is actually in their file. There's a lot of concern about the record-keeping there. So if I might suggest that, perhaps that's another area we could debate more and, hopefully, look for some action in.

A concern that I hope will be addressed, perhaps in response from the members opposite, is that if the medical panel decides to have additional tests done, the worker's benefits would be suspended. I would hope that there would be something put in there that would indicate that those tests are to be done and that that decision is to be reached forthwith. I don't want to see a bureaucracy dragging its feet with a worker whose benefits have been suspended while someone tootles around delaying these tests. That is unfair. I would like to see something in the legislation perhaps that will come forward during Committee of the Whole which would give a time line that would be expected to be followed under that particular area.

I don't have a lot of personal experience with workers' compensation, and I'm grateful for that. However, my brother was terribly injured a number of years ago. He was cared for by workers' compensation, but I have to say that that's not a total compliment in that he had to have an advocate working at all times to make sure that he was aware of and could take advantage of the benefits that were available to him. There was no question in this man's injury where the fault lay. He was totally covered by workers' compensation, and still he had to fight hard to get these benefits. So I guess that's harking back to my opening statement about how this act was actually set up mostly for the benefit of the employers and less so for the workers. I think we spend all of this time playing catch-up, trying to make it a more equitable situation and truly to protect and look after our workers.

I understand that there are malingerers, that there are people that invent injuries or make their injuries out to be worse than they are in order to collect a pension, but let's remember here, folks, that these pensions are not grand. People are not pulling down the big income if they manage to qualify for a full workers' compensation disability pension. We're still talking just barely above the poverty line, whichever poverty line you would like to take.

### 3:10

So I would hope that we would look to create a system in which, yes, we would be careful to deal with the 5 percent who cause us problems, but please, don't make the other 95 percent jump through hoops unnecessarily with time delays and financial delays involved in that. There's no need. We're advanced enough; we know the system well enough. I don't see why we have to penalize the other 95 percent to catch the 5 percent.

One note that I was disappointed not to see included in this bill is there's nothing in here dealing with the disenfranchised widows. The survivor's spouse is mentioned briefly in this section with the traffic accidents, but seeing as the disenfranchised widows controversy is well known, I had hoped that that would have been dealt with in that bill. These are WCB widows who remarried before 1985, and they are treated differently than those who did not remarry. Given that our federal and our provincial human rights codes are fairly clear that there's not to be discrimination

based on marital status, I was hoping that this bill would have been an opportunity to investigate that and, hopefully, correct that wrong.

Just in closing, I hope that the overall intent of this bill is to the advantage of the worker. I think we've looked after the employer very well, and we really do need to look at protecting our workers. It doesn't help any of us to have people out in our society who cannot contribute to the level they would like to and that we then impoverish them further. I think we want to move people, with dignity, please, into a new profession or to assist them in some way to be contributing members of society, because they wish to be contributing members of society. They don't wish to be treated as though they've done something terribly wrong, as though they've committed an insult against society by having the bad luck to get injured on the job.

So I would look to members of this Legislature to follow through on the intent of this bill as I see it, and if I have misunderstood parts of it, then I look to hearing what other things are going to be proposed.

With that, I'll thank you very much.

THE SPEAKER: The hon. Member for Calgary-Fish Creek, followed by the hon. Member for Edmonton-Calder.

MRS. FORSYTH: Thanks, Mr. Speaker. I'm pleased to join the debate on Bill 204, sponsored by the hon. Member for Calgary-Egmont. Bill 204, the Workers' Compensation Amendment Act, addresses two very important issues, and I'm pleased to speak in favour of the bill.

Mr. Speaker, the WCB, the Workers' Compensation Board, has made strides to improve itself, and I think that is reflected in its performance over the last several years. Indeed, in 1995 the Workers' Compensation Act was amended to firmly establish the responsibilities of the board of directors to govern the corporation and gave the WCB greater independence from government. In addition, the changes require the WCB's operation to be fully funded. I think this was a positive step in creating a board independent of government. This is not to say that government has divested itself of the WCB entirely. The board of directors is appointed by the Lieutenant Governor in Council and reports to the Minister of Labour, which ensures accountability. The arm's-length relationship between the government and the WCB is just another example of the government's continuing move to act in areas where needed, to divest itself in areas where the private sector or other industries can do a more efficient job, and to form partnerships where possible.

Mr. Speaker, the workers' compensation system provides workers with compensation benefits if they are injured on the job, regardless of whether they are negligent or not. In return for this protection, workers give up the right to take legal action against the employers or any other employee also covered under this act. In addition, employers pay a hundred percent of the cost of the workers' compensation system through premiums that reflect the cost of claims in the industry and the individual accident experience.

The no-fault collective liability workers' compensation system serves two functions: to ensure that workers receive rehabilitation and compensation no matter who is at fault and, second, to protect employers from lawsuits. Mr. Speaker, I don't think many members in this House would argue against the principle of collective liability and the no-fault insurance regimen of the WCB. Having said that, the original concept behind the no-fault workers'

compensation insurance in Canada, as previously stated, was to protect the workers and the employer. However, with the advent of mandatory motor vehicle insurance and other forms of transportation insurance, the absolute immunity of workers' compensation began to break down in other provinces so that civil action could be taken against an employer other than the accident employer in transportation-type accidents.

Mr. Speaker, as it stands in Alberta, workers covered by the WCB, which is the majority of Albertans, are barred from taking legal action involving a third party who is also covered by the WCB in transportation accidents occurring off the work site. Ultimately, the worker's employer and the WCB accident fund is responsible for the worker's injury. Under the current situation the only one protected by the provisions of the Workers' Compensation Act are the private insurance companies. I hardly think that was the intention of Sir William Meredith when he envisioned workers' compensation in Canada.

The provisions in Bill 204 would serve to rectify the current situation in Alberta and therefore update the Workers' Compensation Act to account for compulsory transportation insurance. The provisions in Bill 204 would benefit the worker and the employer. Under the provisions proposed by Bill 204, the worker who is covered by the WCB would be able to pursue civil action through the WCB against a negligent third party who is also covered under the act.

As my colleague from Calgary-Egmont has stated, currently, in the event of a transportation accident occurring off the work site, a worker covered by the WCB would receive workers' compensation or may be retrained for another job. The injured worker may suffer an injury through no fault of his own yet be barred from taking action just because the party at fault was also covered by the WCB or, Mr. Speaker, even worse cases, when a worker is killed in a transportation accident and the family cannot seek retribution from the third party at fault. These transportation accidents have occurred off the work site through no fault of the worker or negligence of the employer. In effect, the current provisions under this act prevent injured workers or their families from protecting their livelihood, which goes against that fundamental tenet of natural justice.

As I understand it, currently if a worker covered by the WCB is injured or killed in a transportation accident along with another person not covered by workers' compensation, the worker or his or her family could not pursue civil action, whereas the other person could. This situation hardly seems fair, Mr. Speaker. Again, Bill 204 would rectify these problems.

I think all members of the House would agree that Bill 204 serves to create a level playing field among Albertans in case of transportation accidents that occur off the work site. It would create a system where workers covered by the WCB are not penalized for negligent actions by third parties in transportation accidents that occur off the work site. Bill 204 would also relieve employers' responsibilities for accidents that occur as a result of a negligent third party, which would reduce their accident rate in workers' compensation premiums. In addition, the provision in Bill 204 would reduce the strain on WCB's accident fund. Mr. Speaker, combined, I think the provisions in Bill 204 make this a solid and needed piece of legislation, and I support the concept of the bill.

That brings me to the second provision in Bill 204. The second provision in Bill 204 involves cases where a worker is injured on the job. Mr. Speaker, the WCB has a very thorough process in the event a worker is injured in a work-related accident. If a

worker is injured, the worker fills out a report for the WCB, and the worker's doctor sends the injured worker's medical report to the WCB. The WCB checks whether the worker's injury is covered by workmen's compensation insurance and, if so, decides how serious the injury is. In the case where the injured worker cannot return to work, the claim is given to an adjudicator, who decides whether the claim will be accepted, and if the claim is accepted, the adjudicator sets the compensation rate and issues benefits every two weeks until the employee returns to work. If the employee will be unable to return to work for a longer period, the claim is transferred to a case manager, who contacts the worker, the employer, and a health care provider to develop a return-to-work plan.

Mr. Speaker, the workers' compensation system runs quite well in the majority of cases. If the worker is dissatisfied with the decision about the claim, they can have it reviewed by the claimant services department. If the worker is still dissatisfied with claimant services, they can appeal in writing to the first level of appeal, the Claims Services Review Committee, which consists of at least three members including the chairman.

### 3:20

Mr. Speaker, the final level of appeal for the worker is the Appeals Commission. The Appeals Commission is independent of the WCB and hears decisions of the Claims Services Review Committee or assessment review committee. The Appeals Commission is bound by the provisions set out in the Workers' Compensation Act and the regulations made under the act. The commission is also bound by policies determined under the board of directors of the WCB.

There are provisions in the current workers' compensation framework that provide injured workers with an avenue to receive compensation and to return to work if possible. Statistics to the end of April '97 indicate that there has been a significant reduction in initial appeals to the Appeals Commission from the WCB Claims Services Review Committee decisions relative to the same period in 1996. This is definitely positive and indicates that the WCB is working to improve its client satisfaction. I think the WCB should be commended for the work they have done, and I hope that they will continue to work in that very positive direction.

Mr. Speaker, the provisions in Bill 204 address more serious cases. WCB case managers have always had the option of requesting a medical review panel, which was formalized in WCB procedure in December of 1996. A medical review panel is considered where there are significant differences in medical opinions on the claim file, significant differences in medical opinions regarding the cause/effect relationship of a worker's injury or illness to work duties, or differences in opinions or doubts concerning the assessed degree of permanent clinical impairment.

Mr. Speaker, the intention of the provisions in Bill 204 is to make an open and accountable framework and place the worker's concerns at the forefront. The provisions in Bill 204 allow the worker to initiate the action to request a medical review panel. If the worker's request is accepted by the board, the injured worker is able to select a specialist of his choice. The board also selects a specialist, and in turn the specialist selects an additional panel member.

Mr. Speaker, I strongly believe that the provisions in Bill 204 provide a firm principle and enshrine the workers' needs in legislation. The provisions provide a clear message to the WCB to ensure they have a clear and precise procedure in place to

rectify cases of conflicting medical opinion. Even if the findings of the panel do not fall in favour of the worker, at a minimum the worker can say they were given due process by an objective review by a medical panel.

The issue at hand is very serious cases where the cause of the injury or the assessed degree of permanent clinical impairment are in doubt. Without the opinion of a panel a worker's claim can be rejected by an employee of the WCB reviewing the report of a doctor without any further physical review of the injured worker. The provision in Bill 204 would also address serious cases that may drag on for years without the worker ever gaining some sort of resolve to the situation.

Mr. Speaker, Bill 204 addresses two very important issues and can help resolve some of the difficulties that injured workers face. I am sure that every member in this House has faced situations where a constituent has expressed their frustration in receiving compensation. I strongly feel both provisions in Bill 204 are well thought out and researched, and I urge members of the House to support this bill in second reading.

Thank you.

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

MR. WHITE: Thank you, Mr. Speaker. I rise to speak in favour of Bill 204.

AN HON. MEMBER: Hey, there's a change.

MR. WHITE: It does happen now and again that we actually do read the bills and we actually do some work and we actually do speak to them too, amazing as it may seem.

Mr. Speaker, the working people of this province have had a great deal of difficulty dealing with this act as of late. It's shown by the amendments brought forward by the hon. member that brought this bill forward. It says, "Look; there are some problems here." This bill addresses a few of them but very few. The difficulty is, of course, that this act can only be amended as it is written and that its application cannot be amended. That's up to an appointed board. The difficulty, as I see it, is that in the last four and a half years of application the direction has moved from one that was in some instances perhaps leaning a little too far in favour of an injured worker and allowing some real or perceived inequities to one that has totally and completely swung in the other direction.

I have noticed those changes in my office. It seems that the culture of the organization that administers this act has gone from one of trying to solve a problem for a worker to trying to solve a problem for the board. Pure bottom line. Recognizing that in the last four years this board has gone from a deficit to a surplus, in the normal course of business, if it were a business, you'd say, yes, that's a reasonable thing to do and also say that in the normal course of business, cutting down some employees would also be a good thing. In the normal course of business you'd like to see an improvement in the bottom line such that the improvements could be recognized in the way of bonuses for those that caused this turnaround.

The difficulty here, sir, is that this is not normal business. This is not a private-enterprise corporation that has to compete in the marketplace for a share or for some kind of interest. Those far right wingers would say that this is the worst of all possible situations: a government monopoly, totally and completely. In doing that, the administrators of the act have to be very, very

careful as to how they develop a culture within the organization. In this case, in my view you've had some grave errors in the last while. I see it in my office on a regular basis because I represent a great deal of working people. They find that they are up against this obelisk, if you will, that there is no way to penetrate that. They get an advocate working on their behalf, and it costs them money or a percentage of what they perceive to be their due, and even then they go around and around and around.

I'm sure every one of the constituencies in the province has had at least one and perhaps two cases that have had difficulty understanding: "Well, wasn't this what the board ordered?", and then, "Wasn't that on the appeal?", but then, "What happened to the appeal?" You've gone to this cyclic situation: a ruling, an appeal, a ruling on the appeal, then another appeal and then an order, and then the moneys are not paid out. You go through and read the fine print, and you're back to some person on the board that says, "No, no, no, no, no, I can't pay out for thus and so reason," and you have to open the file once again as an advocate. Now, that's just frustrating for a member, but it's devastating to those working people that are trying to keep their lives together long enough to support someone else in their family.

Now, the specifics of this bill. You'll notice that the change to the appeal as it relates to medical evidence is a vastly improved step forward compared to what did occur when the medical officer – whether it was the board's medical officer or whether it was an MD or a specialist in some area – would read the file and say, "This is the recommendation to settlement that I put," and it goes off to the board. These two opinions, the family doctor or the doctor that has been treating the injured worker and this medical evidence presented by the opposing view, are in conflict. One has had the advantage of seeing the patient and knowing the patient's history; the other has not. You would think that a reasonable, rational person would look at these two bodies of evidence and say: well, obviously the professional that has viewed the file as well as the person would make the better judgment. That is not the case at present.

Thank you kindly, sir.

THE SPEAKER: I hesitate to interrupt the hon. Member for Edmonton-Calder, but the time limit for consideration of this item of business has concluded.

#### **head: Motions Other than Government Motions**

##### **3:30 Regional Health Authority Board Elections**

503. Mr. Mitchell moved:

Be it resolved that the Legislative Assembly urge the Premier to comply with his March 1997 election promise that the government would provide for the election of two-thirds of the members of the regional health authorities by Albertans commencing with the municipal elections in 1998.

THE SPEAKER: The hon. Member for Edmonton-McClung.

MR. MITCHELL: Thank you, Mr. Speaker. I'm going to try again. I'm going to win these people over and get a private member's motion passed.

MR. SMITH: If you get this through, will you stay on as leader?

MR. MITCHELL: We don't negotiate like that. We're up-front . . . [interjection] He'd be the advocate of having the

Treasurer and the Premier negotiate over what figure to start with at Al-Pac, I guess. He's a big advocate of that, because they're trying to figure out which figure.

Mr. Speaker, I'm rising to present and of course support my Motion 503. This is a government that has said over and over again that – what was the billboard? He kept his word? I guess the next billboard will be: he didn't keep his word; he broke his promise.

He did two-thirds of the right thing in that March election, and that was to advocate as a basis for strong health care policy administration and for democratic principles that two-thirds of regional health authorities should be elected. We argue, Mr. Speaker, that 100 percent of regional health authority board members should be elected. This motion simply is focusing on the Premier's contention that he was going to elect two-thirds – two-thirds is better than none – and now he has reneged on that promise.

There are all kinds of reasons why he shouldn't have done that, Mr. Speaker, the least of which is that he construes himself as the person who kept his word. It would be of course reassuring to understand that he doesn't keep his word only when it's convenient but that he keeps his word because it was his word and that he is not prone to giving empty promises, which clearly he has done.

[The Deputy Speaker in the chair]

There are other reasons as well, Mr. Speaker, why we believe that he should be held to his promise of March 1997. One is that it does contribute more strongly to a number of principles of democracy. The first such principle is accountability. Elected authorities have a special accountability that unelected authorities don't have. The argument that I think is very, very persuasive and very important is that regional health authorities spend almost \$2.5 billion a year on health care, which is upwards of 20 percent of the government's entire budget. So 20 percent of the government's entire budget is being spent, and decisions are being made by people who are not accountable to the electorate. Now, that might be less of a problem if the provincial government itself, which is supposedly accountable, were to take that responsibility and own up to that responsibility. Instead, what we hear over and over again is: "Speak to the regional health authorities. The regional health authorities are in place, and they have the knowledge and the expertise to make these decisions."

In fact, that is an indication of a broader strategy or tactic, if I could use those terms, by this government. As long as they don't have elected authorities, they can dump all these responsibilities on them. They can wash their hands of them, and when people go to the regional health authority, the regional health authority says: sorry; we can't change that because we're limited by what the government gives us. People go to the government, and the government says: sorry; we can't do that because it's the regional health authority's authority and responsibility. So they use it as a way to shift responsibility and to try and kill the issue.

There are very few of these members across the way who would legitimately argue ever that that kind of money, 2 and a half billion dollars a year, should be spent by unelected officials. In fact, how much do municipal authorities spend of provincial government money every year? I don't think it's 2 and a half billion dollars. But nobody on that side of the house would suggest that municipal authorities shouldn't be elected but that they should be appointed. No. And they spend less provincial money than regional health authorities do, Mr. Speaker.

MR. DICKSON: The city of Calgary's budget is about the same as the CRHA budget.

MR. MITCHELL: The city of Calgary's budget is about the same as the CRHA budget, and nobody would suggest, for example, that the city of Calgary shouldn't have elected officials.

MR. DICKSON: But the government doesn't listen to them either.

MR. MITCHELL: The government of course isn't listening to the mayor of Calgary right now, Al Duerr; that's right. He's once again trying to dump responsibilities. [interjection] This is a team. Unlike the Premier and the Treasurer, Calgary-Buffalo and I are a team.

In fact, Mr. Speaker, there's another classic case of the Premier saying: "Well, it's not my fault, Albertans." I'm now paraphrasing the Premier. "The mayor of Calgary just wants to be confrontational. We're willing to sit down and negotiate; we're willing to talk." But of course, no. He's willing to dump things down there, and he doesn't want to hear about it because it's far, far, too awkward for him, and he doesn't want to take responsibility for the mess that he's made in these areas, "he" being the Premier. Al Duerr is a great mayor.

MR. DICKSON: He's even more popular than the previous one.

MR. MITCHELL: And even more popular than the previous one and particularly today.

Another point to be made here is that the government coincidentally is arguing very strongly for plebiscites on VLTs. Interestingly enough, it was this member over here, the advanced education minister, who said: "Well, you know, it's \$500 million. You have to have lots of people come out and vote to make those kinds of decisions; otherwise, plebiscites wouldn't be worth while." Well, Mr. Speaker, it's 2 and a half billion dollars. You would think that the minister of advanced education would simply want to follow the precedent that he set in that earlier statement and say: of course we would want to elect regional health authority members; of course we would.

Mr. Speaker, 2 and a half billion dollars a year, 20 percent of the total provincial budget, and this government excludes it from the democratic process with the consequence of no elected officials, because this government won't take its responsibility, in fact hold the responsibility and act on that responsibility properly. Albertans go to one place, and they're told to go to the other place. They go to the other place, and they're told to go to the former place. It's a perfect political strategy up to a point. It serves the government's political ends. It doesn't serve the one thing that they should be here to serve: the people of Alberta and their need for properly funded, properly administered and managed health care across this province.

The question also arises in this debate, Mr. Speaker, as to the impact and the authority with which regional health authorities can operate because they don't have elected authority. Wouldn't it be a different picture today if regional health authorities were accountable to an electorate? It would be very difficult then for them to be sometimes justifying some of the problems or not speaking out in the way that many of them tell us privately they would like to speak out. They would be driven to speak out because they would have a constituency to whom they are responsible, one of the most important and basic elements, of course, of the democratic process. I'm not criticizing regional

health authorities. They are in a terrible predicament.

Instead, what we have found is that they have tended to be quite silent on these issues until recently. They have tended not to speak up. Because of course they are extensions, in a sense, employees of the provincial government, it would be all, they could argue, but inappropriate for them to argue against their political masters. But even now that they are beginning to speak up, as strong as these people are and as dedicated as they are, they don't speak with the same authority, and they don't have the same impact because they are not elected. This government benefits from the fact that they don't have that impact because they are not elected.

3:40

It's interesting to note that Mr. McCaig, a very, very accomplished Calgarian, a remarkable contributor to business and to the community in this province, has stood up and said: we don't have enough money. Paul Rushforth, his chief executive officer, has gone public and said: we don't have enough money. Thirty million dollars short, Mr. Speaker. They say: we don't have enough money to run this health care system properly. Similarly, the chairman of the Capital health authority has said: we don't have enough money. These people are making a powerful point. It is a point that the government is more inclined to dismiss and remove from the table because they don't have to worry about an electorate who has elected those authorities.

If this government is going to say that it is not their fault, that it is not their responsibility, that they are not accountable for this, that it is the responsibility and the fault and the accountability of the regional health authorities, then this government cannot have its cake and eat it too. It has to elect regional health authorities, Mr. Speaker. This underlines just how much more of a breach of trust, of a broken promise the Premier's March 1997 election promise to elect two-thirds of the RHAs really is. It is a broken promise. Rather than have the government and the Conservative Party put up a lot of money for the next ad campaign, we can offer them the slogan based on this alone and many others: he didn't keep his word. Let's see that on billboards all across this province.

Basic – basic – to what this government is doing, in many ways subtle and not so subtle, is an erosion of democracy in this province. We have had – what? – 39 days of sitting last year, not a lot of days to be held accountable for health care even if you wanted to be. We've had 39 days, no fall session. We see more and more limits to budget debate, far, far less budget debate certainly in this open, public Chamber than there was when I was first elected in 1986, and more closure, Mr. Speaker, invoked than in probably all the previous governments in this province's history.

There are concerted efforts on the part of this government to limit public debate and to limit the democratic process. It isn't for the benefit of Albertans; it is for the benefit of their own what are becoming quite sordid political ends. I'll give you sordid, Mr. Speaker: 283 orders in council behind closed doors by this government that wants less government. How many? Two eighty three. You know, they talk about secrecy. And what was that other word? Arrogance. Secrecy and arrogance are the words that jump to Albertans' minds when it comes to describing what this government has become, secret and arrogant, and it's kind of captured right there in the House leader, the Minister of Justice, in most of what he says and most of what he does. [interjections]

MR. ZWOZDESKY: It's like an 83-page report on Al-Pac with 84 passages deleted.

MR. MITCHELL: It's like an 83-page report on Al-Pac . . .

### Speaker's Ruling Decorum

THE DEPUTY SPEAKER: Hon. members, it appears it's going to be a lively debate, and I've already got an extensive list, but we will put some of the other members on that wish to speak. When it's their turn, we'll ask them to speak, but right now it is the moment for the Member for Edmonton-McClung.

### Debate Continued

MR. MITCHELL: Thank you. My colleague the Treasury critic here said: it's like 83 pages of an Al-Pac report released by this government with 84 passages deleted, Mr. Speaker.

I look at the fresh-faced rookie backbenchers in the Conservative caucus, and I think: coming from outside this institution, having been motivated undoubtedly by what they've heard from people, how could they be party, silent partners to this erosion of democracy? I recall the Deep Six; now it's down to the Deep One. Things have sure changed, because that Deep One sure isn't one-sixth as vocal as the Deep Six used to be. The Deep Six found something out which reinforces my point. The way that five of them got to the front bench is by being quiet and being obsequious to the powers that be in that caucus.

I'll tell you, Calgary-Mountain View has got the message, because he's sure not advocating that they should be electing two-thirds of the Calgary regional health authority. He's sure not advocating that. [interjections] I'm glad to see you in the debate for once, Mark. Thanks for joining us. [interjections] I want to make this point, Mr. Speaker.

### Speaker's Ruling Decorum

THE DEPUTY SPEAKER: We have before us a motion. I wonder if the hon. Leader of the Opposition could confine himself to the motion instead of involving so many other people. That would be helpful to debate, then allowing others to have their chance when the occasion presents.

Edmonton-McClung.

### Debate Continued

MR. MITCHELL: Thank you, Mr. Speaker. My colleagues feel that this may be working. I'm doing everything I can to win these people over. Geez, I'll tell you.

It must be an embarrassing moment for this government to think that their Premier stood up in front of all Albertans during the most public of times, a 28-day election campaign, and promised: we are going to elect two-thirds of all regional health authorities across this province in the municipal elections in 1998. What's happened? It is a prima facie case. It is a fait accompli. It is empirically provable. There is no debate. No gray. It is purely black and white. The Premier has broken his promise.

This motion gives him and his colleagues, his outspoken, vocal defenders of democracy, every one of those backbenchers, every one of them, a last chance to vote for democracy in this province. I implore them to do it.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Calgary-Fort, followed by Calgary-Buffalo.

MR. CAO: Well, thank you, Mr. Speaker. I am pleased to stand today to speak on Motion 503 and explain to the Member for Edmonton-McClung why I will be voting against it. The underlying idea of this motion is that two-thirds of regional health authority board members should be elected and one-third appointed. The election of regional health authorities is something to which this government certainly is committed.

Mr. Speaker, this government is not dodging the bullet on this issue, as the member opposite implies. We will follow through our commitment to have two-thirds elected and one-third appointed, but we will be doing that in 2001, not in 1998. We will follow through on our commitment to our constituents and the people of Alberta because it is what is wanted, and as it has been said many times on this side of the House, we do listen. Yes, we listen. We listen to the concerns of the constituents, and we listen to those advisers whose interests do not lie in having their name on the ballot but in ensuring the best possible health care system available to all Albertans.

### 3:50

Mr. Speaker, I can understand the hon. Member for Edmonton-McClung's desire to bring forward this motion. I believe we will all agree that an elected regional health board is very much in line with the democratic process. However, I'm sure the members across the way who have brought forward the concerns with the health system regularly since restructuring began do not want to see our health system falter even for a moment. This government expects the opposition to look at our policies and make constructive criticism and suggestions, and we appreciate the input. But the timing of this particular motion may be somewhat off the mark, and I would not want to see this government placing the entire health care system in a precarious position as the result of supporting this motion.

Mr. Speaker, most of us here know the history of the debate on Motion 503. The original idea of appointment versus election dates back to the time when there were over 200 boards across this province. During that time there were elections for the board members, but there were also appointed members. I would like to mention to those members who may not have been fully aware that the boards of Edmonton and Calgary were all appointed during this time. Yes, appointed, but not by the government of the time, by the city councillors.

Mr. Speaker, when this province went through regionalization in 1994 – this is before the time I was elected – we reduced the number of boards from 200 to just 17. Think about that for a moment. More than 200 hospital boards were reduced to just 17 regional boards. That in itself meant enormous change for the administration of health care in Alberta.

The regional health authorities carry out a number of very important roles, Mr. Speaker. They set direction for health care in the region, develop the region's business plan, guide the operation of programs and services, allocate funds in the most prudent way, and make more tough decisions. I would like to commend the health regions in this province for the excellent job they have done during this time of great transition. As I mentioned earlier, once established, each of the 17 regions had their boards appointed by the Minister of Health. At the time the thinking was that an appointed board would be best to implement the changes which were to occur and that the appointment process would be in the best interests of continuity in the health system.

I believe we made the right decision then, and by delaying the vote by another few years, we have again made the right decision. When the boards were originally established and appointed by the

Minister of Health, they asked for time to get their house in order. Mr. Speaker, they have done that. The groundwork has been completed, and they are now fine-tuning before it is turned over to the operational management. The boards that are currently in place have asked for extra time. They have asked the government to allow them to finish the job they were brought in to do. I believe we owe them that right.

The current boards have a right to ensure that the system that will be in place when two-thirds of the board is elected is a system that is working and working well. Indeed, the people of this province have the right to such assurance. The government and the current boards do not want the new boards taking over a house that still needs work, a house that would be a handyman's dream. We want everything in place to allow for a smooth transfer. It is, however, something we cannot guarantee today or for the next municipal election in October 1998.

I would like to take a few moments to refresh my colleagues' memories of how we came to the decision to have a combination of appointed and elected representatives on the RHA boards. The hon. Member for Medicine Hat and his colleagues the members for Dunvegan, Taber-Warner, Edmonton-Beverly-Belmont, and Calgary-East were appointed by the Minister of Health in June 1995 to the MLA implementation team. The team reviewed the system of choosing the board members, and the public consultation that followed was a comprehensive one. The consultation process included a document entitled *How Do We Choose?*, which the public were urged to complete, as well as numerous meetings with stakeholders.

The MLA implementation team realized there were a number of different challenges which needed to be met. It was important to have capable people serving as members, to involve residents of each region in selecting RHA members, to provide an efficient and accountable process to ensure a balance of expertise, skill, and geographic representation. It was no small task, Mr. Speaker. It is one which this government is still very committed to. Competent representation will benefit all of those who work in or use the health system.

Three alternatives for selecting members were offered for consideration by the MLA implementation team to Albertans who participated in the consultation process. Regional health authority board members could be elected, appointed, or the board could be comprised of a combination of elected and appointed members. Certainly, Mr. Speaker, Albertans saw advantages both in appointing and in electing regional health authority board members. Electing RHA members puts responsibility and choices directly in the hands of the voters. RHAs may then be more accountable and accessible to community members.

Both elected and appointed members have their benefits and highlights. The elected boards bring health care decisions directly to the people and community. The appointed boards are able to provide specific experience and background, which will ensure there is an appropriate mix of members. Mr. Speaker, these and many other important factors were considered in the consultation process. The implementation team received 162 questionnaires, 111 letters, and held eight meetings with stakeholders throughout the consultation process.

The team found that the municipal councils and members of the public generally favoured direct election of board members, but there was also a strong argument made for appointing members to RHA boards. In addition to being accountable to the community they serve, RHA boards are also accountable to the Minister of Health. As a result, the appointment process can balance the need

for expertise, skills, and demographic perspective on the board. The parties in favour of appointing members tend to be health providers, RHA members, professional organizations, and native groups.

4:00

The government listened to the opinions of the public. It listened to the concerns of board members and health professionals and came up with what was the best and most responsible decision. This extensive consultation process resulted in a recommendation for the appointment of one-third of members by the Minister of Health and the direct election of two-thirds of RHA board members. This is a balanced formula, Mr. Speaker, and one supported not only by this government but, it would also seem, by the Member for Edmonton-McClung as well.

In order to ensure a geographic balance within the region, the implementation team suggested using a ward system for the election process. The elections would be held every three years in conjunction with municipal elections. The appointment process would occur after the election had been held, with the minister requesting public nominations and applications for positions. The successful candidates would provide a good balance of skills, expertise, and demographic representation to the board. Mr. Speaker, the appointed members would not be there to overshadow the elected members but as a complement to their skills and background. An impartial review panel appointed by the minister would then screen the applications, and the final decision would be made by the minister from a shortlist provided by the panel.

It was also one of the implementation team's recommendations – I repeat: this is a recommendation – that election of the RHA boards begin in the fall of 1998. However, there have been many significant changes in the health system as the health regions have evolved. When the RHAs were established in 1994, they became responsible for administering many changes in the health system. We now believe the alterations to the health system and the time lines involved may not have been foreseeable by the MLA implementation team back in 1996. These must be considered in the feasibility of electing the boards at this time.

As I stated earlier, Mr. Speaker, this government's decision to delay the election of RHA board members is motivated by a desire to ensure that the system continues to run smoothly, efficiently, and remain accountable to all Albertans. Continuing to appoint members for another four years will ensure stability as RHAs, especially those in the larger centres, complete the major changes associated with the restructuring process. Surely such goals as stability, efficiency, and accountability are considered laudable by all members of this Assembly. We must also be certain that the public remains confident in our health system. There have been a number of concerns raised that the health care system could be affected in a detrimental way by prematurely elected RHA members.

Mr. Speaker, a team cannot function effectively if there are serious differences between members. What you end up with is a dysfunctional team that is unable to work effectively and, in a worst case scenario, is unable to do its work at all. Regional health authorities need to make the sorts of tough decisions that I spoke of a few minutes ago, such as long-term planning and budgeting. A cohesive, focused board is essential for all RHAs as they carry out their responsibilities. This focus and cohesion will continue to be important as health reform continues. It is therefore important that we have time to examine strategies to prevent such problems before they arise.

There is also the concern, Mr. Speaker, that I touched upon earlier regarding stability. The RHA members that currently sit on the boards have a familiarity with and a commitment to the current restructuring process. They have been working very hard to restructure the health system to focus on people, to emphasize wellness initiatives. Electing regional health authority members in October would create a situation where some board members may have priorities other than completing the task at hand, that of finishing the restructuring process.

Now, Mr. Speaker, I am not criticizing individuals who may have priorities other than completing the process of change in the health system. There are certainly many health concerns that are of importance to many Albertans. But I do have concern that failing to complete the task at hand, that of finishing the restructuring process, could leave Albertans with a feeling that the health system is not meeting their needs. To return to the metaphor of the house that I used when I first began speaking this afternoon, there is potential that we could leave the house with problems left unresolved. We must be sure that we're not getting ahead of ourselves, risking the health of even one Albertan.

We will be electing regional health authority board members in 2001. At that time Albertans will decide the membership of two-thirds of the boards of the health regions. October 1998 is too soon and presents too many risks for Alberta's health care system. I believe in evolutionary process, not disruptive revolution. I believe that this delay is the wisest, the most sensible choice for all Albertans. We are progressive and conservative as well. As a result, Mr. Speaker, I'm unable to support Motion 503.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you very much, Mr. Speaker. I want to start off by acknowledging the very hard work done by members of regional health authorities around the province, many of whom have contributed hugely in terms of personal time and energy in terms of addressing health concerns.

Mr. Speaker, the issue with this motion is a simple one: it's a broken promise. You know, I don't know how many brochures the Member for Calgary-Fort passed out in the 28 days before March 11, but the ones I saw from a Conservative candidate in my constituency promised the people of Calgary-Buffalo that if they voted for her and her party, after the election there would be, in the municipal election of 1998, an election of regional health authority members for two-thirds of the people on the RHA board. It was a clear and specific promise.

The *Calgary Herald* featured an answer by the Premier of the province, who said: if you vote for my party, if you vote for the Conservative candidates on March 11, 1997, what you're going to have is that two-thirds of the members of the RHAs will be elected commencing in the municipal election of 1998. That was the promise. The promise wasn't: we'll have an election when we think it's convenient. The promise wasn't: we'll have an election when we've finished all of the health care restructuring. The promise was not: we'll have an election when we think Albertans are finally mature and smart enough to make a reasonable, informed decision about who will spend their \$2.2 billion. The promise was that two-thirds of the members of regional health authority boards would be elected commencing 1998.

The Member for Calgary-Fort sat in this House, as did all of the other members in this Assembly, when the Minister of

Municipal Affairs last spring rushed in a bill. What was the bill? It was a bill to amend the local authorities act. Why? Because, in her words, we had to get ready for the election of regional health authority members in the fall of 1998. Some of us said at the time that surely we can deal with this in the spring of 1998 or the fall of 1997. The minister said: no, no; this government has made a commitment; we're proceeding to get ready for elections in 1998 with the municipal election.

Well, Mr. Speaker, it is about a broken promise. It is about a solemn covenant that the governing party made with Albertans. It's as simple as that. I challenge any member in this Assembly who told their voters, when they went around prior March 11, that the promise was: we'll elect two-thirds of regional health authority members in 2001 or some later date. All the campaign literature I saw from the members in the governing party was very clear and very specific on that date.

#### 4:10

The next thing I wanted to do was this, Mr. Speaker. I was offended when the Member for Calgary-Fort launched his blistering attack on his colleague from Medicine Hat. I was embarrassed for the Member for Medicine Hat. In fact, if this had been my motion – and it isn't – I would want to pay special tribute and perhaps suggest that this motion should be dedicated to the Member for Medicine Hat. You know, he's a very capable member of the government caucus, and when he went around and chaired that extensive review of Albertans, I cannot believe that he didn't understand the complexity of the health system. I can't believe he didn't understand the kinds of changes that would happen by electing two-thirds of people to regional health authorities.

When that consultation, as broad as it was, with the competent leadership of the Member for Medicine Hat went around the province, they knew what they were getting in for. They knew the kind of challenge and the risk that would come along with an election, but they decided clearly on balance that Alberta would be further off having two-thirds of the regional health authority members elected than having them all appointed.

So I think, Member for Calgary-Fort, in defence of your colleague from Medicine Hat there is nothing new. There have been no startling developments since March 11, and this is just so much sophistry and creativity after the fact when we hear lame rationalization, justification for postponing the election of regional health authorities.

You know, the Member for Calgary-Fort said that the public must remain confident. Well, Mr. Speaker, the first tenet of building confidence is making a commitment and then following through on it. How can we possibly expect that Albertans are going to have the confidence the Member for Calgary-Fort wants Albertans to have in their health care system when the government making the ultimate decision has repudiated and trashed – trashed – one of the most solemn commitments they made in that March 11, 1998, election?

Mr. Speaker, the mandate of the regional health authorities, so we don't lose sight of it, is a particularly important one. In the Regional Health Authorities Act, section 5 provides that a regional health authority is charged with a number of things. One is to "assess on an ongoing basis the health needs of the health region." It's to "determine priorities in the provision of health services in the health region and allocate resources accordingly," one of the most important mandates we could think of, because we all know how important health care is to our constituents.

And it's going to get more important. To those members

that've had a chance to see the consultant's report Towards Core Services, we see there the development, albeit in the early stages, of a notion that regional health authorities would have the potential to decide in their region what services will be provided in the hospital as an insured service and what services might be provided in a doctor's office, in a private clinic, in any other sort of for-profit facility. Now, that's a scary prospect anytime to people concerned about a strong public health system and one that's accessible to Albertans regardless of how fat or how skinny their billfold is. It's particularly alarming when the people making that decision are unelected, when they have no legitimacy beyond their appointment by a government and a Minister of Health that, for a variety of reasons, thinks he or she can work with those people. So the Towards Core Services report, the development of yet another opportunity for private, for-profit health care, is one of the most compelling reasons I can think of for insisting that not just two-thirds but all members of a regional health authority be elected.

Mr. Speaker, we've heard much talk about the government's responsiveness. Well, I'd have to tell you that it seems to me this government has got acute hearing when it comes to what the regional health authorities think should be done but an amazing kind of deafness when it comes to severely ordinary Albertans. Whether they live in downtown Calgary or in Fort McMurray or in Taber, this government simply doesn't hear what those people say.

I have to tell you, Mr. Speaker, that I went to a family function in Medicine Hat, and it was interesting to me – many of these are people who support the Member for Medicine Hat. Some of them may have even voted for the Member for Medicine Hat, despite my best advice to them before the last election. But, you know, those people came up and they felt betrayed, not by the Member for Medicine Hat, because they know how hard he worked to promote elections of two-thirds of the members of RHAs, but betrayed by the Premier. I didn't know what to tell these people. I suggested that the Premier would be under lots of pressure from his friends on regional health authorities. I explained the political dilemma the Premier would be in to have a fellow like Harold Swanson elected to the Calgary regional health authority, to have somebody like Corky Meyer elected to the Capital health authority.

You know, Mr. Speaker, what we found in the government's explanation for deferring the RHA elections was a bit of a truth that many of us had suspected but had never seen put quite so boldly. The truth is simply this: we have a government that thinks Albertans are smart enough to elect a majority government but not quite smart enough to elect the men and women of a regional health authority that is to spend \$2.2 billion. We can elect a government to spend \$16 billion, but \$2.2 billion – somehow that's a tougher challenge.

In the commentary and the objections that have been raised by the people at the medical faculties of the University of Calgary and the University of Alberta and the regional health authorities, all bright people and certainly entitled to their opinions, they all have a huge fear of elected people making decisions. It just seems to me that democracy doesn't work in a selective way. Democracy works best if it's universal. If Albertans are smart enough to elect city councils to run cities and if they're smart enough to elect people to run the province of Alberta, they sure as heck are smart enough to elect people to run their health care system and the delivery of health care at the local level.

Mr. Speaker, we saw the budget announcement last Thursday

and we heard the responses again today that the government in the case of Calgary is providing \$30 million less than what that authority has said, in their expert opinion, is what they need to be able to provide an adequate level of service to a population that has grown by some 70,000 people in the last three years. I ask every member to consider: would it have been different, would they have got a different response from the Provincial Treasurer if they had been popularly elected? It occurs to me that this ultimately may be the most compelling reason why the government is opposed to electing regional health authority members. They may talk about postponing it. The reality is that they're opposed to and frightened of an election. I suspect that in 2001 we're going to hear another reason why it can be postponed. After all, if we've made all these huge changes to our health care system and we're able to do it without the benefit of elected people in regional health authorities, why would we need them in 2001?

4:20

Mr. Speaker, I think what we've discovered, though, is that the government is afraid that if they had elected regional health authority members – when authorities like the Calgary regional health authority came along and said, “We need \$30 million more than what you're offering us to provide the kind of services Calgarians need,” I think what would have happened is that the government would have felt far more pressure to respond instead of simply patting the regional health authorities on the head, saying: “Work with us; work with us. We'll continue to talk to you. Now, go away and don't make any difficulty for us.” When I see the frustration that people on regional health authorities and their chief executive officers experience now with the mid-January announcement by the Minister of Health and the frustration and agitation they're experiencing with the more recent announcement of the budget, I can understand why this government has taken the position they have. They don't need another source of pressure on them to be more responsive, and that's what an elected regional health authority would do.

Mr. Speaker, I'd make this observation because I think it's fair to do so. It may be that if one were designing a health system from scratch, there may be compelling reasons why you don't create regional health authorities, and there may be compelling reasons to say that by electing regional health authorities, what you do is you diffuse the kind of responsibility the Minister of Health and the provincial government have in this forum, in this Assembly. But we're not at that stage. We've decided as a province to create regional health authorities, and they've undertaken radical change in terms of the delivery of the health care system. We're too far down the road now. We have regional health authorities, far too many of them, but we have them, and now the real challenge is finding a way to make those authorities accountable, to make them responsive, and to simply ensure that they do the best possible job of delivering the kind of health care that people in their constituencies require.

It's not simply a question of members in this House and members in opposition being concerned about the broken promise of the Premier in the March election. Our caucus had undertaken a survey of municipal officials. Over the last summer we surveyed administrators, mayors, reeves, councillors in municipalities throughout the province. On one of the things that had been put to them in the survey – should regional health authority board members all be elected, not just two-thirds of them? – 70.2 percent of the respondents agreed or strongly agreed; 19.4 percent disagreed or strongly disagreed; 10.4 percent were neutral or

expressed no opinion. Seventy point two percent.

So who does the government think it's listening to? Well, we know who they're listening to. They would sooner listen to the people that they've appointed to regional health authorities. They'd sooner listen to some key administrators in the health system who are concerned that an election may be disruptive. Well, Mr. Speaker, I say with the greatest respect that the highest obligation any of us owe and certainly the highest obligation the Minister of Health and the Premier owe is to the people of Alberta, not to some special interest group, even though they appear to have this government hostage and seem to be able to achieve so much of what they want. This government has a much bigger obligation, and that's to the public of this province. By the Premier breaching a promise made to Albertans on March 11, 1997, what's happened is we've ensured that Albertans are very poorly served.

Mr. Speaker, the need for election of a regional health authority, at least two-thirds of the members – although I think it should be 100 percent – is one that can't wait until 2001. This is the time the changes are being made, this is the time Albertans have to be heard, and this is the time we should have a full public election.

Thanks, Mr. Speaker.

THE DEPUTY SPEAKER: I'm unable to recognize either of the two hon. members who have stood up. Under Standing Order 8(4) I must put all questions to conclude debate on the motion under consideration. All those in favour of the motion as proposed by the hon. Member for Edmonton-McClung, please say aye.

SOME HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

THE DEPUTY SPEAKER: Defeated.

[Several members rose calling for a division. The division bell was rung at 4:26 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

Barrett	Gibbons	Olsen
Blakeman	MacDonald	Pannu
Carlson	Massey	Soetaert
Dickson	Mitchell	Zwozdesky

Against the motion:

Amery	Herard	O'Neill
Boutilier	Hlady	Paszukowski
Broda	Jacques	Pham
Burgener	Johnson	Renner
Calahasen	Klapstein	Shariff
Cao	Kryczka	Smith
Cardinal	Laing	Stelmach
Coutts	Langevin	Stevens
Ducharme	Lougheed	Strang

Dunford	Lund	Tannas
Fischer	Magnus	Thurber
Forsyth	McClellan	Trynchy
Friedel	McFarland	West
Haley	Melchin	Woloshyn
Havelock	Oberg	Yankowsky
Totals:	For – 45	Against – 12

[Motion lost]

THE SPEAKER: Would the hon. members permit the hon. Member for Fort McMurray to rise and briefly revert to Introduction of Guests.

HON. MEMBERS: Agreed.

head: **Introduction of Guests**  
(*reversion*)

MR. BOUTILIER: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce through you and to the Assembly a very good friend, a young Albertan from Fort McMurray who is here studying. He's a graduate from NAIT and is now studying to get his real estate licence. I'd ask the House to give warm greetings to our good friend from Fort McMurray, Mr. Colin Hartigan. I'd like to ask him to rise and please receive the warm wishes.

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

16. Mr. Day moved:

Be it resolved that the Assembly approve in general the business plans and fiscal policies of the government.

[Adjourned debate February 12: Mr. Sapers]

THE SPEAKER: The hon. Leader of the Official Opposition.

MR. MITCHELL: Thanks, Mr. Speaker. I'm having a pretty good time today, I must say. It's a target-rich environment, and the budget is no exception. I've seen a lot of budgets in my day in this Legislature, but I have never seen a budget that is so fundamentally weak, so vacuous and empty of concrete ideas. I've never seen a budget that is less reflective of a vision of this province at a time when the province needs such a vision. I would say that this budget confirms one thing about the Conservative government, and that is that they are conservative. They are without creativity. They are lacking in innovation. They do not have a sense of the future of this province. They're very comfortable with the status quo, lower than the status quo in fact, despite the fact that they've reduced that status quo over time. They are clearly a government that is tired, secretive, arrogant, unfocused, and without very much substance.

4:40

This is a budget that they have called Agenda for Opportunity. It might be better termed agenda for missed opportunities, Mr. Speaker. This is a budget that comes at a time when fiscal matters are more or less under control at one level and in one sense, and the opportunity opens up for government, for Members of this Legislative Assembly, with Albertans to begin to paint a broad, colourful, enriching future that doesn't simply address

economic matters as though they were an obsession of this government but understands that greatness in societies comes from a much broader range of objectives, objectives which are not parallel to a strong economy but are supported and supplemented and made possible by a strong economy.

This is a budget where money comes first. It permeates every facet of this budget, that money comes first. It is a budget where very clearly people have been placed second. This is a budget where the economy seems to be the single overriding motivator of all government activity and it is an end in itself, when in fact the reason we are here is not to serve economies but to serve people.

A market economy – a free-market economy, an entrepreneurially based economy – is the most successful way of creating wealth. Nobody in this House – well, maybe some people in this House would argue with that. We certainly do not argue with that. We believe that free-market competitive economies are the most successful ways of building wealth but that that is just a step, a means to a broader end. And the broader end is to create a strong society in which people can live with dignity and decency and grace and in which we express what we are as a people by supporting one another, by supporting people in our community, by giving up something to our community because we are fortunate enough to be able to do that.

If I have described anything in those statements, Mr. Speaker, I have described a pretty strong set of core values that I believe are actually held by most Albertans. The question that begs, then, is: why does this government not reflect that set of values in a document as important as their budget?

This government has forgotten its responsibility to people. We see it most notably in areas like health care, where we have the lowest per capita funded health care system in the entire country, Mr. Speaker. The lowest per capita funded health care system in the entire country. It is also reflected in the fact that we have an education system which is the 60th lowest per capita funded education system out of the 63 North American provincial, state, and territorial jurisdictions. The poorest fiscal effort of all but three jurisdictions out of 63 in the entire North America.

I want to say what a change that reflects in this Treasurer's perspective from some years before. I'd like to read a quote, Mr. Speaker, by the current day Treasurer from *Hansard*, March 18, 1991. That was when we hear him say something quite different than he says today.

Then we hear interesting things about words like the "human deficit." . . . You know, that's shameful, especially when you look at all of the increases in our program spending since 1986.

. . . This is a caring government, and if you noticed – and not our figures but again Stats Canada figures.

This is 1991.

DR. MASSEY: Who said that?

MR. MITCHELL: Today's Treasurer said that when he was only the Member for Red Deer-North. He went on to say, Mr. Speaker – this will come even as a surprise to certain of his colleagues: "Which government puts more money per capita into health? Which government puts more money per capita into education?" He answers his rhetorical question:

This government, the provincial government of Alberta under Premier Getty's leadership, and knowing what his priorities are.

This government. When you're balancing a budget and you're already number one in terms of dollars you're putting in, how much higher than highest should you go?

And this is the part I really like: "It's a direction of positive

growth for Albertans. I'm excited about it and I'm supporting it a hundred percent." He's supporting the highest per capita funding for education and the highest per capita funding for health care one hundred percent.

DR. MASSEY: Is that hypocritical?

MR. MITCHELL: I don't know whether that's a question of hypocrisy or not, Mr. Speaker, but the fact is that it was fine for him to talk about the highest levels of per capita funding and to brag about them and to support them 100 percent, and now somehow all of a sudden he finds it okay; it's fine to have the lowest per capita funded health care system and the 60th lowest per capita funded education system in the entire country. What this government has forgotten are critical features of an education policy and a health care policy that could build people for the future and strengthen this economy, strengthen this society, strengthen the people within it.

Mr. Speaker, let's look at education for example. Two things have occurred. One is that the government has tried to take credit for increasing education funding, while at the same time any analysis of these figures demonstrates quite clearly that it's merely a cynical, contrived argument to appear that this government is actually increasing education in a way that could enhance the standards, get them back up to something like they once were and make sure that our children have a chance to be competitive in an increasingly difficult and competitive international economy.

The government says that they're putting \$383 million into reinvestment in Alberta's education system. Well, Mr. Speaker, only \$191 million of that is new; \$70 million of it was already announced in the '97 budget, and a good chunk of it, \$122 million, is just to pay for the basic grant as more and more students enter the system. The \$191 million will amount to \$108 per year per child. That won't cover the textbooks and the lab equipment and the busing and the repairs to schools that are fundamentally required at this time.

The \$191 million in new money, which will just keep up with the additional number of students, will actually jump, vault Alberta ahead of Mississippi and ahead of Utah into 55th place out of 63 North American jurisdictions. It's an improvement. It's not 60th; it's 55th. And Mississippi, then, in three years might well be behind us, but they could start spending more money because they understand the value of education. What we see, Mr. Speaker, is a lack of attention to those policies and those issues that could have such a profound and important impact on education today.

We need to have smaller class sizes, Mr. Speaker. In fact, Alberta ranks 47th among North American jurisdictions in classroom teacher-to-pupil ratios, 47th. We rank behind Mississippi in classroom size, behind Tennessee in classroom size. That is to say, we're bigger classroom sizes, bigger ratio. We rank behind Alabama, we rank behind Kentucky, we rank behind American Samoa in the number of students per teacher. We have an inordinately high teacher/student ratio, and what all the studies will tell you, what all the evidence suggests is that the smaller the classroom size the greater the likelihood, the greater the potential for a strong, enhanced, and improved education for children in that classroom.

4:50

Health care. Similarly we see the effects of this money first, people second budget in health care. Most prominently is the fact that there is nothing in this budget to deal with the red alerts,

2,500 of them across this province last year. All Edmonton hospital emergency rooms were on red alert at the same time two weeks ago. There is nothing in this budget to deal with those red alerts.

There isn't very much in this budget to deal with very much, Mr. Speaker. What it does, to the extent that there is any increased money – and there is precious little of it – is that it simply allows the health care system to keep abreast of population increases. Alberta's growing. Alberta has an aging population. Both those things will enhance an increased demand on the health care system. Migration in, because of the strong economic prospects, increases the demand on the health care system. This government is committing to the health care system a very small amount of money which in any way could be construed as being new. In fact, only \$92 million of this is actually new money; \$46 million of it was already announced last year; that is, \$46 million of the increase. Spending per person on health care has decreased over the last four years and will increase only \$73 per person over the next three years.

There are serious, serious problems in this health care system, and the Minister of Health may say in the face of all the evidence on red alerts, for example, that he doesn't believe it. What exactly would it take for him to believe that there is a problem with emergency services in this province? What's more, what would it take for him to accept responsibility and to do something about those difficulties? He should go on a tour like the minister of social services did to find out what's really happening – literally, in the minister of social services's case, on the street – in the hospitals, in the clinics, with the waiting lists, with the red alerts, in the emergency rooms, with the boundaries, in the long-term care beds across this province, Mr. Speaker.

There is an opportunity to reduce class sizes. There's an opportunity to hire more teachers to assist in doing it. There's an opportunity to make sure that there's a complete set of textbooks for each classroom. There's an opportunity to make sure that there are as many desks in the classrooms as there are students. There's an opportunity to make sure that our physical plants in schools are maintained. There's an opportunity to raise our education system to a world-class level, Mr. Speaker, to set that as the objective rather than having the objective of it being one of the lowest per capita funded education systems in the entire country.

Kindergarten. There's an interesting phenomenon that is symbolized by kindergarten. The government pointed out that grade 2 and grade 3 students now are experiencing particularly inordinately high rates of illiteracy. They can't read, Mr. Speaker. This is not just a coincidence. This is far more than an interesting coincidence. The fact is that those grades 2 and 3 students today are the very students who three and four years ago got half as much kindergarten funding as their predecessors did, and the government that saved, it thinks, \$25 million a year for two years is now contributing \$22 million a year to try and fix the problems they created.

How many other places does that exist? Let me count them. Municipal authorities. Municipal authorities have lost hundreds of millions of dollars in road construction and maintenance grants. Hundreds of millions. In fact, Mr. Speaker, now it's going to cost them even more money to fix them because they didn't keep the maintenance up. It's an interesting phenomenon. The mayor of Calgary is standing up and saying: the reason we're raising taxes isn't the mayor's fault. It isn't the city's or the municipal authority's fault. It's because this government dumped. It downloaded.

There have been significant tax increases because of that, and there will be more significant tax increases because of that.

The mayor of Spruce Grove said on Thursday that municipalities have been betrayed by this government. They have been betrayed by this government, Mr. Speaker, and he is right. Look in this budget. Who's burying the problems? Who's burying the problems that this government has created? The Member for Whitecourt-Ste. Anne is quite interested in that. He knows who it is. It took a great deal of courage on the part of that mayor to stand up, and he did the right thing. He did the right thing in the face of much intimidation and much general sense that this government will retaliate against anybody who has the audacity to stand up and tell the truth and say that they're wrong. We've seen it.

Family and social services. It's very clear, I believe, that one of the measures of a strong, secure, generous people, one of the measures of a people who appreciate what they have and are humble about having it is how they treat people who are less fortunate, how they treat people who are less able to take care of themselves, who don't get the advantages that other people get.

AN HON. MEMBER: Give them user fees.

MR. MITCHELL: Yeah, you give them user fees. You increase their health care premiums. You do regressive taxation instead of progressive taxation, Mr. Speaker. You replace what the rich pay with more being paid for by the poor.

MR. DICKSON: And bring in more private health care.

MR. MITCHELL: And bring in more private health care, yes.

We have some of the highest rates of child poverty in the entire country, and they can't dismiss this by saying: well, that's based on some inordinately high level of poverty designation. In fact, it's half. It's based upon half of what Stats Canada says is the normal level of poverty. Low birth weight babies in Calgary and some of the highest rates of teen pregnancy in the entire country. Some of the highest rates, as I say, of child poverty; 135,000 children living in this province in poverty. Hundreds if not thousands of kids needing hot lunch programs that they can't get because they're not provided for in this budget. One of the highest suicide rates.

Mr. Speaker, there is an arrogance in a government that may be harmless to some extent at some times. I'm not sure when. There is an arrogance in this government that is extremely harmful towards people in this province, children, those in poverty, and it underlines a real selfishness about the way that this government treats people in this province. It isn't every person for himself. That isn't a value that Albertans hold. Albertans are a people who believe in supporting their neighbours and helping their neighbours, who are grateful and humble for what they have, who do not lord that over other people, and who do not put other people down either explicitly or implicitly because they are not as fortunate or they don't have the advantages that other people have. This budget was a budget where we could have promoted real opportunity for people, not just economic opportunities for those people who already have them but opportunities for people who do not share in much of the wealth that this province has been given as a God-given gift.

The tax cut relates to these points that I mention. Nobody is opposed to tax cuts, but people are opposed to tax cuts when the timing is inappropriate. It's interesting that the government would

bring in these tax cuts when in fact there is no particular evidence of an overwhelming desire on the part of Albertans for these tax cuts. In fact, the Growth Summit, Mr. Speaker, outlined very clearly that tax cuts would be a lesser priority than people development, education, and health care. The polls indicate that most people believe that tax cuts are not necessary at this point because they don't serve much purpose when you have to get health care and education and poverty and issues like that under control. But as if to add insult to injury, this political gesture on the part of this Treasurer, perhaps to promote his own leadership campaign so that he can be the Treasurer who cut taxes running against a Treasurer who cut costs, is 22 cents per day for each average Alberta taxpayer. Twenty-two cents per day. In five short days you could buy an extra cup of coffee with that 22 cents. It would take you two weeks for a cafe latte or an espresso, but in five days you could buy a normal coffee. That's going to stimulate the economy, the Treasurer says. That's going to stimulate the economy, he says. [interjections] Going to stimulate the doughnut shops. Nothing wrong with doughnut shops.

5:00

Mr. Speaker, there's another interesting parallel between this Treasurer and his predecessor. I want to read something that will strike people as – well, it will be very familiar to them. I'm quoting from *Hansard*.

. . . this budget cuts provincial personal income taxes for Albertans. The Alberta basic income tax rate will be effectively reduced by one percentage point, starting with July paycheques. Our generous selective tax reduction will provide additional tax benefits to low-income Albertans . . .

This will be a powerful confidence builder for Alberta consumers . . . Albertans will have more money to spend. More spending will mean more sales for businesses and more jobs for Albertans. We will put dollars in the hands of Albertans and let them make their own spending decisions.

This is so familiar. I heard it just days ago.

Albertans already pay the lowest personal income taxes in Canada. They do not pay a provincial retail sales tax. This budget enhances Albertans' already substantial tax advantage.

Well, you know who said this? It's not this Treasurer, although he said words almost exactly like it. It was said on April 13. Maybe that is an unlucky day. April 13, 1992. It is a quote from *Alberta Hansard* by none other than the former Provincial Treasurer, Dick Johnston. The current Treasurer, Dick Day – oh, sorry. The current Treasurer, the Member for Red Deer-North, is actually . . . [interjections] Sorry. I withdraw it. The former Provincial Treasurer apparently set a standard to which this Treasurer wants to aspire.

Now, this budget, this April 13, 1992, statement was made, Mr. Speaker, on the eve of what was to become a \$3.4 billion deficit. It put 17 cents a day extra in the average Alberta taxpayer's pocket, and it contributed to a \$3.4 billion deficit. This one is a 30 percent improvement. It's going to put 22 cents per day extra into Alberta taxpayers' pockets. Quite an achievement. Quite an achievement. I'll bet when the Treasurer says that he's going to be doing this year by year, he hasn't actually budgeted or considered budgeting the extra \$193 million he's going to need next year to sustain it.

So the average Alberta taxpayer gets a cup of coffee in a week extra, gets a coffee and a doughnut in two weeks extra or a latte in two weeks. While his or her children are in classes of 35 and 40 other children, some of the highest student class sizes in all of North America, while his or her mother waits in increasingly

lengthening waiting lists for hip replacements or knee replacements, while his child can't get into an emergency centre because all five of them in Edmonton have been put on red alert, the compensation is 22 cents a day.

The \$123 million could be used to offset video slot machine revenues, Mr. Speaker, and if you want an investment that will pay dividends in human terms, then just replace the income from video slot machines. Do away with them. Reduce the crime that's associated with them; reduce the violence that's associated with them; reduce the family breakup that's associated with them; reduce the poverty that's associated with them. It all seems so obvious. It all seems so obvious that this should be done, but they're addicted to this particular form of income.

Mr. Speaker, it's interesting that in standing up and defending that they had to reduce personal income taxes in this province, they didn't invoke the sales tax argument. When they say that we have the lowest minimum wage in the country but that's okay because we have the lowest sales tax so that compensates people on minimum wage, they invoke the sales tax argument. They invoke the sales tax argument when the minister of social services – I can't let him off the hook that easily – says, “Well, we don't have the highest AISH in the country, but people have the benefit of not paying sales tax.” But when it comes to reducing personal income tax, never a whisper of the fact that our taxation is overall lower anyway because we don't pay sales tax in this province. Talk about selective arguments. It hurts. It hurts. I don't want the sales tax. I'm a Liberal. I'm a Liberal, and sales taxes are regressive. [interjections] It's okay. It's fine. I've got 90 minutes. They're going to be hoarse by the time it's over.

So I think, Mr. Speaker, that we should . . .

AN HON. MEMBER: Tell us about your sales tax.

MR. MITCHELL: Well, we're saying you don't . . . [interjections] Exactly. We don't want a sales tax. In fact, Mr. Speaker, I have a fundamental value upon which I base my opposition to sales tax. We've never studied it like this government has. We've never campaigned on it in any of our leadership campaigns like the Premier did. You know why? Because I'm a leader, and I'm a Liberal. I'm a Liberal, and I don't like sales taxes because they're regressive. They are regressive, and they hurt poor people more than they burden rich people.

That brings me to the next point. It just flows together so well. Mr. Speaker, the Treasurer brags . . .

DR. WEST: Well, do you believe in cigarette taxes?

MR. MITCHELL: Would you like to speak? [interjection] I actually do. As a matter of fact, I do believe in cigarette taxes. They should be higher.

Mr. Speaker, I look at this budget speech of the Treasurer, and he brags that over the last four years his government has reduced business taxes and personal taxes by \$500 million. Well, two arguments. One, he hasn't, because he hasn't factored in the increase in health care premiums and fees of course. But what is very interesting is that the \$500 million that he claims have been reduced from business taxes and personal taxes equal the \$500 million that he is now raising from video slot machines. It's higher revenue than gas and oil revenues, but it is not a coincidence. This government has raised \$500 million from video slot machines and lowered taxes on people who can pay them by the same amount of money. That is shifting taxation from a progres-

sive system, where people who have more money can afford to pay more, to a highly regressive system, where people who don't have as much money, who are vulnerable, in this case who are addicted, pay it instead. That's quite a legacy for these people to leave, quite a legacy for them to leave.

### 5:10

It is not a voluntary payment; it is the most highly addictive form of gambling that is known. They can assuage their consciences by saying that it's a choice. Well, it is not a choice. Society can make choices about that too. Society could say that it is wrong, fundamentally wrong to take advantage of people in those circumstances, and then they could shift the \$123 million tax reduction, which does no good at 22 cents a day per individual, and put it into offsetting video slot machine revenues, but they don't. They could but they don't, and that says an awful lot about what they are as a government and what their values are and where they come from. Where they come from is not a particularly pretty place. It's a very ugly place when it comes to taxation and burdening the weak in this province.

I don't know how many times we have heard this government say that it was not a revenue problem; it was an expenditure problem. It was an expenditure problem in many respects, Mr. Speaker. It was also a management problem which they haven't addressed, but it was also a revenue problem. In fact, one of the problems that confronts this province is the insecurity of revenues, the volatility of revenues, and there's very little that this government has done to address that issue except slash and cut those things that support people and build strong societies.

We have proposed – we campaigned on it – on a number of occasions over a number of years that there needs to be a stability fund which would take some of the surplus, put it into a fund which we could manage to soften the blows when the revenues drop back so dramatically, as they have been inclined to do. In fact, that fund could be identified not as a slush fund like the government's contingencies which are stuffed in but as a proper fund where we could see how it's managed and where we could actually see what's transferred in the budget to support programs while we adjust over a slightly longer period of time to the hit this province might have received due to revenue instability.

Mr. Speaker, I want to mention something about health care premiums. If this government really wanted to reduce taxes and help people, they should have reduced health care premiums. That's a classically good way to accomplish what they wanted to accomplish. It would help businesses, because business pays some of that, but it would also help individual taxpayers. The health care premium is a highly regressive tax. Anytime you reduce it, we readjust and make the taxes more progressive, fairer, more just. They could have done that, but they didn't.

Mr. Speaker, there is much that I still want to say about this budget, but I know that we have to stop in a moment – do we? – to have a vote. I can keep going? Thank you. Then I will.

The other thing that this budget ignores, Mr. Speaker, is women. There are many issues that affect women differently than they affect men in this society. Poverty affects women differently than it affects men. Child care affects women differently than it affects men. Health care cutbacks affect women differently, one, because the women's health centre was closed, and two, because when somebody goes home from hospital too early, it's a mother, it's a sister, it's a wife, it's an aunt, it's a daughter who looks after that person. I've seen much evidence. In fact, the Treasurer's answers today to the Member for Edmonton-Riverview were highly patronizing. This budget fails to reflect the needs of

women in many issue areas in this province. One of them is employment training, where women need to have particular forms of employment training to break into the workforce and to move up in the workforce.

The second area is a focus on family violence and support for people who perpetrate family violence, which far, far, far more often than not affects women much more detrimentally.

head: **Consideration of His Honour  
head: the Lieutenant Governor's Speech**

THE SPEAKER: I hesitate to interrupt the hon. Leader of the Official Opposition, but under Standing Order 19(1)(c) I must now put the question on the motion relative to consideration of His Honour the Lieutenant Governor's speech.

Mr. Coutts moved:

That an humble address be presented to His Honour the Honourable the Lieutenant Governor as follows.

To His Honour the Honourable H.A. "Bud" Olson, Lieutenant Governor of the province of Alberta:

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

[Motion carried]

**Address in Reply to Throne Speech**

17. Mr. Klein moved:

Be it resolved that the address in reply to the Speech from the Throne be engrossed and presented to His Honour the Honourable the Lieutenant Governor by such members of the Assembly as are members of Executive Council.

[Motion carried]

**Provincial Fiscal Policies**

*(continued)*

THE SPEAKER: The hon. Leader of the Official Opposition.

MR. MITCHELL: Thank you, Mr. Speaker. I want to use the next few moments to make a number of other points about this budget which I think have to be made.

The issue of the environment. Do you know one of the things that Nick Taylor used to say in this House? He was quoting somebody else whose name escapes me: Conservatives know the cost of everything and the value of nothing.

DR. WEST: Does Nick show up?

MR. MITCHELL: Now will you quit picking on Nick?

Mr. Speaker, that statement is particularly applicable when we consider this government's environmental policy. It was pointed out today by my colleague from Edmonton-Ellerslie that attendance at parks is declining. There is evidence that the privatization of parks – which everybody knew wouldn't work – isn't working. There are many park sites that the government can't find anybody to privately administer and manage. There has been a failure to secure our special places ecologically, completely protected and free of commercial development and activity. There is a failure to embrace the Canadian heritage rivers program, despite the fact that 90 percent of Canadians and a huge

chunk of Albertans are very concerned about global warming and want to support the Kyoto agreement. This government's trying to pick a fight with the feds on the Kyoto agreement.

Mr. Speaker, the environment does need attention and does need adequate funding, and parks need to be protected and supported. If there is ever an irony, the fact is that that kind of program becomes not just an environmental program but a very strong economic program, because while people will come here to enjoy lower taxes – which they already have – they also come here to enjoy the environment, to enjoy its cleanliness, to enjoy its beauty, to participate in the outdoors in a way that you can't do in many places in this world. One of the reasons that people want to live in Alberta, want to come here, and want to stay here is because of our environment.

As other countries around the world are increasingly diminishing the quality of their environment, there will be more and more emphasis on people wanting to come to Alberta, wanting to develop clean industries in Alberta so that we can sustain our economic strength but also sustain our environmental strength. There needs to be a visionary in that department of environment, Mr. Speaker, somebody who understands its significance and its relevance to us as an economy but also to us as people. We need the strength of our environment for our health, for our psyches, and for our human qualities.

5:20

Seniors are a group that has been sadly neglected in this document. Certainly, specific seniors' programs have been diminished and underfunded for some time. Seniors asked to be included in the process of building a strong seniors' policy. They never were. Broader than that, Mr. Speaker, you know, so often politicians are criticized for just worrying about the next election and not planning long term. Well, it's so obvious, given the demographic changes in this province, that we have an aging population and that pressures on seniors' programs and health care systems will increase as a result. If this were a visionary budget, it would have contemplated those demographic variables, their impact on health care systems and seniors' support systems in this province. It doesn't in the remotest way do that.

Mr. Speaker, this is a budget that had the opportunity to promote people, to capitalize upon an accomplishment – balancing the budget – to capitalize upon strengthening fiscal and economic elements in this province, and to begin to create support for people, to begin to re-create a world-class education system, and to begin to re-create a world-class health care system. All of those opportunities have been missed, because they're not in this budget. Instead of doing that, the government has actually contrived and construed to pump up its figures in ways that aren't true and don't support the message they want to communicate.

They are not increasing, in real dollars, in a real significant sense, funding to education. They're keeping up with the population growth. They are not increasing, in a real sense, money to the health care system. They're keeping up with population growth. They are not reducing taxes in any way that would be meaningful to anybody but perhaps the wealthiest of Albertans. They are, Mr. Speaker, making every effort to keep up with the Harrises, to keep up with Ontario. Well, Ontario is Ontario, and Albertans live in this province.

The question we have to ask is: when does this government begin to understand that it has a responsibility to more than simply an economy? It has a responsibility to a people, to a group of people, and to a society. The measure of great societies is not

simply economies. The measure of great societies is the strength of the people within them: their culture, their art, how we support one another, the quality of their universities, their education systems. Those are in jeopardy. Those are fundamentally in jeopardy.

Advanced education remains a serious issue. The government's own minister of advanced education announced last week to a group of students, a public gathering of students, that he was going to put a cap of 30 percent on tuitions.

AN HON. MEMBER: That's a 7 percent increase.

MR. MITCHELL: Yeah, that's a 7 percent increase. Exactly, Mr. Speaker. So not only is that too high, but of course it also isn't a commitment that he can make because he let slip in the House last week that he hadn't passed that through his caucus.

Now, we've seen times when there have been divisions in this caucus and in this cabinet. We saw one today; didn't we? Huge divisions. Right on the issue of Al-Pac. So why would anybody have any confidence that the Alberta advanced education minister can actually deliver on the promise that he made publicly of 30 percent? In fact, even the Premier couldn't deliver on his promise to elect two-thirds of the RHAs, so how would the Member for Lethbridge-West and the advanced education minister be able to do that?

Health care and doctors' funding. It is true that doctors are the lowest paid in the country now. It is true that we are losing 50 percent of our general practitioner students from this province because the working conditions are becoming unbearable and because the pay is so diminished in this province. Now, Mr. Speaker, when this need is addressed, the government can't decide exactly how it wants to address it. So we have the Health minister saying it's going to be a 9 percent increase, and we have the Treasurer, who seems to be contradicting a number of people in his caucus including the Premier, who says that it's going to be 5.5 percent. We have the doctors themselves, the president of the AMA, who writes in a letter to his own members that says that if you believe that this government's announcement would increase doctors' fees by 5.5 percent over the next three years, then "you probably still think that Bre-X is a great investment." He makes another very powerful point. He says:

The government is fixated on being number one with lowest taxes, yet appears to be quite blasé that Alberta is No. 10 when it comes to per capita health care funding.

We have the lowest taxes in the country. We have the lowest per capita funded health care system in the country. We have the highest user fees in the country. We have the highest health care premiums in the country. We have the highest regressive taxes in the country, Mr. Speaker, the ones that hurt vulnerable, lower income people. We have the highest regressive taxes in the

country. We have one of the fastest aging populations in the country.

A budget is a time when you can create a vision for the future and inspire people about that vision. A budget is a time when you can build a strong society and powerful people within it. A budget is a time when you can support our economy with the strongest of health care systems and the strongest of education systems. A budget is a time when all of those things can be accomplished. That's why, Mr. Speaker, this budget is such a profound disappointment, because it does not seize that time and that opportunity to create something great. Instead it simply creates money first, people second, and where it comes to the crunch, it's lower income, less well off, more vulnerable people that support this dream, this vision, of this government which says money first, people second.

Mr. Speaker, I won't be supporting this budget.

THE SPEAKER: Hon. Leader of the Official Opposition, just on a technical point. Do I take it that you're adjourning the debate? Your intent was to adjourn and then come back at 8 o'clock and continue?

MR. MITCHELL: Yes, it was.

THE SPEAKER: So why don't you just move that, and then we'll accept that?

MR. MITCHELL: I move that we adjourn debate.

THE SPEAKER: Having heard the motion by the hon. Leader of the Official Opposition, does the Assembly agree with the motion?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

Hon. Government House Leader.

MR. HAVELOCK: Yes. Thank you, Mr. Speaker. I move that the House do now stand adjourned and reconvene this evening at 8 p.m. in Committee of Supply.

THE SPEAKER: Does the Assembly agree with the motion by the hon. Government House Leader?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed?

[The Assembly adjourned at 5:29 p.m.]

