Legislative Assembly of Alberta

Title: **Tuesday, April 4, 2000** **8:00 p.m.**
Date: 00/04/04
[The Speaker in the chair]

THE SPEAKER: Please be seated.

head: Government Bills and Orders
head: Second Reading

Bill 11
Health Care Protection Act

MR. KLEIN: Mr. Speaker, on behalf of the hon. Minister of Health and Wellness it is my pleasure to move second reading of Bill 11, the Alberta Health Care Protection Act.

I would like to begin by thanking you, Mr. Speaker, for allowing this debate to be televised and for facilitating the broadcast. This evening, Mr. Speaker, I address not only you and Members of the Legislative Assembly but also thousands of Alberta families who are watching at home. Televising this debate will give many Albertans a chance to see their Legislature at work. It reminds them and us here as well that the Legislature is both the seat and symbol of representative democracy in this great province of ours. From Acme to Zama, from Olds to Youngstown, from Brownvale to Red Deer, Albertans in every community of this province elect men and women to come to this Chamber and speak for them.

It was in this tradition of democracy that hundreds of men and women have been elected in the 95 proud years of Alberta's history. It was in this tradition that Albertans sent William Aberhart from Okotoks-High River. It was in this tradition that Albertans sent W.W. Cross from Hand Hills and Peter Lougheed from Calgary and Grant Notley from Spirit River and Helen Hunley from Rocky Mountain House and Laurence Decore from Edmonton. It is in this tradition that we gather to debate the business of today and, Mr. Speaker, that business is Bill 11.

I think it most appropriate that here under the eyes of Albertans is where this bill will be debated, among the 82 of us privileged to serve. Normally, as you know, Mr. Speaker, there would be 83, but as Albertans know, the Assembly currently has one vacancy due to the resignation of Pam Barrett, the former Member for Edmonton-Highlands. I would like to take this opportunity to express my thanks to Pam for her years of effective service to this Assembly and to her constituents.

As I said at the outset, this is the best place to debate Bill 11, and I quote the Leader of the Official Opposition, who said in a news release in November that she wanted the debate to be held right here on the floor of the Legislature. Well, Mr. Speaker, tonight that debate begins. Tonight in the time allotted to me, I want to explain why the Alberta Health Care Protection Act is needed, what it will achieve, and how it protects the publicly funded health system. I will also answer head-on the most common criticisms of the bill.

Mr. Speaker, in recent weeks and months many Albertans have asked: why do we need Bill 11? What is Bill 11 all about? There are those who say that Bill 11 will destroy the public health care system as we know it today. They say that it is the first step on the slippery slope to a two-tiered system, where the rich can buy better and faster service than the rest of us, but there is no reason, there is no motive, no rationale under the sun that could explain why my colleagues and I would set out to destroy the Alberta health care system. We all need it. Why would we make it our mission to destroy something that we, our families, our friends, our constituents all need and rely upon? We need the public system to be there for us too.

Mr. Speaker, although some have tried hard to assign sinister motives to this bill, there are two simple purposes to Bill 11, a bill that in fact is being brought forward as the result of requests by the Alberta College of Physicians and Surgeons and by the federal Minister of Health asking for legislation to regulate the activity of surgical facilities in this province. The two purposes of the bill are straightforward. Bill 11 will protect the public health care system and give us one more tool to use in our efforts to drive down waiting lists and waiting times that only prolong pain and suffering. Both those goals are what motivated this government to draft this bill. There are no other motives.

Tonight I want to speak to both of those purposes, starting with the second one. Mr. Speaker, we have to try and find new ways to reduce waiting lists. All Premiers, all health ministers in all provinces including the federal Health minister have said that the status quo is not an option. Too many Albertans have to wait months or even a year or more for surgery, and that is unacceptable in a province that devotes one of every three dollars in its budget to health care. Albertans deserve more for their health dollar. The money is there, and unlike the federal government, our government has restored every penny cut from health in the mid-1990s. In fact, we've restored almost three pennies for every penny cut, three dollars for every dollar.

There are people who simply say: spend more on health care. In fact, we are now spending a billion dollars a year more on health care than we were five years ago, and we are further increasing health spending by another 20 percent over the next three years. That will be over $15 million a day, $15 million a day being spent on health care.

So the money is there, and our regional health authorities are already working hard with that money to reduce waiting lists in a variety of ways. They are trying to reduce demand on hospitals by providing other less expensive alternatives to hospital care such as home care and long-term care. They are trying to reduce pressure on emergency wards with community-based primary care clinics like the Crowfoot Village family practice in Calgary and the Northeast health centre in Edmonton. Health authorities are recruiting more doctors, nurses, technicians, and other frontline workers. They are opening existing wards and beds so that more surgeries can be done, and they're opening new hospital facilities such as the new pediatric intensive care unit at Edmonton's Royal Alexandra hospital, which incidentally will open next month.

But more money alone is not the answer. Even Allan Rock says that more money is not the answer. It would help, but it's not the total answer. We also need to give our regional health authorities more choice and flexibility under the Canada Health Act. Bill 11 will allow health authorities one more tool to use in their effort to improve access to health care for all Albertans. The option is contracting out of minor – and I stress "minor" – surgical services.

Why should we allow this option? Mr. Speaker, medical advances are making it possible to do an increasing array of procedures safely and conveniently outside the full-service hospital. The fact is that today people don't require hospital admission for many minor surgeries that only a few years ago might have required hospitalization. Contracting out is nothing new. There are now 52 surgical facilities in Alberta performing more than 20,000 procedures a year within a range of 156 different procedures. Those procedures range from therapeutic abortions to cataract removal to varicose vein stripping, all services that used to be done only in hospitals.

8:10

Alberta is not alone in this. There are surgery centres doing minor procedures within the public health system in British Columbia,

Manitoba, Ontario, Quebec, and perhaps other jurisdictions as well. Contracting out minor surgeries has relieved pressures on hospitals by freeing up operating rooms and beds for more complex surgeries. For example, by contracting out cataract surgeries, the Calgary regional health authority has freed up thousands of hours of operating room time for other procedures every year. Approximately 6,000 cataract surgeries are done in Calgary in clinics. As the authority itself reports, every hour of surgery that's contracted out is an hour available in the hospital to meet demand. Over 90 percent of clinic patients report being satisfied or very satisfied with the service they received.

In Edmonton, for example, renowned dermatologist Dr. Don Groot performs removals of the common birthmark known as port-wine stains. Dr. Groot performs about 500 of these surgeries each year in his own clinic under contract to the Capital regional health authority and at no cost to the patients. If Dr. Groot were forced to perform his work in public hospitals, he would be taking up operating room space in hospitals that would otherwise be used for other procedures. It would also mean that his patients would lose the convenience of a specialized community-based facility and instead would have to go through all the complicated steps required for hospital admission.

We can look outside Alberta for other success stories as well. A Vancouver area health region decided last year to follow the Calgary example and contract out cataract surgeries to surgical clinics. According to the North Shore health region, in the first six months of the contracts the move has resulted in a 13 percent drop in surgical waiting times at the region's Lion's Gate hospital. It's reduced the waiting list for cataract surgery by 29 percent, and it's freed up 28 surgical hours per week at regional hospitals.

Contracting out also lets health authorities direct more dollars to patient services instead of capital purchases. It eliminates the need to postpone elective surgery because of more urgent cases, as often happens in hospitals, and believe me, Mr. Speaker, I receive a lot of mail from a lot of people in anguish who have to wait months and, as I said, even a year or more for very serious surgery.

Let's not forget quality of care. Patient surveys show a high level of satisfaction with surgical facilities. Otherwise healthy patients like being able to go to a community-based small facility for minor procedures instead of to a big hospital. Further, surgeons at these facilities are able to become experts in their fields because of their focus on a narrow range of procedures. For example, ophthalmologists in Calgary have developed centres of excellence for cataract removal. In Manitoba surgeons at the Pan Am Sports Medicine Centre in Winnipeg are helping to relieve pressure on that city's hospitals with their expertise in orthoscopic and plastic surgery. Surgeons at the Shouldice hospital in Thornhill, Ontario, are regarded as the best in the world at their craft and have managed to cut in half the time and cost of hernia repair thanks to their expertise.

The Shouldice is but one example of what my colleagues and I have in mind for Alberta: a few surgical facilities focused on a few specialized procedures, working completely within the publicly funded system and available to all Albertans without paying extra and, I would point out, Mr. Speaker, without jumping the queue.

An issue that has arisen with the bill is the matter of overnight stays in surgical facilities. Some people argue that stays of longer than 12 hours at clinics are going too far, that it could create an unsafe situation for patients if something goes wrong during a procedure. Well, Bill 11 makes it clear that no clinic can offer overnight stays unless and until the College of Physicians and Surgeons says it is the safe thing to do.

The bill makes it clear that no clinic may operate without first meeting the high standards of care prescribed by the college. Appropriately trained physicians and staff must be the only ones providing care. Systems must be in place to deal with emergencies, just as systems are in place when, on rare occasions, something goes wrong in an existing clinic or a dentist's office or a long-term care centre. It's quite simple. The backup systems are there, starting first with an ambulance.

The precedent of overnight stays has been set and very positively, I might add. Again I refer to the Shouldice hospital. At the Shouldice hospital, at that clinic, patients typically stay for two to three days following surgery, but under the supervision of trained and accredited staff. I don't think we should close the door on such clinics operating totally within the publicly funded system and performing only minor surgery, but given the growing scope of opportunity posed by freestanding facilities, we need clear rules in place to govern contracting out. Mr. Speaker, those rules simply do not exist now. Many other provinces already have similar legislation. Bill 11 is our response to that need. It does not force health authorities to do anything. It simply says that if a regional health authority wants to contract out surgery, then here are the rules they must obey.

The rules are as follows. I think this is most important. One, health authorities must abide, without question, by the Canada Health Act. Two, only minor surgeries may be contracted out, meaning that all major surgery must continue to be done only in a hospital. There will be no private hospitals in Alberta. In fact, part 1, section 1 of Bill 11 says, "No person shall operate a private hospital." Three, the patient cannot be charged extra for insured services. Four, queue-jumping is not allowed under Bill 11. No one will be able to buy their way to the front of the line. Five, patients cannot be pressured into buying enhanced services. Six, there must be a need for the service and a benefit to the public. That must be demonstrated beyond a doubt. Seven, facilities must be accredited by the Alberta College of Physicians and Surgeons and approved by the minister. Eight, all contracts must be open and transparent and public.

Most importantly, Mr. Speaker, health authorities will also be expected to make the best possible use of existing hospital facilities before choosing to contract out.

8:20

Mr. Speaker, earlier I said that Bill 11 has two purposes. I have talked about one of those purposes: to give health authorities one more tool to use to reduce waiting lists. Now I would like to address the other equally important purpose for which the bill is named, and that is protection of the public health system in Alberta. That's what the bill is all about.

Bill 11 contains five key elements to guarantee protection of the public health care system. Those elements are a commitment to the principles of medicare and the Canada Health Act. Nothing could be clearer. That is the preamble. That is the foundation for the act. Nothing could be clearer: a commitment to a single-tier, publicly funded system in which access is based on medical need and not personal wealth; a commitment to banning private, for-profit hospitals; a commitment to banning private hospitals – that's clear in the bill – a commitment that all facilities providing insured services operate under the umbrella of the public system regardless of who owns them; a commitment to search for new and better ways of doing things, including the establishment of the Premier's Advisory Council on Health, chaired by former Deputy Prime Minister Don Mazankowski.

Mr. Speaker, again, the only card that Albertans will need is their health care card. That card is the only card Albertans need to obtain insured services. The only card they will need is their Alberta health

care card, not, as the Liberals say, a credit card or a Diners Club card. Their health care card. Nothing more, nothing less. That, sir, will be the law in this province once Bill 11 is passed and proclaimed.

Section 3 of Bill 11 reads:

> No person shall give or accept any money or other valuable consideration for the purpose of giving any person priority for the receipt of an insured surgical service.

That's very simple, Mr. Speaker. It means no facility fees, no queue-jumping, no paying out of your own pocket to get an insured health service. Anyone who tells Albertans any different either misunderstands the bill or has chosen to deliberately misrepresent it.

Under Bill 11 this protection of the single-tiered system will be the law in Alberta, a law not subject to the whim or trustworthiness of me or of the Minister of Health and Wellness or of any member of the Legislative Assembly. Quite simply, the law provides fines of up to $10,000 each and every time this law is violated. I don't know how we could pass stronger legislation to prevent queue-jumping or a two-tiered system. I don't think any physician is going to risk $1,000 or $10,000 a shot to break the law.

Mr. Speaker, we'll hear a lot tonight about tax dollars being used to subsidize private clinics and about studies of completely different health systems in completely different countries, and I suspect we'll also hear about lawyers and legal opinions and about academics and their journals and reports and all kinds of other things. However, there are no studies on what we are talking about in this bill, which is surgical facilities that specialize in a handful of procedures. The studies are in what has happened in the past with the surgical facilities that are already operating and operating successfully in this province. Those are the studies.

Indeed there is evidence from one end of Canada to the other that these facilities help reduce pressures on the system. I alluded to the situation in Calgary: 6,000 cataract surgeries that used to be done in hospitals, that would have had to be done in hospitals, that are now being done in surgical clinics. I cited statistics from the North Shore health region near Vancouver showing that waiting lists have shrunk significantly following contracting out of cataract surgery. In that same province the Cambie Surgery Centre reports that it performs orthopedic surgeries for 60 percent of the cost of the same procedures in public hospitals. These kinds of statistics point to cost efficiencies but, more importantly perhaps, to relief for patients waiting for minor surgeries.

Ultimately Bill 11 recognizes that no one study or opinion is likely to be true in all cases. The bill, therefore, requires that all contracts demonstrate a measurable benefit to the health system before those contracts are approved. If a particular clinic service doesn't have a net benefit to the system, it won't be approved. Why would it be? It's in no one's interest to waste health dollars, Mr. Speaker.

We will also hear tonight about the North American free trade agreement, or NAFTA. On this matter, too, Albertans can be satisfied that Bill 11 will not require us to open our doors to so-called big American health firms under NAFTA. As long as health care is delivered for the public good, then the system is protected under NAFTA. The proof is in the pudding. There have been private facilities delivering publicly funded insured services throughout Canada for a decade or more, and there has never been one challenge – never been one challenge – under NAFTA to allow American firms into the system.

Above all, none of those academic issues speaks to the central issue that rests at the heart of Bill 11; that is, leaving the door open, open but well guarded, to new options for reducing waiting lists as long as those options are safe and completely respect and adhere to the Canada Health Act.

Mr. Speaker, last month I met with the Prime Minister of Canada on the subject of Bill 11. He did not raise any objections to the bill, nor did he suggest that we withdraw it. In fact, after I reviewed with him the many examples of contracting out and overnight stays currently occurring across Canada, he acknowledged that what Alberta is proposing is similar to what is already happening in other provinces. To that end we agreed that after Bill 11 passes, we will ask the ministers of health from across Canada, including Allan Rock, to review and compare legislation and practices in Canada and report back to the first ministers when they meet this summer or fall.

Mr. Speaker, I believe that a national review of Bill 11 and similar laws in other provinces will be an important step on the road to real, meaningful health care reform in this country, and I would urge every member of this Assembly to take advantage of the opportunity to participate in what has become now a national process. Let each of us work as hard as we can to ensure that Bill 11 is the best possible piece of legislation it can be. Let us work hard to ensure that the letter of Bill 11 is true to its purpose, which is to protect our public health care system while at the same time allowing one more tool for reducing waiting lists.

Before I close, I would like to address some questions to the Leader of the Official Opposition. The Liberals have told Albertans that Bill 11 will lead to a two-tiered, American style health system. They've said that in interviews and advertisements and in this Assembly. They've said that to Albertans, Mr. Speaker, and that is wrong, one hundred percent wrong. But what is the Liberal position? Do the Liberals want existing clinics to be shut down? Who knows? Do the Liberals want patients to be able to pay out of their pockets for insured health care? Apparently yes, because they support private hospitals as long as they don't receive any public funding. But then again, who can be sure what the Liberals think?

With the New Democrats, at least people know where they stand. They want all clinics banned and all current clinics closed. In other words, they want no contracting out whatsoever. They've been consistent, rigid, and unbending perhaps but at least consistent.

As for the Liberals, in their haste to oppose the bill, they have created confusion amongst Albertans. They have also neglected to say what their own position is on the complex questions the health system faces. Therefore, let me ask the Leader of the Official Opposition these questions. Why does she continue to insist that Bill 11 be withdrawn when the federal government has encouraged us to pass it and then work collaboratively on a national review and comparison of legislation across Canada? If surgical facilities are a threat to medicare, as the Liberals allege, why did their leader allow over 30 of them to operate when she was minister of health, and why did she allow them to charge facility fees? Something that was banned after she left government. If surgery centres are a threat to medicare, why has she not raised concerns with her Liberal counterparts in Ottawa about facilities in other provinces that are doing surgery under contract to the public system? Why has she said that the entire bill should be scrapped, unread by Albertans, when the bill enshrines our commitment to the principles of medicare and the Canada Health Act, bans extra billing, prohibits queue-jumping, bans private hospitals, limits contracting out to minor surgeries only, makes it mandatory for contracts to be made public, and leaves medical decisions to physicians? Is she opposed to all of these?

Thank you, Mr. Speaker.

8:30

THE SPEAKER: The hon. Leader of Her Majesty's Loyal Opposition.

MRS. MacBETH: Thank you, Mr. Speaker. I'm pleased to rise and

participate in this the second reading on Bill 11. And here we go again. For the third time in the three years since the last election the Alberta government has brought forward legislation that will expand the role of private, for-profit health care. At the moment we are discussing Bill 11, legislation which expands the scope of the proposed surgical facilities to allow overnight stays. In the spring of 1998 it was Bill 37 that was introduced and then held over until the fall. Later on that year Bill 37 was withdrawn amid loud and determined opposition by you, the citizens of Alberta. I estimate that we as a Legislature have spent the equivalent of 40 days in this government's futile attempt to push through a solution that the majority of Albertans do not want. Today the governing party's determination to push their privatization is there as the public outcry grows stronger.

Many Albertans have attended town hall meetings, public forums, written letters to the Premier, to the Leader of the Opposition, and to newspapers. Others have signed petitions, attended debates, phoned in to radio talk shows, and protested on the steps of this great Legislature. We have participated in as many of these events and activities as possible, from Athabasca to Fairview, from Lacombe to Lethbridge, from Hinton to Mundare, in Calgary and in Edmonton. It was remarkable to see a hundred concerned people in a rural community and over 800 in a major city. No issue or cause in living memory has provoked such a large number of people from across our province to get involved in public debate over proposed legislation.

In responding to the letters, the e-mails, answering the questions at forums, listening to the government's responses to Albertans' concerns, there is one question that keeps appearing and reappearing, one question that is most frequently asked, one question that remains unanswered. We have just listened to the Premier's address and the question looms even larger. That question is: why? Why is this government so determined to push this through? After all, this government will face an election within a year or two. Normally, governments close to election time avoid contentious and divisive issues. Certainly, governments always back down with a majority of voters so strongly opposed. At least until now they always have. Is it arrogance, is it stupidity, or is it greed?

Health care has been called the electrified third rail of Canadian politics. The current debate and the passions aroused prove that there is no more explosive issue for Canadians than our universal publicly funded health care system. The government would know this from the focus groups, from the blue-ribbon panel, the health summit, the growth summit, the health roundtables, opinion polls: all of which confirm that this issue is one of the most contentious, where opinions are deeply felt by most voters.

The message is clear. Ensure that our health care system is there for us and our children. Make changes if necessary, but never, never threaten our belief that the system will be there when we need it. To do so is to attack a fundamental Canadian value, a sense of identity that we share as Canadians.

In the face of this, why would this government push forward? Why would it spend at least 1 million taxpayer dollars to try to convince us that they are not wrong about Bill 11, dispatching truth squads across this province? Why would they try three times to impose their direction for health care on a suspicious and an unconvinced electorate?

Sometimes the simplest answers are the right ones. One of the ways to determine why people take the actions they do is to look at the flow of money. Everyone knows that money is a very powerful motivating factor. Certainly money was the reason given by this government when cutting 30 percent from the hospital budget in the mid '90s. According to them, there wasn't enough money to finance all the demands for the hospital system, so the publicly funded institutions were starved of the resources they needed to perform their required tasks.

Today operating rooms and entire floors remain in darkness as a result of the cuts. Doctors specializing in surgeries with lengthy waiting lists are limited to a mere three to four days a month of operating room time. In Calgary two public hospitals were sold at fire sale prices to private operators, and one was demolished in an unforgettable televised display. As a result, the system is straining to meet all of the demands of a growing population.

When the Premier says shortages of beds and doctors, waiting lists, crowded emergency rooms, and streams of wealthy Canadians heading to the U.S. for treatment, he is talking about the situation which he created. While there is no evidence of streams of wealthy Canadians heading to the U.S., concerned citizens are more likely to accept this exaggeration because of a perceived crisis. More and more, however, Albertans are remembering that it was this government that created the crisis in the first place.

Now this government is using the shortage of beds, the lack of operating room time, the insufficient number of doctors and nurses, and the lengthy waiting lists as a justification for inviting the private, for-profit operators to come to the rescue. And, amazingly, the Premier has discovered he has the money to pay for-profit operators that could not be found to open beds and operating rooms in the public system. It is an unbelievable degree of arrogance that would allow a Premier of this province to suggest that taxpayer dollars are better spent subsidizing the creation of a private, for-profit tier than they would be in reopening the surplus capacity in our hospitals.

This is the second question heard everywhere at forums and town hall meetings across Alberta: why not utilize the existing capacity of our health care system to the fullest extent? After all, taxpayers have already paid for those perfectly adequate facilities. Nothing the Premier has said today answers this question. Why would the Premier be so eager to put money into the private, for-profit facilities when he is so unwilling to fund the public system?

At various times it's been alleged that the private operators would not be more expensive. Well, how can this be? These operators would have to earn a return on capital of 15 percent compared to a cost of capital in the public system of 5 to 7 percent. For-profit operators would have to pay taxes on any profits earned, as well as property taxes. Administration costs would be higher. Advertising is necessary to promote the growth demanded by shareholders. Private operators would need to buy insurance. The cost of executive salaries would be much higher in the for-profit world. Inevitably these for-profit operations will be much smaller than the public system, losing the important advantage of the economies of scale in purchasing and administration. Every credible study has shown that private, for-profit operations cost more, but the studies do not examine the model proposed by this government since no jurisdiction has ever attempted this particular experiment before. In fact, the government's own funded study of the academic literature, kept secret until yesterday, shows that there is no evidence to support the government's plan.

The Premier has complained on several occasions that opposition to his bill is organized by the unions. Since one stated cost saving of his plan is to use cheaper labour, maybe there's some truth to this. But would employing nurses in the for-profit sector really save money?

8:40

If it were possible to find nurses that would work in for-profit environments for less money – and this is a very big "if" today with the shortage of nurses – the money saved would only be transferred

to the owners of the for-profit facility. There is no overall savings to the health care system in such a shift from one group to another. The money saved by paying nurses less would increase the profits of the private hospital. None of this money would return to the taxpayer, who is spending the money in the first place. If the government's view of the future prevailed, where two models of delivery exist, there will be competition for a limited pool of professionals, especially nurses. As a result, higher costs are very likely as the public and the private operators compete for scarce nursing staff.

The biggest factor determining the relative cost of the two systems will be the contract negotiated between the regional health authority, or RHA, and the private operator. The RHA is that government-appointed body that the Premier holds up as the authority that will save us from any negative effects of this legislation. According to the government, the RHA will not proceed if there is any chance of more expensive operations or two-tiered health care creeping in. However, if the Premier is wrong and the RHA is unable or unwilling to negotiate a good deal for the taxpayers, the advantages will accrue to the facility owners.

It is unbelievable to all who hear it for the first time that some of the people negotiating on behalf of taxpayers, the officials of the RHA, are also owners of the facilities proposing to gain these contracts. Let me repeat, Mr. Speaker, for I know it's hard to believe: the same people with the responsibility to negotiate, to get the best possible terms for the taxpayers, are also owners of private hospitals and private clinics. What kind of a deal would these people get for us? They would be negotiating with themselves.

This government is asking us to write a blank cheque to a small number of owners of private surgical facilities. How can this be anything but bad for the public health care system? Albertans don't believe in subsidies to pulp plants and shopping malls. They don't want subsidies for millionaire hockey players and team owners, and they certainly don't want subsidies for private hospitals. I mean surgical facilities with overnight stays.

As the debate developed over the last few months, the Premier has backed away from his early claim that this plan would be less expensive. He now uses more wishy-washy terms such as efficiency and benefits to the system. Once informed sources refute his claims with solid evidence, he changes the way that he talks.

While the Premier avoids discussing costs, there is substantial evidence that private costs more. Most of the evidence comes from the U.S., which has the most expensive health care system in the world. When physicians are allowed to practise in both the publicly funded and the private sectors at the same time, there is a huge temptation to divert their most straightforward and profitable clients to the for-profit sector while leaving the more complicated and costly cases for the public sector.

This practice might make the private facility appear to be more efficient since it handles only the easy cases. This is called cream-skimming and is a very serious concern in jurisdictions where physicians have an ownership interest in the private facility while working as well in the public sector. The for-profit operator gets the upside, while the public sector takes all of the downside.

Even with the advantages of cream-skimming the private operators are less efficient, in most studies. Perhaps their goals are not so much efficiency as providing the most expensive and profitable service for those who can pay. This may be entirely acceptable in a purely private operation, but where the taxpayer is paying, this is a dangerously open-ended invitation to escalate costs.

This government continues to make the argument, ridiculous as it is, that somehow bricks and mortar costs can be avoided by going to the private sector for help. Does this Premier really believe that these for-profit operators will avoid charging the government for the cost of these buildings? Or does he plan to continue to sell off public buildings at a fraction of their replacement cost and then have the taxpayer pay for them again by renting them back from the private operators?

Through the use of creative accounting techniques one can create the illusion that the public sector is not cheaper. This is due to accounting differences between the public and private systems. In the public system all costs are charged in the same year of spending, so the total cost of a hundred million dollar hospital would hit the government books all at once, at a hundred million dollars. In the private sector that cost might be spread over 20 years, the expected life of the building, so the cost looks as if it's only $5 million in the first year.

The Premier is fond of telling Albertans that all they'll need for his new private hospitals is their Alberta health care card. The pamphlet delivered to households repeats this statement by saying that "these surgeries will still be covered by Alberta Health Care and people will not have to pay for them." He misrepresents the fact that Albertans will pay for these private hospitals through their taxes.

Most Albertans believe that there will be more costs involved. The trend towards deinsuring some services is well established. In Bill 11 these extras, some of which used to be covered, are called enhanced services. For the so-called enhanced services patients will be required to pay again, either with their credit card or by purchasing supplementary insurance. It is obvious to everyone that we will pay more under the government's plan to include private hospitals – that is, surgical facilities with overnight stays – than under a comprehensive, publicly funded plan. How long before the lobbying of the private operators to deinsure some services is successful? We see today how easily swayed this government is by the lobbying of private interests. We wouldn't be having this debate here today if it weren't for that pressure.

The Swan Hills waste treatment plant, a project this Premier was involved in when he was the Minister of Environment, has cost the government at least $400 million in subsidies, and we haven't even begun to talk about the cleanup costs yet. When this Premier won his first general election in 1993, one of his first acts, taken in secret, was to expand the funding by $100 million. At first this plant was only to handle waste from Alberta. Then it was expanded to include waste from the rest of Canada, and recently we heard that waste can be processed from anywhere in the world. With this in mind Albertans are wary of this government's request to approve payments to private-sector operators on a limited basis.

All of this concern created by the government's private health care proposal is unnecessary. We can solve the challenges within the public system. The more economical solution is to use up excess capacity already available in the public system and, second, if necessary, to build new facilities in the public system, where costs are lower.

But the lure of a $75 billion industry in Canada is too strong to resist. This is a golden opportunity for a few who wish to open the system to profit-making opportunities. Are we any closer to understanding why this government would push ahead with this proposal in the face of so much public concern and opposition? I think so. The more closely the government's proposal is examined the clearer it becomes that Dr. Charles Wright is correct when he says, and I quote: current demand to dismantle the system is not coming from a public outcry but rather from a relatively small group of entrepreneurs and specialist physicians who stand to gain personally. Dr. Wright is the vice-president of medicine at Vancouver hospital, as quoted by the British Columbia Minister of Health in 1995. Without question the vast majority of physicians and health

care workers would prefer to work in a properly funded and managed public system and have no interest in the promotion and practice of for-profit medicine.

This government has failed to make a case for their proposal. They have failed to produce any evidence to contradict growing concerns that their plan will cost more and create longer waiting lists. They have failed to stem the growing suspicion that their plan is simply an attempt to create an opportunity for a small number of profit-seeking promoters to make large amounts of money off taxpayer subsidies.

8:50

This is more than enough to send the bill to a richly deserved oblivion in a democracy, but there are even more problems. One of the potential devastating effects of inviting corporations to bid on health care services is the risk that an exemption for the public service sector from the requirement of free trade legislation would be lost. According to some experts, this exemption would be at risk once a for-profit component is added to the delivery of public health care services. These services have been carved out from the free trade agreement signed by the government of Canada, but the exemption only holds up if Canada keeps the public-sector delivery of these services. Once the services are delivered by the private sector, the trade agreement allows foreign corporations to demand the right to compete for business. If denied, they then have the right to challenge the government legally and seek compensation. Although the potential for this is unclear, the risk is there. Again Albertans are asking: why? What is the upside for Albertans that is worth risking so much for all Canadians? The government gives nothing but vague assertions that there won't be a problem. Well, "Trust me" isn't good enough anymore.

The bill purports to ban queue-jumping, ignoring the fact that some individuals have no choice but to pay for access. This happens when a patient goes to a for-profit diagnostic clinic for an MRI and returns to their specialist, report in hand. This allows the go-ahead for surgery in advance of those waiting still for an MRI in the public system. Bill 11 does nothing to address this unfair situation already happening here in Alberta.

I've covered a lot of material tonight, Mr. Speaker, so far. It's clear to most Albertans that the government's attempts to justify this proposal are weak. The questions are growing. The answer to the most profound question of "why" is nowhere to be found, just as the Premier is nowhere to be found when a public forum or a town hall meeting on this important issue is held. If he's afraid to face the left wing nuts now, he will find it even more difficult to face them later in an election. Voters will have the final say on this proposal, no matter how hard the government tries to avoid it.

Since this government took over in '92, the private component of health care delivery in Alberta has grown by 50 percent. In the previous 30 years the private-sector delivery had remained relatively constant around the 20 percent mark. Today the Alberta government has made it clear that the purpose of Bill 11 is to continue the expansion of the private component of health care in spite of the protests. To the majority of citizens who elected them this government is turning a deaf ear.

As an Official Opposition we are listening to Albertans. When over 50,000 Albertans take the time to sign petitions urging this Assembly to stop promoting private health care, we pay attention and we listen. Our purpose is to set health care on a course towards sustainability and affordability so that our children may enjoy the advantages of what we've been given; that is, the security of knowing the health care system will be there when they need it.

What needs to happen here in Alberta? Well, first of all, Bill 11 must be withdrawn. While we understand the government's reluctance to admit their error and strike out for the third time, the protests will continue until the legislation is pulled. Second, the Legislative Assembly needs to impose a moratorium on any new private facilities in Alberta until the appropriate legislation controlling the existing facilities is passed. Third, any legislation that is passed must ensure that taxpayer dollars are going to the public health care system. The line between what is truly private and what is public needs to be redrawn and clarified, as required under the Canada Health Act. Once the leak in the bucket has been sealed, the job of strengthening our public health care system can start.

What are some of the innovations that can occur? Well, commit to standards of good health by reducing the numbers of needless deaths and injuries caused by preventable accidents. Support healthy children. Children born in poverty, as one in five in Alberta is, don't have a chance to succeed in school, and their health suffers as a result. Build an integrated community health network that complements our hospital system. Bill 11 is about more medical services when we need more community services to take the pressure off our hospitals.

Concentrate our efforts on building a good primary care team model that delivers home care, palliative care, and mental health services outside the institution. Join together with other provinces and the federal government and commit to the sustainability of our public health care system instead of wasting time pointing the finger of blame. Recommit to building and maintaining the world-class health and medical facilities, and recommit to the people who run them: our physicians, our nurses, our administrators, who make Albertans proud of what we have. Activate Best Practices, that are working across Canada. Reduce the stress on our families, many of whom are caring for loved ones in their home with inadequate support, and while we're at it, let's thank them for their efforts.

Base future changes in our health care system on high-quality practical research. Let's involve our health care providers in the discussion stage, in assessing the impact of change, and enlist their support. Together we can build a plan that allows access to the necessary health services, regardless of where we live in this province. Let's accept that it is as important to someone living in Manning, Alberta, as it is to someone living in downtown Calgary to have access to the services that are needed. Let's stop dividing the province into the haves and the have-nots. This is a beginning, a beginning that is built on innovation and a respect for the well-being of Albertans.

In conclusion, this debate can be reduced to a question of values. Unlike this government, the majority of Albertans know that their health care system is too precious, too important to be subjected to an experiment which allows a few people to make an extra dollar from the taxpayer. The debate is about the priority we put on a public system available to all, regardless of their ability to pay. Do we allow our public system to deteriorate while building a for-profit tier with superior service available only to those who can afford it? What happens to the publicly funded system once we start down that road?

There is a uniquely Canadian value that says that we share the risk of ill health and the cost of it as a society, financed primarily by our taxation system. This system recognizes that all of us have a responsibility to each other. We do not discard those who are ill or who cannot afford to pay.

The debate tonight is about trust: trust between doctor and patient; trust in the health care system, that it will be there when we need it; trust between Albertans and their government. In their opposition to Bill 11, demonstrated in recent public opinion polls, letters, town hall meetings, and petitions, Albertans are saying that they have lost

confidence in this government when it comes to health care. Albertans are suspicious when the government tells them that Bill 11 will not lead to a two-tiered, American-style health care system.

We are still waiting to hear the answer to the fundamental question: why? Why does this government want to increase taxpayer dollars going to private-hospital operators instead of funding the full utilization of the public system? In the face of this suspicion and mistrust the Premier and his government have only two options: either withdraw Bill 11 or call an election immediately and let you, the voters, decide.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Minister of Health and Wellness.

MR. JONSON: Thank you, Mr. Speaker, for the opportunity to rise today to speak to Bill 11, the Health Care Protection Act. This is an important issue for Albertans, and there is an important need here for legislation to protect our public health care system. However, I regret that there are those who have intentionally spread misinformation about the bill to impede the understanding by Albertans as to what this legislation will actually achieve. I think we had an example this evening, very early in the hon. Leader of the Opposition's speech in quoting some statistics about the Alberta budget. Yes, back in the 1993-94 period we did, in our overall beneficial effort for Albertans of balancing the budget, reduce health care spending by 13 percent. Now that has suddenly become 30 percent tonight from across the way.

9:00

Indeed, we've just heard from the Leader of the Official Opposition some rather inaccurate claims, that there is some evil intent behind Bill 11 and that it heralds the end of medicare as we know it and we will end up with an American style health care system. Completely not true, Mr. Speaker.

We have heard ominous and unsubstantiated allegations about taxpayer subsidies to private hospitals and inaccurate claims, as I've said, about the reductions in health care spending. You heard references to NAFTA and the spectre of open doors for the U.S. and Mexico, and you've heard references to various other studies arguing against the evils of a two-tiered system. I think, Mr. Speaker, it is important to separate fact from fiction. The fact is that Albertans did not hear any answers from the Leader of the Opposition to those key questions posed by the Premier. So I will repeat them again, and perhaps the opposition leader may want to reflect upon them and reply later.

Why, Mr. Speaker, does the member continue to call to withdraw Bill 11 when her federal colleagues, including the Prime Minister, have said "pass the bill"?

Secondly, if surgical facilities were such a threat to the health system, why did she allow over 30 of them to operate when she was health minister and allow them to charge facility fees to patients?

Thirdly, if surgical facilities are such a threat to the health system, why has she not raised concerns about such facilities in other provinces, Mr. Speaker?

Why suggest that the entire bill be withdrawn when it contains key commitments to the Canada Health Act and prohibitions on facility fees and queue-jumping? Is she not in favour of these measures? How many taxpayers' dollars have the Liberals spent in their overall advertising campaign since that was alluded to as well?

Mr. Speaker, while the opposition party may not be interested in answering certain key questions, let me start by reaffirming what by now almost everyone realizes, that this is Bill 11 and it is consistent with the Canada Health Act. There are no implications under NAFTA. There is no move towards any American style system.

Let me talk this evening about the facts, facts that answer the questions and issues raised by the member across the way and by others. Mr. Speaker, the fact is that Bill 11 is simply a tool and not the solution to every challenge that faces our health care system. We need Bill 11 because today we have no legislated authority to regulate and control private surgical facilities in this province. I'm sure members across the way as well as members on this side remember years past when questions and issues were raised with respect to this in this House. Today if a private hospital were to be accredited by the College of Physicians and Surgeons of Alberta, that facility could begin performing surgical procedures and there is absolutely nothing that this government could do about it. In fact, we have limited legislative authority even over private day surgery clinics that exist in the province today.

Certainly the need for legislation in this area has been a concern of this Assembly during question period for the last number of years. I remember questions and debates surrounding the eye clinics, surrounding the Health Resource Group, and we have recognized, Mr. Speaker, that there is a legislative gap. So recognizing that there is this gap, our government has three basic options facing us.

Option one was to do nothing and let private hospitals set up at the will of anyone in the province. Mr. Speaker, I think every member of this Assembly would agree with me that this was clearly not desirable, especially if you want to be able to protect our publicly funded health care system. The federal government also agrees that doing nothing is not an option. The federal Minister of Health has expressed to me his concern about what he called the absence of a legislative framework in our province and urged our government to bring forward legislation to regulate private facilities.

The College of Physicians and Surgeons of Alberta also called for legislation to be brought forward. The college passed a motion to urge our government to develop legislation to regulate surgical facilities. The government also struck a blue ribbon panel chaired by Alberta Law Reform Institute's Peter Lown. This, too, confirmed the existence of a legislative gap and the need for legislation. Indeed, Mr. Speaker, even our opposition members across the Assembly have agreed that Alberta needs legislation in this area. So for these reasons it was clear that doing nothing was not an option.

Our second option was to go to the other end of the spectrum and totally ban surgical clinics from Alberta. I'm sure the Member for Edmonton-Strathcona would perhaps prefer that, but that would rule out the 52 clinics that are already in operation in the province under contract to the public system. This would mean that we would not have the performance of 156 different insured day surgeries, and I could go on on the services provided by those private clinics. In fact, Mr. Speaker, as has been I think already mentioned in the Assembly, we would not have 20,000 day surgeries a year being provided through surgical clinics in this province. It was clear that a total ban on all clinics was not a reasonable option. Banning something that is working well to the benefit of Albertans just doesn't make sense, and it is not what Albertans want. Indeed, even our opposition members across the Assembly would agree, I think, with that particular position.

Mr. Speaker, to do nothing, as I've said, was not an option, so we have gone to what we think and we know is the third and reasonable option. That was to ban private hospitals outright and to tightly regulate and control our surgical facilities so that they only operate when it is of benefit to Albertans and to the publicly-funded system. That's what we've done in Bill 11.

These surgical facilities would only be allowed to perform minor surgical procedures, and in doing so, public hospital operating rooms could be freed up for more complex surgeries. At the same time,

Mr. Speaker, more minor surgeries would be done. Surgical facilities under contract to our public system also have the potential to plan and provide elective surgery without some of the rescheduling that can occur when emergency surgeries and urgent medical needs are facing us. That is, I think, very important, because we want that full-service hospital. That is something that will remain in the public system, but there is that specialized service where I think there is a good possibility, there is the potential, there is evidence that there will be an advantage to the overall system.

In other words, I think it's important to realize and to acknowledge, Mr. Speaker, that Bill 11 protects our publicly-funded health system from any of the negative impacts of the private-sector involvement by prohibiting private hospitals and strictly regulating surgical clinics. At the same time, it gives health authorities another option to provide surgical services as they look for ways to improve access to publicly-funded services and reduce waiting lists.

However, Bill 11 does not say that health authorities must contract with surgical facilities. This was well emphasized by the Premier, but it needs to be emphasized again. It simply offers them the option to contract with such facilities if the health authorities have evidence that there would be a benefit to patients, as taxpayers, in doing so. There may be opportunities to be realized through partnering with the private sector, but we also acknowledge that such a partnership may not always be the most efficient way to deliver a service. That's why a detailed individual analysis would be done for each and every contract proposed by a regional health authority. This is another basic principle in the bill, Mr. Speaker. Only those contracts that would yield a public benefit by reducing waiting lists in the public system, improving access to publicly-funded services, or increasing the efficiency of the delivery of services would be eligible for approval.

Mr. Speaker, contrary to the allegations of the Leader of the Opposition, there will be no opportunity for surgical facilities to skim off easy, profitable procedures. It will be the health authority that decides what, if any, procedures would be contracted out. If health authorities consider any contract with a surgical facility, they will have to demonstrate that the contract won't harm the publicly-funded health system and will be within the principles of the Canada Health Act.

9:10

Bill 11 strongly protects equitable access to publicly-funded health care for all Albertans. Albertans have been very clear in their directions in this regard. They have told us they do not want an American style, two-tiered health system in which the wealthy are able to buy faster or better service, and our government, Mr. Speaker, agrees completely. That's why we've made the government's intention very clear in the preamble to Bill 11. The preamble affirms the commitment of the government of Alberta to the preservation of the principles of universality, accountability, portability, and public administration as described in the Canada Health Act. To make certain of this, we submitted both our policy statement and then Bill 11 itself to the federal Minister of Health for his review. I asked him to tell us if he saw areas of the bill that are inconsistent with the Canada Health Act, because if there are, we will fix them. In response to our discussions with the federal government, the Prime Minister recently told our Premier: go ahead; pass the bill. Go ahead; pass the bill.

As well, as has been indicated, Mr. Speaker, I'll be asking all provincial health ministers to join me in reviewing and comparing legislation across Canada to try to ensure a consistent approach to contracting with private facilities. The bill also commits the government of Alberta to ensuring that no person who is entitled to an insured surgical service can be required to pay for that service or be able to pay to get faster service.

Mr. Speaker, this bill is the Health Care Protection Act. It is very much protective of the principles of the Canada Health Act, of the system that we have grown to value and want to preserve and improve. I would like this evening just to refer to the health care system and the priorities that this government has placed upon our health care system. The Premier has outlined the very, very significant increases in funding for health care. We rank at the top of the list as far as provinces are concerned in per capita funding on a formula or age-adjusted basis. We have committed additional funds to a whole host of priority areas. We have committed additional funds to continuing care in response to the Broda report. There's a very significant increase, therefore, for long-term care and home care in our budget.

In the area of surgeries the volume of high-priority surgeries in this province has never before been higher than it is now. We recognize that there are waiting lists, and we want to address those. We are putting funding into that particular area. We are putting a very significant additional amount of money this year into province-wide services.

Then, Mr. Speaker, we certainly are a government that has shown through Alberta Health and Wellness our commitment to innovation and change with respect to the health care system. In Toronto over the last couple of days, at the end of last week, we had a very thorough discussion among health ministers about what each province was doing in terms of innovation and giving priority to all parts of the health care system and wanting to move it into the future. I can say, I think very, very correctly because it was acknowledged by others around the table, that in the area of primary care we have numerous pilot projects under way: the Northeast health care centre, the Crowfoot project which has been referred to, and also out in the rural area in locations such as Bassano.

Further, we are committed to innovation and change in other areas. I think we could say that we are leaders in this country in terms of telehealth and telepsychiatry in an effort to reach and provide more specialized advice and knowledge to all parts of this province on a more equitable access basis for our Albertans outside of Edmonton and Calgary. We have announced the initial 20-plus recipients that will be receiving funding this year for their projects through our health innovation fund. Mr. Speaker, once again this is an area where the creativity and the dedication and the forward thinking of our health care providers, both in administration and at the front lines, is being recognized in this province. Health care is clearly a priority of this province. We have shown this in our budget, in our business plans, and we demonstrate it over and over again in concrete ways, through actual action, through actual commitment of money. So there should be no doubt – it is well shown, well illustrated, well approved and recognized across this country, I think – that we are leaders in a number of areas of health care reform, and we are committed to continuing to go in that particular direction.

We are proposing in Bill 11 protection of our public health care system, our publicly funded, publicly administered health care system, Mr. Speaker. We want to improve that system. We want to address any of the issues, any of the problems that are facing us. We're up to that challenge. This legislation is necessary – and I think it has been well illustrated and will probably be well illustrated further on tonight – to protect the health care system and, yes, to put a structure in place so that we can take advantage of initiatives in the area of surgery, specialized surgery, minor surgery, which will be officially performed or of an advantage to a health authority and will

better Albertans in terms of the overall treatment and delivery of services across the system.

Thank you, Mr. Speaker.

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

MS LEIBOVICI: Thank you, Mr. Speaker. The debate around health care is often emotional because health or the lack of it is an issue that affects all of us in our daily lives and is often a matter of life and death. Access to quality health care that can help to make us healthy or at least lessen our pain, be it emotional, physical, or mental, is now considered a right, not a privilege.

Daily, as both the MLA for Edmonton-Meadowlark and the Official Opposition health critic, I receive letters, e-mails, faxes, phone calls from people across this province who are desperate, asking why they have to wait for a necessary medical service like an MRI, why they can't have their hip replaced in a timely manner, or why they have to wait months for a cancer treatment or bypass surgery. They're angry because they have to wait months or have had their surgeries canceled. They're told that the hospitals are full and that the doctors can't see them.

This year in Alberta $5.6 billion will be spent on health care. Now, you and I will all agree that that's a lot of our taxpayer dollars spent on maintaining and sustaining our health care system. After indiscriminate slashing year by year, we have seen this government's expenditures on health care continue to increase, yet somehow our services seem to be decreasing. Emergency rooms are full, wait lists are long, and surgeries are postponed, yet Albertans know, as does each and every MLA in this room, that there are hospitals in neighborhoods with empty wards, darkened operating rooms, closed emergencies, and empty laboratories. So right now we have the capacity, and we have the bricks and mortar. There's no need to build more hospitals, only a need to utilize what exists more efficiently.

Now, this isn't just something that I dreamed up tonight to present. The Auditor General in his 1998-1999 report indicated that 40 percent of hospital facilities are not utilized for their original purpose. This is the state of the province's health system today, yet what has this government done?

Well, they have tinkered with our health care system for seven years, and most importantly they've lost control. How have they lost control of the system? Since 1993 this government has followed an agenda to privatize public services. They divested themselves of control over the delivery of health care by creating 19 unelected regional health authorities, RHAs, and provincial boards, which are really 19 mini departments of health. A recent cost-benefit analysis of regional health planning and delivery in Alberta concluded that a fragmented system with considerable duplication and considerable costs has developed through regionalization. In the process, health care boundaries have been established that have made it increasingly difficult for Albertans to move from one RHA to another to obtain services, and health care services offered now vary depending on which region you live in.

9:20

In this province we no longer have a seamless, efficient, integrated health care system. Rather than creating a vision of better health care, rather than attempting to regain control, to manage our health care system, this government has practised the politics of deceit, pretending to take one path, while sneaking down another. While we have been told that the government was protecting our public health care system, in reality they have been preparing the foundation for the path of privatization. Under the guise of tackling the debt and deficit, they have closed hospitals and hospital beds, laid off nurses and other health care professionals, restricted access to services like physiotherapy and speech therapy, and encouraged the contracting out of nonmedical services to the private sector.

The only piece of the path that this Premier has been unable to build is to establish private, for-profit hospitals that will be subsidized by taxpayer dollars. Maybe, just maybe the Premier and his government members truly do not know that private, for-profit delivery of health care services is more expensive, less efficient, compromises quality of care, and is not innovative but a throwback to the days before medicare. It is hard to believe that this can be true as the case against privatization is overwhelming and grows daily in this province.

Over the last seven years Alberta's health care has been evolving out of necessity, not because of leadership from this government. There has been an increase in the number of surgeries that are performed on an outpatient basis, not only due to technology and ability to do so but also as a result of decreased capacity in our hospitals because of the cutbacks. This major shift from inpatient to outpatient services has created a market for increased contracting by regional health authorities with private providers who have seized the opportunity to enter the health care marketplace. Former public institutions such as the Grace and Holy Cross were sold for nothing, and institutions and clinics like HRG and Surgical Centres are now established in Alberta.

But this is not enough for this government. Encouraging words from key members like the Premier and former Treasurer Jim Dinning have promoted the privatization of Alberta's health care system, and while the Premier tonight talked about his commitment to the Canada Health Act, we all know that he has also talked about delisting insured services and establishing a list of core services. We also know that as Treasurer and now as CEO of the Calgary regional health authority and one of the biggest promoters of Bill 11, Mr. Dinning has said that the private sector should build, maintain, and administer hospitals.

This talk is costly to Albertans, and the actions speak volumes. This government's drive toward privatization in health care is seen explicitly and implicitly in this government's policy directives and initiatives. Actions codified in the 12 principles and a policy entitled Contracting by Regional Health Authorities establish the basis by which RHAs throughout this province are guided in making their decisions about providing services.

We heard tonight that there were no guidelines for contracting out. There are guidelines. I will just remind you of two of these principles which have conveniently been left out of Bill 11. One:

> The following Goals will guide the RHAs in their contracts with private clinics . . .
> Maintain a role for the private sector.

Another goal in the 12 principles: ensure a strong role for the private sector both within and outside the publicly funded system. Taking one path while sneaking down the other: that's what we're seeing. The result of these 12 principles is that services formerly provided by the hospitals are now contracted out to large corporations, services such as food and housekeeping, laundry, laboratory, and home care.

To say that our health care system is now 100 percent delivered by the public sector would be a falsehood. However, to say that we have information relative to the cost-effectiveness, benefits, standards, and the quality of services currently provided in this province by private contractors in our health care system would be an out and out lie. The Auditor General indicated that 10 regional health authorities cannot account for 570 million of our taxpayer dollars going to voluntary and private-sector operators.

A government who is in control of our health care would make sure that they knew all the facts before entering the dangerous

quicksand of Bill 11, but as we have seen since 1993, the way this government makes decisions continues to be shaped by the motto: it is better to experiment than to plan. Our position is that before we experiment any further, it is necessary to stop and assess where we are. It's time to look at the current contracts that exist before the decision is made to open the doors to any more. It is time for the government to be honest with the public about the path it is taking with Bill 11, for this path is one that will risk the loss of our precious public health care system.

The issue of contracting and regulating insured medical services is not what is at the heart of Bill 11. The main principle of the bill is to enable the establishment of overnight, for-profit surgical facilities, which are really private, for-profit hospitals, to undertake more complicated surgeries, surgeries which will be performed in facilities that do not meet the standards of Alberta's Hospitals Act and surgeries that will be subsidized by public taxpayer dollars.

The bill pretends to lay out rules and regulations that are needed to control private facilities, but those regulations already exist in other acts. The Premier would like us to believe that this bill is required to fill a legislative gap to regulate facilities that are able to do surgeries requiring an overnight stay. Well, let's see if that's true.

As the Premier said, regional health authorities currently contract with private surgical clinics to provide about 140, 150 surgical procedures, procedures like hernias, like finger amputations, wart removals. So the private clinics exist now. But currently private, for-profit facilities are not permitted to perform surgeries that require overnight stays. That's the legislative gap. The reason for that is that facilities that perform those kinds of surgeries in the province are currently known as hospitals and have to meet the standards of Alberta's Hospitals Act. So let's get the facts straight. Other than public hospitals there are no facilities in this province which provide surgery that requires an overnight stay. So contrary to what the Premier has said, there exists no legislative gap, because these facilities do not exist nor can they exist unless this legislation is passed.

Do we not have legislation in this province that controls the types of surgeries that are done? Of course we do. We have the Hospitals Act, the Regional Health Authorities Act, the Medical Profession Act, and of course the Canada Health Act. Interestingly enough there are two acts which give the minister the exact authority he claims he doesn't have: control over facilities that wish to provide overnight stays and control over the current day-surgery facilities.

In Alberta's Hospitals Act section 62(a) states that the minister has the ability to make regulations relative to "contracts with . . . private hospitals," institutions, and such facilities. So, in effect, right now, tonight, this Premier and this minister with his cabinet colleagues can go behind closed doors and pass a regulation which says that there will be no overnight stays at private hospitals or facilities if that's what they want to do.

Currently section 93 of the Medical Profession Act states that the council of the College of Physicians and Surgeons "may make bylaws as to all matters pertaining to the establishment and operation of diagnostic and treatment facilities." Well, I'm sure that all Albertans are relieved to hear that, because up to now what the minister has told us is that there are no regulations governing the standards of those day facilities.

So the government has the power to regulate and to stop private, for-profit hospitals and facilities, and the College of Physicians and Surgeons does set standards to regulate diagnostic and treatment facilities. What is needed is legislation to control existing independent facilities, as exists in many other provinces. Bill 11 doesn't do that. It just opens the door to overnight surgical facilities, which even the College of Physicians and Surgeons has acknowledged as private hospitals.

9:30

Now, the bill pretends to support the principles of the Canada Health Act – principles of accessibility, portability, public administration, and comprehensiveness – yet as I indicated earlier, the real guiding principles are the missing principles which eat away at the spirit of the act and promote privatization. Bill 11 pretends to outlaw private hospitals but allows the same thing under a different name: approved surgical facility.

Now, the Premier has tried this trick wording before. When the citizens of the province disagreed with him, the Premier established the blue-ribbon panel on Bill 37. The result of that panel was clear: an approved surgical facility that provides surgeries that require an overnight stay is a private hospital. Yet this Premier insists on trying to distort the English language by claiming that these facilities are not hospitals.

The first section of Bill 11 says that there will be no private hospitals, and in the second section a public hospital and an approved surgical facility are defined. What's interesting is that when we read the definition for private hospital, surgical facility, and facility services, we learn that there's very little that distinguishes a hospital from a surgical facility. In fact, the definition of facility services is almost identical to the services that a hospital provides under the Canada Health Act and under Alberta's own Hospitals Act.

The only private hospital that is banned by Bill 11 is one which provides all of the following: emergency, diagnostic, surgical and medical services and admits patients for medically supervised stays exceeding 12 hours. Any facility in this province lacking, for instance, an emergency room or that contracts out diagnostic services is therefore not a hospital under these definitions but an approved surgical facility.

Now, for all of you who live in rural Alberta and have seen the services in your public hospitals downgraded, you need to be aware that according to this definition, as stated in Bill 11, your hospitals could well be renamed as surgical facilities. In fact, many of you in the Edmonton area will remember the Misericordia and Grey Nuns, which were renamed as community health centres. Did that make them less of a hospital? No, it didn't. No matter what the Premier wants to call these buildings, they are in fact hospitals.

The bill pretends to follow what is legislated in other provinces but opens rather than closes the doors to further privatization. Ontario, British Columbia, Manitoba, and Saskatchewan have all passed legislation with the intention to prohibit private, for-profit hospitals and discourage private, for-profit clinics from opening.

You know, Saskatchewan took three years to develop its regulations, yet Mr. Dinning is ready to contract out as soon as the bill is passed. Well, does he know something that the Premier isn't telling the rest of Alberta?

Tight monitoring, frequent inspections, and control are in other provinces' legislation but nonexistent in Alberta's. This bill in its current form does not prevent but enables privatization.

The bill pretends to outlaw queue-jumping but in fact will expand the opportunities for faster services for those with money. The ban on queue-jumping is only for an insured surgical service. Already we have in this province examples of people who can afford to access an MRI in the private sector and are therefore able to jump ahead of those who can't and therefore have quicker access to an operation. Bill 11 does nothing to address this issue.

Furthermore, as we know, one of the main purposes of the bill is to open the doors to the selling of either enhanced or better goods or services or uninsured goods or services. Once this happens, there is no way of controlling faster access to an insured service while someone is receiving an out-of-pocket uninsured service.

The bill pretends to curtail the selling of enhanced medical

services but actually outlines the procedures that must be followed so such selling can occur. The potential for conflict of interest as physicians work both in the public and private systems is not addressed by this legislation even though current examples exist of these conflicts.

Private, for-profit hospitals that can provide both insured enhanced and uninsured services open up the opportunity for doctors or administrators to pressure patients to pay for extras. The doors are open to an entrepreneurial health system where the doctor is no longer the professional but is the businessman looking for the profit margin and watching the bottom line.

The bill pretends to regulate private, for-profit medicine but is silent on the monitoring and compliance of health care providers. What is disturbing is that the bill does not provide full disclosure of the contracts. Information as to the details of the contracts, the shareholders of the private, for-profit hospitals, publication of performance outcomes, annual reviews by the Auditor General, publication of complaints issued, and the resolutions are just a few of the items missing in the legislation.

Now, the Premier and the minister have said that Bill 11 will reduce waiting lists, improve access to publicly funded services, be more cost-efficient and -effective, but every shred of evidence from around the world just says the opposite.

The bill pretends to address the issues of providing better access to health care and indirectly help to improve the health of Albertans yet in reality only deals with a narrow part of health care delivery. Albertans understand that this bill does not do what it's meant to do. The hundreds of phone calls, the thousands of people who have come to the public forums all understand that Bill 11 is not the solution and that this government has lost control of our health care. They have discovered and are not willing to follow the secret path of privatization set out by the Premier. It is this Premier who does not wish to understand, who dismisses as irrelevant the thoughtful input of Albertans and continues to promote the interests of a few against the interests of the many, who continues to tinker with Albertans' health and well-being. Mr. Premier, you have the power to pass the bill, but Albertans have the power not to forget.

Thank you.

THE SPEAKER: The hon. leader of the third party in the House.

DR. PANNU: Thank you, Mr. Speaker. For the past three years the New Democrats have led the fight inside the Legislature against the Conservative government's repeated attempts to legalize private, for-profit hospitals in Alberta. Working together, Albertans from all walks of life – the frontline health care workers, nurses and doctors, trade unionists, seniors, youths, and tens of thousands of concerned citizens – have twice forced this government to back down. The bill that was twice withdrawn because of fierce public opposition was called Bill 37, yet the Conservative government seems to have learned absolutely nothing. Here we are back again with a new bill to legalize private, for-profit hospitals by way of this bill called Bill 11.

Well, you know what they say in baseball: three strikes and you're out. If Bill 11 is so innocuous, as the Premier claims it is, then why have the people of Alberta unleashed unprecedented public opposition to Bill 11? Why is the government prepared to defy the public will and stake its political future on Bill 11 if it were really no big deal? Make no mistake, Mr. Speaker, Bill 11 really is a big deal. The Premier knows it and Albertans know it. That's why people across Canada will be watching the Bill 11 debate as it unfolds in this Legislature.

For the first time since medicare began, a provincial government is going to allow U.S. style for-profit hospitals to not only set up shop in Alberta but to put their hands into the taxpayers' pockets as well. The current government has been warned repeatedly that should Bill 11 become law, the door would be open for U.S. corporations like Columbia/HCA to set up shop not only in Alberta but across Canada. This is not fear mongering; this is reality.

While the government claims that NAFTA does not compel them to open the doors to American health care corporations, you know and I know that these are hollow assurances. We all know that if a company like the Health Resource Group is sold to American interests, the Conservatives would not block the sale, and once this Pandora's box has been opened, it will never be able to be closed again.

9:40

The New Democrats have led the fight against Bill 11 because we are a party of medicare. It was the NDP in Saskatchewan under the leadership of Tommy Douglas that pioneered the then radical notion that hospitals and medical care should be equally available to all citizens, regardless of their financial means. In Ottawa it is the NDP who have called the federal Liberals to account for their most recent budget, which offered a paltry 2 cents for health care for every dollar in tax cuts.

This is an important point, Mr. Speaker, because as we debate Bill 11, we must also debate the state of health care in Canada. One cannot discuss the state of our national health care system without considering the federal government, and the point must be made that the federal Liberals are not blameless in the increased privatization of our health care system. It was the federal Liberals that gutted medicare funding, and it is the federal Liberals who refuse to defend public health care as Bill 11 makes it way through the Legislature.

So it is with great pride that I stand this evening as the leader of Alberta New Democrats, as the leader of the party of medicare. As I stand, I will outline for Albertans why the New Democrats are so opposed to Bill 11. I want to assure Albertans that the New Democrats stand fair and square on the side of public health care. New Democrats pioneered medicare and New Democrats will strengthen it and protect it. Medicare has withstood the test of time, Mr. Speaker. The beauty of Canada's universal health care system is that it is not only fair, it is also by far the most cost-effective way to deliver quality health care services.

One of the most persistent myths spread by those opposed to medicare is that health care spending is escalating out of control. Let's look at the facts, Mr. Speaker. When medicare became a national program in 1967, Canada spent about 9 percent of its national wealth, or GDP, on health care. Today in the year 2000, 33 years later, Canada is still spending the same 9 percent of its GDP on health care.

[The Deputy Speaker in the chair]

Meanwhile, 30 years ago the United States also spent 9 percent of its GDP on health care, about the same as Canada. Today the United States spends 14 percent of its GDP on health care, and it is rising. The U.S. has by far the most privatized and commercialized health care system among the western developed countries. The U.S., unbelievably, spends 30 percent more per citizen than any other western developed country, yet it ranks at or near the bottom of the heap when it comes to health measures like infant mortality and life expectancy. This shouldn't surprise anyone when you consider that 44 million Americans have no health insurance coverage at all and another hundred million are underinsured. Mr. Speaker, shiny new hospitals with fancy new equipment don't do you much good if you can't afford medical treatment.

Does our public health care system need to innovate and adapt to

changing realities of the 21st century? Absolutely. Is Bill 11 the correct prescription for the challenges facing our public health care system? Absolutely not. Bill 11 will take Alberta down the failed road of more health care privatization.

So what's wrong with Bill 11? The first thing wrong with Bill 11 is that it's a dishonest piece of legislation designed to fool Albertans. The first section of the bill leaves the misleading impression that the government is banning private, for-profit hospitals when this is clearly not the case. The government is choosing to relabel them approved surgical facilities instead. Put simply, Mr. Speaker, Bill 11 proposes to ban private, for-profit hospitals in section 1 only to legalize them in section 2 under the name of approved surgical facilities.

I have spoken at numerous public forums over the last several months, Mr. Speaker, and guess what? Albertans were not fooled by this ploy. It appears that the only people who were fooled were the government's own backbenchers. Several government MLAs were busy telling their constituents that no overnight stays would be allowed in so-called approved surgical facilities when clearly that's the very reason for the legislation.

The more Albertans learn about Bill 11, the less they like it. In the Angus Reid poll published just over the weekend, a full 62 percent of Albertans who had read the Bill 11 householder sent out by the government expressed strong opposition to it. Yet the Premier refuses to listen to the people. Why? The question has been posed to me many times. Why is the Premier so adamant about Bill 11 when all of the available evidence concludes that private, for-profit hospitals will cost more and deliver less? It's a reasonable question. Albertans are asking that question over and over again.

Albertans are being asked, on the other hand, to accept on blind faith that the Premier's scheme will work, with no evidence to back this up. The Premier announced this foolish scheme on November 18 last year. That is more than four months ago, and since then the Conservative government has not been able to provide one shred of evidence that this will save money or shorten waiting lists. Meanwhile, the evidence showing that the Premier is wrong is piling up.

First out of the gate in January was a report prepared by the Alberta branch of the Consumers' Association of Canada. This report contained solid evidence that privatization of cataract eye surgery has meant higher costs and longer waits for Albertans. In Calgary, where all cataract surgery is performed in private, for-profit clinics, waiting times are significantly longer than in Edmonton, where 80 percent of cataract surgery is done in public facilities. In February health care expert Kevin Taft and journalist Gillian Steward released a readable little book called Clear Answers: The Economics and Politics of For-Profit Medicine. This book reveals all the evidence on the comparative costs and benefits of for-profit versus nonprofit delivery of health care.

The one-sided nature of the available evidence is summed up in a quote from the August 5, 1999, issue of the prestigious *New England Journal of Medicine*. I quote: for decades studies have shown that for-profit hospitals are more expensive than nonprofit hospitals; no peer-reviewed study has found that for-profit hospitals are less expensive. End of quote. Many other prominent health economists have also published over the last few months and weeks compelling evidence that the Conservative government's plan will not work.

So if all of the evidence concludes that private, for-profit health care costs more and delivers less, the question remains: why does the Premier keep pushing this agenda? The only conclusion that I can draw is that Bill 11 has nothing to do with saving money and everything to do with bailing out well-connected health care investors who can't turn a profit on their own. These investors include the Health Resource Group in Calgary, who have close connections to the Conservative government. A few weeks ago the New Democrats released a document showing that HRG lost $2.1 million last year. Shortly thereafter we released another document which indicated that HRG directors were aggressively lobbying the Calgary caucus of the government members for permission to do overnight stays and for public funding. The absolute stubbornness of the government to steamroll over public opinion and pass Bill 11 suggests to me that the aggressive lobbying by private health care interests was successful.

Mr. Speaker, the Premier likes to call those opposed to Bill 11 all kinds of names, including left-wing nuts. I'm wearing one of those wing nuts right here. He says we are people who fear change. Nothing could be further from the truth. Bill 11 would take the most cost-effective part of our health care system, our hospital sector, and make it less efficient through costly privatization experiments. The government's cure is worse than the disease.

How do we reduce waiting lists for lifesaving surgery? Albertans know the answer, even if the government doesn't. Open up beds and dust off the mothballed operating rooms in our public hospitals. What should we be doing to improve the public health care system? The Alberta New Democrats have a vision for the future of our universal health care system, Mr. Speaker. Medicare needs to be strengthened, not torn apart or blown up, like the Conservative government proposes to do. The New Democrats propose four concrete and realistic steps to improve public health care, control costs, and reduce waiting lists.

The first step is an outright ban on private, for-profit hospitals. Any medical procedure that requires an overnight stay must be performed in an approved public hospital. Mr. Speaker, I cannot emphasize enough that the New Democrats are the only party in this Legislature proposing an outright ban on private, for-profit hospitals. This is a highly radical notion. The province of Alberta has no for-profit hospitals now. I'm not aware that Alberta has ever had a for-profit hospital. When those generations who came before us established institutions to care for the sick and injured, it did not occur to them to try to make a profit from the misfortune of others. Instead, they looked to churches and governments to establish nonprofit hospitals. Bill 11 marks a radical departure from this proud tradition by allowing private, for-profit hospitals.

9:50

The second step of our plan would be to set firm targets for waiting times for all medically necessary services. There's no question that the Conservative government's reckless closing of beds and operating rooms in public hospitals has led to unacceptably long waiting times for procedures like hip surgeries and bypass surgeries. The brutal cuts to the public health care system have caused pain and suffering; no question about that. The Auditor General reported last year that almost 40 percent of the province's hospital beds remain closed. The bricks and mortar are in place, Mr. Speaker, and ready to go. All that is needed is the political will to reopen closed beds and operating rooms in our existing hospitals. However, the Conservative government prefers to put its energies into dangerous misadventures like Bill 11 in health care privatization.

The third step of our plan would be to undertake an independent cost-benefit study of existing day-surgery contracts. This is something the government is obviously afraid to do. Currently there are some 26 contracts with private, for-profit clinics for procedures like cataract eye surgery and ear, nose, and throat surgeries. Before allowing private, for-profit hospitals to contract for complex surgeries requiring overnight stays, the cost and benefits of existing day surgeries must be studied.

I find it remarkable and totally irresponsible, Mr. Speaker, that

more than four months after announcing this private, for-profit hospitals scheme, the Conservative government has not been able to provide a shred of evidence that existing day-surgery contracts are either saving money or reducing waiting lists.

[The Speaker in the chair]

The fourth and final step in the New Democrat plan is the most important, Mr. Speaker. We need to renew and reaffirm our vision of Tommy Douglas, the father of medicare. Canada's universal medicare system is an unfinished tapestry. It has been over 50 years since Tommy Douglas brought hospital services inside the medicare umbrella. It has been almost 40 years since medically necessary physician services were brought under the medicare umbrella. Albertans, like other Canadians, want medicare strengthened, not demolished.

The missing pieces of medicare's unfinished tapestry need to be filled in. For example, Alberta should lead the way by developing a public and truly universal pharmacare plan to cover prescription drug costs outside of hospitals. A universal pharmacare plan is needed to control the spiraling costs of prescription drugs. In 1975 10 cents of every health care dollar were spent on drugs. Today drug costs have doubled to 20 cents of every health care dollar. We now spend more on drugs than we do on doctors. All of the available evidence shows that a universal pharmacare plan would put a brake on rising drug costs in the long run. Instead of inventing a scheme to legalize private, for-profit hospitals, if the Premier were serious about protecting and improving medicare, he would champion a universal pharmacare plan for Alberta. Now, that would make Tommy Douglas proud.

We also need to make improvements and innovations in home care services. When you leave the hospital and still need medicare at home to cover the costs, your public health care card should follow you there. It doesn't now. The New Democrats support innovations in primary care, such as establishing community-based, 24-hour, walk-in clinics staffed by health professionals working together as a team, with doctors on salary instead of fee for service. Such an innovation may well take the pressure off hospital emergency wards and operating rooms. There is a fine example of such a facility not far from this Legislature, Mr. Speaker, called the Boyle McCauley health centre.

Alberta does need legislation to control the growth and expansion of private clinics. We need to put a stop to patients being pressured to pay hundreds of dollars for so-called enhanced services at private eye clinics. Albertans are demanding that a stop be put to queue-jumping at private MRI clinics, which is taking place in this province morning, noon, and night. Private MRI clinics are not even covered by Bill 11. I wonder why.

Furthermore, Mr. Speaker, we need to put a stop to the blatant conflicts of interest in the RHAs, like the CRHA, the Calgary regional health authority, where some doctors pad their own pockets by referring patients to clinics which they own themselves. Again, Bill 11 does nothing to address this serious problem of conflicts of interest.

Bill 11 contains none of the provisions that are needed to effectively regulate private, for-profit health care facilities in Alberta. It only sets up a framework for significant further expansion, yet the Conservative government presses on, even though it has no mandate from Albertans to expand private, for-profit hospital care.

The Premier threatens to use the heavy hand of closure to choke off debate on Bill 11. The Premier says he will enforce party discipline, even if it means that government members will be voting against the clearly expressed wishes of their constituents. Government members are mistaken if they believe that public anger will die down should Bill 11 be forced through this Legislature with the heavy hand of closure, Mr. Speaker. I'm sure that the government's spin doctors have been telling government members just that for months. But guess what? Public anger and opposition to Bill 11 has been growing steadily since last November. The bill's passage will not change this. Therefore, I urge the government to respect the wishes of Albertans and withdraw Bill 11.

The government has no mandate to force such dangerous and untested health care policies down the throats of Albertans. If you really believe that Bill 11 is the way to go, have the courage of your convictions. Seek a mandate through an election or by holding a referendum, but please, don't throw the future of medicare in jeopardy in this province and in this country in clear defiance of the wishes of Albertans.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Associate Minister of Health and Wellness.

MR. ZWOZDESKY: Thank you, Mr. Speaker. It gives me great pleasure to rise in the House tonight to discuss and debate Bill 11 and the future delivery of publicly funded health care in our province. I am doubly pleased that many fellow Albertans across the province are watching this unprecedented televising of an evening's debate in their Legislature.

As we all know, Mr. Speaker, health care is an issue of great importance to every one of us and to every one of our families. Indeed, it is an issue that truly transcends political boundaries, and it is an issue that is beyond provincial and territorial boundaries, for it is truly a national matter. So let's consider Bill 11 and the future of health care in the national context.

Every health minister in Canada will tell you that in the area of health care there has been an enormous increase in medical information, incredible advancements in health technology and medical procedures, unprecedented improvements to medical equipment, diagnostics, lab services, and so on, and tremendous benefits from new drugs, pharmaceuticals, and other medicines. All of these things are very positive changes, Mr. Speaker.

Every health minister would also tell you that as a result of these significant advancements, particularly during these past 10 years, public expectations have also increased dramatically and that every province's budget has grown enormously to try and meet those expectations. But how can the provinces keep pace with these ballooning budgets? In Alberta today, we are spending more on health care than ever in the history of this province.

In 1982 health care costs constituted about 22 percent of our provincial budget. In 1991 health care costs rose to 26 percent of our total budget. Today our health care costs represent about one-third of our provincial budget. In fact, we are now the third highest spender in Canada on a per capita basis on health care, and if you factor in age and gender, I believe we would rank first. We would rank as the highest spender on health care. Now, I'm not boasting or complaining, Mr. Speaker, but the fact is that I don't want anyone to tell you or anyone else that the Alberta government isn't doing its part to bolster and boost our public health care system, because we certainly are.

To demonstrate this point further, our new budget will add an additional $1 billion to health care over the next three years, and that's on top of the $1.3 billion that we've already added over the past five or six years. This year alone we will spend about $5.6 billion on health care in Alberta. With this huge budget we will hire 90 more doctors immediately this year and 2,400 more nurses will be hired over the next three years.

10:00

But while Alberta is dedicating 33 percent of our total budget to health care, the federal government, which claims to be our partner in all of this, are only giving us a contribution of 13 percent. That's a far, far cry from the 28 percent that they were giving us about a decade ago, and it's even a further cry from the 50 percent that they originally provided when medicare first started in this great country. In fact, it may interest you and others to know that today the federal government of Canada only dedicates about 5 percent of its total spending to health care. Five percent, and that's while they are boasting of surpluses in the tens of billions of dollars. Therefore, every province and every territory has asked Ottawa to restore its funding for health care to at least the 1994-95 levels, yet Ottawa remains silent and unresponsive to this request.

While we do need and would appreciate more health care dollars from Ottawa, we also recognize that money alone is not the total answer, and the Premier was very clear during his remarks in that regard. It certainly helps, but we can't sustain the system by constantly just throwing more and more money into it at the current rate. As Premier Tobin of Newfoundland-Labrador said on national television on March 2:

> We all recognize that we need to reform the health care system, that we can't continually grow these budgets by ten percent a year, nobody, not federal, not provincial governments can sustain that.

During that same broadcast Premier Romanow of Saskatchewan said:

> If we're going to be seeing this kind of reduction in Ottawa's role, our capacity to maintain national standards and [the] publicly funded health care system is very much at risk.

All other provinces and territories have spoken to this issue unanimously and through their ministers of health have indicated in writing to the federal Health minister that we unanimously agree that the federal government has to reaffirm its fiscal support for the Canada Health Act by at least restoring its Canadian health and transfer payments to 1994 levels, along with an escalator provision to help cover the costs of inflation and rising health costs in general.

Mr. Speaker, the facts are that medical advancements, medical innovations, and new pharmaceuticals are wonderful additions and tremendous improvements, but they are expensive. Pharmaceutical costs, for example, are rising by about 15 percent per year. Now, the demand for MRIs is also outpacing availability of dollars at a cost of about $3 million per machine, and that's not including all the costs of installation, the hiring of technicians to operate them, the engagement of doctors to read the results, and so on.

We should also note that we are very fortunate to have a growing and an aging population right across Canada, and that's a good thing, Mr. Speaker. In fact, it's a very good thing. However, so too is the fact that we will all be needing and we will all be using more and more health services in the future. There will be many more of us needing and demanding those services, and we will all be looking for faster intervention, broader intervention, and more effective intervention by the health system as we grow and as we age.

So the question is: how do we sustain and enhance our publicly funded, publicly administered, publicly accountable, universally acceptable, beloved health care system in the future? That's the question. We know that the federal Health minister has asked us to become more creative and more innovative because, in his words, the status quo is not an option, and I think we would agree. Now, the federal government hasn't exactly explained what they mean by this, so the provinces have had several meetings to discuss the matter, but one thing is very clear, and that is that every province has already been innovating. We've been creating, we've been reforming, and we've been adapting for almost 10 years now. All we want is for Ottawa to realize that we don't have a lot of room left to be even more creative and even more innovative unless they show us some examples, which we'd be happy to receive.

However, we do have some options available that are completely within the Canada Health Act, and one of those options exists in Bill 11. In presenting this option, we have looked at the practices of other provinces and at their legislation. We've looked at Ontario, where the Shouldice hospital near Toronto has operated for about 50 years as a private, for-profit surgical facility and now performs about 7,000 hernia operations annually under contract to the Ontario government. We've looked at British Columbia, where the Cambie clinic in Vancouver operates as a private surgical facility in which about 3,000 patients per year stay in about 10 different recovery rooms, and that includes overnight stays. Mr. Speaker, neither of these facilities has been accused of violating the Canada Health Act. Neither of them has harmed or destroyed or brought down medicare, and neither would we.

There are other examples of surgical clinics elsewhere. Mr. Speaker, there are many other examples of surgical clinics operating privately in other provinces. We have surgical clinics in Manitoba, in Atlantic Canada, and in Quebec, and of course we have about 52 or so of these clinics right here in Alberta. The public purse helps support these clinics by contract, and they perform a vital role in the delivery of health care.

I noted with surprise that 37 of these 52 or so clinics in Alberta were operating and/or were ushered in by the leader of the Liberal opposition when she was Alberta's health minister. Those clinics were also charging patients facility fees for insured services under her watchful eye. Bill 11 specifically prohibits those kinds of facility fees and those kinds of charges to patients in Alberta.

Mr. Speaker, prohibiting these charges is just one of many patient protection issues in Bill 11. The bill also requires more disclosure of information and requires contracts to be made public. It demands more accountability, and it standardizes and makes uniform various aspects related to enhanced medical services or medical goods. It provides tough enforcement, it requires stricter adherence, and it stipulates hefty penalties for any breaches. Bill 11, then, will be the toughest legislation we have in this regard, and that's one reason why it's called the Health Care Protection Act.

Bill 11 prohibits a two-tier system in this province, and it commits us by law to the single-tier system we already have. It prohibits private, for-profit hospitals, and it commits us by law to a single payer, publicly-funded system like we already have. Bill 11 also places stricter controls on existing clinics, and it protects patients from extra charges being forced upon them. Bill ll prohibits queue-jumping, and it ensures that Albertans will continue to have universal access to publicly-funded health services, in fact with the specific aim of having increased and improved access to those very same services.

That brings me to some of the realities facing us as we begin this new century, Mr. Speaker. One of the unfortunate realities that we know is lineups and waiting lists for doctors, for specialists, for MRIs, for surgeries, for beds, and so on. Every jurisdiction in this country has these waiting lists. Here in Alberta we're determined to do something about them and to reduce them, and we're going to do that within the confines of the Canada Health Act and within the publicly-funded system.

I'm reminded of what one journalist wrote not long ago. He said that despite our political, religious, or cultural differences, Albertans demand high-quality health care. We all want to be diagnosed quickly and correctly. We all want to be treated efficiently and effectively. In the end, we don't care where we get these services; we just want to be cured of what ails us.

Most importantly, we don't want to pay extra for those services, and we don't want anyone jumping ahead of us in the lineup to receive them. I know many if not most Albertans who are here tonight or who are listening or watching this debate have had the experience, perhaps the frustration, of waiting for access to a medical service. I certainly know I have, Mr. Speaker, just recently in fact.

Once you get in, of course the care is excellent. The service is quite fantastic, but it's the length of time it takes to get you into the system that causes us concern. So we are responding to improve this situation, and health authorities are responding as well.

10:10

The Capital health authority in Edmonton, which was voted as the best health care provider in Canada last year by a reputable national magazine, has been doing its part to hire more staff, engage more doctors, and open up more beds. Over the last year, for example, they opened 37 general beds, added about 150 long-term care beds, opened up 74 new temporary flex beds, added 16 new alternative level of care beds, added half a dozen new subacute care beds, and they're in the process of adding another 63 new beds right now, Mr. Speaker. In fact, that will bring them well over the 2,000 mark. As I said, more and more are being added all the time.

Bill 11 will simply provide one more option, one safe, affordable option for our regional health authorities right across the province to consider by allowing them to receive proposals for some narrowly defined, contracted-out minor surgeries which will be paid for by the public purse. If health authorities feel they can perform their services more efficiently and more effectively in public facilities, then so be it; those services will remain in public facilities. But no one – and I repeat, no one – will force a health authority in this province to contract out.

Some say there's no way that a private surgical clinic can perform any service more efficiently and effectively than what's already being done in our public hospitals. If that's true, Mr. Speaker, then I can tell you with confidence that there won't be any contracts approved under this particular legislation. The fact is, however, that dozens of private clinics in Alberta already do provide efficient and effective medical services. Can you imagine if those clinics, those medicentres were to suddenly be shut down, not be allowed to operate? Can you imagine the ramifications on the system? Can you imagine the additions to our lineups, the costs to the budget, and so on? So let's keep that in perspective as we look at Bill 11. In fact, under Bill 11 health authorities would have to look at the optional use of their own facilities first before a contract is considered.

You see, Mr. Speaker, health authorities are given a certain budget. They are funded to provide quality health care for all Albertans. Money for contracts comes out of their own budgets, which is our public health care purse. I am certain that no health authority would pursue a contract outside if it's going to take a bigger chunk from their own budget or if it's not going to reduce waiting times for minor surgical procedures. Under Bill 11 there have to be clear benefits to any contracting out. They have to be clear to the regional health authorities, or they won't pursue them in the first place. They have to be clear and accredited by the College of Physicians and Surgeons, and they have to be clear and accountable to the minister of health, or they won't be approved. Most importantly, they have to be clear to Albertans. That is why Bill 11 requires all contracts to be open, and that is why the minister's rationale for the contract is also required to be public information.

What is also required in Bill 11 for contract approval? Well, let me answer that. First and foremost, Mr. Speaker, all contracts have to comply with the Canada Health Act. That means all Albertans will continue to have access to a publicly-funded health care system in this province. No one pays extra out of their pocket for an insured surgery, and no one cuts into the lineup regardless of how deep their pockets might be.

Secondly, Mr. Speaker, all health authorities will have to prove that the contracting out of a particular service is a better alternative than continuing to provide that service in a public hospital. What are the benefits? Is it more efficient? Is it more effective? Are their own facilities being used to maximum benefit?

Thirdly, Mr. Speaker, our health authorities have to show that the contract won't harm our publicly-funded system in any way. The contract must tell us what results are expected. How many surgeries will be performed, at what cost? How will waiting lists be reduced? How is it more efficient? How is it more effective? I want to emphasize that in order to ensure patient safety under Bill 11, all surgical facilities will have to be accredited by the College of Physicians and Surgeons and our trusted doctors in this province. Those facilities can be investigated, they can be visited, and they can be inspected and reviewed at any time by the minister or his representatives.

Mr. Speaker, Bill 11 gives Alberta's regional health authorities more flexibility to continue to deliver high quality, publicly-funded health care in a safe, fully accredited setting where Albertans do not have to pay one cent for it. As long as you have your health care card, you'll receive that service at no charge.

Bill 11 requires health authorities to use existing operating rooms and beds for more complex surgeries. Those that require the full support of a public hospital, those particular surgeries that require full diagnostic, emergency, lab, medical, and intensive care services will be done in the proper facilities, the public health care facilities. Specifically, Bill 11 mandates that major surgeries will only be done in full-fledged hospitals. The contentious part of Bill 11 comes down to this: is it okay for an insured, minor surgery that requires an overnight stay to be done in a safe, fully accredited private clinic where you don't have to pay a cent for it?

Mr. Speaker, I just want to say that many Albertans understand, and they understand even better now, what Bill 11 is all about. But we don't want Albertans just to watch and listen to the debate tonight. We've worked hard to engage Albertans in this debate and to gather their feedback. That is why we presented our policy paper and mailed it out to every household in this province. We have asked Albertans for their comments on this bill and how they might want it improved. We have said, and the Premier has committed to acting on what we hear. When the bill moves into committee, as the Premier has said, we will introduce amendments that respond to what Albertans have told us. In the end, I'm confident that we will have a tremendously stronger bill, one that's reflective of Albertans' priorities. That has always been our goal.

In closing, Mr. Speaker, I want to tell all members to act in the best interests of the health system and the patients we're all trying to serve. Look for supporting Bill 11. If there are parts of it you can't agree with, let's fix those parts, but let's get on with the broader agenda of helping to reform the health care system for the benefit of all Albertans and all Canadians.

Thank you.

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

MR. DICKSON: Thanks, Mr. Speaker. Those Albertans who are still following this debate electronically have listened to a little more than two hours of speeches. We've heard six different speakers. We heard three in support of Bill 11 and three opposed. Each one of those speakers has argued that this bill either is a wonderful thing, part of a well-intentioned experiment to make our health care system

work better, or a very dangerous experiment that will prejudice our public health care system and, ultimately, patient care. Each of those six speakers I think has made a fine speech tonight.

But what have we learned so far? Well, we know this: we know that the bill is vague in a number of key areas. There are lots of things the minister may do and very few things he must do. When the minister is given discretion, like he is in sections 8, 9, 10, 11, 14, 15, 18, 22, and 24, that discretion is largely unfettered. The criteria he must follow in making decisions are vague and ambiguous. The government has, by section 23, made it difficult if not impossible for anyone to appeal that minister's decision. Those facts have not been refuted by any one of the government speakers tonight.

Mr. Speaker, many critical decisions will be made by regulation. Section 25 permits decisions in some 20 different areas to be made by regulation. While we're talking about regulations, maybe this is the time to let Albertans in on a little secret. Alberta is the only province in Canada and I believe the only jurisdiction in all of North America where regulations can be hatched in secret. It's the only place where there's no oversight in this Assembly or by this Assembly or by an all-party committee of MLAs. Government decides who it will talk to when they consider regulations, but any consultation is secret. It's not done in a public forum. There's no *Hansard*, no public record. Most importantly, those discussions about regulations are not accessible to the opposition, they're not accessible to the media, and most importantly, they're not accessible to concerned members of the Alberta public. Those facts, Mr. Speaker, have not been refuted by a single government speaker tonight.

10:20

Last week Calgarians were asking me a very simple question: will Bill 11 allow private hospitals? Clearly, the answer is yes. There's been an excellent analysis done by my colleague from Edmonton-Meadowlark, but this is such an important issue and a question so often asked that I want to offer a comment about it as well. Section 1 in this bill is misleading if not dishonest, Mr. Speaker. The key, of course, is the definition of what is a "private hospital." Now, curiously, the government is not using the dictionary definition of hospital. It's clearly not using the definitions used in the Alberta Hospitals Act or in the Canada Health Act.

For purposes of Bill 11 the government has come up with a completely different and very narrow definition of private hospital. That definition has been neatly tucked away in the back of the bill, the last place anybody would expect to find it. According to section 29 the only thing banned by Bill 11 is a facility that does all of the following:

(i) provides emergency, diagnostic, surgical and medical services, and
(ii) admits patients for medically supervised stays exceeding 12 hours.

What does that all mean? It means that a private facility like Health Resource Group in Calgary and their private hospital can do every single thing that the Foothills hospital does as long as it does not offer emergency services. Under Bill 11 and the peculiar definition such a facility would not be a private hospital even though that is exactly what you or I and I think virtually every other Albertan would understand was meant by the word "hospital." Now, that fact has not been refuted by a single government speaker this evening.

Mr. Speaker, in fact this bill can truly be said to be a prescription looking for a diagnosis. It's offering an answer to a question that Albertans aren't asking. There are no answers in Bill 11 to many of the questions that Albertans are asking. It's therefore necessary to consider the government's record in health care to project what this government is likely to do. How are they going to fill in the gray areas, the empty areas, the empty spaces? Can my constituents in downtown Calgary trust this government to promote public health care? That's frankly what it comes down to. We heard the speeches and we can read what's in the bill, but what really counts is whether this government is going to fill in the empty spaces in a way that we can be comfortable with, a way that's going to enhance public health care, a way that's going to advantage each one of my constituents, each one of your constituents, every one of the 3 million men, women, and children that live in this province.

In 1993 the government told us that health care spending was out of control. Health care spending would bankrupt the province if we didn't act immediately to arrest it. Mr. Speaker, that was not true. We see now that health care spending was virtually flat for the three years before the 1993 election. It was clearly not spiking up, as the alarmist message from the government was in 1993. This government lied to my Calgary constituents in 1993. It lied to Albertans. Can it now be trusted to do what it says?

The government took more than $600 million out of the health care budget, and it did so without a plan. It eliminated 10,000 positions of highly skilled, highly trained nurses and health care professionals, and it did that without a plan. Calgarians watched the Grace hospital close, later to reopen as a private hospital. Calgarians watched the Holy Cross hospital in my constituency sold for less than $5 million after $32 million in renovations had been spent on that facility. Like the Grace, the Holy has now been converted to what? A private health care facility. Calgarians watched as the General hospital was blown up, even though at least two of the buildings on that site were as modern as the Foothills hospital.

Albertans understand that while the government likes to boast that we have a few more beds in 2000 than we did in 1993, the government completely ignores the fact that Calgary has grown by 116,000 new citizens since 1993. Albertans intuitively understand that there's no better way to foster demand for private health care than to close hospitals in the public system. The Premier in his comments boasted of the private cataract surgery services in Calgary, and indeed that's the very model he wants to expand and apply to a whole range of services not just in the city of Calgary but across this province.

But you know, Mr. Speaker, health care ultimately is about individual patients; it's about individual citizens. Let me tell you about the senior that called me last Thursday in my office. This is a woman who was going blind with cataracts in both eyes, so she goes to one of those private eye clinics in the city of Calgary in late October. She's advised that she'll have to wait eight to 12 months in Calgary to have a lens installed that will be covered by the Alberta Health Care Insurance Act, or she has another option: she could pay $2,000 in advance for each eye to have a superior, uninsured lens installed, and the wait would only be a week and a half. This woman didn't want to pay more. She didn't want an enhanced lens; she wanted the regular lens, but she was going blind, Mr. Premier, through the Speaker. She was afraid she was losing her sight, and she paid the $2,000 for each lens. To add insult to injury, she discovered that the private clinic was participating in a drug company study, and the clinic got a thousand dollars from the drug company for every patient they were able to sign up to participate. Before she gets the second eye operation, she gets a letter from the foundation of the clinic soliciting a financial donation. That's the model that this government and this Premier want to spread out across this province, and this is a question of abusing the trust of Albertans.

You know, while we're talking about trust and while we're talking about the record of this government, Mr. Speaker, this Premier promised my constituents in March of 1997 that in the following

year we would be able to elect the members of regional health authorities. Albertans remember that promise. Less than three months later this Premier trashed that promise. He broke that promise. He said: do you know what? The Calgary and Edmonton regional health authorities want a little more time to implement their plans. What he didn't tell us is that he was just darned nervous of democracy and that the regional health authorities were nervous of democracy and didn't want to see that happen.

Mr. Speaker, government has allowed regional health authorities in this province to operate in a culture of secrecy. The Calgary regional health authority spends more than a billion tax dollars; $250 million of that goes to private facilities. But do you know what, Mr. Speaker? You and I can't get access to the terms of those contracts. We can't judge for ourselves whether we are getting good value or whether there's some kind of fat subsidy in there to private contractors.

Now, section 12 of the bill is not going to strip away that secrecy, and I'll tell you why. It's for two reasons. The first one is it doesn't come into effect for a minimum of six months. One would think, Mr. Speaker, that if there were ever a time that Albertans and Calgarians should be allowed to access those contracts, surely it's now, when we're debating Bill 11, not six months after this bill comes into law.

The second problem is this: much information that Albertans are entitled to and have to see is information that's only available under the Alberta Health Care Insurance Act. But do you know what, Mr. Speaker? By one of those secret regulations, one of those regulations hatched in secret, what the government has done is that they've taken all of that information under the Alberta Health Care Insurance Act and they've moved it out from under our access to information legislation. You can't access it. You're not going to be able to access it. That's shameful that government would try and pull this kind of sleight of hand trick by saying "transparency," while in the detail of the bill what they're doing is pulling the shroud of secrecy back over the private contracting dealings.

Mr. Speaker, the Premier was dismissive of studies, and he said something about academics in a pejorative way that suggested that this government has all the answers. Is it not the ultimate irony that in the year 2000, when physicians practise what's called evidence-based medicine – and that means that they don't prescribe medication and send people for diagnostic tests unless there's some solid basis that it's going to do some good; it's a fundamental policy of evidence-based decision – we have a provincial government that is prepared to go and make major, major changes, with a potential to prejudice our public health care system, and to do all of that with no empirical evidence to back it up, no studies that suggest it's going to significantly advantage individual Albertans and individual Albertans when they go to seek medical treatment?

10:30

Mr. Speaker, why wouldn't we consider studies from similar experiments that have been done in South Australia and Western Australia and the state of Victoria and a number of other places that have shown it doesn't work? Are we not smart enough in this province and in this Legislature to be able to look at experiments that have failed, read the writing on the wall, and decide that we invest our energy and our resources in innovation and improvement in the public health care system?

The Premier has threatened to cut off debate. He said he would do that if he thought the opposition was being obstructionist. Now, the threat is disappointing firstly because we only started two and a half hours ago debate on Bill 11 and the Premier is already talking about how much is enough. That's really the question, isn't it? How much time is too much time to spend on a bill that may have major destructive impact on our public health care system? Is it two hours? Is it four hours? Is it tomorrow afternoon? Is it Thursday afternoon? Mr. Speaker, the government has used closure in this province 26 times to cut off debate. The Lougheed government used it but one time in the entire Lougheed term of office, but this government has used it 26 times.

Now, Albertans may be asking: what is closure, and how does it work? Let me give Albertans an example. Let me tell Albertans about what happened last December, Mr. Speaker, when we were debating Bill 40, the Health Information Act. That was a bill that fundamentally changed the way your personal health information can be used, shared, collected. With Bill 40, for the first time the government has now made it possible that your personal health information can be accessed without your knowledge, without your consent. When that bill came forward to be debated, we put forward as an opposition over 50 changes to make the bill work. You know what happened? The government took two of the amendments, they debated eight other Liberal amendments, and then invoked closure. They said: that's enough; we're moving on. We didn't debate the other amendments. We didn't discuss them. We didn't vote on them.

That's the style of governance that Albertans have seen in the past. Is that what we expect on Bill 11? You know, you don't deal with the merits of opposition arguments. You sit there haughtily and dismiss them and say: "This is a waste of time, spurious arguments. We know better. We have all the answers, so we're cutting off debate." Mr. Speaker, that's not good enough for my constituents, and I don't think it's good enough for Albertans.

Mr. Speaker, while I'm talking about Bill 40, the Health Information Act, there's something else that Albertans should know. There was a carve-out, and it didn't receive a lot of attention at the time. What Bill 40 said is that we're going to have certain rules for protecting your patient health information, your most personal information. It will apply when you go to a public hospital, when you're in the public system, but the rules don't apply if you go to a private hospital or a private facility unless you're being paid by the Alberta health care insurance plan.

So if you're having an enhanced service in one of those private clinics, the rules don't apply. The rules don't apply. At the time we said: why is it that you would carve out and create special treatment for private hospitals? Well, I think the answer is abundantly clear to all Albertans. Private hospitals, we know from all the evidence, can't be run economically if they have to meet the same standards as the public system, so what you do is lower the threshold. You reduce the rules. You carve out an exemption. You make a sweetheart deal for somebody who wants to run a private facility. That's what Bill 40 did, and that's what Bill 11 is doing in a big way.

Mr. Speaker, while we're talking about closure, this government at some point, at some time has to understand that might is not right, that even big, powerful majority governments make serious mistakes, and let me be clear: Bill 11 is a mistake. The government has talked very little about conflicts of interest. In one of the great gaps in Bill 11, there is no provision for conflicts of interest, even though the government's own commissioned study by the Institute of Health Economics identified potential conflicts of interest as a major problem. This is the government's own study. This isn't something the opposition cooked up. Bill 11 is absolutely silent on this issue in terms of potential conflicts. In the Calgary region three of the most senior people, the people making key administrative decisions in terms of how we spend those one billion tax dollars and how long the waits are appropriate in the health care system in that city, also have interests in private surgical clinics.

Mr. Speaker, there is something about what I call a weak, invisible protocol that the government makes vague reference to from time to time in the Calgary region, but it's nothing that has the confidence of the 800,000 people in the Calgary region. There's no publicly accessible registry people can go to and find out who has a conflict and whether there's some declaration of conflict. There's no independent officer to police those conflicts. What we have is that one billion dollars being spent, and we just simply have to hope somebody in there is doing things to advantage Albertans.

I'm running close to the end of my speaking time, and there is so much more to say. Let me just say this. You know, I had a chance to attend a meeting in Calgary at the Red & White Club a couple of weeks ago. Eight hundred concerned Calgarians came out. Those weren't left-wing nuts. They weren't all Liberals; I can tell you that. Many of them were seniors. They were interested. They were people genuinely concerned. [interjections] I hear people laugh, Mr. Speaker.

They were Calgarians concerned about the direction of this government's private health care initiative. They were concerned about Bill 11. You know what was interesting? The questions went far beyond what's in this little bill. What it talked about was a question of trust. What it talked about was questions about an unelected regional health authority, questions about who chairs the regional health authority. Mr. Speaker, just because you can run the crane, run the wrecking ball, it doesn't mean you can be an architect.

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

MR. STEVENS: Thank you, Mr. Speaker. It's indeed a pleasure to rise tonight to speak to Bill 11, the Health Care Protection Act. We all know that Albertans take enormous pride in our publicly funded health care system, but that same health care that Albertans treasure faces many challenges. One of the challenges, as the Premier and my colleagues in caucus have rightly pointed out, is that a legislative gap currently exists in Alberta, a legislative gap that impairs our ability to control private health facilities.

Mr. Speaker, Alberta needs Bill 11 to provide clear rules for surgical facilities and clear rules for any contracts with these facilities. Alberta needs Bill 11 to ban private hospitals, such as those supported by the Leader of the Opposition, from ever opening their doors in this province. Alberta needs Bill 11 to regulate the surgical facilities that already exist in this province and that could exist in the future as regional health authorities continue to seek new and better ways to reduce waiting lists in response to demand from Albertans.

Mr. Speaker, before I go on, I'd like to clarify the difference as identified in Bill 11 between a private hospital and a surgical clinic, because I believe there has been a great deal of misunderstanding on this point. I believe that once Albertans understand the difference, they'll also gain a better understanding of this government's efforts to improve our publicly funded and publicly administered health system.

First, let me emphasize that there are currently no private hospitals in Alberta, and under Bill 11 there never will be any. Now, Mr. Speaker, this is contrary to the Liberal opposition position. The Liberal opposition believes that a private hospital, one with acute care beds, with operating theatres, with X ray and other diagnostic equipment, with an emergency room, with an intensive care unit, should be able to operate and charge Albertans directly. It would do everything our public hospitals do but with one significant difference: the patient would pay for everything. That is truly what two-tiered health care is all about, and as the opposition leader seems to support, the wealthy could access services faster than other Albertans. That truly is what queue-jumping is all about.

10:40

Again, let me make one thing very clear. With Bill 11 the government of Alberta will ensure that such a facility will never exist within the borders of this province. That is because it runs counter to everything our Canadian health system stands for and everything this government stands for. In contrast, Mr. Speaker, surgical clinics as regulated by Bill 11 are not private hospitals. Under Bill 11 surgical clinics will not be allowed to provide all the acute care and diagnostic and ICU and ER services that a full-service hospital offers. They will only provide those minor surgeries that they have been contracted to provide to the public system, and they will only be contracted to provide these minor surgeries if such a contract provides a benefit to the public system.

A health authority must determine that contracting with a facility will help reduce waiting lists or help increase access to medically necessary services before a contract would be approved. The surgical facility will only be allowed to perform these minor surgeries if the College of Physicians and Surgeons of Alberta has determined that those services can be provided safely and effectively outside a public hospital and in that particular facility. They will only be allowed to provide insured services if the Minister of Health and Wellness is satisfied that the contract can pass the whole list of criteria required under Bill 11 that the minister himself shared with us earlier. If a proposed contract cannot fulfill all these requirements, then under Bill 11 it will not be approved. It's as simple as that, Mr. Speaker.

Our government steadfastly believes in the principles of the Canada Health Act, so much so, Mr. Speaker, that Bill 11 commits to those principles in the very preamble of the legislation. We believe that medically necessary hospital and physician services must be available to all Albertans. That's the comprehensive principle of the Canada Health Act. We believe that all Alberta residents must be covered in the health plan of our province. That's the universality principle. We believe that all Albertans must have access to medically necessary hospital and medical services without charge and without extra fees. That's the accessibility principle. We believe that a citizen of one province or territory should be able to receive hospital and medical services in any other province without being charged. That's the portability principle. Finally, we believe that the provincial health care insurance plans must be administered on a nonprofit basis by a public authority. That's the publicly administered principle.

Each one of these principles, Mr. Speaker, is committed to in the preamble of Bill 11 and supported in the detail of the legislation. Each one of these principles will be adhered to in surgical facilities regulated by Bill 11.

Bill 11 protects the rights of Albertans as patients and consumers of the health system. Bill 11 clearly states that no Albertan will pay any fees to receive medically necessary services. That includes facility fees, service fees, physician fees, equipment fees, all fees. All costs for necessary surgeries will be paid by health authorities no matter where that service is performed.

The key point is that a surgical facility would be, from the patient's perspective, just like another ward of a public hospital. It's part of the public health care system. Patients would be eligible for the same insured services paid for in the publicly funded system. A patient's doctor would decide on appropriate treatment and on the necessary timing of that treatment, and queue-jumping would be absolutely prohibited, just like in a public hospital.

In addition, Mr. Speaker, if a patient in either a public hospital or a surgical facility chooses to purchase an enhanced product or service, Bill 11 ensures that providers must disclose both verbally and in writing why such upgrades are being sold. They must clearly

outline to the patient the cost of such upgrades and in a way which allows the patient to give proper consideration to the decision. In addition, Bill 11 enables people to cancel an agreement to buy upgrades if they change their mind. What we need to keep in mind, Mr. Speaker, is that these are not medically necessary services. They're the extra services and products Albertans can and do already purchase in our public hospitals.

Perhaps most importantly, Bill 11 gives the Minister of Health and Wellness the authority to limit the amount of charges for enhanced goods and services, whether sold in a public hospital or a contracted surgical facility. This, Mr. Speaker, ensures fairness and equity in pricing for Albertans. In fact, to demonstrate our government's commitment to containing such charges, the Minister of Health and Wellness has already imposed this cap on the public hospitals. Bill 11 will enable the extension of that cap to surgical facilities as well.

If facilities or providers do not adhere to these rules, they could be fined up to $10,000 for the first offence and up to $20,000 for every offence after that. If it is found that someone has been charged a fee to receive a medically necessary service or if it has been found that someone has received payment to allow an Albertan to receive a medically necessary service ahead of others, Bill 11 outlines strict fines for the contravention of the protections provided to Albertans under this act.

Mr. Speaker, as I've discussed the principles of Bill 11 with my constituents and other Albertans, one of the questions they have asked has been: where will we find the health professionals, the doctors and nurses, that will staff surgical clinics? That's a good question, and I'd like to address it tonight. There's a concern that the publicly funded health system will be negatively affected as surgical facilities recruit their staff, but I'd like to assure Albertans watching tonight that through the criteria outlined in section 8 of Bill 11, that concern is clearly addressed.

However, first of all, many Albertans are not aware that the number of physicians practising in Alberta has been steadily increasing over the past few years. For example, over the past two years there was an increase of over 400 doctors practicing in Alberta, and a further increase is expected this year.

Second, people don't seem to be aware that doctors won't have to choose between working in either a surgical clinic or a public hospital. Doctors will be able to provide services in both locations, and they will continue to be paid by the government and at the same rates. In fact, that's a point worth emphasizing, Mr. Speaker. There will not be one fee schedule for surgeries performed by physicians in public hospitals and another for surgeries performed by physicians in surgical facilities. The fee schedule negotiated by the government with the Alberta Medical Association will continue to determine payments to doctors regardless of where they perform a surgery.

In addition, Mr. Speaker, it's important to keep in mind that as well as introducing Bill 11, this government has also put in motion a six-point plan for health that directly addresses increasing the number of doctors and nurses in Alberta. That plan provides funding for even more than 90 physicians this year. In co-operation with the Alberta Medical Association, the College of Physicians and Surgeons of Alberta, Alberta medical schools, and the health authorities, government has completed a comprehensive physician resource plan for Alberta. This plan will further assist in ensuring that Albertans have appropriate access to physician services in the years to come. The six-point plan also provides for the addition of 20 postgraduate residency positions to Alberta's medical schools this year and another 20 positions next year to help train even more doctors in the future.

The six-point plan also increases funding to enable regional health authorities to hire up to 2,400 more nurses and other frontline staff, especially in the areas of emergency wards, long-term care, home care, and acute care over the next three years. That's in addition to the extra funding provided to the health authorities last year to hire almost 1,200 new full-time equivalent positions, including more than 600 nurses. In fact, Mr. Speaker, over the course of several years, this government is providing funding to hire over 3,600 nurses and other staff to help, as does Bill 11, reduce waiting lists and improve access to services. Our government also recognized the need to train additional nurses. In that light, we have announced an additional 195 spaces in the postsecondary institutions to train new nurses in the year 2000-2001.

With these strategies, which are just part of the overall six-point plan for health, this government has clearly demonstrated its commitment to improving our publicly funded and publicly administered health system on several fronts.

10:50

All that being said, Mr. Speaker, the bottom line regarding the staffing of surgical facilities as regulated by Bill 11 is this: if a proposed contract was perceived to be a threat to the supply of professional staff in the public system, it would be rejected. It's as simple as that. If there was a threat to a health authority's staff supply, they would not propose a contract, and if the Minister of Health and Wellness identified the risk, the contract would not be approved.

Again, I think it's important to emphasize here that under Bill 11 such contracts are simply an option, a tool for the health authorities to use if they think a contract would benefit the health system. In fact, Mr. Speaker, in the case of day surgeries, contracting with private facilities is already an option that is used throughout our province and has been for many years. As has been mentioned before, we already have 52 privately owned accredited surgical clinics providing over 20,000 surgical procedures each year on behalf of the public system.

Mr. Speaker, that's over 20,000 Albertans receiving necessary surgeries paid for by our health system without taking up essential space in our hospitals. This is a fact that seems to have been missed by those who say that the contracts with surgical facilities as outlined in Bill 11 threaten the public nature of our health system. What they don't understand or refuse to recognize is that the private sector has traditionally played an important role in supporting and complementing Canada's and Alberta's publicly funded health system.

There are currently over 4,500 physicians in Alberta who are, in fact, private-sector health providers and who bill the public health system under the terms of the contract for services provided to the public system. Bill 11 does not change this arrangement. Physicians will continue to be paid as they are now and at the same rates no matter where a surgery is performed.

There are also close to 600 chiropractors, over 230 opticians, over 275 optometrists, and close to 40 podiatrists who are private operators in Alberta yet do work for and in support of the public health system. We have almost 800 pharmacies in the province which are all private-sector health providers yet which play an integral and essential role in our public health system. We have 34 privately owned long-term care facilities in Alberta providing long-term care to our seniors under contract to regional health authorities. Mr. Speaker, thousands of Albertans receive quality care under this arrangement, and these are similar arrangements to those proposed in Bill 11 for minor surgeries.

We have privately owned laboratory companies providing lab services to our publicly funded health system at over 90 different sites. We have 375 private-sector ground ambulances located in 135 communities throughout Alberta. Again, Mr. Speaker, similar to

Bill 11, these are services provided by the private-sector yet paid for by the public system.

We have the many walk-in clinics and medicentres at locations near our homes that our families often use when needing nonemergency services in the evenings or on the weekends. Again, these are private, for-profit facilities providing services for Albertans as part of the publicly funded health system with services paid for by the publicly funded system.

What Bill 11 does is ensure that surgical facilities safely support and benefit our health system in the same way, and what Bill 11 does, Mr. Speaker, is ensure that the publicly funded health system is protected from any potential negative impacts from private sector support and involvement. In fact, the principles of Bill 11 are really no different than those supported by the Leader of the Official Opposition when she was minister of health back in 1991.

Some nine years ago or so she brought forward to the government caucus a discussion paper outlining possible legislative options to regulate nonhospital facilities. The paper states, and I quote: each option is designed to be able to regulate the number, type, and location of the facilities; the payment of facility fees for insured services by Alberta Health through a fee for service or global basis would alleviate concerns about possible violation of the Canada Health Act and allegations of two-tier medicine. Mr. Speaker, I don't know about you, but it sounds a great deal like Bill 11 to me. Our opposition leader suggested it and supported it then, so why is she so opposed to Bill 11 now?

If you look at the same discussion paper provided by the Member for Edmonton-McClung, you will see the options considered in that paper were threefold: an independent facilities act to licence private facilities, designating private facilities under the Hospitals Act, or directing contracts between hospitals and ambulatory care facilities. Again, Mr. Speaker, I'm not sure about you, but it sounds very much like Bill 11 to me.

So, Mr. Speaker, 10 years ago, when the hon. member was the minister of health, the basic principles incorporated into Bill 11 were just fine for Alberta's health system. Today her position has changed. I'll quote from a recent Liberal news release. Today her position is: ban private, for-profit hospitals from receiving public taxpayer dollars. It's important to note that the release does not call for an outright ban of private hospitals. I take that as meaning that she doesn't support banning them completely as is done in Bill 11. Her view is to let them operate outside the public system and cater to the wealthy and prosperous.

Well, this government does not support two-tiered medicine. Bill 11 rejects private hospitals and prohibits anyone from getting faster service just because they can pay to do so. The bill rejects it because Albertans reject it. Bill 11 rejects any American style, two-tier private health system for this province. Bill 11 puts in place an Alberta solution to some of the challenges we face in protecting and preserving our Canadian style, single-payer, publicly funded health system, because above all else, Mr. Speaker, this government's goal with Bill 11 is to ensure that our publicly funded and publicly administered health system is sustainable now and for our future generations.

Thank you very much.

THE SPEAKER: Hon. members, momentarily the special three-hour unedited television and radio coverage of this evening's debate on Bill 11 will end. On behalf of all members of the Alberta Legislative Assembly may I extend thanks to those citizens who chose to visit their Alberta Legislature this evening or who chose to view or listen to these proceedings via Access Television, CHED radio, or QR77 radio. CPAC will also carry this evening's proceedings. Further debate on Bill 11 is scheduled for tomorrow and Thursday in this Assembly.

The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. It's a real pleasure this evening to rise to speak to second reading of Bill 11. I want to take an approach that looks at this from the perspective of a number of the constituents that have approached me.

As you are aware, I travel a lot of rural Alberta, and rural Albertans have raised a lot of issues about how Bill 11 affects them. They're talking about the issues of how it is going to affect their access to health care if they see a lot of these surgical facilities arise in the major areas like Calgary and Edmonton, wherever the volume of service is available to get the mass that's necessary for them to be able to operate. So they want to know what impact this will have in terms of the time that's required for them to get access to health care, what it means in terms of their emergency services, what it means in terms of their ability to get a reasonable level of broad-based health care in their local community.

11:00

They also want to know what it means in terms of distance and location. A lot of it there boils down to the issue of how they deal with long-term care. How do they deal with the issue of providing the local community contact that their parent or their family member who's in long-term care has been used to getting? Contact with friends, contact with family? Are they going to be asked to move to a different place, a different geographic location where a private facility has taken the option to set up? This is one of the concerns they're raising. They've seen private facilities start in some communities, and they've seen where their family members or their friends have been asked to move to a different community because that's where capacity exists. They want to know what relationship this kind of bill will have on their impact.

[The Deputy Speaker in the chair]

They're also talking about how it's going to affect their priority on the waiting lists. A number of them have seen cases already where, when they need to travel to a centre where a surgery or other medical procedure is provided, they see that these have different impacts. They're also seeing that preference is given to people from the local jurisdiction or the local health authority because the local health authority there has to pay the cost of someone in a waiting queue if they're in a facility, whereas if they're in a different facility, it's not part of the cost to that health authority. So they see that kind of discrepancy come up, and they want to know how they are going to be treated if we end up with a number of these private facilities. They trust the public health care system. They trust the experience they've had in terms of getting fair and equitable access under the public system. They want to know why that can't continue for them.

The other thing they look at also is the whole idea of how you define the concepts of accessibility and universality and how they apply to them. A lot of them now are seeing that, okay, there's no user fee applied to a service that they have to travel to get, but they end up with different costs than someone in an urban area. Historically, a lot of them have assumed that that's just part of the advantage of living in a rural area, but now it's getting to the point where some of these costs are significant.

They have to go to the major centre. They have to get accommodation there while their family member is being cared for. They have to travel back and forth to visit. They have to travel back and forth to see the specialists. They have to travel back and forth to

have follow-up medical care. Those costs add up. This is not an equitable health care system. This is not a system that shows universality of equal treatment of every Albertan, and they're wondering how much more it's going to cost them for their health care as they live in rural areas. How will Bill 11 affect that? These costs are going to increase for them.

The other thing they want to look at is: how do they deal with the effect of the definitions of health care facilities in their community. A lot of issues have come up in terms of the change in service in some of our rural health care facilities. If someone is traveling around Alberta now and they go into a community and say, "Well, where's the hospital?" that is going to mean something different to everybody in a different community now because those facilities provide different services, depending upon which community you're in. So there's no consistency. How will people traveling around rural Alberta or living in rural Alberta know what facilities are available in which place by name, because those names will not be consistent. They have to have those kinds of confidences built.

Mr. Speaker, I've had a number of meetings in southern Alberta and, as I said, across rural Alberta. One of the issues that comes up is: how are we going to look at the cost-effectiveness of these private facilities? How are we going to measure this in the context of our public health care system? I've had communications with a number of the regional health authorities, and in fact in almost all of them now I've talked to somebody there in authority, and they all admit that they have excess physical capacity in their region.

What we're looking at then is: how can Albertans feel confident that a reasonable decision is going to be made if they have to look at a facility that's standing there empty? How can a private sector compete with that when it's already there in the public sector? To increase our capacity in that public sector all we have to do is provide a staff complement. This is the level of staffing that's required, all the way from the specialist down to the service personnel. Then we also have to provide a supply complement.

Now, under the regulations of our Health Professions Act those two are going to be reasonably comparable within either system. What we then end up with is: if we're going to contract out, that contract also has to cover the cost of a new or a different facility, of course, unless we're going to rent space to them in our own facilities. The other thing they have to cover is the cost of a return on investment and a return to shareholders for that private operator. Mr. Speaker, while we have excess capacity, how can we justify a contract that can be cost-effective? It can't be done.

We have to look at it also, then, in the context of: what happens as we expand the need for health care and we need to have new facilities? The public sector then has a choice of building a facility or contracting out for this facility fee. If we use proper public accounting processes, where we provide ourselves with an internal rate of return to the public, what that does is transfer that internal rate of return from one pocket in the public to the other. Those dollars are still available for the use of the public sector. We can expand our health care delivery, we can use it for another service, or we can even give a tax cut by it.

Mr. Speaker, if we deal with that kind of internal rate of return and return to shareholder for equity in the private sector, what happens is that those dollars move out of our care, out of our supervision, and away from access to improve our public services. They go off to provide a greater return for the financial institutions, or they go off to provide a return on investment and return to shareholders. Those dollars are no longer available in the public sector. So how can we justify looking at this in the context of the cost-effectiveness of our system?

Now, Mr. Speaker, I heard earlier this evening that each contract was going to be evaluated separately. I would hope that is not the process we use. We have to look at all these contracts in the total context of the business plan of that health authority. It's very easy to deal with a single surgical procedure and say: okay, if we're going to specialize in that one particular service, we can create a very specialized facility and get some kind of cost benefit for it. But what happens if we've got three or four of those and we want to put them all into a public facility?

There should be cost economies in that. Those economies should exist if we look at the whole business plan of that health authority, better still at the whole business plan of Alberta Health all across the province, because a lot of those services are going to be provided to people who are not in that health authority. People from Lethbridge are going to travel to Calgary. People from Medicine Hat are going to travel to Lethbridge. So we have to look at this in the context of the whole mandate of Alberta Health. We can't look at it just in the context of the mandate of one regional health authority for one surgical service or one surgical procedure. We've got to do it in the context of: what is cost-effective for our entire health care system and the taxpayers of this province? It's their dollars we're spending, Mr. Speaker. It's their dollars we're using to provide them with a service.

Mr. Speaker, that gets down to another issue that we heard addressed this evening. When we're talking about, well, Alberta spends more on health care than any other province in Canada or almost as much as any other, when we talk about it in the context of we're spending a third of our budget, which is more than anybody else, that kind of comparison is only relative and only relevant if we're making sure that every other province is providing the same basket of other services to add up to the other two-thirds. We know that in Alberta we are not providing a lot of the public services that are being provided in other provinces, so that kind of comparison is a deception. It's a misrepresentation of data for Albertans. We should never do that.

11:10

Mr. Speaker, as we look at this, some of the other questions that come up as I've talked to people in rural Alberta and southern Alberta deal with the context of: how do we deal with queue-jumping, two-tiered health care? You know, all these different issues. I think that after reading the bill, a lot of Albertans now don't necessarily see the concept that you can pay for a covered service in a private facility. They see that kind of concept of two-tiered health care being excluded by this bill. You know, they're trusting.

The thing they want to know, though, is: what about queue-jumping? What about queue-jumping in the context of diagnostic services? We are looking at a system here where if you've got the dollars, you can get your diagnostic service outside the public health care system, take the results of that diagnostic service, move it into the public system, and get in the procedure queue quicker.

Now, Mr. Speaker, a lot of the seniors in this province – and we heard an example of this already tonight – are very concerned about that. They have to decide: "Do I spend money on my health so that I can get in that queue quicker, or do I spend money on the other kinds of things needed for a necessity in life?" They don't have a lot of disposable income. So, in essence, we've got to make sure that when we talk about no queue-jumping, when we talk about a universal system in this province, it means from one end to the other and all the services associated and all the needs associated with the obtaining of that health care service. We can't have diagnostics separated out.

Mr. Speaker, when we came to this Legislature – and I think you and I came about the same time, in the early '90s – what we ended

up with was very little discussion at that time with the concept of MRIs. You know, a MRI was something that was very uncommon. Well, now it's expected by a lot of the doctors and it's expected by the patient. Now, a lot of questions can arise as to what the options are when we allow expectations to drive our health care system. That can become a real issue in itself. But still, to get a proper diagnosis – and that's essential now for some of our specialized drugs, for some of our specialized procedures – we have to have an accurate diagnosis. Are we saying that people who can't afford to pay for it on their own can't get the same quality of health care? I think we've got to look at that and make sure this bill deals with that kind of queue-jumping as well as, you know, I'm just going to pay to get in the queue a little faster for an approved surgery. Well, that isn't enough, and Albertans want to see the bill changed.

The other thing we need to look at is that essentially people are asking how they can deal with accountability in this bill. They look at section 23 and, Mr. Speaker, they read it totally different than the little sidebar in that handout. The little sidebar says that the courts can be the judge or be the control over the minister, yet when you read it, it basically says that no decision made by the minister can be challenged or in any way altered by the courts. Well, I'm sorry. They need some explanation on that particular clause. They need to know whether or not, if they don't agree with a decision by the minister, the courts are available to them. When they read section 23, they read it as saying no, yet the little sidebar says yes, and they want to know about that.

This also gets down to the idea of accountability in the context of decision-making by their regional health authority. The minister has the ultimate say, but it's the health authority that prepares the data that then is presented to the minister to back up and justify that kind of decision that the minister is going to make. Well, what if the citizens in a health authority don't agree with the way that health authority board provided the data or developed the data? There's no accountability. They want elected health authorities before Bill 11 becomes part of their health care system. They would rather not have Bill 11. They would rather have a public health care system that was strong, that gave them the kind of health care system they wanted, and that provided them with services they felt comfortable with.

Mr. Speaker, I've had a number of people ask how the public benefit is going to be defined. What are we going to use as the criteria? I don't know. A number of them have said, "Why is it that we never did get the health care charter that was promised by the Premier three or four years ago?" That was going to define what could be the expectation. This kind of died off in a meeting somewhere. I think it was in Red Deer. This is the kind of thing that people want to know. What is it that they can count on the public sector to deliver? What can they count on in terms of their health care through that public sector? If they've got some kind of written document or some kind of base they can use as a judgment in terms of the quality of the delivery, they feel more comfortable.

Mr. Speaker, in conclusion, I just want to talk a little bit about kind of the marketplace, what drives health care. You know, private enterprise only operates when a market exists. We never had to deal with the issue of the private sector's involvement in health care until we started to have a shortage of funds, a lack of service provided by the public system. Once that started, we had to come in and look at how we deal with decisions on the basis of a one-year budget as opposed to a long-term budget at the provincial level.

What we need in this province is a commitment to infrastructure to support our public services of health care and education. That fund then becomes the source against which we take our capital allocations over time. We can give ourselves an internal rate of return, and as I explained before, that goes from one of our public pockets to the other; it doesn't go off into the financial institutions or the private sector. It gives us a greater return on our public dollar. It gives us accountability and a proper use of the public fund.

Mr. Speaker, I've covered a lot of ground, and I see I'm getting down to just about the end. As per our agreement with the House leaders, at this point in time I think I've finally concluded what I wanted to say. I will move adjournment of debate on Bill 11.

[Motion to adjourn debate carried]

THE DEPUTY SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. We've had a wonderful start to the debate on Bill 11, but I think the time has come to move that we adjourn until 1:30 p.m. tomorrow.

[At 11:19 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]