

Legislative Assembly of Alberta

Title: Wednesday, February 18, 1998 8:00 p.m.

Date: 98/02/18

head: **Committee of Supply**

[Mr. Tannas in the chair]

THE CHAIRMAN: Hon. members, if you could find your places, we'd like to begin the Committee of Supply considering the supplementary estimates for 1997-98.

For the benefit of the gallery this evening, this is the informal part of the Legislative Assembly. It's called Committee of Supply, and we're considering estimates. Hon. members are allowed to move around and sit in other places. We try and stay with the convention of only one person standing and talking at a time. It allows an hon. member to ask two or three questions in an evening as opposed to only speaking once on a particular item.

To begin this evening, I wonder if we might have unanimous consent to briefly revert to Introduction of Guests.

HON. MEMBERS: Agreed.

THE CHAIRMAN: The hon. Minister of Agriculture, Food and Rural Development.

head: **Introduction of Guests**

MR. STELMACH: Thank you, Mr. Chairman. On behalf of the members for Wainwright, Leduc, Wetaskiwin-Camrose, and Ponoka-Rimbey, we have some special guests in the members' gallery that I'd like to introduce. They are trustees for the Battle River regional division No. 31. They are Michele Mulder, the chair; Bill Sears, Randy Block, Sharon Butler, Roxanne Woloshyn, Gwenda Poyser, Lorne Enright, Superintendent Paul Dolynny, and Secretary Treasurer Bill Schulte. Would you please rise and receive the traditional warm welcome.

head: **Supplementary Estimates 1997-98**

Health

THE CHAIRMAN: I would call on the hon. minister.

MR. JONSON: Thank you, Mr. Chairman. First of all, I imagine that all hon. members have their supplementary estimates book with them, and I would draw their attention to the information outlined on pages 40 and 41 of the book.

Mr. Chairman, I would this evening, in speaking to the supplementary estimates for the Department of Health for 1997-98, indicate that we are proposing here approval of a very significant amount of money for Health in this province, some \$100.98 million. This additional funding will in the overall context help ensure that Albertans continue to have access to quality health services in this province and that regional health authorities have the resources necessary to deliver these services. As all members will no doubt recall, our government has continually stated that we will be closely monitoring our overall health care system and that we will respond to financial issues.

The supplementary estimate I am bringing forward this evening is based on just such an identification of the issues and the needs for additional resources to address emerging trends in our health care system. Included in the \$101 million estimate is \$39 million to eliminate the deficits inherited by regional health authorities when they were established in April 1995. I really think, Mr.

Chairman, it's very important to indicate here that when our regional health authorities were brought into being, there were certain hospital boards or certain entities within the health care system that did have debts and deficits. In other cases there was an accumulation or a grouping together of health boards that had a surplus. I would like to emphasize this evening that the government has never made nor does it ever contemplate making any kind of subtraction for those regional health authorities that came into being with an overall surplus position.

In addition to the \$39 million to eliminate deficits and debt, \$40 million is provided to health authorities to address the issue of equipment replacement and to assist in ensuring that medical equipment is year 2000 compliant. There is \$22 million for the physicians' fees for services here as part of their pool to recognize the "unanticipated growth" in utilization of physician services. Also in the estimates is the transfer of \$3.5 million to the operating expense vote from the capital vote to support the development of our health information technology systems through Alberta Wellnet.

Mr. Chairman, we have recognized the need to put all RHAs on a level playing field and to assist those that inherited deficits which were not of their own doing as regional health authorities when they were created. The additional onetime funding will eliminate the inherited deficits of seven regional health authorities in this province. I'd like to stress that this funding that we are proposing this evening addresses inherited deficits and not deficits that may have developed subsequent to April 1995.

In terms of a onetime allocation of \$40 million for health authorities for equipment and the year 2000 compliance, I would remind all members of the importance of addressing the year 2000 compliance issue not only in the health sector but across the province and in the private sector. I think it would be fair to say, Mr. Chairman, that this is a matter to be concerned about, but it's also an area, I think, that through the office of our Chief Information Officer Alberta is well positioned in terms of planning and in terms of assessing the needs in terms of 2000 compliance. Through Alberta Health we have committed a significant amount of money in terms of doing a study of the needs in this area. This money that we're talking about this evening will contribute, in part at least, to addressing the issue.

Mr. Chairman, related to the supplementary request for funding for physician services, additional funding totaling \$22 million is required to address the increased costs associated with growth and utilization of physician services last year. The payment of this \$22 million overexpenditure on this year's contract with doctors is part of the government's most recent offer to the Alberta Medical Association for a new financial agreement. It is part of the \$140 million, or 20 percent, increase in funding for doctors over the next three years that is identified in the budget.

Last is the item related to Alberta Wellnet, Mr. Chairman. Due to a change in the way Alberta Wellnet will be developed, accounting policy requires that development costs be charged to the operating vote rather than to capital. The amount requested for operating purposes for 1997-98 is \$3.5 million.

That, I think, Mr. Chairman, outlines the supplementary estimates that are before the committee tonight. They respond to definite needs within the health care system. They are significant, and I would hope the committee would give fair consideration to their merits.

Thank you.

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

MR. DICKSON: Thanks, Mr. Chairman. There certainly are some very welcome elements in the supplementary estimates insofar as the Department of Health is concerned. I might start off by saying that I know those regional health authorities that had inherited deficits will certainly be relieved to see the deficit assistance that's announced and provided for in these supplementary estimates.

One might ask why it is only now that the government moves on this matter. I think of the extent to which this has been a factor and a problem and a challenge for the Capital health authority with a very large inherited deficit taken over at the time that that authority was created. A number of different hospital facilities, in essence, were rolled into that, but clearly it's positive that Alberta Health is acknowledging that and moving on it now, however belatedly. I think the feedback I received from regional health authorities is that they do see this as a positive move, Mr. Minister, through the chair, that Alberta Health has finally addressed those needs.

[Mrs. Gordon in the chair]

I have a number of questions and issues with respect to practitioner services, but what I want to take the minister to immediately is element 1.0.5, Health Information and Accountability Division. Now, what we see is effectively a movement of \$3,500,000 from the capital account to the operating account. I'm not altogether clear. The minister referred to this as, I think he said, accounting advice that suggested it should be treated in that fashion. My question, because I want to be absolutely clear: are we to take from that \$3,500,000 transfer that there were assets – equipment, hardware, software – to be purchased by Alberta Health as part of the Wellnet program that are not now going to be purchased? Whether it's characterized as capital or operating, I think Albertans have to know and want to know and are certainly entitled to know: what are we talking about? Is it hardware? Software? Time? I mean, is this a onetime expense? Is this part of building up the health information system?

8:10

I think that in the Wellnet information and presentations they've made, Wellnet has talked about spending between \$200 million and \$300 million on information management and technology. I think if one looks at the Auditor General's report from September of '96, the Ernst & Young study of December of '96 and then the Action on Health statement from the government in November of '96 talked about substantial dollars in terms of the need to buy capital equipment and software in particular. So hopefully we can get some clarification from the minister on that, not just what account it's in but specifically: what are Albertans getting for that 3 and a half million dollar expenditure?

I'm particularly interested – I'll take the minister back to an issue, and that's the decision in the spring of 1997 to enter into a memorandum of understanding with IBM, or maybe I should call it the IBM consortium, because partners with IBM were Telus, Sierra, CGI, EDM, PSC, ISM – you have to love acronyms in the software and computer hardware business, Madam Chairman – and GE Capital. Now, there was a comprehensive memorandum of understanding, which I understood vexed the lawyers and senior administrators in Alberta Health for multiple months, but I'm wondering now whether a contract has been entered into with IBM. My understanding is that the issues have been resolved. I guess I'd want to know: how much of this 3 and a half million dollars is earmarked for the IBM consortium in terms of health information?

Also, Ernst & Young were hired, I think, as a quality assurance partner, so I'm interested in what portion, if any, of the 3 and a half million dollars has been paid to Ernst & Young in their capacity as the quality assurance partner.

Now, in the last Wellnet publication I saw, there were four particular projects that were identified as immediate and under way. One was telehealth. The second was the pharmacy network. The third was the year 2000 project, and the fourth was the triregion common financials, triregion being Capital, Calgary, and David Thompson. Now, the pharmacy network in the last Wellnet publication said that December of 1997 would be the time when the review of alternatives would have been completed and the detailed work plan undertaken. I haven't heard the minister or indeed any representative of Alberta Health advise what decision has been made there, so I'm interested in whether any part of the 3 and a half million dollars is earmarked for the pharmacy network.

In terms of the year 2000, clearly a major concern, I'm wondering if the minister can break out the \$3,500,000 in terms of health information and accountability. It doesn't give us very much detail, doesn't give us any concrete particulars, so my question to the minister through the chair would be: of those four elements I mentioned, what portion of this goes to the year 2000 project, which portion to the pharmacy network, which portion to telehealth; then, particularly, what portion goes to the triregion common financials? I'd like to know what's been spent in that area. Particularly in regards to the triregion financials, my understanding had been that the Calgary regional health authority had been identified to run a pilot project, which, if successful, was then going to be applied to the Provincial Mental Health Board, the Cancer Board, and the other 16 RHAs. All of that assessment and strategy was to have been done by December 1997, so that would still leave a number of months in that budget period. So I'm interested in knowing how much or whether any of the 3 and half million dollars being earmarked to that CRHA pilot project – I want to know what the costs are that flow from that.

Now, with respect to the onetime infrastructure support – this is the \$40 million to regional and provincial health authorities. I'm clearly talking about those moneys independent or collateral to the inherited deficit assistance sum of some \$39 million. I'd be talking about the \$40 million described as infrastructure support.

Some of us, Mr. Minister, are having a great deal of difficulty reconciling what you've provided with what we know the regional health authorities have said publicly and certainly privately to the minister and senior officials in Alberta Health is the minimum they require to simply manage to continue the same level of services that currently exist in their regions. I just say parenthetically, Madam Chairman, that we know that's not good enough because we know from a number of sources that we have some of the longer waits for accessing health care services that exist anywhere in the nation. So the status quo isn't good enough. Even if we were to argue that we must at least maintain the status quo, we know that, for example, the David Thompson regional health authority, which gets something like a 2.6 percent increase, has indicated that the extra money will not address long-term care, will not address capital equipment, will not address population growth in the David Thompson region.

I might just say that the East Central regional health authority gets a 1 percent raise, but they tell us that's still \$400,000 less than what they initially were advised they might expect from Alberta Health.

Calgary region is a region that should be of enormous importance to members in the government caucus. Fully 20 of the 63 members are supposed to be here representing and advocating on behalf of Calgarians. The Calgary regional health authority has received something in the order of \$30 million less than what they said they needed simply to maintain the level of service that had been provided before. I think I may have indicated to the minister formally or informally that I attended the Calgary regional health authority news conference when Phyllis Kane, vice-chair, and Paul Rushforth, CEO, expressed their extreme disappointment and frustration that the provincial Minister of Health was not providing them with the funds they needed just to maintain the level of service. I think members understand the city of Calgary: three years, 70,000 new potential patients, an enormous strain in that region.

When we look at the numbers that are reflected in the \$40 million, I think one can reasonably ask: how can we have such a spread between what the regional health authorities have identified as need and that amount that's provided for here?

It occurred to me, Madam Chairman, that perhaps there's something missing in the information I got from the regions. Maybe the minister has some different numbers. So what I'm going to ask him to do before we vote on the supplementary estimate for the Department of Health is to go through and identify specifically what the request is from each of the regions so we can identify the extent to which there is a shortfall, how big that shortfall is, because we want to know. The minister effectively said in his comments that he was being responsive to needs of regional health authorities. Well, let's test that. Let's have the minister identify what the immediate needs are for supplementary funding for the 17 regions so we can compare it with the numbers we see on page 40 of the budget book.

8:20

What I neglected to mention also is that the Chinook regional health authority have specifically told me and certainly told my office that they're facing some major challenges – and they wouldn't be alone in this case – particularly in the area of labour costs. The Chinook region reports that their labour costs have risen 3.4 percent. The 1.5 percent increase that's reflected in the supplementary estimates simply doesn't get them very far.

Once again, what we see is a pretty clear indication that without some major change we're going to see a degradation, we're going to see a reduction in the level of service that already is some of the slowest service anywhere in the country. In the words of Phyllis Kane, vice-chair of the Calgary regional health authority, those reductions in health service to Calgarians may be impacted in virtually every kind of service provided by the Calgary regional health authority.

I haven't even mentioned the Capital health authority, because I know that my colleague the Opposition House Leader has got some very pointed and specific questions for the Minister of Health relative to that. I think it's fair to say that although the Capital authority was a little slower in identifying their shortfall, they also have a major issue over and above the inherited deficit which has complicated things for them.

I know there are many other members that want to join in the debate on supplementary estimates, but I want to say to the minister that with respect to physician services there's been considerable interest certainly in this House and I think in the province around the business of compensation to physicians. I appreciate the minister's candour in saying that the \$22 million in the appropriation here is in effect reflecting – I don't know

whether we can call it an overrun – an overexpenditure in the area of physician services. Hopefully, the minister will go the next step and acknowledge that this money in effect has already been spent.

When the government is doing its calculation – and members will remember that we went through this business of whether physicians are getting 5.5 percent, as the Provincial Treasurer said, whether they're getting 9 percent, as the Alberta Health spokesperson has said, or whether they're getting zero percent, which is the representation from Dr. Bill Anderson, the president of the Alberta Medical Association. We need to be real clear, and if in fact the \$22 million that's part of the supplementary estimate, this new appropriation, has already been spent, if you will, let's acknowledge that, because I think that's very important. This isn't in any sense really new money. The services have been provided to patients, the physicians have been paid, and now we're getting in effect after-the-fact authority to move some money around. So that's money that's already been spent.

Madam Chairman, I've touched on the deficit assistance. I've had a chance to speak briefly to health information and accountability and infrastructure support. One of the things that we might appropriately ask the minister while we're dealing with the 3 and a half million dollars for health information and accountability is to what extent those moneys are expenditures, if you will, for the benefit of Alberta Health and to what extent those moneys are going to be spent for the benefit of RHAs. I understand that clearly we're talking about one patient, but it's important in terms of analyzing who's spending our precious tax dollars appropriately to know whether this money is simply going into the provincial Wellnet initiative or to what extent that money is then going into any of the regions, presumably maybe the Calgary region, which is operating that pilot project on the triregion common financials group.

So those are the comments I've got. I look forward keenly to the minister's responses, and I just might say that I've always appreciated that the minister has tried very hard to be fully responsive when he's been asked questions, particularly in a verbal sense. This is a minister that doesn't tend to wait a long time to respond, so I'm hopeful, as I say, that before we get to the vote, we will get a very detailed response to these questions that I think Albertans are interested in, that we know the 17 regional authorities are keenly interested in. I await his response.

Thanks very much, Madam Chairman.

THE DEPUTY CHAIRMAN: The leader of the ND opposition.

MS BARRETT: Thank you, Madam Chairman. I'm pleased to have an opportunity to ask the minister a few questions about the supplementary estimates. I'll get right to my point. One of the things that I'm concerned about, even though it is a transfer as opposed to a new appropriation, is the health information and accountability division. This is reference 1.0.5 on page 41. I find very little information in the estimates as to what this money has been spent on and why there was an increase over the projected amount from last year.

I note, Madam Chairman, that most of the increase in the dollars expended is the actual \$22 million for physician services. I'm not sure the explanation is actually as clear as it should be. It says, you know: "\$22,000,000 to the Physician Fee-for-Service Pool for unanticipated growth in service utilization." Well, if there was growth in service demand, then presumably there would have been commensurate growth in the hospital system that would

have happened last year, and I didn't see that reflected in supplementary estimates. In fact, it's not reflected at all. I think the other thing, to be fair, is that the minister may want to acknowledge that we are talking about fee-for-service schedule increases.

On the issue of the health systems becoming 2000 compliant, it's hard to tell what percentage of this money is being dedicated to that and whether or not it is sufficient. I expect that it might be, but I wouldn't mind hearing an outline from the minister.

One of the things that has me absolutely baffled, though, Madam Chairman, is the \$39 million that some of the 17 health authorities had accrued in what's called inherited deficit. Presumably this is not just from the '97-98 fiscal year. This would be from previous years and I don't understand why it wasn't taken care of at the time, unless I'm wrong, and if I'm wrong, I don't mind. [interjection] Oh, the positive timing is now. I've got to teach you guys a thing or two about politics. You're supposed to do your positive timing before the election, not after the election.

Anyway, I don't understand why it was allowed to wait this long. In fact I'll make a political point. I don't know when the minister is going to get a chance to summarize. I'm not even sure at this point that we need to have regional authorities given the formula-based funding that we've gone to in health care. It seems to me that we may even be pushing the point now of having 17 competing entities, each with their own inherent built-in costs, and maybe those debts might not have been incurred if we did this all from one agency called the Department of Health.

Lastly, I see that if you look at the budgets of the last three years, they essentially perpetuated the cutting, which reached its worst in 1995-96. It's my opinion that – and we'll get to this, of course, in the main estimates. Until there is a significant increase in overall health care funding – and I don't mean just to the doctors; okay? I mean if we're acknowledging that the demand for doctors has grown, why aren't we acknowledging that the demand for hospital beds, particularly considering 50 percent of them in Edmonton and Calgary were cut, has also grown? We're going to need somewhere between \$300 million and \$400 million to give the proper boost to health care so that those hospital beds can be reopened and maintained.

8:30

Keep in mind, Madam Chairman, that hospitals have a lot of fixed costs to begin with. It doesn't matter if you've got 100 patients a day or 300 patients a day going through your emergency ward; you have to have X amount of staff, X amount of trained staff, X amount of each type of trained staff, not to mention all of your equipment and so forth in place in order to function as an emergency ward. So the reopening of those hospital beds, I would contend, would be relatively less than if you took the total cost of running the hospital system and divided either by 17 boards or X number of beds.

Those, Madam Chairman, are my questions and comments. Oh, I think I have one more. Yeah. I guess it would be an observation and a question, and that is the announcement yesterday by the Capital health authority that it's going to be reopening 16 new acute care beds. That would account for 1 percent of the beds that were closed since 1993. I'd ask the minister if he would answer this; that is, whether he believes that the 24 beds that were reopened by the Capital health authority in January actually made a difference to the waiting list compared to whether we would have had a significant decrease in waiting lists, including those in emergency waiting for acute care beds, if we'd had openings of

long-term care beds, considering that many of the acute care beds are occupied, against their own will I admit, by long-term care patients?

Thank you, Madam Chairman. Thank you, Mr. Minister.

Chairman's Ruling Decorum

THE DEPUTY CHAIRMAN: Thank you.

Before I recognize the hon. Member for Edmonton-Glenora, I do have to remind all hon. members that although we are in Committee of Supply and it does allow you some freedom and some latitude, it is not necessary to stand and visit with other members. Please find a place to sit and visit accordingly. Thank you.

The hon. Member for Edmonton-Glenora.

Debate Continued

MR. SAPERS: Thank you. I have just a few questions for the Minister of Health. I'll try to be succinct to allow the minister plenty of time to answer, because of course it's important that we receive answers to these questions before we vote on these estimates. We're asking for approval to spend almost \$101 million of money that wasn't budgeted, and most of it is probably already spent. In fact, I guess my first observation will be that most of it has already been announced, and I do find it curious that the Minister of Health and the Premier would go to great pains to announce in the prebudget chat on TV and in the budget and in the throne speech all kinds of . . . I'll just wait until the leader of the ND opposition is finished with the Minister of Health, and then I'll continue. [interjections] He only listens to Calgary-Buffalo, you know. [interjections] Thanks.

I just find it curious that so much of this spending has already been announced, and Albertans will think it's a foregone conclusion. Of course, the appropriation hasn't come before the House yet. We have to vote on it, and you know there are all of those things to do with the democratic process in the Assembly. But that hasn't stopped the government from announcing spending before, and I guess it won't stop them again.

The first questions that I have are around the \$22 million for the fee-for-service pool. I note that in the program spending detail we see under line 2.1.1 that the total adjusted amount is \$767,445,000. Now, the original base in the budget was some \$719 million, and then it was up to \$737 million. Then during the election we heard that a deal had been made where there was going to be up to an extra \$50 million should the physicians bill through their cap. Now we see that it's \$767.4 million. The additional \$22 million being requested bumps it up to just shy of \$790 million.

So I hope that the Minister of Health will make it crystal clear to us and to the AMA and to all taxpayers exactly what the base amount is, not the ceiling but what the floor is in terms of the physician fee pool. Is it \$719 million? Is it \$737 million? Is it \$767 million? Or is it \$789 million? And which one of those floor figures is the starting point of your current negotiations? Do you expect that you'll be spending more than the \$22 million and that in fact you'll be getting up to the approximately \$50 million that it was announced would be made available to physicians should they bill more than the approved pool during the election? Will we be looking at another overrun? I believe you should have those figures now because I know you're in the process of negotiations. I know that you've got your number crunchers working very hard, figuring out exactly where we're at in terms

of the physician fee pool. I know that you've got more current figures than this, and I'd like to know exactly where we're at and how much of that extra money has already been spent and what you expect will be the real floor amount for fiscal '98-99.

The next is the \$40 million to regional health authorities. I note that that \$40 million is divided between the deficit assistance and the infrastructure support. On the infrastructure support you have provided us details in the budget book. [interjection] The \$40 million is all for infrastructure? Okay. The \$40 million is all for infrastructure, and in the supplementary estimates book you break out the detail by health region or by provincial board for how much they're going to receive.

So we've got the 17 health regions. We've got two provincial boards. Mr. Minister, I know that you have spent time, as I have, talking with representatives of the faith-based boards and some of the other boards that still exist even though the government likes to say, "There were 200 boards before, and now there are only 17." Everybody knows that's not true. Everybody knows that there are 17 regional health authorities. There's the Provincial Mental Health Board. There's the Cancer Board. There's the Provincial Health Council. There are some 36 faith-based boards. There are private boards like the board that runs the Allan Grey, and on and on and on it goes. So we know that it's not just the 17.

What I'm wondering about is: have you heard the requests, as I have heard, from those other boards that still provide necessary health services for Albertans, mostly under contract to regional health authorities? Have you heard their pleas for infrastructure support as well? How do you expect these subcontractors to do their job, to be year 2000 compliant, et cetera, et cetera, if you're not providing them with extra money? Unless you're going tell us that some of the money you're allocating to the regional health authorities in fact is earmarked to flow downstream to these boards that operate facilities under contract.

If that's the case, I would like to know the detail, because I would like to be able to respond to the operators of the Allan Grey or the Bethany care centres or the Caritas hospitals. I'd like to be able to respond to those and others when they say, "Where are we going to get the extra funds, because we're being nickle-and-dimed and shaved in our contracts with the RHAs because they're still being squeezed for money?" So you see we have RHAs in Calgary and Mistahia in the Grande Prairie area and in Edmonton and all over the place saying, "We're not getting enough money to program to meet status quo, let alone increase in demand." You're giving them a little bit of extra money to meet these infrastructure needs, but is that money expected to keep on moving? If it isn't, what are you doing to meet those needs? If it is, I want to see the detail.

On the inherited deficit assistance request. It's some \$39 million. That's great. The bulk of that goes to the Capital health authority, and I have to tell you that as an Edmonton MLA I am thrilled that the government is finally living up to its responsibility and funding that deficit. Government has made it very clear, crystal clear in fact, that the regional health authorities are not to run deficits. And if they do - I can remember the previous Treasurer, Jim Dinning, saying that they simply won't. When asked the question at a provincial health association meeting, as I think it was still called at the time, the chair, Donna Rose, said: I know that the Treasurer will come to our assistance. He said: no, the Treasurer won't. As far as I know, that's been the government policy ever since, that regional health authorities are not allowed to run current year deficits.

But many of the regional health authorities had inherited deficits; you're finally recognizing it. The biggest one was in Capital, and that \$30 million to \$35 million deficit, depending on how you counted it at the time, has been a real anchor around their neck. While it's wonderful that you're going to pay off that debt now, what I'd like to know is: what are you going to do about all the debt servicing costs that have been incurred over the years? What are you going to do about all of the other interim financing costs in order to give the Capital health authority the same flexibility that, let's say, the Calgary health authority had because their inherited debt was so much smaller? That Capital health authority has had to deal . . . You're looking puzzled. Do you want to respond to that now, or will you be able to remember that thought?

8:40

MR. JONSON: I can't guarantee that, Madam Chairman, but I'll try to.

MR. SAPERS: The Capital health authority has been on this uphill fight to deal with the burden of being underfunded on the operating side, and a lot of that has had to do with their need to pay debt servicing costs on that inherited debt. Now, if you're going to tell me that the Calgary health authority had a much bigger inherited debt to begin with, because that's when you seemed to be puzzled, then I'd like to know exactly - that was my point, Mr. Minister, that they didn't have one. So they didn't have the same problem; they didn't have the same yoke around their neck as the Capital health authority.

So my question to you is: what are you going to do to even out that playing field? You've got those two regions, Capital and Calgary, that provide the highest cost services, some of the most high-tech services, who provide support to all of the other regions - particularly that happens out of Capital, but to some extent out of Calgary as well - yet Calgary didn't have this inherited problem upon establishment. Capital did, and they've been fighting that for years. This government knows they've been fighting it for years. The now Minister of Family and Social Services was once dispatched by the government to go and do special duty and marginalize the existing board at the time and be like a knight in shining armour and ride in and try to find the \$20 million. Of course he couldn't, and some of that \$20 million the Minister of Public Works, Supply and Services is still responsible for because he hasn't paid the Caritas bill.

Then the Member for Calgary-Bow was on one, the minister of family services went and did another task force, and there's the Percy/Guenter report. So none of this is news. I know both chairs of the Capital health authority have told both ministers of health since that board was established that they've got to get rid of that debt. So while it's nice that you're spending the \$33 million now to put them at zero, let's not be under any illusion here about what it does. It just gets them out of the red and into the black. What are you going to do to help them compensate for all of the costs they've incurred because you as a government wouldn't live up to your responsibility at an earlier point?

So, Mr. Minister, you've got an interesting proposition on your hands for the Assembly. You're asking us for \$22 million for docs, and that money has already been spent in fact. You're asking for another \$40 million for a onetime infusion for capital, and that money's been announced I think twice, leaving Albertans with the impression that it's a whole bunch of new spending. But you've already announced it, and really you'd like the Legislative Assembly now to put its imprint on the government's good

intentions. We're willing, I think, to do that because the \$40 million I'm sure will be well spent and it's necessary, but I want to know how it's going to benefit all of the health providers in the province.

Finally, you're asking at this point in time for some \$39 million, money that is being used to pay off the debt. It was a debt that was created because of the way this government collapsed boards and regionalized and went ahead with a plan to create 17 regional health authorities well ahead of their thinking on how best to do that. So what we're stuck with is being asked to vote for or against largely things that are historical. I guess maybe that's why they call them supplementary estimates, because they let you recreate history. In any case, I would appreciate your thoughts and answers and reflections on my concerns.

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

MR. ZWOZDESKY: Thank you, Madam Chairman, and thank you, Mr. Minister, for this opportunity to discuss with you the issue of your supplementary estimates request. I listened with great attention to the minister, as always, when he was explaining the requests before us. I'll try to keep my comments relatively brief. I think I followed the gist of what he was saying and where he was going.

Just before I get into that, I was trying to identify the particular areas that the minister identified in the supplementary estimates of the general revenue fund as presented before us with the department's summary as it exists in the government and lottery fund estimates book, where of course all the larger details are provided. I'll just give you one example, and that's in the area of health information and accountability division, where the transfer has occurred of \$3.5 million. I think the minister said that this was for essentially information upgrading, or words to that effect, and that it was coming out of the capital pool of money and just being transferred. Is that how you said that, Mr. Minister? I'll just read your comments in *Hansard*. I must have missed it a little bit.

But the point I want to make is to equate that with page 231 of the government and lottery fund estimates book, Madam Chairman, where health information and accountability under vote 1.0.5 is already estimating to spend somewhere in the neighbourhood of \$30 million for health information and accountability, and I'm not clear on how this additional \$3.5 million ties in with what's already in the budget. I understand it's a supplement to that budget and that it's explained here in terms of a vote necessary to pay for Alberta Wellnet. I guess what's not clear to me, Mr. Minister – and I'm sure you can clear it up in a snap – is the essence of the Alberta Wellnet program, that project. Is it something brand new or something that's just recently come onstream, or is it an oversight or something that was contemplated for further on down the line but is now required suddenly to be put in? I'm just not clear on that.

The other issue is with respect to the \$22 million that is requested for practitioner services. Here again I can appreciate that the department will need additional moneys for sudden expenses, primarily because we're talking about a rapidly aging population. As you know, Madam Chairman, rapidly aging populations require more reliance on health maintenance, and that translates into accessing the health services on a more frequent basis, and that translates into larger dollars. So there's the appreciation for the fact that our province is aging and also for the

fact that we're experiencing a tremendous migration of new people into the province here as well, and I can see where more physicians or fees to cover physicians' services will be required.

What I wanted to have the minister just comment on, if not tonight then some other time, is: of that \$22 million projected under supplementary estimates, how much of that in the minister's opinion is in fact going to reflect the need for more physicians, or is this more a reflection of increased work only, increased visitations, so to speak, to existing doctors? Is that something the minister could clarify for me? I appreciate the increased utilization is going to result in rewriting many doctors' contracts perhaps, but I'm not clear on what the minister or his department has in mind there in terms of the points I raised. Is it new physicians, or is it just new work for existing old physicians, as it were?

8:50

The other part of that equation would be that I'd really appreciate the minister telling me within that same context on physician services how this impacts the rural doctors, the shortage that we've heard so much about. I grew up in rural Alberta, as did many members here, I'm sure, and we know how acute those difficulties can become in rural Alberta. I have a genuine concern for the smaller towns out there, the Sanguodos and Mayerthorpes of the world, which is my former domain. What percentage, if you will, of new dollars to that area is going to flow out to the rural areas?

The other point with respect to the \$40 million, first of all, for infrastructure that's required for regional and provincial health authorities and is being advertised as a "one-time infusion," to quote the book, "to address the issue of equipment replacement and to ensure that medical equipment is Year 2000 compliant" really has my attention. I recall that the minister of public works made a statement in the House here about a week or two weeks ago with respect to the need to update and improve all the computers in the government system and, in turn, out there in the so-called MASH or MUSH sectors, and I was quite impressed with the minister of public works' statement. In fact, when I had the pleasure of responding to him, I think I congratulated him on the insight and the foresight he had to improve funding to that area.

At the same time I posed several questions within the speech that I made, or at least I raised several points, and some of them were to do with health care. In particular, we know that information records, health records as well as everything from heart monitoring devices to the EKG machines in the hospitals to whatever are going to have to become compliant, as they say, by the year 2000, but I'm not sure that \$40 million at this stage is going to be what's required to solve that problem. I have no idea, Mr. Minister, whether it's going to be too much or too little, and I just wonder if you would clear it up for me, on what basis you've arrived at that figure. I see how it's all broken down in the book here. Is that based on estimates that, let's say, Chinook gave you, saying "We only need \$1,571,000" and Palliser saying "We only need \$934,000"?

What has my attention there, Mr. Minister, is that you say that it's a "one-time infusion." I would wager to say, without knowing a great deal about the issue of compliance, that common sense would tell me that \$40 million may not be enough to even scrape the surface of that particular issue. So perhaps a brief comment from you on that would help this member understand and pass on comments to those people that are interested in it.

The other part of the supplementary estimate, Madam Chair-

man, has to do with the so-called inherited deficit assistance expenditure in the amount of \$38,981,000. What I'm curious to know here, Mr. Minister, is – first of all just a quick clarification on how it is that some of these regions wound up in their so-called deficit position. How long have they been carrying this deficit position? Is this a deficit that arose just in one year, or was it an accumulated effect? I see there are only seven regions that are affected. So that's just one quick question that I'm sure you'll clarify. I think you referred in your speech to the fact that this goes back to the change that occurred in 1995, which I understand, and that won't be a long explanation required.

My other and more important fundamental question is with respect to the whole issue of the MUSH sector carrying these deficits and why it is that the Auditor General in his report in 1996-97, in referring to the deficits that were accumulating – I'm not sure if he referred to them. I'm sorry; I shouldn't say that. In reference, in a general sense, to the consolidated financial statements of the province why it is that the MUSH sector is sort of exempted from that? They each present their own pictures; don't they? But they don't appear as a part of the consolidated financial picture of the province.

This morning, Madam Chairman and hon. minister, in Public Accounts we posed the same question to the hon. Treasurer of the province. I'll let you read it in greater detail. His response was along the line of: well it wouldn't be fair for us as a government to include the MUSH sector in our consolidated financial statements as such, because it wouldn't be fair – and I'm hopefully quoting him quite closely here – for the government of Alberta, for the taxpayers of the province to receive on the one hand inherited debt, if you will, from the health authorities; by the same token it wouldn't be fair of the province to include in its financial statements a sudden surplus that, let's say, the Capital region might have because of a tremendous fund-raising drive that year. This was the example, pretty close to source, that the Provincial Treasurer gave this morning. I listened very carefully to him because I was trying so hard to follow that argument.

The Auditor General himself – and I'm sorry; I'll cite the page number for you later – makes a recommendation on consolidation of these financial statements. I was looking for it here, Mr. Minister, but I couldn't quite spot it fast enough. Anyway, it's in the Auditor General's report for 1996-97. Again, I don't expect an answer to that tonight necessarily because it is quite complicated, and I don't want to put you at odds with the Treasurer. I just want clarification here on that whole issue, because it really caught my attention, Madam Chairman, when I saw the words “inherited deficit assistance.” I thought: well if we're voting in a supplementary estimate to in fact bail these people out of a deficit position – and I have no problem doing that – then why would the Treasurer make the argument that those kinds of statements don't belong within the consolidated picture of the province? It didn't follow to me. It could be, like Columbo, that I'm missing something here. I'd appreciate that quick comment.

Let me just see if there was anything else here. I think that sort of rounds it out. Oh, there was one final thing I wanted to say, and that was with respect to the moneys requested. I appreciate, Mr. Minister, that the infrastructure support dollars are probably predicated on a level of need as expressed to you by each of the health authorities. What I don't understand is the larger discrepancy of funds that were requested by groups like Calgary and the Capital health authority in particular and the discrepancy between the amount of moneys that they had requested versus the amount of sudden moneys that became available to them. For example,

I think that Calgary had requested \$33 million or \$28 million – somewhere in there? – and they received considerably less. I think Edmonton region did not specify. At least they didn't make it publicly known, let me put it that way. They didn't make it publicly known how much money they were requesting versus how much was actually given to them, and that being the case, I sort of thought maybe supplementary estimates would be the place I would see the answer to that particular question, because this book does come out in a complementary way to the larger budget picture.

So with those few comments and those few questions my 15 minutes are up here, Madam Chairman. I will relinquish my chair to someone else and take my seat and look forward to the minister's comments to my questions and those of other colleagues.

Thank you, Mr. Minister.

THE DEPUTY CHAIRMAN: Does the hon. Minister of Health possibly wish to answer some of the questions now?

9:00

MR. JONSON: No, Madam Chairman.

THE DEPUTY CHAIRMAN: Okay.

The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Madam Chairman. I want to make a few comments about the supplementary estimates in Health, first of all because I welcome them. I welcome them because I think any help for the health care system has to be welcomed. We've been labouring under some very severe difficulties, and we need some solutions.

At the beginning of this session or some weeks back, the Member for Olds-Didsbury-Three Hills – I believe that was the member – in the response to the Speech from the Throne made some comments about the health care system, indicating that the health care system was in good shape and that people were satisfied with the service they were receiving. I guess I bridled at those comments because I had just had a 48- to 50-hour session in the emergency ward in one of the local hospitals. It was with an elderly relative who was in the last stages of his life and had been rushed to the emergency several times in the last couple of weeks. We had been called at 12 midnight to come and take him back to his residence because there was no space for him there, and they thought that there was nothing they could do for him. But the end came, and we spent, as I said, about 50 hours in and out of the emergency ward.

You can't leave that experience without some very strong impressions of the state of the health care system. The overwhelming impression is of a staff that is just run off their feet, absolutely harried with the kind of workload and the kind of situations they're dealing with. Uncle Wilbur was moved around the emergency ward from position to position, and if you've been in an emergency ward, this is a fairly public area. There are patients being wheeled in and out continually. There are family members visiting. There are doctors, there are nurses, there are support personnel moving in and out. He was moved around the emergency ward because there were no beds. There eventually was a bed. He was moved into a ward about four hours before he died. Again, you're left with the impression: is this the way that Albertans, after living in the province for 85-plus years, should be treated in the health care system?

I was also left with the impression that if there hadn't been

family, if there hadn't been someone there to advocate on his behalf, given the kinds of priorities the staff was faced with making, he might not have fared even as well as he did. He was treated. I think that if you had asked us to fill out a questionnaire at the end of the experience, we'd have said, "Yes, his needs were looked after." But whether we have any confidence in the system is, I think, another question, and how we view how his needs were met is again another question.

So I came away from that experience with some questions about the adequacy of the health care system, concern for personnel, concern for the kind of facilities that are in place, concern for the staff. I'm not sure how long you can realistically expect doctors and nurses and support staff to continue to work at that kind of a pace and maintain their mental health and make the kind of good professional judgments we expect them to be able to make. So that was one experience I had, in response to the Member for Olds-Didsbury-Three Hills.

The second is the longer experience, and that's been in the constituency, our experience with the Grey Nuns hospital. We, as many members know, have lobbied every which way we can from mass rallies to presenting petitions in the Legislature almost on a daily basis during one session to have the hospital returned as a full-service hospital. In our terms that meant the return of the intensive care unit. Recently we were successful; we got that intensive care unit back. The Grey Nuns will be again a full-service hospital.

When this was being considered, I went to the community health care meeting and asked exactly how much the return of that intensive care unit was going to cost. The response I got from one of the Capital health authority personnel was that the restoring of the intensive care unit would be a \$20 million expenditure. Of course, I guess I was more than a little surprised that it was going to cost \$20 million to restore what we'd had four years earlier, and I asked, for instance, what had happened to the equipment. I was told that that equipment had been dispersed. No one was quite sure where it went. I was also told that now a lot of the equipment would be dated and would no longer be useful. It seemed to me like a very, very heavy price tag to have paid for taking out the IC unit and then restoring that unit to the hospital. The official from the Capital health authority didn't quite ever come out and say in words, "We made a mistake," but everything but.

So if the minister could answer some questions for me, they would be, first of all: is there enough money in this requisition to reduce the red alerts in this city? Is there enough money to provide beds for patients when they're needed by those patients? Is there enough money to reduce the fear of Edmontonians that some of them now have in terms of getting into an ambulance? So those three questions. Is there enough money? Does this supplementary requisition make those three things possible for patients in the Edmonton area?

The other question I have is: what does it cost, because of the lack of plans initially, to make the so-called adjustments, and is that being tracked? Just what is the total cost of having made some of the changes; for instance, making those hospitals into health centres and then returning them to full hospital status? What has been the total cost to the health care system, and is that being tracked?

So I think those are my comments and questions. Again, I welcome it. I'm delighted the minister has seen fit to come forward with the supplementary requisition. I look forward to going through the budget for next year and hope that this is the

beginning of a march along the way to restoring confidence in a badly battered health care system.

Thank you.

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

MR. MacDONALD: Thank you very much, Madam Chairman. It's a pleasure to rise this evening and ask a few questions to the minister regarding the supplementary estimates.

[Mr. Herard in the chair]

The minister, the hon. Member for Ponoka-Rimbey, states in a news release: "A quality publicly funded health system, accessible to all Albertans, is one of this government's highest priorities." My constituents are going to be very pleased to hear those words from the minister. The \$40 million that is going to be distributed is an important first step. Last summer, whenever I attended the Capital health authority meetings here – and particularly one, I believe, was in Pleasantview, in the south end of the city – the Capital health authority acknowledged there was a shortage of MRI machines. We all know the importance doctors are now putting on the MRI machines as a diagnostic tool. I would like to know if any of this money is going to centres outside of Edmonton like Lethbridge, Grande Prairie, perhaps Fort McMurray even, for the purchase and maintaining and operation of these MRI machines. [interjection] It's in there? I would like to know when this is also going to be done.

9:10

The minister is obviously very worried about viruses in his hospitals, but he's also worried about, I see, viruses in his computer by the year 2000. We all know there may be trouble across the world with our computer programs. How much of this \$40 million is going to be used to fix this, and who is going to do it? Which computer company is going to do this fixing of this problem?

Also to the minister. For the operating expenses to develop Alberta Wellnet, the \$3.5 million, I would like to know: who is going to administer this program? Is it going to be a program that's going to be divided up by the regional health authorities? Is it going to be an entire program that's going to be across the province? How exactly is this going to be done? How much of that \$3.5 million is going to be used in administration? This is a significant amount of money, and is this going to reduce the stress that we're putting on our health care system? How is it going to reduce the stress that we are putting on our health care system?

If the minister in due time can answer these questions for me, I would be very grateful. Thank you, Mr. Chairman.

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

MR. BONNER: Thank you, Mr. Chairman. I would like to speak tonight as well on the supplementary estimates requested for the operating expense. I must start by saying that anytime we get close to a \$101 million increase, it is an excellent move and can only benefit Albertans.

However, I do have some concerns, and they were brought to light by a particular family that resides in Edmonton-Glengarry. A young man, 42 years old, was in the hospital. He was having difficulties with his heart. He had previously had a bypass.

Nobody did any testing on this man. His heart was racing. They got it settled down. They sent him home, and in a few hours he was dead. Three weeks later his mother, who was also experiencing heart difficulties, was sent to the hospital. Her daughters and son and husband got to the point where they wouldn't go visit her in the hospital because they were being pressured to take her home.

Those types of things should never happen in Alberta. I relate these stories because I do have the same questions that some others have posed. One hundred and one million dollars is terrific. Is it enough? Is it enough to relieve those fears that people have? We also had the opportunity to talk to nurses, nurses who in hospitals refer to this as running a track meet every particular day. You can only do it so long without burning out. Another thing that I noticed that I liked to see here was particularly for the Capital health region, that their inherited deficit is going to be paid off. That certainly is good news for people. It will free up moneys to do other things.

Other questions I saw here as well. There is \$40 million being allocated "to Regional and Provincial Health Authorities as a one-time infusion to address the issue of equipment replacement." My question is: how often are we going to have to continue this infusion? Is this once every three years? Once every five years? How often will this equivalent be good once we put this infusion in there?

To get back to questions others have touched on, I think my questions are slightly different when it comes to money. Is there enough money put in here at this point to keep our young doctors from leaving the province? We spend a tremendous amount of money educating these people, and it seems that many of them are heading for greener pastures, and those are south of the 49th parallel.

I heard the president of the Alberta Medical Association talking about the rural areas and the difficulties they are continuing to have in attracting doctors to those areas and keeping them in those areas. I would certainly hope that this issue will be addressed in this \$101 million.

I guess my final comment here to the minister would be: is there enough money for us in this province? Again I want to refer to comments made by the president of the Alberta Medical Association when he indicates that we are having trouble attracting specialists in the areas of orthopedics, cardiology, and neurosurgery. These are key areas, very specialized areas, very expensive areas, and I would hope that in these supplementary estimates there is adequate money there to answer these questions.

Thank you very much, Mr. Chairman.

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Chairman. I too would like to add my comments to the supplementary estimates on Health. As my colleagues have said, it's very unfortunate that most of this additional money that's being requested today is onetime funding or hot-spot funding.

There's no doubt that there's definitely a need for the Minister of Health to address the ongoing requirements of the health system and properly fund it. First, I think those requirements need to be addressed. I think you've made some progress in those areas, but I think we still have a number of operational deficiencies that are readily evident anytime you talk to someone who has used the health system in the most recent past.

I have two examples of the problems that we're facing in the hospital system that I've dealt with just in the month of January that I think are very significant. One has to do with a young woman who was having her first baby. This woman had a problem pregnancy. Throughout the course of the pregnancy she had lots of ongoing problems that had to be dealt with at the hospital in addition to her doctor in a clinic. When she went into labour, she went to the hospital when her contractions were about six minutes apart. When they hadn't progressed past five minutes over a number of hours, the hospital said that they didn't have a bed for her, that they were too full, that she would have to go home.

Now, here's a high-risk woman, a first pregnancy, whose contractions are five minutes apart, who is now told to go home in January during that cold spell we had. Temperatures are hovering around 30 below. She lives in Leduc. She has to travel from Mill Woods to Leduc on highways that were closed that day. When all this was pointed out to the hospital staff, who were very nice and certainly were doing their job very well, she was told that really wasn't their problem, that there was no recourse there. There was no hospital bed for her, and if she wanted to wait in the waiting room, she could. Other than that, they simply could not accommodate her, and she was to go home.

I don't think that is indicative of a caring system that takes a look at people who are in high-risk positions and puts them at increased risk. Certainly that isn't what her doctor wanted, certainly that isn't what the staff at the hospital wanted, but that was their only choice under the kind of health care funding system they have right now.

Another example is a woman who went into that same hospital a week later to have a hysterectomy. This woman, first of all, was given a morphine overdose, because the staff that was on the case there was not properly reading the file. As a result of this morphine overdose, this woman was repeatedly throwing up blood for five or six hours and had no assistance or care during that time period.

9:20

I had told her when she went into the hospital to take an advocate with her, someone who would sit by her bed and go for help as required, provide interpretation when necessary. She works; her husband works. They have two teenaged children. Her husband couldn't take the day off, and she couldn't find a girlfriend to sit with her, and she doesn't have any other extended family around. So she was on her own in this case. This was a woman who fell out of bed twice while vomiting, couldn't get any assistance to come to the room, finally did. When her doctor came, the doctor immediately identified this as a morphine overdose situation, and they got the system under control.

Six hours later this woman was discharged from the hospital because there were not enough beds in the day surgery ward of the hospital, and they had to bump people who had been in the hospital for 24 hours or more. This woman had no ride. She signed no discharge papers. She had no one to accompany her down to the doors of the hospital to see that she could walk. I think that's absolutely an appalling situation. This woman called me in my office. I went and picked her up at the hospital and took her home and made sure that she was settled. She did not have any home care services provided for her although she clearly needed them. She was in quite a sad state of affairs.

More and more I'm seeing this come through my constituency office as a problem that's hitting people in the hospital system, not because the personnel there are wishing to put people under any

more stress or cause them discomfort or throw them out of the hospital before they're ready to go, but simply because they don't have the beds and they don't have the staffing to adequately address these problems.

This is a burden that is increasingly being felt by women in this province, Mr. Minister, because women for obvious reasons are bigger users of the health care system throughout their lifespan than men are. This puts women in a very unfortunate situation. It puts anybody who has to use this health care system in a very precarious situation where they have to bring advocates with them when they go to the hospital.

Our colleague for Spruce Grove-Sturgeon-St. Albert has a very similar situation to relay about her own father, who had to recently use the health care system. Once again, knowing that you need to have an advocate go with you, they called on her sister, who is a nurse and works in that local hospital in the emergency ward. She went with her dad while he was experiencing a severe gall bladder attack to be there to help and support in any way that she could.

While she was in the hospital in the emergency ward, the doctors asked her to put on a gown and do a short shift with them because they were so understaffed and they had a couple of emergencies come in. A man in the next bed was dying, a series of complications had happened, and they just didn't have enough staff to adequately handle the situation. So at three o'clock in the morning, after she's done a full day shift, she dons a gown, cares for her father plus these other patients, goes home after three hours, gets a little bit of sleep and comes back and does her regular morning shift. Now, I ask you, Mr. Minister, if this is an appropriate use of the people of this province and how much longer we're going to put them under this kind of stress.

So I would suggest from seeing the dollars that we have in these supplementary estimates tonight that you are only doing damage control and minimal damage control at best. At what point are you going to reassess the health care system in this province and properly fund it?

MR. DICKSON: Mr. Chairman, I think some seven of my colleagues have had a chance to address a variety of concerns with respect to the health estimates. It strikes me in looking at this that in many of the questions that are asked, people are looking for additional information that isn't evident in the couple of pages of the estimates. You know, for each of the 61 lines I count on pages 40 and 41 in the supplementary estimate book, effectively each line represents an expenditure of \$1,655,426.

My thoughtful colleague from Edmonton-Mill Woods had suggested, you know, that in an education system – and I say this particularly to the minister with his extensive background as an educational administrator. In how many other areas of expenditure of public money, how many school boards, would we be spending almost \$101 million on such skimpy information? It's a good observation, and I want to suggest to the minister and through the minister to his colleagues, who also are dealing with supplementary estimates, to consider that a couple of lines of additional information could obviate a lot of the concern, a lot of the questions.

It's something that ought to be considered. I think that just because in the past, supplementary estimates have attracted such little description is no compelling reason why we couldn't provide more. I think the more information we're able to provide by way of explanation – it would go along way toward streamlining the process, even though it's only two days. The same practice will

apply and I'll make the same observation when we're dealing with the main budget.

Thanks very much, Mr. Chairman.

THE ACTING CHAIRMAN: Thank you.

The hon. Minister of Health.

MR. JONSON: Thank you, Mr. Chairman. First of all, just to reply to the last question from the Member for Calgary-Buffalo, I would respectfully suggest that in terms of the detail – I realize that we have an overall set of concerns here. Actually with respect to the supplementary estimates on two items which make up the bulk of the funding, where the money goes is on page 40 in terms of being allocated to regional health authorities in the case of infrastructure support for the purposes of equipment and initial work at least on the whole area of compliance 2000. The \$38,981,000 is in my view even more straightforward. It goes to those seven regional health authorities to eliminate their debt and deficit accumulation.

Now, I think that all the questions that the members across the way have raised with respect to the other elements of the supplementary estimates are good questions, and I'll try to answer those. First of all, Mr. Chairman, I'd just like to hit what I regard as some of the major questions raised by the members across the way, and I would also undertake to provide answers in more detail to the more technical questions that have been raised.

First of all, there was a question raised, "Why now?" in terms of being able to address the whole area of debts and deficits for those health authorities that inherited these obligations when they were created as health authorities. Quite frankly, Mr. Chairman, it is a point in our renewed mandate as a provincial government where we have the ability to set aside money to address what I think is an important and certainly, you might even say, a nagging problem that has beset some health authorities across the province.

We are in, I think, generally a very healthy financial position relative to the budget year we are just completing. We have a larger than predicted surplus for the budget year we are just completing, which supplementary estimates have to deal with, and it is possible to do some significant things in terms of onetime funding for infrastructure and, in this case, debt and deficit reduction. It is a nagging problem, as I've said; therefore I think this is an opportune time to deal with it.

There were several questions raised with respect to health information, Mr. Chairman. There's a good story to be told here, and certainly the Member for Calgary-Buffalo, I think, is aware of part of the overall objectives here. With respect to the supplementary estimates, quite frankly when we launched into our initiative in terms of developing an information technology system for health care in the province and charting our path in terms of developing that system, we did allocate significant funds. But perhaps it's a mind-set, Mr. Chairman, that you have about information technology. If you go back a few years, I think most of the people in this Assembly would relate technology to equipment and to hardware. Therefore, Alberta Health allocated money in this particular area under the title of capital equipment. However, as we got into our planning and our projecting in terms of work in this area, we realized that the first place that we'd have to allocate money, commit money, was in terms of overall intellectual property – yes, contracting with a company such as IBM and engaging Ernst & Young to sort of monitor, make sure there's quality assurance with respect to IBM's planning for the health care system. Therefore, we were apprised by the Auditor

General's department that it was not appropriate to have this expenditure that we were making under the title of capital. It needed to be shifted to operational. So that is what is being reflected here.

9:30

With respect to the specifics that the Member for Calgary-Buffalo raised with respect to certain projects in this area, I will provide a more detailed response there, Mr. Chairman. I would like to assure him, for instance, that the triregion project is going ahead, in which the Calgary health authority is involved. I know I've signed an approval for the next step in that particular costing study, so that is certainly proceeding.

The Member for Calgary-Buffalo also raised the issue with respect to the year 2000. I think it has been indicated by the Premier – I certainly would concur – that the \$40 million for capital equipment, a year 2000 compliance, is a very significant effort in this particular area. But we do recognize as a government that we have to look again. We have to continue to bring up to date our information with respect to the requirements of compliance 2000. It's very important, very sensitive to the health care system, and we are going to be looking at that further over the next few months because it is in a very important area.

Mr. Chairman, there have been references to physician services from I think the majority of the speakers this evening. What we have here is basically an overrun on what was projected in the budget in terms of physician services. The volume went up rather dramatically towards the end of this particular fiscal year. We recognized that with the combined very significant reinvestment in health on November 24, 1996, there would be, you know, a corresponding increase in physician services, and that's what's being recognized here in terms of our budget. The two things paralleled each other. The overexpenditure was there, and we're responding here to cover that particular overexpenditure.

There was a question raised also with respect to the whole health information effort, and I can assure you, Mr. Chairman, that we are working very closely with the regional health authorities. They're involved with our overall planning committees. The money that we're putting into information services is, yes, directed out of Alberta Health's departmental budget, but it isn't for computers for the deputy minister. I can assure you, although I expect he has one. The whole point here is that you have to have a system; you have to have an overall central organizational point of view here. It's got to be a network. Overall, the benefits that will come from the funds that we're putting into this particular project are for the regional health authorities, the physicians, all the people involved in the health care system, most of all the patients.

I will respond further. There were a number of very good questions raised with respect to compliance 2000 and the overall information network. I will get back to the members involved with respect to that.

There were questions raised, Mr. Chairman, by the ND opposition leader with respect to the whole area of information systems, yes, but also with respect to the regional health authorities and the whole area of debt and deficit. The question, I think, was: how will this benefit the seven systems of regional health authorities that are affected? The major positive effect that it will have is that the regional health authorities that had this particular burden, if you will, will now not have to service that particular debt or deficit. They will be able to free up operational funds. One good example is that they'll be able to put money up front to bid on contracts for services, for supplies, get discounts, get into the whole area of

being able to get into a normal purchasing mode with respect to all the costs that affect regional health authorities. That's just one, I think, of the overall benefits.

The Member for Edmonton-Glenora talked about the \$101 million. I was glad for his recognition of the significance of that.

There were some questions raised, Mr. Chairman, which of course are important, but I think, respectfully, I would have to say outside of the context of these supplementary estimates.

I'd just like to say with respect to all of the comments that were made on physician negotiations that we have, as you know, very significant dollars placed in the budget that was brought down on February 12. We are ready and able to negotiate, and I'll just leave those things here at that point this evening, Mr. Chairman, because I think the best place to deal with this is at the negotiating table.

With respect to the questions, however, that were also raised by the Member for Edmonton-Glenora with respect to the volunteer hospital sector, the volunteer hospital sector is recognized in the province, but they are under service arrangements, contractual arrangements, if you will, with the regional health authorities. In the contract terms that are arrived at with X or Y, a volunteer hospital, such things as their costs and staffing and so on have to be recognized in that particular context. We are not planning to start paying off debts of what are entities outside of our actual jurisdiction as a governing body in the whole area of health, although once contracted, of course, they become part of our overall delivery system.

The Member for Edmonton-Mill Creek – with respect we got into lotteries here. These estimates do not deal with lotteries; however, there are two points here. First of all, with respect to capital expenditures out of the \$40 million, it's up to an RHA what equipment or what things they spend their money on. There is also another factor in our budget, Mr. Chairman, which deals with equipment through an allocation from lottery funds. That will come up in the course of the debating of our regular estimates.

I'd like to also assure the same hon. member that we are very concerned about rural doctor supply. We have put various proposals forward, increased our funding in this whole area. One of the things I would just like to comment on, Mr. Chairman – because I think it's very important – is that as Minister of Health I would like to see in the future that we would be able to decide, certainly in consultation with physicians and regional health authorities, how many doctors we need, in what particular area, and that we would be able to locate them there and remunerate them properly. This is part of what I would think would be logical overall health planning. That would be a major accomplishment if we could get to that point in the future with respect to health care.

9:40

The Member for Edmonton-Ellerslie and the Member for Edmonton-Gold Bar raised some questions which deal with individual cases. If they would wish to provide me with the specific information, I would certainly try to follow up on them. I'm not in any way here ignoring the concerns that they raised, but I have a hard time relating them back to the specific supplementary estimates, which I think in the broad sense will strengthen the health care system, but it's hard to relate them to those specific concerns.

Finally, Mr. Chairman, I would just like to reiterate that I welcome the participation that has occurred with respect to these supplementary estimates. I've kept notes, and there will be the

record of *Hansard*, and I will get back to members on specific concerns that they have raised.

THE ACTING CHAIRMAN: Thank you very much.

Seeing no further questions, we will now move to the supplementary estimates of the Department of Municipal Affairs. The hon. Minister of Municipal Affairs.

Municipal Affairs

MS EVANS: Thank you, Mr. Chairman. You have before you a supplementary estimate for \$2.2 million of additional nonbudgetary disbursement funds. The Alberta Social Housing Corporation receives nonbudgetary funds to cover losses on the disposal of surplus housing, land, mortgages, guarantees and indemnities, and for principal debt reduction in excess of recorded amortization.

It would be important for me to state right at the outset that for a number of years we have been reducing the inventory on the housing corporation, and as we move forward with that and as we project what in fact may be needed to cover those nonbudgetary funds, I think it's quite realistic to assume that this request for additional nonbudgetary funds would come forward at this time given the real estate activity in Alberta this year. This vote is used to fund losses on the disposal of nonsocial housing assets that were recognized previously but not recorded. So this is really a paper or an accounting transaction. It is something that recognizes at this time the activity in the Social Housing Corporation portfolio.

We had forecast to be overdrawn this year due to increased sales activity and, as I've stated already, the active real estate market. The '97-98 budget for realized losses on asset dispositions was \$12.2 million, and now at the end of the fourth quarter we are estimating that amount will be \$14.4 million.

The accounting process we follow requires that assets be written down to the lower cost or market value at the time they are declared surplus and no longer serve social housing programs. This valuation adjustment is recorded as an expense at the time the asset is declared surplus, but funding is not provided by Treasury until the asset is sold. Assets include surplus housing, land, and mortgages no longer required by the Alberta Social Housing Corporation, and they have been previously written down on the books of ASHC, but the loss was not funded until they were sold this year.

Disposal of surplus housing assets is an ongoing activity in the department, and the remaining unsold inventory is five mortgages, 40 properties, 244 lots, and 1,158 acres. The funded write-downs of these remaining assets is \$44 million. Since these losses have been previously recognized in the government's consolidated financial statements, this increase of \$2.2 million has no effect on the government's '97-98 bottom line, and I think it's important to note that.

Just some detail. The forecast is as follows: surplus housing, \$1,048,000; land, \$8,499,886; mortgages, \$3,914,899; and guarantees and indemnities, \$1,064,000; for a total forecast of \$14,414,897.

Now, Mr. Chairman, the 10 months that ended January 31, '98, showed quite extensive activity in surplus housing, land, and mortgages. What we have predicted and we feel relatively confident will be achieved is that we'll meet our target at now an estimate of \$14.4 million. I just have to state that at the time the budgetary estimate of \$12.2 million was provided at the approval of our budget last year, it may have looked optimistic. It would appear that as a result of the sale of some 173 lots and properties,

we are exceeding that. Among the sale of the community housing portfolio, Métis housing, rural, and native, we have mobile homes taken back under the mobile home loan insurance program. That program, as you know, ceased in October of '93. However, we're continuing our commitment to existing insurance policies in force.

So, Mr. Chairman, we'd be pleased to take questions. I will answer those that I am able to answer. I have a complete schedule with me of all assets that have been disposed of in this 10-month period thus far, and I'll do my best to accommodate the questions.

MR. DICKSON: Mr. Chairman, I'm hopeful that the minister will table the list that she proffered a moment ago.

I can't resist making some comment on the irony that this supplementary estimate is all about disposing of social housing at the very time the city that I'm from and I represent – Milton Bogosh, the president of the Calgary Apartment Association, talks about 350 vacant apartments on any given day in the entire city of Calgary. The reality is that we have no restriction in terms of rent increase, that we only have a requirement there be no more than two rent increases in a given year.

What we've got in the city of Calgary is plenty of seniors, many of them in downtown Calgary. I know the Member for Calgary-West has heard many of these concerns as well at the Kerby Centre. We have a lot of seniors who can't afford to live in their apartments any longer. They've had in some cases a 10 percent rent increase in 1997. They're looking at a similar kind of increase in 1998. The reality is that people are having to move out of places where they've lived for a very long time. In many cases it's seniors. Too often it's widows, elderly women.

My concern is that all this supplementary estimate speaks of is disposal of social housing property, and it's going to be a puzzle to my constituents that are looking for low-cost, affordable, safe accommodation. [interjection] Mr. Chairman, I don't know what the housing situation is in the constituency of the Minister of Energy. There may be some in this Assembly who think government has no role to provide social housing, to provide low-cost housing, but you know, it's the action of the government which, they're always telling us, has translated into this huge population increase. The fact that we've got over 24,000 people who moved into Calgary last year the government would take credit for on the one hand. Yet what it does is it drives up rents in places like downtown Calgary so people don't have affordable accommodation.

So, Mr. Chairman, I acknowledge I'm stretching the limits of relevance on the supplementary estimate, but I couldn't forgo the opportunity to simply touch on the irony and to mark the irony in what's deemed a priority by the Minister of Municipal Affairs and to just comment on the extent to which it is so dramatically at variance with the needs of people in downtown Calgary who are looking for affordable accommodation and looking for leadership from the Department of Municipal Affairs.

Thanks, Mr. Chairman.

9:50

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

MR. SAPERS: Thanks. I would like to go on record with a couple of questions for the Minister of Municipal Affairs, and I want to thank her for her enduring co-operation during this process.

[Mrs. Gordon in the chair]

The \$2.2 million in payments – and I understand exactly why and how we got there. But I'm wondering, Madam Minister, if you could tell us: is this the last time that the Assembly is going to be asked to pay for something in this regard? Either through a tabling or maybe you have the figures now, would you be able to tell us what that cumulative total is? The Minister of Energy was just saying that the losses on the social housing portfolio are now worth \$3 billion already. I had understood from his earlier remarks that they were 2 and a half billion dollars. So that's another \$500 million that we just learned about now. I'd like to know if you could tell us if this is the end of it, and if it isn't, what do you anticipate?

I'm also wondering if you can tell us if there has been any consideration given to hanging on to some of the portfolio that may not be economic at this point in anticipation of some pressures that are coming in different areas of the province. You know, we've heard a lot of good news about economic activity in different parts of the province where there has been surplus inventory in social housing stock before. We've run into this problem, for example, with nursing homes and long-term care beds where we close them down, but then the pressure develops and you have to gear things up again and it costs a lot more money or you have to start displacing people. There was even a situation I think previously where the then minister of social services suggested that if you couldn't get decent housing where you were living, then you should just move, which I know isn't an acceptable alternative for you and for this government in terms of people's family supports, community supports, employment contacts, et cetera. I don't think this government is telling people just to move from now on.

So really three questions. One is the total portfolio loss at this point on the social housing. Number two, has the bleeding stopped here? Is this it, or what do we anticipate in the future? Third of all, has there been consideration given – and could you illuminate us about that consideration – to hanging on to some of those nonproductive parts of the portfolio now in anticipation of some of the economic development in those parts of the province? Thanks.

THE DEPUTY CHAIRMAN: The hon. Minister of Municipal Affairs.

MS EVANS: Thank you. I'd be pleased to just provide a couple of observations for the comfort level of colleagues across the House. You'd be pleased to know that in Calgary we have hundreds, more than you imagine, I suppose, given what you're telling me, hon. member, about the number of vacancies available. We have still got money available for rent supplement programs, and I think the huge challenge is getting landlords to buy into the program. We're working with the landlords with Calhome and with the Calgary Housing Authority. As you know, if the people have very limited income, that tops up the payments to the landlord from 30 percent up, given their income.

We're not contemplating rent controls, and in the schedule, which I will get printed and put in proper form for this House and table within the next two days, Madam Chairman, you'll note – and I think it should be comforting to know – that we didn't sell very much in Calgary, given that there isn't very much to sell. But throughout the balance of Alberta, where we did make sales, it's my sincere hope that the refinancing on the housing corp will

enable us to more prudently assist where those builders, developers, and where social housing is needed. In fact, those dollars that have been saved by the disposal of assets may help supplement some of the other activities in housing in this province where we are providing dollars in support of various programs at the community level.

Is this the end of it? To the other hon. member across the House: no, it's not the end of it. We still have a number of assets remaining, albeit a disposal of them may not come as rapidly. We are accelerating the disposal of certain lands – the lands in Fort McMurray, Timberlea – and we're very actively involved, particularly because there is a shortage of available space there for homes.

Any consideration to hanging on to any of it? Well, I can't see any reason for us to hang on to it. I think it's prudent for us to continue with the program of disposal. Certainly it's not a fire sale mentality in the department; we're being responsible about it. But we are trying to achieve some net gain for the province in converting these assets in terms of some liquidity to work on other programs. So I don't believe that there's anything irresponsible about any of the asset dispositions we've provided. I'll table this tomorrow.

With that, I think that's everything.

THE DEPUTY CHAIRMAN: If there are no more speakers, we will move on to the next – oh, I'm very sorry. The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you. I just have one quick question to the minister to sort of formally request that she table that list of properties and so on. I don't know if you had said you would or not, but I was hoping you would do that.

MS EVANS: I will table that with the cumulative total that's been suggested previously.

MR. ZWOZDESKY: Thank you very much, Madam Minister.

Public Works, Supply and Services

THE DEPUTY CHAIRMAN: Hon. minister.

MR. WOLOSHYN: Thank you very much, Madam Chairman. In 1978 the province entered into a land exchange agreement with the city of Edmonton whereby Public Works acquired various properties that are now part of the grounds around the Legislature. Part of the 1978 land exchange involved Public Works selling two parcels of land, the parking lot located south of 99th Avenue and west of 109th Street and a block of land used for parking and landscaping located south of 97th Avenue and east of 106th Street, to the city for roadway requirements associated with planned changes to 105th Street and 109th Street as part of the so-called project Uni of the day.

The land exchange agreement provided for Public Works to repurchase these two parcels of land should the city no longer require them. The city has confirmed that the lands are no longer required. As a result we require an infusion of about \$2.5 million in capital for the value of the land established via the 1978 agreement and a further \$6.6 million under operating, which would be the interest on that \$2.5 million.

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

MR. SAPERS: Yes. Thank you, Madam Chairman. I want to speak in favour of this particular vote and just say that it's nice to see the city of Edmonton finally getting something out of this government, and we appreciate that. [interjection] Well, just a minute. I can go on, Madam Chairman. The Minister of Community Development is asking for me to elaborate.

THE DEPUTY CHAIRMAN: Okay. Hon. members, is there anyone else that wishes to speak?

MR. ZWOZDESKY: I just have a quick question for the minister, and it flows out of the ministerial statement of a couple of weeks ago perhaps. That's with regard to the compliance issue of computers and so on. I was just looking through supplementary estimates here, and I noticed that there is no additional amount requested for the office of the chief information officer, which, I would assume, is one of the most impacted offices with respect to the compliance issue. I just wonder: is that office, which is a newly established one, equipped well enough for the challenges ahead? If that's the case, then a simple answer would suffice.

Thank you.

MR. WOLOSHYN: As you're fully aware, that office was moved over to report to Public Works. The short answer to your question is: yes, it's sufficiently funded at the moment. During the upcoming estimates for the forthcoming year, there'll be opportunity then to seek more input. As I say, our overall departmental budget is well under control, all aspects other than this one issue which we brought forward today.

10:00

THE DEPUTY CHAIRMAN: Thank you. If there are no other speakers, we will move on to the next department and consider the supplementary estimates for the Department of Transportation and Utilities.

The hon. Minister of Transportation and Utilities.

Transportation and Utilities

MR. PASZKOWSKI: Thank you, Madam Chairman. It's my pleasure to provide you with the information today on the supplementary estimates of Transportation and Utilities for this province. We're requesting a supplementary of \$135,762,000 to address our infrastructure and disaster recovery needs for the year 1997-98.

The total amount of funding has been reviewed case by case for the period of July 1997 to January 1998 and agreed to by Treasury Board. In this supplementary estimate we're asking for \$134,762,000 under the operating expense vote and \$1 million under the capital investment vote.

Funding of \$3.7 million is needed under the operating expense vote to provide assistance to municipalities with rural roadways to accommodate heavy truck traffic associated with new resource, industrial, and value-added development of the province.

For the northern and central Alberta disaster recovery program \$28,062,000 is requested. Under the disaster financial assistance arrangements – and this is the federal/provincial cost-sharing agreement – the province expects to recover approximately \$17.5 million from the federal government.

Funding of \$2 million is needed for costs associated with the southwestern Alberta grass fire in December of '97, and \$1 million is requested for costs associated with shipping industrial generators to eastern Canada in January of this year to assist with critical power shortages caused by ice storms.

We're also requesting \$100 million in onetime funding for eight infrastructure initiatives: the north/south trade corridor to accelerate the construction of the urban portion of the corridor, two grants to municipalities to recognize additional costs being incurred because of increased truck traffic related to increased economic activity and the impact of wet weather in 1997, and to expedite the construction of access road infrastructure to the Métis settlements.

Third is the resource road improvement program to help municipalities maintain their roads impacted by heavy industrial traffic or intensive agricultural activities by expediting priority projects.

The fourth item is grants to transitioning municipalities. This is to accelerate payment of existing commitments to former improvement districts.

Alberta cities transportation partnership: the onetime increase per capita grant from \$25 to \$32.50 will accelerate priority projects.

The sixth is grants to towns and villages. The street improvement program will receive onetime funding to help reduce a backlog of eligible projects.

Rural utility grants and services: to help reduce the backlog of eligible distribution system extension projects under the rural gas program. The backlog is the result of the high cost of propane in '96-97.

The eighth item is the municipal water and wastewater grants, and they will aid eligible municipalities in advancing the construction of key municipal water supply and treatment facilities, as well as wastewater treatment and disposal facilities.

Under the capital investment vote funding of \$1 million is requested to construct primary highways to accommodate new resource, industrial, and value-added developments under the infrastructure for new industry program.

Mr. Chairman, this concludes the information on our supplementary estimates. I'd now be pleased to answer any questions, and if I'm not able to answer the questions, we'll certainly provide the information in a written form.

MS CARLSON: I'm happy to rise to speak to these supplementary estimates for Transportation and Utilities and point out how ridiculous I think it is that in this kind of ministry, where you can clearly forecast what's going to be happening 12 months ahead of time, you have to come to the Assembly for supplementary estimates of \$135 million.

Now, I know this minister is smarter than that, Madam Chairman. I know he's a lot smarter than that. I would urge him in this coming budget year to be talking to his colleagues and ensuring that the planning is done for Transportation and Utilities that will adequately fund the needs of this province in those regards now, before you have to come back here for more supplementary money.

He knows, coming from a rural constituency with major highways running through it, how important it is to these local municipalities to know what their operating dollars are and to have ongoing funds that have been projected not one year, not after the year is over, but at least three years in advance so that they can do their long-term planning. You can't do it when you get this short gap kind of funding, Madam Chairman, that we see happening here. What this amounts to is the annual goody giveaway to try and keep the municipalities quiet, and that just isn't good enough for the province.

When we take a look at where all of this money is going, we

see that it's all short-term, one-stop shopping for these municipalities, and all of them all over the province are saying it simply isn't enough. It isn't enough to address the hidden deficit that we're seeing in infrastructure throughout this province, and it isn't good enough for them to be able to do any kind of even short-term planning, never mind long-term planning.

So I would like the minister to address that specific issue: how are municipalities going to be doing any long-term planning when they never know until the end of the budget year when they see how big the balloon is at the end of the year, and they can start to lobby for the goody giveaway for that year. What they need are ongoing funds that adequately meet sustainable levels of keeping infrastructure in reasonable repair. We're not even asking for good repair. We're not even asking for new repair. We're just asking for reasonable repair here. So if the minister could address that.

You know, it's very interesting to see that some of this money that's going for infrastructure initiatives is talking about initiatives in areas that had new activity due to improvements in the area or new jobs in the area. Well, this government never has a problem forecasting what the growth of jobs is in this province. They never have a problem forecasting what the growth of industry is in this province. Why, Madam Chairman, do they have a problem forecasting what the infrastructure needs are in this province? Those three things are not incompatible. They all roll into one. If you can forecast needs in one area, you can forecast the minimum needs in another. Then you should be able to put them into the budget now, at this time of year when you're doing your planning, and not have to come back to us for additional funds at the end of the year.

Disaster services. I think it's excellent that you sent generators down east during that time period, but once again you shouldn't have to come here looking for these kinds of dollars every year. For many years we have been saying that you've been underestimating the needs of the disaster program. What you need to do, we think, is forecast it at about \$30 million a year. That allows for all kinds of contingencies. If you've overforecast, the money can go back into GRF. But we're not in this position. We're at the end of the year, and you've got to come back for more money.

Proactive planning is a sign of good government. It's something that I know this minister can do, has done in the past, and should be doing in the future. If he has to twist some arms with his colleagues, then that's what he should do.

Thank you.

THE DEPUTY CHAIRMAN: The Member for Calgary-Buffalo.

MR. DICKSON: Thanks very much, Madam Chairman. I wanted to raise with the minister specifically 2.5, urban transportation partnerships. Implicit in the word "partnership" is two different entities working together for a common purpose, but it seems to me that maybe we should rename this, because this is no longer, on the evidence, any kind of urban transportation partnership to the extent that that suggests a partnership between the city of Calgary and the province of Alberta.

I think what we've got here is the proposal to simply increase the per capita grant from \$25 to \$32.50. It doesn't begin to meet the needs of the fastest growing urban centre in this province. The fact that we've had 70,000 new people in the city of Calgary in the last three years, over 23,000 in the last 12 months, puts enormous strain on our transportation systems.

I couldn't believe it, Madam Chairman, the other day when this

minister in answering a question said with a straight face: well, Calgary is on the north/south corridor, so Calgary will therefore stand to benefit. What this minister may not be hearing from the 20 other Calgary MLAs but certainly the message from the city of Calgary is that it's simply a question of moving people around the city of Calgary. It's not the north/south connector that's the issue. What the city of Calgary has said is that the relief provided here would afford one new off ramp. Well, we have a long list of projects in the city of Calgary that require urgent attention of this government.

10:10

There was a time a number of years ago when there was a very strong partnership between the larger cities and the provincial government. I think of the ring road; I think of the light rail transit initiatives in Edmonton and Calgary. Those were initiatives that were well resourced. They were planned in advance. It made sense to be able to do some things that could be duplicated in both Edmonton and Calgary. There was a substantial and continuing commitment from the provincial government to bring in those key capital projects.

Now what we've got is that this government seems to have ignored that space on the map between Airdrie and Claresholm, and the government seems to have lost sight of the fact that we've got some 800,000 who have to get moved around. If we're not prepared to put the kind of dollars in and build the kind of capital projects required to be able to accommodate that growth, what happens is that instead of Calgary being a very attractive place for new businesses to set up, an attractive place for new people to move to, we'll develop the kind of reputation of Vancouver and the lower mainland and Toronto and places like that, where traffic is next to impossible.

Mr. Minister, I don't know whether you've had the experience that I have of talking to a number of people who have moved from Vancouver, moved from the lower mainland of British Columbia to Calgary. I was always astonished when I'd run into the number of people, because typically our migration pattern has been the other way. You'd ask people: "What are you doing in Calgary? Why'd you leave southern B.C.?" There are some other factors. I'm not saying it's only transportation. A big one is cost of housing and so on. But transportation problems are often identified as one of the things that makes the metropolitan Vancouver area not a great place to live and work. I'd hate to see the same kind of problem develop in the city of Calgary, and I'm fearful that with the incredibly modest additional money going into the city of Calgary, we're headed in exactly that direction.

Now, one can discount everything Calgary's city council says, but I'd prefer to give those elected people the benefit of the doubt. They are the ones wrestling with this huge population growth, and I just think it's so important that this government find the resources to be able to meet those needs. It's not enough simply to say that we're going to make this very modest change and because Calgary's on the north/south trade corridor, that's going to translate. We have fine north/south roads in the city of Calgary. Deerfoot Trail is an outstanding north/south corridor. Our problems are people getting from northwest and southwest into the city core. I mean, that's where the problems and the logjams are, Mr. Minister.

I just have to urge the minister to pay closer attention to the very important advice he's getting from the city of Calgary and I suspect from other municipalities as well, but clearly this doesn't pass muster.

Thanks, Madam Chairman.

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

MR. SAPERS: Thank you, Madam Chairman. Mr. Minister, I want to perhaps depart a little bit from the questions you've been asked to this point. I want to say that I for one am very happy to see that you were able to get out of your cabinet colleagues some acknowledgement that what's been done to transportation grants over the last few years has been wrong. I see that you're getting it in the right direction again. I appreciate that, and I know that the people of the city of Edmonton appreciate that. I, too, have heard that it's not enough. It doesn't make up for the losses in the past, and it doesn't compensate really for some of the delays in infrastructure and some of the projects that had to be put on hold. I want to say that I'm glad to see you were able to get that. I hope that one of these days you'll be in a cabinet meeting and answer that question about show me the money, that you'll be able to come out of that meeting and you'll have the money. Even if that has to come in a supplementary estimate next time around, I'd be happy to see that too.

The grants program to municipalities. There's been a lot of attention paid over the last couple of years to the cuts in the big-ticket programs, you know, in health care and education. There hasn't been, in my mind, enough attention paid to the price that municipalities have paid for the financial restructuring that's gone on in the province. I would argue and I think you would probably argue too, although I don't know whether you can in the Assembly, that that price has been too high. So when I see some effort being made to redress that, I'm happy. I wish that it was more, and I'm going to argue in this Assembly for it to be more and might even say antagonistic things from time to time about why it isn't more, but this is at least a start.

I do have a couple of questions about disaster services. This is always touchy because, you know, you're helping people out in times of need. On the one hand, I can congratulate you and the government for recognizing the approximate \$30 million shortfall. If you've reviewed *Hansard* from budget debates from previous years, you may have noticed that there have been some consistent suggestions from the Liberal opposition that the projection for disaster services has been consistently low. I believe last time around the suggestion from this side of the House was that it be increased to \$30 million.

I would like to ask you why this is showing up in the supplementary estimate and why it's not showing up in the budget estimates for your department. It seems to me that you'd be pretty safe in budgeting for it, and of course if it's not spent, that's a bonus and it'll be good. I know the Minister of Energy always likes to talk about money not spent, and perhaps you'd be able to add to that if this money was budgeted and then not called for. I for one would feel that we were doing a better job as legislators and as the guardians of the public purse if we at least clearly anticipated the expenditure, put it into the budget estimates, talked in that process of debate about whether it was enough or not enough or about right, and then give everybody a clear expectation that the money was there, that the government was in fact on guard and expecting or at least prepared to spend the money if it was necessary. I'd feel much better about that and feel that we were doing a better job than to see it come in as supplementary estimates.

I have a very particular question about the \$1 million that we're being asked to vote on for support to eastern Canada. I think all Canadians were affected by the ice storm in the east and were

touched by either personal stories from friends, family, colleagues, or just from the news reports about what the people in Quebec and Ontario were going through who were impacted by that ice storm. There were lots and lots of stories of generosity that certainly I saw in the newspapers and on television news.

This is the first I've heard of this. When I saw the supplementary estimates, that was the first I heard that Alberta had come to the table with a million dollars. I'm curious about that. It's not that I'm opposed to it, Mr. Minister; I'm just curious about it. A million dollars is a lot of money. It was a nonbudgeted expense obviously. We've seen other disasters that have hit various parts of this country and in fact this province. There have been questions about whether or not the relief provided to the businesses in Peace River as a result of their flood has been adequate. There have been questions about whether the farmers in the Peace country have been adequately provided for. I don't recall that Alberta spent a million dollars for the floods in Manitoba. We might have; I just don't recall it. Perhaps you could let me know. I know that there was some flooding and some rock slides and people were stranded in the interior of British Columbia, and I don't remember Alberta coming to the table then.

10:20

I'm just wondering what the decision-making process was when the government of Alberta decided to come to the assistance of our eastern neighbours with this million dollars. Again, I want to stress that I'm not opposed to it; I just want to know what the decision-making structure and process was and what we can anticipate in the future in terms of Alberta, who as a province is fortunate enough to be in a position to offer this kind of substantial aid. I'm just wondering what we can expect in the future should another similar kind of disaster befall one of our neighbours.

The other set of questions I have around the million dollars is as follows. A million dollars is a lot of money in postage and handling. As I understand your comments, the million dollars is being requested to pay for the shipping of transformers. Now, I've seen the little . . .

MR. PASZKOWSKI: And renting them.

MR. SAPERS: Oh, okay. I was going to say – because I've seen the little ones, you know, that you take camping and the big ones that go on rail flat cars. [interjection] Yeah. You're anticipating a couple of my questions, and I appreciate that, because I wanted to make sure it was at least the big ones. You know, for a million dollars I wanted to make sure that we were sending something substantial out east.

You're also indicating that it's for the rental of them. So these weren't assets of the provincial government. I'm assuming that these were generators that are privately owned that Alberta assisted in rounding up and organizing the shipping back east. Maybe you could tell me a little bit about that process. Was there a call for tenders? Was it sort of spontaneous? Did people who had generators come together and come to the government and say, "We'd like to rent you generators so you can send them back east"? Will you be able to in fact provide some detail as to who it was that got the contracts or who did the business with the government of Alberta, apparently on behalf of all Albertans, so that this province could come to the assistance of other Canadians? Was there just a sort of general contractor involved? Did we use an agent? Was it just a whole array of individuals or construction companies? [interjection] Okay. So I take it there's

an inventory of companies that have this kind of equipment available. Was it somebody then from your department, from the department of transportation, who contacted these companies to find out if they had surplus equipment, and was this in response to a request from either the government of Quebec or the government of Ontario?

MR. PASZKOWSKI: You're right on all of them. You're answering your own questions.

MR. SAPERS: Okay. I'm quite genuine. I would just like some details, so if you could do that . . .

THE DEPUTY CHAIRMAN: Hon. member, if you could go through the chair, please, instead of having a dialogue.

MR. SAPERS: Okay. So if you could just provide some details, I would be very, very pleased to receive those. I think it's also something that is worth noting. I mean, I think it's terrific that we're in a position to be able to offer that kind of substantial assistance.

Thank you.

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

MR. MacDONALD: Thank you very much, Madam Chairman. I have a few questions for the minister on these supplementary estimates I am reading with interest. You know, since we relaxed the machinery and equipment tax – and there has been talk of eliminating the last of it over the next two years – my concerns are regarding the money, the \$3.7 million “to assist municipalities with rural roadways to accommodate new resource, industrial and value-added developments.” Are these roads going to be from secondary roads into an oil lease? If the minister would be kind enough to explain to me if this is a subsidy, a subsidy of some sort to the resource industries. I would like to know about this \$3.7 million amount in roads.

The idea that we're going to spend a onetime commitment of \$7.50 per capita for Alberta cities' transportation partnership – this \$7.50 onetime increase is not adequate. In my constituency there is a major thoroughfare; there's talk of upgrading it for more heavy-truck traffic. I listened to the minister intently in the spring; he was describing to us how heavy-truck traffic destroys the roads: it makes cracks in the roads, the moisture goes into the road bed, and as a result, it loosens it entirely and makes repairs necessary. The minister left me with the impression that there are many roads not only in the cities but throughout the province that are developing these cracks where moisture goes down below the asphalt and causes a great deal of trouble. He is probably fully aware that \$7.50 is not enough.

There should be in this city to meet the future demands of truck traffic a complete truck route built around the city on the east side. Perhaps we can go from the new military base down to the intersection for the Yellowhead going east and then perhaps the highway to Wainwright as well. Military vehicles could use this route and they could go to their base at Wainwright and they could also go to the base at Suffield. The minister and his department are to be congratulated for starting, if it's going to be a priority, the Anthony Henday Drive interchange and also, I understand, the new interchange out at Ellerslie. This is a step in the right direction, and I congratulate the minister and his

department on this. Hopefully in the future there will be more than this \$7.50, because the old grant was substantially more, and we need good roads if we are to attract industry.

I am very, very curious about the idea of this resource road development and the money we're putting into this and also in the partnerships for municipal and rural utilities, reference line 4.0.1. There is an additional \$2 million going into rural utility grants and services. Now, I'm interested, when Bill 7 comes into force, in the changes that that's going to make in the rural gas distribution systems. What exactly is this going to do? [interjection] It's going to have nothing to do with that? Okay.

With those comments, Madam Chairman, I would like to take my seat. Thank you.

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

MR. PASZKOWSKI: Thank you very much. Certainly the questions, I consider, were all fair, and the observations were interesting. Of course, from our perspective we would love to be able to have more money to deal with and distribute; I don't think there's any question about that. Having said that, of course we do have parameters that we have to live with, and ultimately at the end of the day we are putting more money into the infrastructure budget. The '97-98 budget was \$686 million plus. The '98-99 budget will be \$719 million plus. The '97-98 budget had the infusion of \$100 million, which was a direct result of revenue that came forward in '97-98. Our anticipation and our projections for '98-99 are as the budget laid out. The price of oil is down. We have approximately \$1.1 billion in royalty revenue that's going to be cut back if indeed the projections come true. We're not the ones that set the projections. The industries basically provide us with that information.

10:30

We have a piece of legislation that says we have to live within our means, and we're going to do that. If we have a successful year, the Premier has already indicated that the first billion goes to paying down the debt. Anything over and above that will again be considered for capital investment. I've talked to the AM & DCs; I've talked to the organizations. They say that is the right approach to consider. You can't spend money you don't have. Consequently, from our perspective at least, we will continue to try and deal with the pressure needs that are there.

We're very fortunate because we're dealing with growth, and growth is a nice thing to deal with. The pressures are there and will continue to be there, but we're very fortunate to be able to have growth rather than recession. From that perspective at least, I think that we want to consider this as an opportunity. Certainly infrastructure is, from my perspective at least, one of our key elements of ongoing growth. I've always said that indeed we have to look after our economic generators if we're going to look after our social programming in a fair and equitable manner. If we don't have our economic generators, we're certainly not going to be able to deal with the social pressures that are there.

[Mr. Herard in the chair]

The hon. Member from Edmonton-Ellerslie. The disaster program is basically needs driven, and it's impossible to forecast. This last year we've dealt with five disasters. It could have been anticipated, yes. The projections basically were that because of the weather situation that was developing throughout the world,

there were going to be some inclement patterns throughout the world. We don't know where they're going to happen. Though we had five disasters this year, last year we had none. So I wouldn't want to be the one to try and project and forecast, and I would suggest that it's a bigger bet and a bigger gamble to anticipate a budgetary item for disasters. The Fort Chipewyan situation, for example: that's the first time in 200 years that we've had that situation, so how could you ever possibly budget for or anticipate something like that.

Calgary-Buffalo, the urban transportation partnership. Again, as far as Calgary is concerned, we are working with Calgary and will continue to work with Calgary. The '96-97 budget was \$21 million; the '97-98 budget, \$36 million: a pretty healthy boost really. No, \$7.50 per capita may not be exactly what is needed, but it's a start. We have to recognize that we've got to build.

Our key objective will continue to be to maintain what we've got in place. We have to. We simply cannot allow the infrastructure that is in place to deteriorate to the point where it's not functional and not useful. So that's going to be our number one objective.

Number two, we also have to deal with the growth. You're right; we have to deal with the growth. Calgary is a dynamic city, one that you obviously should be very proud of. We all are as well, because of the efforts that are coming about from Calgary. It's certainly our intention to work very closely with the councillors in Calgary and with the MLAs from Calgary to see that the infrastructure needs that are there will be adequately dealt with. That to me is a fair and responsible way of dealing with the situation.

We're not discounting anything that the councillors are saying, because indeed they have to deal with those pressures, and we understand that, as well as the MLAs. Ultimately, at the end of the day, we hope that we can work together and deal with the pressing issues that are there. Certainly, the city council is coming to meet with us to again identify their pressure points. That's the right way of dealing with it, and we plan on working with them very closely.

Edmonton-Glenora. I appreciate your approach. Again, disasters are a phenomenon. We've had five of them this year, five that we've had to deal with.

The \$1 million to eastern Canada. We have an inventory of generators in Alberta, because, believe it or not, one of the high risks of Alberta is exactly the weather that happened in eastern Canada. We're on the side of the mountains. We could have a tremendous amount of precipitation. It could be a freezing rain type of thing. So we have a ready inventory of generators. We don't want to capitalize it into our budget. So we know where they're available. We anticipated that there would be a request within three days. There was a request. Within the fourth day we had the material moving to eastern Canada, and I was particularly proud of our people in the way they were able to respond.

The \$1 million we have to budget because we front-end the costs. It is our understanding, though, that we will get that money rebated, but in the meantime we have to pay for it. We front-end it. Hopefully that money will come back in next year's revenue. At this stage we've been given some assurance that will be the process that's coming forward. We didn't put any money into the Manitoba flood relief.

As far as putting it into the budget, that would be a wild-eyed guess. I don't think it really would be effective. Who wants to anticipate what the need is going to be for next year? I have no

idea. Disasters are something that you don't manage. Disaster is something you don't predict. Otherwise you'd be able to manage them. I don't understand how we could possibly develop a budget for it that would be reasonable, that would be effective, that would indeed reflect the needs that may come forward.

Who would have ever anticipated the tornado in Edmonton, for example? Who would have ever anticipated the situation where the river to Fort Chipewyan hasn't frozen, for example? Those types of activities are just beyond. The grass fire in southern Alberta was the worst grass fire that's ever happened in the history of this province. These are . . . [interjections] We can, but it's a wild-eyed guess. Why would we do it that way? To me it's just not the proper way of doing it.

The Member for Edmonton-Gold Bar. Three point seven million dollars was advanced to the municipal district of Bonnyville and the county of St. Paul to help with their projects that are coming on-stream as far as industrial development is concerned, and two bridge rehabilitations on highway 63 within the community of Fort McMurray. That's where the \$3.7 million was spent.

Pressures on new roads. We've had 106,000 new vehicles on the road every year since 1993. That's the growth that's happening and the pressures that are coming about on our infrastructure in this province: 106,000 new vehicles per year since 1993. The growth is there, but that's exciting. That's really what we like to be able to deal with rather than the demise of those volumes.

Seven dollars and 50 cents per capita may not be the right number. I'm not going to stand here and say that was the God-given right number, but it's a start. And really at the end of the day that to me is critical and important.

Rural gas addition, \$2 million. All that'll do is go down the priority list and deal with more priorities. That's all it does. There won't be changes.

Thank you.

THE ACTING CHAIRMAN: Seeing no further questions, we will proceed to the supplementary estimates of the Department of Community Development. The hon. Minister of Community Development.

Community Development

MRS. McCLELLAN: Thank you, Mr. Chairman. This is a relatively simple transfer. The funds are available from anticipated surpluses in the Alberta seniors' benefit program. Moving it to upgrade our computer system will certainly make our system more user friendly, which is what we all want, and will make it, certainly, more efficient for seniors.

With those comments, as I say, it's relatively simple. It's \$550,000. I would wait for the members' comments and questions.

Thank you.

THE ACTING CHAIRMAN: The hon. Member for Edmonton-Glenarry.

10:40

MR. BONNER: Yes. Thank you very much, Mr. Chairman. I just have few comments that I would like to address to the minister. Primarily when I looked at the supplementary estimates for 1996-97 and saw that we moved over \$375,000 at that time, when I see that \$60,000 had been initially set out for this, and then we have a supplementary estimate of \$555,000 – we have a total here of \$1,615,000. This seems to be an awful lot just to

upgrade. Did you find that the \$375,000 was not adequate? Did these moneys go for hardware or software? Were there other intrinsic problems that had to be straightened around? If you could clarify that, that would be very good.

Again, to look at \$555,000 in supplementary estimates, I don't understand why these were not involved in the original budget estimates. I think if you can answer those for me, Madam Minister, that would be good.

Thank you.

MRS. McCLELLAN: Mr. Chairman, I will answer. I appreciate the hon. member's questions, and I think what I can tell you is simply that we have been upgrading this system as we could afford to do it, recognizing that the majority of the dollars that we have in these programs go to meet seniors' needs.

This is a very complex program. We've been working hard to simplify it over the last couple of years, and we've made some changes that have resulted in it being far simpler for seniors to understand. I don't have to remind the hon. member that there are over 250,000 seniors in this province, and they are registered in this program. So you can understand the magnitude of the type of program that it requires to operate it.

We have been budgeting what we think are modest amounts to continue to upgrade it. These additional dollars will allow us to provide more upgrades to make sure that our billings with Alberta Health on the health premium subsidy are more accurate, areas like that. We're simply moving ahead faster with the upgrades than we might have been able to had we not had these excess dollars available.

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

MR. SAPERS: Thank you, Mr. Chairman. Madam Minister, I appreciate that. Your answers unfortunately didn't entirely anticipate my questions. I have two concerns. The first one has to do with where exactly from the operating budget the half million dollars came from. There were several concerns raised in previous years about the special needs assistance program, for example. [interjection] I think you should have an opportunity to say that on the record, because I still have a lineup of seniors in my constituency who are puzzled as to why their SNA applications are rejected. They want to know: is it because the programs are out of money or not? So I would hope that it didn't come from there.

The other question I have has to do with the controversy . . . [interjection] Mr. Chairman, I feel a weight has been lifted from my shoulders. The controversy came up about a year ago, I think, regarding the federal government Revenue Canada release of information to the Department of Community Development for the administration of the seniors' benefit. I'm just wondering whether or not any of the computer upgrades are either necessary because of those circumstances or will help prevent the inadvertent misuse of that Revenue Canada information. I know that this is part of a stepped project or a phased-in project, but I'm just wondering if this part of the project is going to address in any way the concerns raised because of the information-sharing agreement between Revenue Canada and the government of Alberta and if this will help make that information more secure.

MRS. McCLELLAN: None of this money comes from special needs. I'm pleased to say that we have been able to respond to

special needs in an appropriate fashion. For anyone who is having difficulty with their special-needs application, it is more a difficulty with perhaps information or eligibility than it is with dollars. We've been able to find enough money in our program. You would notice that when you look at our budget for this year, we are budgeting, indeed, higher in that area.

[Mrs. Gordon in the chair]

I must say that is a program that has been very responsive to seniors, and I get a lot of letters. In fact, tonight I was just looking over some from seniors who say that this is a responsive program. It's really met what we had wanted it to achieve. It has taken a lot of weight off of seniors' shoulders if they have an emergency or a need – a roof leaking, plumbing failing, a furnace breaking down, some things that are high cost and just not easy to budget for – and it's been very responsive. It does come from unused funds in the seniors' benefit program, but it isn't because of any changes to the program. Simply, the demands on the program weren't quite as high as we anticipated they might be. As you would recognize, hon. member, new seniors come into that program all the time, and until they come into the program, you do not know what their level of affluence is or what their needs will be. So we have a few dollars more.

The discussions with seniors' groups and the federal government over access to information for their files does not directly affect this; however, I will say that this upgrade will allow us to capture changes in files much better, much quicker. We'll be able to do better checks on data accuracy, and that was something that was an area of concern. I would be remiss if I didn't pay tribute to the seniors, the Privacy Commissioner's office, and my department staff who worked diligently together to make sure all of those concerns were addressed to the seniors' satisfaction.

I'm pleased to say to the hon. members that this is some surplus money. It will allow us to deal with seniors much more efficiently. It will make our system much more user friendly, and if you recall from my assuming this responsibility, this was a commitment that I made to seniors, that we would improve communications, we would improve efficiency, we would make sure that they had storefront, face-to-face, courteous, efficient service. I think it is working, and this will just help us to improve that efficiency.

Thank you.

THE DEPUTY CHAIRMAN: We will have to go through these department by department.

Agreed to:

Offices of the Legislative Assembly

Office of the Auditor General

Operating Expense \$350,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

Agreed to:

Advanced Education and Career Development

Operating Expense \$35,900,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

Agreed to:

Community Development

Transferred to capital investment from
operating expense \$555,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

Agreed to:

Education

Operating Expense \$118,992,000
Nonbudgetary Disbursements \$70,500,00

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Carried.

Agreed to:

Family and Social Services

Transferred to capital investment
from operating expense \$625,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

10:50

THE DEPUTY CHAIRMAN: Carried.

Agreed to:

Health

Operating Expense \$100,981,000
Transferred to operating expense
from capital investment \$3,500,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

Agreed to:

Intergovernmental and Aboriginal Affairs

Operating Expense \$10,000,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Opposed? Carried.

Agreed to:

Municipal Affairs

Nonbudgetary Disbursements \$2,200,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Thank you. Carried.

Agreed to:

Public Works, Supply and Services

Operating Expense \$6,600,000
Capital Investment \$2,500,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Carried.

Agreed to:

Transportation and Utilities

Operating Expense \$134,762,000
Capital Investment \$1,000,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Carried.

Agreed to:

Treasury

Nonbudgetary Disbursements \$102,322,000

THE DEPUTY CHAIRMAN: Shall the vote be reported?

HON. MEMBERS: Agreed.

THE DEPUTY CHAIRMAN: Carried.

19. Mr. Havelock moved:

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

THE DEPUTY CHAIRMAN: Having heard the motion by the Government House Leader, all those in favour of the motion . . . [interjections] Under Standing Order 21(1) it is nondebatable.

[Motion carried]

Subcommittees of Supply

Mr. Havelock moved:

Be it resolved that:

1. Pursuant to Standing Order 57(1) four subcommittees of the Committee of Supply be established by the Committee of Supply with the following names: subcommittee A, subcommittee B, subcommittee C, and subcommittee D.
2. The membership of the respective subcommittees be as follows:
Subcommittee A: Mrs. Gordon, chairman; Mr. Severtson, deputy chairman; Mr. Bonner; Mrs. Burgener; Mr. Cardinal; Mr. Ducharme; Mr. Dunford; Mr. Friedel; Mr. Hierath; Mr. Hlady; Mr. Jacques; Mr. Johnson; Mr. Lougheed; Mr. Mar; Dr. Massey; Dr. Oberg; Mrs. O'Neill; Dr. Pannu; Mr. Sapers; and Mr. Zwozdesky.
Subcommittee B: Mr. Tannas, chairman; Mrs. Laing, deputy chairman; Ms Barrett; Ms Blakeman; Ms Calahasen; Mr. Dickson; Mr. Doerksen; Mrs. Forsyth; Mrs. Fritz; Ms

Graham; Mr. Hancock; Mr. Havelock; Mr. Jonson; Ms Kryczka; Mrs. McClellan; Mr. Melchin; Ms Olsen; Mr. Paszkowski; Mrs. Sloan; and Mrs. Tarchuk.

Subcommittee C: Mr. Tannas, chairman; Mr. Fischer, deputy chairman; Ms Barrett; Mr. Cao; Mr. Clegg; Ms Evans; Mr. Gibbons; Mr. Klapstein; Mr. MacDonald; Mr. Marz; Mr. McFarland; Mr. Smith; Mrs. Soetaert; Mr. Stelmach; Mr. Stevens; Mr. Strang; Mr. Thurber; Mr. Trynchy; Mr. Woloshyn; and Mr. Zwozdesky.

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

3. The following portions of the main estimates of expenditure for the fiscal year ending March 31, 1999, unless previously designated by the Leader of the Opposition to be considered by the designated supply subcommittees, be referred to the subcommittees for their reports to the Committee of Supply as follows:

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

Subcommittee B: Community Development; Intergovernmental and Aboriginal Affairs; and Transportation and Utilities.

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

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

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

[Debate adjourned February 18: Mr. Day]

THE DEPUTY CHAIRMAN: Debate on the motion can now proceed. The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thank you. Madam Chairman, we've actually had some good experiences and some good progress here in the House tonight on the supplementary estimates, and we're flowing from that experience into this, which really is the antithesis of what we just did. We have a government that has talked about being open and accountable, and what do we have? We have a couple of motions that the government has already brought into effect. One is to put an adjournment motion on the Order Paper at almost the earliest time possible, and the second is to introduce a closure motion on a debate about how we are going to discuss the spending of \$14 billion. If my memory serves me correctly, we've only had mere minutes of debate on that motion to this point. The Government House Leader couldn't wait to introduce this closure motion and to take away the opportunity to fully debate I think the very legitimate concerns of the opposition in regard to the truncated opportunity for budget debate.

Now, if anybody is under the misapprehension that this is just political posturing or that this is just some tactic to use up time or just an opportunity for the debaters on the Official Opposition side to practise and hone their skills, let me assure the chair and the members of the Assembly that nothing could be further from the

truth. We would just as soon not take up time in this Assembly debating this kind of procedural point. We would much rather spend the time in this Assembly debating how we're going to spend 14 billion tax dollars. That is at least in part the job that we were all elected to do. When all of us knocked on doors and asked our constituents to support us, I am certain, as it happened during my campaign, that every member of this Assembly was asked at least once, if not several dozen times, how they were going to vote on one issue or another, how they were going to spend moneys, what their priorities were, how they felt about the government budget and the cuts to one department or another, and we promised each one of those constituents – we promised – that we were going to listen to their concerns, we were going to take them into account, we were going to raise them in debate, and we would reflect their views as we deliberated. We can't do that adequately under the process that the government is imposing on us.

It may be of interest particularly to the new members of this Assembly that it wasn't always this way, that we didn't always divide and conquer. We didn't always say to members: some of you are more equal than others. We didn't always say: yes, you can talk as much as you want as long as you're in a small room sort of out of public view; if you're superhuman, you can try to be two places at once. It wasn't always that way. It wasn't always the intent of the government to marginalize the private members in the budget process. In fact, previous versions of even this government were much more forthcoming.

Now, I don't know what it was, how beat up the government felt, or what exactly it was that tilted them over the edge . . .

MR. DICKSON: The change of House leaders.

MR. SAPERS: It could very well have been the change of House leaders, and I think that House leader is now the Provincial Treasurer. So maybe there's something to that, hon. member. But at some point this government decided that free and open debate, treating every private member equally, and inviting every private member to do their job and to represent their constituents to the best of their ability was no longer the standard operating process of the House. In fact, the practice was going to be to limit debate, truncate debate, do it in the dark, do it in corners; do not, do not at any cost, open up this process to the light of day. Do not at any cost allow every private member to come into this Assembly and freely and openly debate as long as was necessary the estimates of every government department.

I was visiting Ontario not so long ago, Madam Chairman. You may be interested to know that there were public advertisements on television, on radio, in the newspaper advertising the fact that the Ontario Legislature budget process was about to begin and inviting Ontarians to a series of prebudget public debates. I believe they were 12 days in total, 12 days in total where an all-party committee – that would kind of be like a standing committee in Alberta except of course that it was democratically constituted as opposed to really just a glorified caucus committee – was going to receive members of the public for days of public prestudy of the budget. Wow, what a good idea. It almost sounds like a Growth Summit – right? – except that it happens in the purview and in the context of a time-honoured parliamentary process that engages the public in debate about how tax dollars are going to be spent. [interjection] Absolutely, hon. Member for Calgary-*Buffalo*. It's an all-party committee. It represents and reflects the democratic makeup of the Ontario Assembly, and all members are invited. In fact

they're encouraged, I'm told by the MPPs that I spoke to, to attend, and they're encouraged, Madam Chairman, to go back into their constituencies and invite their constituents to participate. And they're given prebudget study documents, not releases through paid-for infomercials, not sort of this triple play of first we'll do an infomercial and we'll have a fireside chat and then we'll . . .

11:00

MS CARLSON: Leak the budget.

MR. SAPERS: Oh, yeah. We'll leak the budget. That's becoming a tradition.

No. Not doing it that way at all but actually being up front: issuing documents to the public, encouraging MPPs to go out and dialogue with their constituents. Then everything is recorded; everything is in public view. Then, only after they go through that prestudy period, they go into the Assembly. And you know what? They have hours and hours and hours of detailed, meaningful, important debate. This, Madam Chairman, is in the Mike Harris government in Ontario. You know, I'm told that Cousin Mike has borrowed from Uncle Ralph in how he approaches things. If it's good enough for Uncle Mike, I just wonder why it's not good enough for Uncle Ralph.

MS CARLSON: Do private members all participate in the debate?

MR. SAPERS: As much and as freely and as often as they care to.

Now, if people aren't persuaded by the Ontario experience, perhaps they would like to be illuminated regarding the British Columbia experience. In British Columbia, whose budget exceeds Alberta's by a few million dollars, give or take, they actually have not the 50 hours of budget debate that we will go through in this Assembly. No, no, not the 50 hours. Not even 75 hours. Not even 100 hours. Not even 200 hours. Not even five times as much. You know what they have? They have 500 hours. They have hours and hours of debate because they believe it's important that no rock be left unturned. They believe that absolute disclosure is necessary. They believe in democracy. They believe in debate. They believe in political discourse. They believe in a legitimate give-and-take, pro and con. They believe it is important to be involved and engage in the currency of the process. That was a pun, Madam Chairman. They believe it's important that every possible question be asked and answered before they're called upon to commit to the spending of tax dollars.

Now, let's just zip back from this cross-country tour into Edmonton, into Alberta. What do we have? We have a government that wants to minimize the amount of time spent on estimates.

MS CARLSON: And why would they do that?

MR. SAPERS: I was just going to rhetorically ask that question.

Why would they want to minimize the amount of time left to spend on estimates? Now, is it because for 22 years every time a Conservative government in the province of Alberta brought in a budget, it was a deficit budget and they don't want to be reminded about that? Or is it because ever since they stopped bringing in deficit budgets, they started bringing in hack-and-slash and cut-and-burn budgets and they don't want to have a lot of

discussion about that? Or is it because there just might be a nugget, that if you turn enough pages and you ask enough questions and you use a big enough magnifying glass, you'll find things like hidden, secret ATB loans or things like write-downs on Al-Pac subsidies or things like the addition error that was in the last version of the Treasurer's budget or maybe nondisclosure statements or maybe more evidence that the government doesn't like to do business through due diligence or maybe some other item that will embarrass this government?

Now, I get the feeling that if this government had its druthers, they would have absolutely no budget debate. What this government is headed towards is this: a process, paid for with tax dollars under the guise of standing policy committees, where Albertans line up, queue up to pitch ideas to the government. The government will receive them and politely hear whatever their requests are and then dismiss them, go in camera. They may either eat dinner and ignore the process or actually discuss what was presented and then decide amongst themselves that, yeah, this is a good idea or this isn't a good idea, that those people voted the right way or those people didn't vote the right way, so we'll pay for that or we won't pay for that. They'll say yes to that, and they'll make that decision by themselves. They'll write it down someplace, you know, on a napkin or on their cuff or something, and they'll put it aside. Then they'll go to the next standing policy committee meeting and the next standing policy committee meeting, but they won't ever come into the Legislature to debate these things.

Then the Premier will announce that he's going to have a TV speech. He'll gather up all those cribbed notes, you know, all those scraps of paper and napkins with all those budget commitments that the government caucus has made, and he'll announce to the TV audience – not on public TV so that there could actually be equal time for debate but on commercial TV, because he's paid for it. Once you've paid for something, you can get away with saying anything. He'll announce all of those things they've made the public commitments to, get the public thinking that they've actually been listened to, and totally sidestep and marginalize the Legislature.

Wait a minute. Did I say that that's what we were going to eventually get to? My mistake, Madam Chairman. We're there already. That's exactly the way it works in the province of Alberta in 1998. So what you have is a resentment from the government. How many times have I heard from members of the front bench and members of the government backbench: "Why do you guys even bother? We've already made all of the decisions. We talked about it in the SPC. We already made that decision. We brought it to caucus. Caucus already said we're going to do it." Or in the experience of the Minister of Advanced Education and Career Development: "Oops, maybe I didn't bring it to caucus yet. I forgot that step." So now you have executive decisions that even ignore the caucus. You know, we've got the minister saying there's going to be a tuition cap. Of course, that actually hasn't made it through the SPC.

So is this the next version, that we marginalize the Legislature and forget that there's an officially elected opposition? For those government members that are cocky enough to think that the opposition doesn't matter, just be reminded, government members, that more people voted against you than voted for you. It just so happens that the opposition vote was split because people in their rush to vote against the government just couldn't decide who could best represent them in defeating the government. But that being said, you know, I don't question democracy the way the

government does, and you guys won. So you have the obligation to do the right thing. The right thing would be to respond to and respect the wishes of the people.

Even though you've now marginalized the Official Opposition and marginalized debate in the Legislature, you used to be at least complacent enough to think that it was your whole caucus, that it was the 63 of you that would get together and in secret plan and plot how you were going to spend tax dollars. Private members, if I can just talk over the heads of the members of the front bench for a minute to those few of you private members that are here, they're even marginalizing you. They're not even listening to you anymore, because they're going to make their decisions more and more by regulation. Just take a look at the form of the legislation that you're being asked to support. All the good stuff is left to the Lieutenant Government in Council.

So I guess the real story here is that there will be just a few men and women . . .

THE DEPUTY CHAIRMAN: Hon. member, relevancy.

MR. SAPERS: Oh, yes. There will be just a few men and women who will be called upon to actually deliberate the budget. What we will do in these committees will be largely irrelevant to the predetermination that those few men and women in cabinet have made, and I think that's very relevant. Now, if anybody questions the relevancy of that, then I will have to start again, because I have built a very logical and consistent case for how this government has ignored the democratic process and the role of the public in the spending of public dollars.

Now, was there another of my colleagues that was anxious to participate before?

THE DEPUTY CHAIRMAN: Hon. member, through the chair, please.

11:10

MR. SAPERS: Well, Madam Chairman, I'm wondering if there was another member of the opposition who was anxious at this point. Yes? All right.

I will conclude, Madam Chairman, by saying the following. We have for several years now protested this device of the government to stifle debate on the budget. We have raised points of privilege, to no avail. We have used every procedural device that we know how, to no avail. We have used reasonable, logical, cogent debate in the House, to no avail. We have met in the corridors, we have met in the hallways, we have met on the beaches in fact – and the Government House Leader knows exactly to what I am referring – to discuss and to press this issue, to no avail.

I can only conclude that it's not because the government doesn't know that it's doing something wrong; it's because the government chooses to do something wrong. As long as the government continues to choose to ignore democracy, continues to choose to be arrogant and dismissive, I guess we will be forced every budget cycle to continue to stand in the Assembly and use the time that we should be using to discuss the budget estimates to discuss the arrogance of the government and this procedural manipulation that the government happened upon to make sure the budget doesn't receive the debate it deserves.

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

MS CARLSON: Thank you, Madam Chairman. I have to agree with everything that my colleague said here with regard to this motion that's before the House. Clearly there is not adequate time for us to properly debate the budget as it stands. The committee structure that we have, the inaccessibility that all of us have in terms of reviewing each minister's budget, and the process that has been established by this current House leader are absolutely appalling. It's an arrogant manner in which to run a government. It's a manner in which their own private members do not have adequate access to respond to the issues of the day. We see them in here chatting, playing with binoculars, doing all kinds of things except paying attention to the dollars this government is spending on behalf of the people of Alberta.

They have as much responsibility as we do to take a look at what's happening here, to scrutinize these budget line items, to ensure that the moneys are being spent effectively in the manner in which they should be. What do we have? Private members in debate who actively refuse to participate, who actively refuse on behalf of their constituents to scrutinize what's going on. They have no knowledge to bring back to their constituents in this regard. They have no participation at this level of debate. They just allow all the decisions to be made by a handful of people who make those decisions behind closed doors, away from the scrutiny of the general public, away from the scrutiny of their own private members, away from the scrutiny of the Official Opposition . . .

MR. SAPERS: Because they love power.

MS CARLSON: Absolutely. Madam Chairman, the reason they do that, like my colleague said, is because they love power. And power is the abuse of authority. It's a level of arrogance that is absolutely appalling in this province. [interjections] We hear the moans and groans from across the way, and we have two of the people who are very happy to sit in and make those decisions and do not want their activities scrutinized. That is a problem for all of the people in this province. For that reason alone, I'll never support this kind of motion, in addition to all those other reasons that I have talked about, that my colleagues have talked about in this House.

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

MR. DICKSON: Thanks very much, Madam Chairman. When I was listening to the Opposition House Leader a bit ago, I was put in mind of a woman who always brought great insight to issues of the day. Now, her day was 1776. The woman I'm referring to is Abigail Adams. Her husband would be better known as John Adams. Really what we're dealing with here is an abuse of power. What Abigail Adams, who was actually a prolific letter writer to her husband, John, had to say in 1762 was something that I think is very instructive to all of us this evening.

I am more and more convinced that man is a dangerous creature; and that power, whether vested in many or a few, is ever grasping, and, like the grave, cries "Give, give."

I think what Abigail had to say in 1774 is of particular relevance as we deal with this very truncated kind of budget process that we have in front of us this evening.

I have to say that the government has heard at least some of the comments we've made around this issue before. I remember that when initially this was proposed, there were major concerns with the way *Hansard* operated because you couldn't find out what was said. Those many Albertans that find *Hansard* great reading

material and one of the first things they're always rooting around for had enormous difficulty finding the flights of eloquence from the opposition leader and sometimes from members of the front bench, sometimes from the Health minister. But I'm pleased to note – and I think the government deserves some recognition in this respect – that *Hansard* has found a way of being able to provide more current renderings of budget debate in a way that's not only more accessible to members, which is important, but also to those many Albertans that scrutinize proceedings here and the comments made. Whether it's the MLA for Calgary-Fort or the MLA for Banff-Cochrane, in any of those constituencies it's important that they see what their members ask, raise, question when it comes to deliberating on the budget. So the *Hansard* problem, if it hasn't been absolutely eliminated, has been remedied substantially.

There are some other problems that are still outstanding, Madam Chairman, and let me just touch on a couple of those. The first one is the one that I think is perhaps most grievous and most serious. It's simply this, that a member can't be in two committees at the same time. Now, there's a problem we have, and it's this. The government will always say there's no problem whether you're in a particular subcommittee or not because there's a reporting mechanism after the committee deliberation that's always back in the Assembly Chamber, and that's the opportunity for anyone who didn't get a chance to participate in the smaller committee to come and raise those questions.

Well, Madam Chairman, I want to tell you with some regret that for at least three years I've not been able to get on the list in the smaller committee room, and I usually have a couple of points I want to ask. I rush down here, full of anticipation and excitement, into the main Chamber ready to ask that question on behalf of my constituents, and I find to my distress that there are typically five, six questioners ahead of me. There are other MLAs who also got shut out of the smaller committee process, so this is the place they come to raise the questions that are important to them, important to their constituents. What we find is that in one of those reporting periods we may be hearing from three or four departments. I think the reporting time is usually about an hour or an hour and half. Typically what happens is that it's gone with simply a couple of members speaking to each of the three or four departments.

The net effect of that, Madam Chairman, is simply this. What you've got is some members who wish to speak to a budget of a particular department who effectively are denied the opportunity to do that. Now, we're all organized as critics; at least in the opposition we have particular shadow responsibilities. We embrace that chance to question particular ministers, but we also are here in a larger representative role. I simply think it's not fair, it's not appropriate, and it's not right for this Assembly to tell any member: you have no forum; you will not have an opportunity to ask questions in a particular department. As I say, when we all are here representing tens of thousands of Albertans, they present myriad concerns and complaints and issues and in some cases kudos for ministers and departments, but they're simply not afforded the chance to be able to raise those.

11:20

Now, I think this process becomes even more important because what we've seen if we look at the context here – we all remember when the fall session was canceled. The Premier went around saying: we have no legislation that has to be passed. The Premier made, I think, a really fundamental error. He forgot there are two reasons we sit. One is to pass legislation, but the other one is

to hold government accountable. It's been reported, Madam Chairman, that the Premier has suggested that as long as he's Premier, we'll never see another fall session.

So what it means now is that the opportunity, the time when Albertans through their elected MLAs can challenge ministers about policies, about expenditure of 16 billion tax dollars keeps on shrinking. This government is absolutely single-minded in its effort to reduce the time they have to spend answering questions. You know, I understand. If I were a minister, if I were the Minister of Health, I might be chagrined. I might be frustrated as question after question gets directed to me. Sometimes you might even get the same question a couple of times over. Maybe it's reworded slightly, and maybe it's almost identical. It may be the same question he got the year before and the year before that. I understand frustration with that.

I understand that there are people – and to use the example of Alberta Health, as large a bureaucracy as we have there, I don't know how many people are tasked to answer pesky MLA questions surrounding the budget and the program area and so on. I mean, I understand that that's a bit of a nuisance for ministers. I understand, as has been pointed out before, the frustration of government members having been through standing policy committees and caucus meetings, and some of them are lucky enough to attend cabinet meetings. They've worked on the budget for three months. They've had an opportunity to raise their concerns. They've told their constituents.

But let's spend a moment considering the far more limited opportunity of members who have also been duly elected but have either the advantage or disadvantage of not being part of the government caucus, who don't have those earlier kinds of inputs, don't have that opportunity or those forums to be able to raise concerns important to them relative to the budget. Ladies and gentlemen, through the Chairman, this is our only opportunity to do it. There's no alternative forum. There's no alternative opportunity. As the time the House sits continues to be compressed, that opportunity is correspondingly compressed.

Now, there may be those who think the current government has come as close to reaching a level of perfection as is humanly possible. There may be some who think there's simply no significant issue that isn't being satisfactorily addressed by this government. But, Madam Chairman, there are some Albertans who don't hold that view, and who's to say that their opinion or their concern relative to the budget process is less important than anybody else's?

Madam Chairman, I look at the Member for Calgary-Fort, a member whom I frequently encounter at different events in Calgary, a new MLA thanks to the March 11, 1997, election. I know from my discussions with that member that he's anxious to represent his constituents in Calgary-Fort as well as he can. I know that he wants to have opportunities to test ministers when he has a constituent who has a concern relative to a budget. I know that he wants a chance to be able to grill the minister. He may do it gently, he may do it roughly, but he wants that opportunity. I respect the right of that member and I respect the right of every member to be able to do that, because that's an essential element of our responsibility, of our job description if you like. But what's really at stake here is a substantial reduction in the ambit of what all MLAs are entitled and in fact privileged to be able to do.

So the problem with *Hansard* has improved. The other problem, though, remains, that issue of inadequate opportunity for scrutiny of a very substantial provincial budget. Madam Chairman, I don't

know how many years we're going to have to go through this. You know, the Government House Leader is probably saying to himself: "Here we go again. We've been here before. Déjà vu. Nothing new being volunteered except maybe some compliments that we fixed the *Hansard* problem." The Government House Leader is probably wondering whether he's going to be there in 1999 hearing the same kind of issue and the same kind of challenge.

It strikes me that with the intelligence and the goodwill that exists in this Assembly, reasonable men and women ought to be able to sit down and say: we've got to be able to find a budget process that works not just for cabinet ministers, not for the table officers. We have to be able to find a budget process that represents a reasonable compromise, something that addresses those particular situations and needs that opposition members have, an equally legitimate role, as any other member on the government side. We have to be able to find a process to do it. I guess I don't quite understand why we go through this. There's a lot of talk about the need for reform, yet we come back in here for another budget session and the same problem exists. So I wonder whether we haven't talked loudly enough, whether we haven't talked long enough.

MS CARLSON: They don't care. That's the problem.

MR. DICKSON: There's been a suggestion that the government doesn't care. You know, I've had a chance to work with government members, some since 1992 and the rest since 1993, or many of them. I think those members want the budget process to work too, and whether it's acknowledged expressly or not, I think they understand the legitimacy of the role of opposition. Many of those members have said to me in a moment of candour that they appreciate the value of opposition. I don't want to embarrass any members in the government caucus, but a number of them have said that they understand the value of an opposition. In fact, some of them have even said they were glad that this question was asked or that issue was raised, that minister was challenged. So I may take issue. There may be those who think that government doesn't care. I think members are interested in a better system. I guess I'm inviting those members now, in this debate, to stand in their places and offer their advice and suggestions in terms of how we could better configure this budget process.

You know, the MLA for Bonnyville-Cold Lake has had experience in a community that's shown some real leadership in a municipal fashion in terms of being able to meet the needs of people in the Bonnyville, Cold Lake, Grand Centre area. I guess we don't have all those communities still independent. But I know that member is a rational member who understands that there's always a solution to every problem. I want to invite the Member for Bonnyville-Cold Lake to stand, Madam Chairman, before we finish this debate and offer his advice, because we all bring life experiences. The member from Edson is a member with extensive municipal experience. He knows how to get things done. He's dealt with budgets before. He understands the role of scrutiny, and he understands why it's important that the people who write the budget shouldn't come in here and get a rubber stamp but in fact should be tested and challenged. He understands that everybody on a municipal council should get a fair opportunity to challenge elements of a budget, just as all MLAs ought to have a fair opportunity to challenge the budget. I think that member from Edson understands the fundamental

problem we've got with the motion that's on the table. So I think he's probably got some good experience and some good advice to share with members who were wrestling with this.

11:30

Maybe something constructive and positive can come from this. Instead of a sort of mindless exchange of views that neither side hears, maybe we have an opportunity tonight to start some momentum. Maybe we have an opportunity to initiate a process that's going to address some of the concerns that opposition members have.

As a mediator in an earlier incarnation, Madam Chairman, there was opportunity to try and find some kind of win/win solution. I guess I'm encouraging the Government House Leader to consider working a little harder to find a win/win solution when it comes to budget review. If he were able to apply that energy – we've seen the kind of gusto he's brought to his job as Justice minister. The judiciary in this province are probably fascinated with the enthusiasm and the vigour with which the new Justice minister has thrown himself into his reform of the judicial system. Many of them make candid observations to me. They remark about the alacrity with which he's moved to remedy problems he's identified in our judicial system. Well, he has an opportunity to show that same kind of enthusiasm and pioneering spirit, that same kind of activism that he's applied to our court system. He's got the chance to apply it to another one of our grand institutions; namely, the Legislative Assembly.

Madam Chairman, I hope members will take up my invitation and that we'll hear from those members from Edson and Bonnyville before the end of the debate.

Thank you very much.

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

DR. MASSEY: Thank you, Madam Chairman. I, too, would like to oppose the motion and the use of the subcommittees as they have been designed by the government for us to scrutinize the budget.

I'd like to start with a look at closure itself. It was my understanding that closure was rather a special instrument, a special tool that governments had, and that it would be only used on very special occasions. In matters of emergency where time was going to be a difficulty and action had to be taken, when the government itself was threatened by the inaction of the House, closure might then be evoked.

It comes as quite a surprise to find that since 1993, when we were elected, closure is used on a regular basis by the government to manage the ordinary affairs of the House. I think most citizens in the province would be very surprised and somewhat disappointed to think that a tool that is supposed to be in place for very special occasions and to help solve very particular problems is being used as frequently as it is. [interjection] Put a sock in it.

I think the use of closure is reflective of an attitude, a perspective on democracy, that I find disturbing. It's exemplified in a number of different ways in the House. I think we saw it earlier this afternoon, when the Minister of Advanced Education and Career Development became very exercised when a member from the New Democratic opposition took some time to explain the reasons why he wanted some particular information on studies done on tuition. The minister was outraged that that opposition member should stand and speak and make clear his reasons for wanting that information.

I think we see it in the calling of "question" at the outset of speeches. We'll stand to address a bill, to address a motion or motion for a return, and immediately from across the aisle will come calls for the question. The impression being left is that any kind of debate is unnecessary and is somehow or other thwarting the rule of the government and the working of this House.

I think we see it in the canceling of the fall session: again, the notion that somehow or other business of the government goes on and what is done in this House is an impediment to that and an unnecessary step in running the affairs of this province. We all heard from constituents who wanted to know exactly what we were doing when we weren't attending to the affairs of the government in this Assembly.

I think we see it again in the number of times that government members raise the cost of sitting here and debating it. That's rather an interesting argument, because as they will sit and resent spending an hour of debate or 20 minutes of debate here, they saw no such concern when a year ago they brought us back for two days to call an election, and then brought us back again and presented exactly the same budget.

So the arguments about cost . . .

THE DEPUTY CHAIRMAN: Hon. member, I would remind you about relevancy and the motion that we have before us.

DR. MASSEY: I think I am being relevant, Madam Chairman. I think if you look at a closure motion in place with some of the other actions of the government, it portrays a perspective on democracy that we'll find disturbing.

If you look at the budget announcements – the budget being announced across the province by five or six ministers at five or six different times. Again, along with closure, a view of democracy that happens in this House is, if not irrelevant, at least unimportant.

We see it in the speeches that we heard from government members in the Speech from the Throne and in some of the candidates going up to the last election, and the notion that you have to be a government member, preferably in cabinet, if your constituents are going to be served.

All of these items, I think, Madam Chairman, closure sort of focuses on and draws attention to what can only be held as a very low regard for government, for this House, and particularly for the role of the opposition.

I compare the budget committees and the work we do in those committees with my municipal experience and the kind of minimal information we're given in the estimates documents themselves. The health care document earlier this evening: 61 lines and \$1,600,000 weighing on each line of that explanation, yet we're going to be denied the kind of time that those kinds of documents warrant and the kind of scrutiny that those kinds of documents warrant.

Again, I go back to comparing that to my municipal experience and look at the time as school board members we spent on very much smaller budgets, \$360 million worth of budget, which would take up to six to eight weeks of committee meetings, of total board scrutiny, of going out to the community with those documents: an entirely different responsibility or notion of what it means to be a responsible, elected official and accounting for the kinds of moneys that you're going to be spending from the public purse.

Madam Chairman, the closure motion is a bad motion, and I hope that the House will see fit to defeat it.

THE DEPUTY CHAIRMAN: The hon. Member for Medicine Hat.

11:40

MR. RENNER: Thank you, Madam Chairman. It's a pleasure for me to rise and speak to this motion. Actually, Madam Chairman, I'm rising to match the challenge that was offered by the Member for Calgary-Buffalo. He indicated that members from this side of the House rarely participated in debate, so I thought that I would take the opportunity to get involved in the debate at this point in time.

I want to discuss the motion at hand and dispel some of the myths we've heard coming from the other side. The gist of this motion, Madam Chairman, is to divide this House into four committees: A, B, C, and D. The purpose of those four committees is to deal with the estimates for various departments. Now, the opposition is playing this as some kind of attack on democracy. What the opposition is saying is that it diminishes their role as an MLA because they won't be able to fully participate and fully be able to represent their constituents in the upcoming discussions and debates.

I really do have a couple of concerns with that theory. The first one is that, like our side, it's noted that from time to time there is less than 100 percent attendance in this House, and that's fine. Members of this Assembly have many functions that they need to perform other than dealing with the business at hand in this House. But by separating and dealing with two different departments at the same time, I would submit that it does not diminish the ability for members to represent their constituencies. In fact, Madam Chairman, I would submit that it actually enhances the ability for members to represent their constituencies.

A member can be involved, particularly members of the opposition – and I acknowledge that the majority of the members of the opposition live right here in the capital city. Someone such as myself, who unfortunately lives 600 kilometres from the capital, and it's a five-hour trip for me to go home and attend a constituency function and five hours back – it makes it rather difficult for me to get home and attend a very important constituency function in the evening. On the other hand, the people in Medicine Hat understand that logistically it's really not possible for me to get home and visit with them on a night when the House is in session. On the other hand, I do sympathize with the members of the opposition, because I'm not so sure that there is that understanding on the part of their constituents. If there is an important constituency function on in the city of Edmonton, even though the House is in session, oftentimes I expect that they probably are expected by their constituents to attend that function. So of necessity it is not possible for those members to be here in attendance every night of the budget discussion.

Well, Madam Chairman, I think that by dividing up the House the way we have and creating the four different committees to consider estimates, in fact that member can on one night represent his constituents outside of this House. The next night that same member could be in this House and participate not in the discussion on one different department but in fact two different departments. It's not at all difficult for members to participate in the discussion that's going on here in the Assembly, present their questions, present the concerns of their constituents, and then excuse him or herself, go up to Room 512, and deal with the discussion of an entirely different department. Two departments in one evening. Under the old system, unfortunately, that member would only be able to deal with one department. One department.

The other concern that I have I think is an important concern, because the members constantly refer to being able to ask questions of ministers, to hold the minister accountable for his budget. Madam Chairman, I have spent the last – how long have I been here? It seems like forever. I think it's only about five years. I have been through this process now five times, and I'm here to tell you that rarely if ever do members of the opposition merely stand up and ask questions. Invariably they stand up and make a 20-minute speech that might include two questions. I would submit that if they would ask the two questions and sit down, they would more than adequately have been able to serve their constituents, and all members of the House would have an opportunity to ask questions. When we're dealing with estimates . . . Is there a point of order?

THE DEPUTY CHAIRMAN: I might suggest to the hon. Member for Medicine Hat: relevance.

MR. RENNER: Well, Madam Chairman, it is relevant because I am discussing the question at hand. The question at hand is that the committee divide itself into four subcommittees to consider the estimates of this Assembly. By doing so, I submit that the members of this Assembly have a better opportunity to represent their constituents. They can deal with two different departments in one evening; that's the other discussion.

Now, the other thing that I would like to talk about: the member from Calgary-Buffalo brought it up. He suggested that there must be a better way to deal with this. He challenged the Government House Leader to come up with a better way. Well, again, I would like to address that challenge. I agree; I think there is a better way. Frankly, I think that better way would be to structure the discussion that we have in this House on estimates in a very similar manner to the way we structure the discussion in designated subcommittees of supply.

I have participated in those designated subcommittees of supply on numerous occasions, and I think that both government members and opposition members come out of those meetings feeling that is the better way of dealing with it. Everybody gets to deal with their questions. You ask three questions; the minister responds. Next person asks three questions; the minister responds. I think that is a far better way. If the member is looking for a different way to deal with estimates, I would submit and I would suggest that is a far better way. It's a much more efficient system. It's much less confrontational. We don't have members standing up and making political speeches. They stand up and they ask perfectly legitimate questions and receive perfectly legitimate answers to those questions.

So, Madam Chairman, the member from Calgary-Buffalo wants some suggestions on how the process could be improved. There's a suggestion, hon. member. Why don't we consider that suggestion?

The House leader is bribing me over there. What are we offering?

MR. SAPERS: A little Hershey bar.

MR. RENNER: It takes more than a Hershey bar, hon. member. I'm trying to lose weight. Haven't you noticed I have lost a little? Madam Chairman, I want to deal with the subject at hand.

AN HON. MEMBER: It's your weight.

MR. RENNER: It's not my weight. We're not talking about my weight.

We're talking about the fact that the opposition has taken an opportunity to deal with what is really very much and has become very much a fundamental way this Assembly does its business. The opposition has taken an opportunity to force the Government House Leader to take this issue to closure. The opposition made it very clear that this motion was not going to be dealt with in a timely manner. If we're going to deal with our estimates in a timely manner, there was no opportunity for the Government House Leader other than to bring forward a closure motion.

The difficulty with closure motions is that everyone who wants to participate unfortunately sometimes doesn't have that opportunity. I think that the opposition must admit that to some extent they really are . . . [interjection]

THE DEPUTY CHAIRMAN: Hon. Member for Edmonton-Glenora, we are not talking about food here. Please allow the hon. member to carry on.

11:50

MR. RENNER: The Member for Edmonton-Glenora should be listening because this is very important to him. I am saying that the member, by forcing the Government House Leader to bring closure on this motion, is really the victim of his own demise, Madam Chairman. We could have dealt with this.

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

Point of Order Imputing Motives

MR. SAPERS: Thank you. I am rising according to Standing Orders 23(h), 23(i), and 23(j), Madam Chairman. The hon. Member for Medicine Hat has accused me of forcing the Government House Leader to do nasty things like closure. He's accused me of having the power over the Government House Leader to force him to manipulate the government's agenda to subvert democracy. This is one of the most offensive suggestions that I have ever heard in this Assembly. I want that Member for Medicine Hat to apologize not just to me but to the Government House Leader, whom he has impugned with the suggestion that he is under my control, that I have the ability to reach into his mind and twist it to do things against his will. That is just wrong, and I want those words rejected.

THE DEPUTY CHAIRMAN: Hon. member, you do not have a point of order. Let's carry on with this debate and look at the time of night. I heard you at one point here offering the hon. Member for Medicine Hat food. Food is not what we're talking about here; we're talking about subcommittees A, B, C, and D. Let's move on with this debate and conclude it.

MR. HAVELOCK: Madam Chairman, could I just clarify for the House that I have not done any nasty things?

THE DEPUTY CHAIRMAN: Well, that point would be debatable too, but that will be another debate on another day.

The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Madam Chairman. I'm glad that you made your ruling so quickly, but on the other hand, I would have cherished the opportunity to respond to that point of order, but I won't take the House's time to deal with that now.

Debate Continued

MR. RENNER: What I'm saying is that this process of dealing with estimates through subcommittees is nothing new. This is, I believe, the fourth time that this House has dealt with it. So here we are, fourth time around dealing with all the same arguments, the same questions, standing here at 5 to 12 at night so that we can vote on a motion at 12 o'clock.

It would appear that the member opposite doesn't quite understand the rules. He's talking about subverting the rules of democracy. Well, the fact of the matter is that there's no subversion of the rules here. Closure is something that is within our Standing Orders. If it was a subversion of democracy, frankly, I don't think it would be within our Standing Orders. Madam Chairman, I want to put it on record that I see the process that we're in right now as very much supportive of democracy. We are allowing all members of this House to fully participate in the debate regarding the estimates. It doesn't take a genius to understand that if every member in this House during debate on the estimates stands up and makes a 20-minute speech, there is simply not enough time for all members to participate.

What we have done is divide the House into four different subcommittees. We also need to point out that all members are entitled to participate in the discussion in any of those subcommittees. No members are excluded. If any hon. member happens to find his or her name on subcommittee A, that does not exclude that member in any way whatsoever from participating in the debate and asking those important questions that are coming from his or her constituency during the committee. So there is ample opportunity.

On the other hand, by having two different departments being discussed at the same time, I think that the level of the confrontational attitude that we often see during these discussions is lowered a notch. Frankly, I find it much easier to participate as a member of this Assembly when we're dealing with what is usually a smaller group of people. It think it gives ample opportunity for members to participate. There are no members that are excluded from any of the discussions, and should members be required to deal with other business, other than business of this House, on certain evenings, then they have the opportunity of participating in the estimate discussion for two different departments.

So, Madam Chairman, I really don't understand why we're here at midnight trying to settle a discussion that is really one of common sense. [interjection] Sometimes I agree with you, hon. minister. Sometimes I agree with you. But the fact of the matter is that we need to deal with this in a reasonable, timely manner, and we are doing that. [interjections]

You know, it is extremely difficult to put together some kind of an argument that is logical and leads from one to the other when there's constant heckling going on from the other side of the House, constant time outs going on from the other side of the House. The fact of the matter is that maybe now members of the opposition have a little bit of a feeling of what it's like to be on this side of the House, wanting to deal with other business and seeing what amounts to little more than a filibuster going on on the other side of the House.

Now, Madam Chairman, I want to get back to the motion, because I freely admit I have been wandering from time to time a little bit away from the motion. I do apologize. I shouldn't have allowed the discussion in the room to dissuade my logic on this.

We are discussing subcommittees A, B, C, and D, and the opposition is claiming that this is somehow a subversion of

democracy. The gist of my argument, one final time, is that this is not a subversion of democracy. This is in fact entitling members to fully participate. Madam Chairman, I suggest that you put the question at this point in time.

THE DEPUTY CHAIRMAN: Due notice having been given by the hon. Government House Leader under Standing Order 21 and pursuant to the motion agreed to this evening under Standing Order 21(2), which states that "all questions . . . must be decided in order to conclude . . . debate," I must now put the question.

[Motion as amended carried]

THE DEPUTY CHAIRMAN: Government House Leader.

MR. HAVELOCK: Thank you, Madam Chairman. I move that the motion establishing the subcommittees as amended be reported when the committee rises and reports.

[Motion carried]

THE DEPUTY CHAIRMAN: The hon. Government House Leader.

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

[Motion carried]

12:00

[Mr. Herard in the chair]

THE ACTING SPEAKER: The hon. Member for Lacombe-Stettler.

MRS. GORDON: Thank you, Mr. Speaker. The Committee of Supply has had under consideration certain resolutions of the supplementary estimates of the general revenue fund for the fiscal year ending March 31, 1998, reports the approval of the following estimates, and requests leave to sit again.

Legislative Assembly: \$350,000 Office of the Auditor General operating expense.

Advanced Education and Career Development: \$35,900,000 operating expense.

Community Development: \$555,000 transferred to capital investment from the operating expense.

Education: \$118,992,000 operating expense, \$70,500,000 nonbudgetary disbursements.

Family and Social Services: \$625,000 transferred to capital investment from operating expense.

Health: \$100,981,000 operating expense, \$3,500,000 transferred to operating expense from capital investment.

Intergovernmental and Aboriginal Affairs: \$10,000,000 operating expense.

Municipal Affairs: \$2,200,000 nonbudgetary disbursements.

Public Works, Supply and Services: \$6,600,000 operating expense, \$2,500,000 capital expense.

Transportation and Utilities: \$134,762,000 operating expense, \$1,000,000 capital investment.

Treasury: \$102,322,000 nonbudgetary disbursements.

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

THE ACTING SPEAKER: Does the Assembly concur with the report?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? So ordered.
The hon. Government House Leader.

MR. HAVELOCK: Thank you, Mr. Speaker. I request the unanimous consent of the Assembly to revert to Introduction of Bills.

THE ACTING SPEAKER: Is there unanimous consent of the Assembly to revert to Introduction of Bills?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? Carried.

head: **Introduction of Bills**

Bill 16
Appropriation (Supplementary Supply) Act, 1998

DR. WEST: Mr. Speaker, I request leave to introduce Bill 16, the Appropriation (Supplementary Supply) Act, 1998. This being a money bill, the Administrator, acting on behalf of His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

[Leave granted; Bill 16 read a first time]

[At 12:06 a.m. on Thursday the Assembly adjourned to 1:30 p.m.]

