

## Legislative Assembly of Alberta

Title: **Tuesday, April 9, 2002**

**1:30 p.m.**

Date: 02/04/09

[The Speaker in the chair]

head: **Prayers**

THE SPEAKER: Good afternoon.

Let us pray. O Lord, grant us a daily awareness of the precious gift of life which You have given us. As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country. Amen.

Please be seated.

head: **Introduction of Visitors**

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you very much, Mr. Speaker. It's my pleasure this afternoon to introduce to you and through you to all Members of the Legislative Assembly some distinguished guests who are seated in your gallery. This afternoon we have representatives from PNWER, the Pacific Northwest Economic Region. For your information and that of all members, this is a statutory public/private partnership composed of legislators, governments, and businesses in the northwest states of Alaska, Idaho, Montana, Oregon, and Washington and the western Canadian provinces of British Columbia, Alberta, and Yukon Territory.

Joining us for discussions with members of both the public and private sectors here in Alberta over the past couple of days are the president of PNWER, Representative Jeff Morris from Washington State Legislature, and Vice-President Barry Penner, MLA from the province of British Columbia Legislature. They're accompanied by Matt Morrison, executive director of PNWER, and Sukumar Periwal, who's with the intergovernmental secretariat with the government of British Columbia. Mr. Speaker, I'm very proud to introduce colleagues of mine in PNWER, and I would ask them to rise in your gallery and receive the warm welcome of all members of the Assembly.

head: **Introduction of Guests**

MR. KLEIN: Mr. Speaker, I'm very pleased to introduce to you and through you to members of the Assembly four special guests from Ulan Bator, Mongolia, today. The senior officials from the city of Ulan Bator and the government of Mongolia are here to view firsthand some of our cold-climate facilities and technologies as they relate to urban development since Mongolia has similar climatic conditions to Alberta. An Alberta firm, Challenger Geomatics, is undertaking an urban development project in Ulan Bator which will provide basic infrastructure and services to urban poor. These visitors are here in Alberta at the invitation of Challenger. They are Mr. Badamjunai, Mr. Bat, Mr. Surenbayer, and Mr. Byambadorj. They are accompanied by Mr. Al Zaver from Challenger Geomatics. I would ask that they all rise and receive the very warm welcome of this Assembly.

THE SPEAKER: The hon. Minister of Environment.

DR. TAYLOR: Thank you, Mr. Speaker. I'm very pleased to introduce to you and to the House a number of staff members we have observing the process so that they know actually what happens in here on occasion. We have staff members from both SRD,

Sustainable Resource Development, and Environment. I hope I get their names pronounced correctly. They are Tanya Berube, Karen Henderson, Marlene Bruyere, Barb Ootes, Kent Ziegler, Jane Shaheen, Neville Ferguson, and Linda John. I'd ask them all to stand and please take the warm welcome of the House.

THE SPEAKER: The hon. Member for Drayton Valley-Calmar.

REV. ABBOTT: Thank you, Mr. Speaker. It is also my pleasure to rise today and to introduce to you and through you to all the members of this Assembly 60 visitors from the Calmar school. They are seated in the public gallery, and their teachers today are Jeanette Wilson, who is the mother of one of our pages, and also Andrea Cameron. The parent helpers today are – and you'll have to work with me here; my Ukrainian is not very good – Lynn Frank, Denise Van Meter, Darcie Kison, Darlene Chimera, Len Yamkovy, Dennis LaForce, Jenny LeBlanc, Sherrie Birch, and Doreen Fitzowich. I'm going to ask all these grade 6 students and their parents and their teachers to rise and receive the warm welcome of the House.

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

MR. MAR: Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to members of the Assembly Dr. Merv Warren Hislop. For the last 12 years, sir, Dr. Hislop has served Albertans as the Mental Health Patient Advocate until his retirement in February of this year. The Mental Health Patient Advocate assists patients and their families to understand their rights and addresses their concerns about care and treatment issues. I want to thank Dr. Hislop for his dedicated and outstanding service to Albertans in this capacity. His work has made a positive difference in the lives of many patients and their families. Dr. Hislop is accompanied today by his daughter, Mylene McIsaac. They are seated in the members' gallery, and I would ask that they please rise and receive the traditional warm welcome of this Assembly.

head: **Ministerial Statements**

THE SPEAKER: The hon. Minister of Community Development.

### Yom ha-Shoah

MR. ZWOZDESKY: Thank you. Mr. Speaker, today I invite all members of the Legislature and indeed all Albertans to reflect on and to remember Yom ha-Shoah, Holocaust Remembrance Day. This day is recognized worldwide as a time to remember the senseless, tragic, and systematic annihilation of millions of European Jews between 1933 and 1945. It is also a time to remember other victims of genocide, of hatred, and of discrimination in many countries, victims from the past and, unfortunately, even in the present day.

In 2000 the members of the Alberta Legislature unanimously passed the Holocaust Memorial Day and Genocide Remembrance Act, as championed by our colleague for Calgary-Glenmore, now the hon. Minister of Gaming. Through this act we make this recognition day a formal and fitting way for Albertans to never forget the enduring lessons of the Holocaust and of other terrible and senseless acts which make us realize that democratic institutions and values are not automatically sustained, that they need to be appreciated, nurtured, and protected; that silence and indifference to the suffering of others and the infringement of civil rights in any society serve to perpetuate the problems; and that acts of genocide are no accident, that they occur because individuals, organizations, and governments made choices that not only legalized discrimination but allowed prejudice, hatred, and mass murder to occur even as I speak.

The Alberta government through this act and through this day of recognition applies the lessons of the Holocaust to human rights in our province. Within my ministry of Community Development, the Human Rights and Citizenship Commission upholds these principles, and the human rights, citizenship and multiculturalism education fund provides moneys to community groups working to combat discrimination. As the act states, Holocaust Remembrance Day provides Albertans with the opportunity "to reaffirm their commitment to uphold the human rights of [everyone] and to value diversity and the multicultural richness of Alberta society."

Earlier today I issued an information bulletin commemorating the Holocaust Memorial Day and Genocide Remembrance Act. Tonight, at the invitation of the Jewish Federation of Edmonton and my longtime friend of some 20 years, Gillian Horwitz, I will be attending the memorial service at the Jewish Community Centre along with the MLA for Edmonton-McClung, now the hon. Minister of Economic Development, and numerous other colleagues.

Mr. Speaker, I would urge everyone to reflect on this occasion in their own way and through their own particular method of observance.

Thank you.

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

MS BLAKEMAN: Thank you, Mr. Speaker. I rise to respond on behalf of the Official Opposition to the minister's statement on Holocaust Remembrance Day, which we observe today. As an individual I don't know how to respond. How does one begin to mark, to observe, to uphold such a day of remembrance? It overwhelms me. But in this Legislature just over a year ago, in December of 2000, we passed the Holocaust Memorial Day and Genocide Remembrance Act to give Albertans a day on which to focus on what happened more than 50 years ago. My colleague Karen Leibovici, then MLA for Edmonton-Meadowlark and now a councillor for the city of Edmonton, gave a remarkable speech. In it she dramatically described in detail what happened in the extermination camps and repeated the phrase: "I have told you this story not to weaken you but to strengthen you. Now it is up to you."

1:40

So now it is up to us. What do we do? Well, to quote Alfred Defago, Swiss ambassador to the U.S. in 1997,

We must honour and do justice to the victims of the Holocaust and their heirs. It is imperative that their dignity be restored to preserve our own dignity. We realize that the first step in securing a better tomorrow is coming to terms with our past.

Okay. We can do that. I can and you can learn the stories, research the history, be vigilant, and live our daily lives so that the horror Karen described will never be forgotten and never be repeated.

Thank you.

### head: Oral Question Period

THE SPEAKER: First Official Opposition main question. The hon. Leader of the Official Opposition.

#### Community Lottery Boards

DR. NICOL: Thank you, Mr. Speaker. Yesterday, after saying that the community lottery boards would not be reinstated, the Premier said, "If there's any damage or any organizations that fall through the cracks, we will have a discussion as to how those organizations can be accommodated." There is no need for these discussions since the Premier already has a way to do that. It's called the community

lottery boards, that were in place, and the only reason that the cracks need to be filled is that this government refuses to do the right thing and fund this valuable program. My questions are to the Premier. Why is this government searching for alternative ways of distributing lottery funds to communities when the community lottery boards were already doing a good job?

MR. KLEIN: Mr. Speaker, I might add that while the hon. leader of the Liberal opposition is almost completely right in his assertion, he is not absolutely correct. I said: those who are truly in need of support. Truly in need of support. I'm sure that we can find a way to look after those organizations.

One of the problems, of course, with parallel organizations – that is, an organization that is parallel to CFEP – is that there was a considerable, I understand about over 50 percent, amount of so-called double-dipping; in other words, people applying to CFEP programs and then applying to the community lottery boards for additional funding. It all came out of the same pot, ostensibly. But fundamental to the issue is the issue of identifying priorities, Mr. Speaker. I went through yesterday what this government considers to be the priorities relative to programs that should be funded through lottery funds, and I can go through that list again today.

Thank you. I see that you had enough yesterday, Mr. Speaker, and maybe the members of the Liberal opposition did as well, but it's a matter of establishing priorities. We determined what the priorities are, and as it turned out, CLBs were near the bottom of the list.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: why is this government looking to lump the work formerly done by the community lottery boards under the community facility enhancement program, which deals with the construction or renovation of community facilities as opposed to small group program support and services?

MR. KLEIN: Mr. Speaker, nothing is carved in stone, and we will have an examination of all lottery-funded programs. As a matter of fact, part of the Financial Management Commission's mandate is to look at that, and part of that examination will be the CFEP structure and whether that structure can be changed or modified to accommodate some of these groups that, well, for lack of another phrase, slip through the cracks.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. How can the Premier justify forcing small groups in search of small amounts of lottery money for things like children's playgrounds, computers, sporting equipment, and the hiring of youth outwork researchers with large projects like the Edmonton police helicopter?

MR. KLEIN: Mr. Speaker, yes, CFEP does indeed accommodate some large projects but accommodates many, many small projects. I'm so happy that the hon. leader of the Liberal opposition alludes to playgrounds, because I've been involved in my own constituency and I'm sure that many other MLAs have been involved in their constituencies in funding through CFEP playground development both on schoolyards and in city-owned, publicly owned, playgrounds.

THE SPEAKER: Second Official Opposition main question. The hon. Leader of the Official Opposition.

DR. NICOL: Thank you, Mr. Speaker. Government lottery revenue is on the rise, and the Premier seems to have sensed that the fine work done by the community lottery boards is not a priority of Albertans. Instead, we see \$320 million going toward accelerated debt repayment when we know that taking \$50 million out of that payment would not have had much of an impact on the remaining \$6 billion in debt. Therefore, there must be some other reason why this government has decided to eliminate the community lottery boards. My questions are to the Premier. Is it the government's fear of adding another budget flip-flop to its record that is preventing it from doing the right thing by reinstating the community lottery boards?

MR. KLEIN: Mr. Speaker, contrary to the impression that the opposition Liberals are trying to leave and contrary to the impression that we read about and hear about through the media, there have been no government flip-flops relative to the budget. There is no flip-flop relative to community lottery boards. There was no flip-flop relative to transportation funding for municipalities. That restoration of funding comes out of last year's budget, and if you need further edification and a clear and concise explanation, I will have the hon. Finance minister explain once again.

MRS. NELSON: Mr. Speaker, I'll take hon. members, particularly from the opposition side, back to October 18, when we came out with an economic statement of reality after there had been a tremendous change in the economy globally. Alberta was the one government in Canada that led the way by making a correction of \$1.26 billion to our last year's budget. At the time, we said that because of the opportunity that was there to delay and defer some capital projects in Infrastructure and Transportation, we would be able to fit within our new forecasted fiscal realities. We did say at the time very clearly that if in fact our fiscal situation changed for last year, the first projects that we would look at would be those that had been deferred or delayed. Clearly, that was the case, and we honoured that commitment.

Now, the difficulty that the members opposite have is that we brought down a budget just over two weeks ago. We were approaching the end of our fiscal year, at which point we were able to look at some preliminary fourth-quarter numbers for last year – fourth-quarter numbers; only preliminary – and we were able to honour the commitment we had made in October, that we also mentioned in our budget speech, that if we were able to do that, we would restore those grants, which we in fact did do, Mr. Speaker.

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. I'm not even going to touch that. There's so much in it.

My next question again is to the Premier. Was part of the decision to terminate the community lottery boards based on government MLAs wanting to receive more credit for the distribution of government funds?

MR. KLEIN: Mr. Speaker, again, this was the subject of tremendous debate in caucus, cabinet, and Treasury Board. In the face of a tough budget – and it was a tough budget; there was plenty of warning from the Minister of Finance that the budget was not going to be pretty – some tough decisions had to be made. Community lottery boards, in light of the ability to finance certain projects through CFEP and other lottery programs, were deemed not to be as high a priority as other programs that are funded by lotteries.

1:50

THE SPEAKER: The hon. leader.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: is it the position of this government that if communities do the things that they see best and the government cannot take direct credit for a program, then that program is not worthy of funding?

MR. KLEIN: Mr. Speaker, the matter of credit, I think, is so far down the road. I've often said that I don't want as my legacy and I'm sure that other caucus members don't want as their legacy plaques on buildings and monuments created to the government. The legacy I want to leave is sustainable health and education and good infrastructure and a debt-free province. Yes, it is nice from time to time to be able to participate, and I think I've participated in maybe one a year – one a year – cheque presentation to a community organization that is doing good work, that has matched those dollars, that has put in sweat equity and has created something very, very nice and very beautiful for the community. For the most part I just simply don't have the time to take credit for these cheque presentations, but I'm sure that the Liberals with all the time on their hands take every opportunity to take all the credit they possibly can for cheque presentations.

THE SPEAKER: Third Official Opposition main question. The hon. Member for Edmonton-Glengarry.

### **Municipal Funding**

MR. BONNER: Thank you very much, Mr. Speaker. At the recent AAMD and C convention municipal leaders expressed concern about fulfilling their five-year business plans when the provincial government changes every three to five days – their words; not mine. The municipalities have a straightforward request: stable, equitable, predictable, long-term funding arrangements. My questions are to the Premier. How does cutting community lottery boards without consultation or warning support the call from mayors and reeves for stable, equitable, and predictable funding?

MR. KLEIN: Mr. Speaker, I would be very, very concerned and I'm sure the hon. member would be concerned if in fact community lottery boards made up part of any municipality's business plan. I remind the hon. member that when I met with municipalities back in Bonnyville about four years ago, precisely the councils wanted to have control. They wanted to be formed as community lottery boards; in other words, the councils would become the community lottery boards. I said at that time: "No. No, because we do not want these funds to be used for municipal purposes. We don't want them to be used for potholes and street maintenance and other things that you might deem to be important but which should be supported through the general property tax revenue and other forms of municipal revenue streams." So if municipalities brought CLBs into their planning process, that would be wrong.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. Also to the Premier: how does a \$45 million property tax grab in your budget help mayors and reeves deal with the tax increases and service cuts caused by downloading?

MR. KLEIN: Mr. Speaker, relative to the very complex issue of taxation I'll have the hon. Minister of Municipal Affairs reply.

MR. BOUTILIER: Thank you, Mr. Speaker. What should be mentioned in the comments made is this. This year the \$45 million will be going towards a commitment of this government towards education property tax is what it is. It's interesting to note, though, that what was failed to be mentioned was that last year \$135 million, in fact, went back to municipalities, and over 85 percent of those municipalities returned it to the rightful owners, the taxpayers.

THE SPEAKER: The hon. member.

MR. BONNER: Thank you, Mr. Speaker. To the Premier: how does increasing Albertans' property tax bills by \$45 million and pulling \$51 million in funding for community programs, a combined total of almost \$100 million, support municipal leaders and our communities?

MR. KLEIN: Mr. Speaker, again I'll defer to the hon. Minister of Municipal Affairs.

MR. BOUTILIER: Yes, Mr. Speaker. What's so very, very important, number one – and many of the council members and reeves that I spoke with, the over 1,200 at the AAMD and C, talked about saying this: "We're in this together. We're working with municipalities." Furthermore, they said this: with the provincial government they appreciated the reduction of \$135 million last year in the tax room, that they were able to pass on to the citizens. What was also important was this: they said, "We're willing." We're continuing to work with the strong relationship that we have with AAMD and C and the AUMA. Because we have that relationship, we're able to work together and, as we say, be in the barrel together as we get through these tough times, and that's exactly what we're doing with our communication.

THE SPEAKER: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Calgary-Currie.

### **Teachers' Withdrawal of Voluntary Services**

DR. PANNU: Thank you, Mr. Speaker. Alberta's students are understandably upset about the cancellation of extracurricular activities and the dumbing down of diploma exams, just two of the negative fallouts of Bill 12. In Alberta students also know who is to blame for the sorry state of affairs. They clearly blame this government for this mess. That is why students, proud of their democratic heritage, are bringing their protests to the steps of this very Legislature. Students are hoping that somebody over here is listening. My questions are to the Premier. Why does the government believe that its war on teachers is more important than students being able to participate in school sports and other extracurricular activities?

MR. KLEIN: Mr. Speaker, we're vitally concerned about the welfare of all students in this province, and we're particularly concerned about their access to extracurricular activities. This has nothing to do with the arbitration process. It has to do with an attitude, an attitude that prevails unfortunately amongst some, not all but some, teachers. That is unfortunate. It has nothing to do with this government. This government has given no direction whatsoever to the ATA, to the teaching profession, or to the school boards to cut extracurricular activities. As a matter of fact, we're saying exactly the opposite: do what you must do, and do what you can do as teachers to accommodate the students.

Mr. Speaker, this is very important, because the hon. leader of the third party alluded to kids storming the Legislature, or words to that

effect. Well, today the hon. Minister of Human Resources and Employment took it upon himself to call in some of these kids, you know, maybe some of the leaders of the group, the organizers, and to say quite frankly to them: "Lookit, we will give you our side, but please go back and talk to the ATA, talk to your teachers, talk to the school board. Do what you have to do as students to get all of the facts." Perhaps the hon. minister might share with this Legislature the results of that meeting.

MR. DUNFORD: Well, thank you, Mr. Speaker. I did in fact have three students into my office. We had a discussion for probably about 40 minutes, I think, although I'm not sure it was being timed. Very articulate young people. We talked about Bill 12, of course, and their impression of it, and hopefully I was able to provide some insight to them now on that. We talked, in fact, about some of the other issues that were current in this dispute; certainly the wages and where we were working to bring teachers at or near the top of their profession throughout this country. We talked about the commission that's going to be set up and how it will look at classroom conditions. They asked whether or not the government was committed to such a process. We got Bill 12 out. We showed them the preamble of the bill, where the government is clearly committed to that kind of a process. You could see as we discussed that that sort of the heat was reducing inside the room. What is so tremendous about young people is that if you talk to them straight and if you give it to them straight, they'll understand, and that was the upshot of this meeting.

2:00

THE SPEAKER: The hon. member.

DR. PANNU: Thank you, Mr. Speaker. The Premier is in a state of denial. Why does he refuse to recognize what's obvious to students themselves; namely, that the cancellation of sports and music programs across the province is the fault of this Conservative government?

MR. KLEIN: Yes, Mr. Speaker, I am in an absolute state of denial. I deny; I deny; I deny. I deny that this government has anything to do whatsoever and I deny that this government is in any way responsible for the cancellation of extracurricular activities by teachers.

DR. PANNU: Thank you, Mr. Speaker. My last question to the Premier: instead of dumbing down diploma exams, why doesn't the Premier do the right thing; namely, repeal Bill 12 and replace it with a fair and impartial arbitration process?

MR. KLEIN: Mr. Speaker, the arbitration process is fair, and it certainly is impartial, with the government choosing an arbitrator, the ATA choosing an arbitrator, and the ASBA choosing an arbitrator. What can be fairer than that?

Mr. Speaker, I take strong exception to the phrase "dumbing down." I heard the hon. Minister of Learning on the radio this morning talking about the kind of examination he had to take as a physician. The hon. leader of the third party should know – he's a university professor – that these exams are structured to ask hard questions, particularly of medical students who put the lives of people in their hands. He indicated that the test that he took – as a matter of fact, nearly all the tests he took were multiple-choice tests.

Mr. Speaker, this kind of examination has to be given to students because of the reluctance of some teachers to mark exams, but I can tell you that since yesterday Alberta Learning has received over 200 inquiries from individuals interested in marking diploma exams.

These individuals have indicated that they have a university degree or past teaching experience. Alberta Learning will be reviewing their resumes and confirming their qualifications as potential markers for the June exams.

THE SPEAKER: The hon. Member for Calgary-Currie, followed by the hon. Member for Edmonton-Riverview.

#### **Amendments to Survival of Actions Act**

MR. LORD: Well, thank you, Mr. Speaker. Today I rise in regards to some ads that I've seen in local newspapers that I found very disturbing. These ads, which were apparently placed by a local injury law firm, basically accused this government of being unconcerned about the tragic deaths of young children killed in car accidents and of quietly passing legislation to limit the amount of money that parents might be able to claim if their child were to be accidentally killed in a traffic accident. My questions today are to the Minister of Justice and Attorney General. Can the minister explain what changes are under consideration that might limit the financial compensation paid out to families in these situations?

THE SPEAKER: The hon. minister.

MR. HANCOCK: Thank you, Mr. Speaker. The member is obviously referring to Bill 20. Far from being quiet about passing legislation, the provisions that are in Bill 20 with respect to the Survival of Actions Act were introduced in this House some two years ago, and then when issues were raised about those provisions and concern was raised by some members of the community about those provisions, the provisions were held and not passed at that time. We then engaged in discussion over the past year and a half and have now brought them back. So far from being quiet, it's been a very thorough process.

Mr. Speaker, family members have always been entitled to compensation for losses suffered as a result of a deceased loved one, for great loss of companionship, guidance, and care since the initial passing of the Fatal Accidents Act. Families do not have to prove those damages. They're statutory damages, and in fact if liability is not an issue, they don't even need in many cases to engage a lawyer to get those entitlements.

Under the amendments that are being brought forward under the Fatal Accidents Act, we're increasing the amount of damages for pain and suffering, for grief, and loss of companionship. [interjection] It's not on the Order Paper today, so it's quite in order to deal with this question. The increase in entitlement is from \$43,000 to \$75,000 for adult survivors and \$27,000 to \$45,000 for each surviving child.

The reason for these changes, Mr. Speaker, is precisely as a result of the consultations and discussions we had with parents who were concerned about the changes in the Survival of Actions Act. As a result of those discussions, we moved forward to deal with the real issues, making sure that there's immediate compensation so that people can deal with their pain and suffering and their grief in a timely manner, and we're also moving into others areas to deal with that.

THE SPEAKER: The hon. member.

MR. LORD: Thank you, Mr. Speaker. I'm wondering how the minister would respond to suggestions that the financial awards granted to surviving family members are an important deterrent which ensures that the offender receives more than a slap on the wrist in cases such as drunk driving.

MR. HANCOCK: Mr. Speaker, that's a very important point, because in Canada, and certainly not in Alberta, the civil law has never been intended to be a deterrent factor. The civil law is in fact intended to be a way to compensate people for financial loss and put them back into the position they were before. The criminal law and other laws are there for deterrent factors, and if we're going to deter drunk drivers, which we should, we should be doing it under the provisions of the criminal law and driving laws and those sorts of areas. In fact, the Minister of Justice, the Minister of Transportation, and the Solicitor General have agreed that we need to work together to enhance our fight against impaired driving, but we shouldn't change the civil law and bring a punitive element into the civil law so that we have the runaway court cases that they have in the States in order to seek that purpose in this country and this province.

THE SPEAKER: The hon. member.

MR. LORD: Well, thank you, Mr. Speaker. I think the minister has adequately addressed my concerns, so that's all my questions. Thank you.

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

#### **Out-of-country Patients**

DR. TAFT: Thank you, Mr. Speaker. The possibility has been raised that regional health authorities may be allowed to attract U.S. citizens to use our health care system as a way of raising revenues. This is happening at the same time that rural Albertans are facing hospital closures, bed closures, and barriers to using urban RHAs. My questions are to the Minister of Health and Wellness. Why is the government's committee on alternate revenue sources looking at bringing in U.S. customers at the same time urban RHAs are tightening their boundaries to rural Albertans?

MR. MAR: Mr. Speaker, we will be prepared to consider all alternatives that can improve our public health care system either in terms of the quality of the services that Albertans receive or in terms of improving access to those services. We don't know what the results of an investigation looking at bringing in U.S. customers to use our health care system will be. Perhaps it makes sense; perhaps it doesn't. But surely to goodness everybody in this House can agree that we should look at ideas. We should consider all ideas and then make our proper evaluations about what will work and what will not and discard that which will not work and employ that which will.

THE SPEAKER: The hon. member.

DR. TAFT: Thank you, Mr. Speaker. Given that this initiative would require an excessive capacity in the Alberta system unless Albertans were going to have to wait longer, is the minister aware of some excess capacity in the system that everyone else is unaware of?

MR. MAR: Mr. Speaker, I can say that there are many, many facilities in this province that perform outstanding services that are delivered to Albertans, but we can also say that there are outstanding facilities, recently built in some cases, that are not utilized to their full capacity. We have many facilities, for example, in an area like the East Central regional health authority, a place that services a population of approximately 103,000 people and has 14 acute care facilities. We want to make sure that we use our facilities as best as possible, to fully utilize them to ensure that we are operating not

only an effective system, which we are now, but also an efficient system.

Mr. Speaker, this is a challenge for regional health authorities to find ways to employ excess capacity. In some cases it may make sense for facilities to be converted into different types of use. Many regional health authorities have already done that. They've taken acute care facilities, turned them into long-term care facilities, and it better meets the needs of the people that live in those areas.

2:10

DR. TAFT: Will the minister rule out the possibility that rural hospitals could be closed and then sold and then reopened as surgical facilities to handle foreign patients?

MR. MAR: Well, Mr. Speaker, this hon. member asked the question yesterday, and I'd refer him to yesterday's *Hansard*, issue 16 of the 25th Legislature, Second Session, dated April 8. He did ask the question whether or not facilities in rural Alberta could be sold to be used as private hospitals. I indicated to him that the answer was no; they would not be used as private hospitals.

However, his question today is slightly different. He is asking whether those facilities – and it could be in rural Alberta; it could be in urban Alberta – could be sold to operate as private surgical facilities. The answer, Mr. Speaker, is that they already have. That has already been the case, where we have sold in the past buildings that were previously operated as public hospitals to private interests that are being used as private surgical facilities. So if he's asking will we prevent that from happening in the future, the answer is no.

THE SPEAKER: The hon. Member for Red Deer-North, followed by the hon. Member for Edmonton-Gold Bar.

### Long-term Care Programs

MRS. JABLONSKI: Thank you, Mr. Speaker. Two years ago the David Thompson health region had 102 seniors on the waiting list for beds in continuing care facilities. As of this month there are only 10 seniors in the entire region on the waiting list. The senior health region vice-president for David Thompson health region, Denise McBain, said, and I quote: the waiting list this year is unprecedented in our region. The waiting list for 10 seniors is all thanks to the dedicated work of the David Thompson health region staff in co-operation with provincial government programs. My question is for the Minister of Seniors. How was the provincial government able to assist in reducing the long-term care waiting list for the David Thompson health region?

THE SPEAKER: The hon. minister.

MR. WOLOSHYN: Thank you, Mr. Speaker. When I heard the news, I was also extremely pleased that David Thompson health region seems to have achieved our goal and that is accommodating seniors at all levels. We can attribute the success of David Thompson to two programs that the province has had: the seniors' supportive housing initiative program, commonly known as SSHIP, also the healthy aging partnership initiative. Through these two programs approximately \$50 million has been dedicated to various housing authorities, both the public and also private nonprofits, which resulted in some 1,600 assisted living beds being created.

With respect to David Thompson specifically, communities that participated were Red Deer, Eckville, Olds, Lacombe, Sylvan Lake, and I believe Rocky Mountain House. So, Mr. Speaker, I can say that their success is attributed directly to our housing programs, which emanated, I might add, out of the Broda report.

THE SPEAKER: The hon. member.

MRS. JABLONSKI: Thank you, Mr. Speaker. To the same minister: how can you continue these very successful programs with no money available in the budget?

MR. WOLOSHYN: I can't. But, Mr. Speaker, there is \$1 million allocated as a contingency for the program, and I am very, very hopeful that as our fiscal situation in the province improves, our regular process programs such as SSHIP may be resurrected. I certainly hope they will be.

THE SPEAKER: The hon. member.

MRS. JABLONSKI: Thank you, Mr. Speaker. To the same minister: will seniors in Alberta then be able to count on enough long-term care beds and assisted-living beds for the future?

MR. WOLOSHYN: Through the Broda report and the impact of aging reports we are trying to get a handle on the situation with respect to that issue. I would like to say that in some areas, as is indicated in the David Thompson, it's under control. Other areas are not quite so fortunate, but at the end of the day, through good planning and a prudent allocation of resources I would hope to say that down the line seniors in this province will be properly looked after.

### Workers' Compensation Board Health Care Spending

MR. MacDONALD: Mr. Speaker, last Halloween Alberta businesses got a scary trick from the WCB when it was announced that employer premium rates were increasing an average of 27 percent in 2002 in large part because of rising medical costs. Well, after receiving some information from the WCB through freedom of information, it is clear why. At the same time that public health care expenditures by the WCB dropped as a portion of health spending from 26 percent in 1997 to 19 percent in 2001, total health care spending ballooned by a shocking 78 percent. My first question is to the Minister of Human Resources and Employment. What studies have been done to justify the increasing use of expensive private health providers, that has resulted in an even greater increase in health spending by the WCB?

MR. DUNFORD: Mr. Speaker, the question that he is raising is a matter of operations of the WCB, and it is appropriate that that question be directed at the chairman or a member of the board of directors of WCB. WCB is an employer-funded insurance plan. It's there for the benefit of employers and employees. The board of directors that is in charge, then, of the operation of the Workers' Compensation Board has an act in this Legislature that they're required to follow. But any question like that, in terms of the operation of it, if you wish to write me directly, then I'll be glad to pass it along to the board chair, or because we're in Alberta and because we're open and accountable, if the hon. member wants to send a letter directly to the board chairman, he's perfectly entitled to do that.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. Again to the same minister: has the minister shared this appalling, expensive data with his Health and Wellness colleague, who is so bent on doing the same thing to our province's public health care system?

MR. DUNFORD: There's often a challenge in question period, as Mr. Speaker is no doubt aware, but when you attach dots in the way that has just been exemplified, I find it advantageous perhaps now to simply revert to my earlier answer. That is that his concerns need to be directed at the board of WCB.

THE SPEAKER: The hon. member.

MR. MacDONALD: Thank you, Mr. Speaker. To the Premier this time: since it took only five years for the WCB's health costs to double as they moved from public health care providers to private ones, how long will it take for the same effect to take place in our province's public health care system? Is this the reason for the 30 percent increase in health care premiums? Are you already anticipating this?

MR. KLEIN: Well, Mr. Speaker, we anticipated this some time ago, and that's why we commissioned the Mazankowski report. That's why the Premier's advisory council on health care reform was undertaken. That's why we're undertaking the recommendations of that particular report, because not only are we anticipating those costs doubling unless we take very dramatic steps to bring those costs under control, but they have doubled – doubled – over the past five years already in the public health system. [interjections] There are moans and groans over there. That is the simple fact of life. This is bigger: double. You know, in 1995 \$3.1 billion to over \$6 billion today. To me that's double. That's double, and we don't want that to happen. That's why we're taking steps right now to achieve sustainability in the publicly funded health care system.

Thank you.

THE SPEAKER: The hon. Member for Peace River, followed by the hon. Member for Edmonton-Centre.

2:20

### Energy Prices

MR. FRIEDEL: Thank you, Mr. Speaker. My questions are to the Minister of Finance. Recently we've been hearing that countries like Iraq are planning to reduce the amount of oil that they export, and some people have speculated that this could raise the price of oil and create a bit of a windfall for Alberta. On the other hand, I understand that the prices of natural gas are dropping, and one might expect that at this time of the year. So it seems that these circumstances could possibly offset each other. I wonder if the minister could tell us whether the current volatility in the prices of gas and oil are within the range that has been estimated for our current budget predictions?

MRS. NELSON: Mr. Speaker, this is, I think, a very important question in that we are in a situation that is very volatile within our resource revenue base. Last year when we compared the estimate to actuals from the previous year, we experienced well over a 40 percent reduction in resource revenues in one year. We're forecasting this year that we could very well experience somewhere to the tune of another 30 percent reduction in resource revenues.

Now, all that being said, as we know, in our budget we forecast for \$20 a barrel for our crude oil, and we have been seeing some shifts take place to show that there is volatility within that marketplace. We've had swings in this past year from \$17 a barrel all the way up to \$30. Of late, of course, with the aggression that is taking place in the Mid East, we do see some impact of an up and down, that provides additional vulnerability to a volatile market to begin with.

Just a little point of trivia, Mr. Speaker, and you would remember

this because you were in this Legislature when it occurred. When Desert Storm was starting to move forward, if you look historically at the impact that that had on the marketplace on oil, prior to the actual Desert Storm war breaking out, the oil prices spiked up dramatically, and then once the actual war occurred, prices dropped down just as dramatically.

Now, insofar as the natural gas goes, Mr. Speaker, natural gas naturally is a North American phenomenon. It's not influenced to the same effect as oil is because oil is worldwide. Again we have seen swings occur this last little while in natural gas. I will remind hon. members that we are ahead of budget on our natural gas prices, but we have seen in just this first nine days of this fiscal year a 40-cent differential in gas, and when you consider that a 10-cent change is about \$160 million, if you have 40 cents, then you're looking at a fairly substantive swing, albeit we are ahead of budget.

THE SPEAKER: The hon. member.

MR. FRIEDEL: Thank you, Mr. Speaker. To the same minister, and this will be my final question. Given the volatility in energy prices that she's just spoken of, could the minister tell us if there are any other additional risks that we might want to know about pertinent to the fiscal plan?

THE SPEAKER: The hon. minister.

MRS. NELSON: Well, thank you very much. We always have to be cognizant of what's happening worldwide because we really have no ability to predict that or to have an influence on the world marketplace. So we do have to watch that, and I know that our Minister of Energy has a whole group that watches this every day throughout the day and reports back to us. We have been applauded for being prudent in our forecasting at budget time. In fact, Mr. Speaker, the CEO and president of the Investment Dealers Association of Canada, Joe Oliver, said that "the prudent planning assumptions of this Budget, combined with an enviable record on tax reduction and spending control, are setting the stage for continued strong economic performance in the province of Alberta." So I think that staying the course and watching how this evolves is the prudent way to go, and we do have the benefit for all members of quarterly updates so that as we move forward, we can see where the revenue forecasts are going.

THE SPEAKER: The hon. Member for Edmonton-Centre, followed by the hon. Member for Edmonton-Highlands.

### Bingo Associations' Revenue

MS BLAKEMAN: Thank you, Mr. Speaker. The most recent budget shows how the government loves to write numbers, erase numbers, and generally change its mind every few days. It's not enough that they have cut community lottery boards, an important source of funding for many local groups, but now electronic bingo and keno games are being introduced, and the government wants to use them to hold back more profit for itself and less for the bingo associations. My question is to the Minister of Gaming. Why is the government planning on changing the return to bingo associations to only 15 percent of the money raised from electronic bingo and keno games?

THE SPEAKER: The hon. minister.

MR. STEVENS: Thank you, Mr. Speaker. The process that we've gone to over the last two years is to consult with stakeholders,

including the bingo associations, as to how we may bring in new ideas to improve all forms of gaming in the province. In the case of the bingo associations, they asked to have an opportunity to introduce electronic gaming into the bingo associations, and we have agreed with that. We are prepared to work with them in introducing those. They'll be voluntary. There are certain rules with it, but as I understand it at this point in time, the bingo associations are prepared to proceed with the introduction of electronic keno and electronic bingo.

THE SPEAKER: The hon. member.

MS BLAKEMAN: Thank you. Is the minister saying that the bingo associations asked the minister to cut their profits?

MR. STEVENS: Mr. Speaker, I believe that what I said was that the introduction of an opportunity for the bingo associations to have electronic gaming as part of the mix in the bingo associations was something that they asked for, and because they asked for it and we thought it was a good idea, we have put rules in place to allow that to proceed.

MS BLAKEMAN: Does the minister believe that it is fair to offer the associations 35 percent of the profits from some bingo games and only 15 percent from others?

MR. STEVENS: Like all matters within the Ministry of Gaming, Mr. Speaker, it's important that we consult with our stakeholders with a view to coming up with the right solutions, and in this particular case members of the AGLC are continuing to work with members of the bingo associations to ensure that the right mix is in place.

THE SPEAKER: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Calgary-West.

### Provincial Fiscal Policies

MR. MASON: Mr. Speaker, in the last eight years actual government revenues have exceeded government estimates in its budgets by a total of \$21 billion. The government lowballed revenues by an average of more than 2 and a half billion dollars a year. If that was a onetime occurrence, it would be understandable, but this is a clear pattern that is far from being mere fiscal prudence. Rather, it is clear that this is a deliberate strategy to justify spending cuts and tax increases while creating the false impression that the government is successful as a financial manager. How can the Premier justify hiking health care premiums 30 percent, thereby imposing tremendous financial hardship on middle-income families, small businesses, and seniors, when he knows that this government is hiding a huge budget surplus?

MR. KLEIN: Well, Mr. Speaker, like other budget decisions this was a tough decision as well, but, quite simply, the recommendation was made in the report of the Premier's Advisory Council on Health, chaired by Mr. Mazankowski. It's quite clear that when premiums were introduced, they were to cover 20 percent of insured health care services. That dropped to about 11 percent. We're now up to about 14 percent. It's deemed to be an appropriate number, relative to the cost of premiums, to provide insured health care services.

But relative to the fundamental question is the question of fiscal management, and that's what it's all about. Is this hon. member standing up and saying that it's better to proclaim during the budget process that we're not going to have a deficit and end up short and

end up running into a deficit? The Minister of Finance doesn't simply look up into the sky and pull some numbers from the air. Well, it's unlike ND and Liberal accounting principles, and clearly the people in Wainwright saw through those principles last evening.

2:30

When we go through the budget process, there are some givens. We have a good estimate as to what we're going to receive through corporate and personal income tax, what we're going to receive through fees for services, what we're going to receive through premiums, but we don't have a firm grip on what we're going to receive through royalty payments and stumpage fees and so on and those other factors that depend on the economy. The minister spoke quite eloquently about the volatility of the economy. So we consult with organizations like the Canadian Association of Petroleum Producers, other associations, and major industrial leaders, and we ask them: what is an appropriate figure to budget for oil and gas? And on the basis of that sound advice and tremendous research we set a figure for budget purposes. That's how it's done.

MR. MASON: Well, Mr. Speaker, we had to give him a chance to talk about the by-election, but we know that 55 percent of the people voted against his government. I think that one of the reasons is that they want an answer to this question: how can the government say to Alberta communities that there's no money to fund community lottery boards when the provincial government gaming revenues are underestimated year after year?

MR. KLEIN: Mr. Speaker, again, and as I've said so many times in this House, it was a matter of setting priorities. I went through a list of those priorities yesterday in this Legislature. I talked about our commitment to family and community support services for children. That is a priority: if he doesn't think it's a priority, stand up and say so. We see as a priority sport, recreation, parks, and wildlife foundations: if he doesn't think that's a priority, stand up and say so. One hundred twenty-two million dollars to the Supernet: if he doesn't think that's a priority, stand up and say so. Ten million dollars to seniors' lodges: if the hon. member doesn't think that's a priority, stand up and say so. Three point one million dollars to achievement scholarships for young people: if he doesn't think that's important, stand up and say so. Two million dollars to the First Nations development fund: if he doesn't consider that a priority, stand up and say so. Twenty-five million dollars annually to the community facilities enhancement program: stand up and say if you don't think that that's important. Fifty million dollars to health care facilities: do you think that's important? If you don't, stand up and say so. Thirty-six million dollars to the strategic and research investments program: very important. Universities, all our research institutes, those things that generate economic diversity in the province: if it's not important to you, stand up and say so.

THE SPEAKER: Actually, the time for question period left us about three minutes ago, but we'll just wrap this up now. Hon. member.

MR. MASON: Thank you very much, Mr. Speaker. I'm pleased to stand up and tell the Premier that I do believe that seniors' eye care and dentures are worth spending some money on. How can the Premier justify taking away these services to Alberta seniors when he knows that this budget has underestimated oil and gas revenues once again?

MR. KLEIN: Mr. Speaker, I'm going to have the hon. Minister of Seniors respond, but I can tell you generally that our programs for



seniors are amongst the most generous if not the most generous in Canada. Relative to the specifics I'll have the hon. minister respond.

MR. WOLOSHTYN: Thank you, Mr. Speaker. I would like to point out that the program that he is alluding to was a very weak program, and a choice was made to redirect a good portion of the resources into a seniors' benefit special-needs area to assist the lower income seniors. I'd also like to point out that the seniors still have the universal program that covers the majority of their prescriptions, ambulances, also some other areas within that. So to indicate that we have taken away all the health care from seniors is strictly erroneous.

## head: **Members' Statements**

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

### **Teachers' Arbitration Process**

MR. AMERY: Thank you, Mr. Speaker. A few days ago at 6:40 a.m. I received an e-mail from one of my constituents, a Brenda Newton-Wakely, and she expressed several concerns with regards to the teachers' wage arbitration that I feel needed to be addressed here today. I rise today out of respect for my constituents' right to voice their concerns. Her concern includes the binding arbitration of teachers' salaries; specifically, that a school board cannot be allowed to run a deficit, that there will be no additional tax dollars, and that the PTR is not being included in the collective bargaining agreements. She believes that the arbitration process will not, because of these factors, result in a fair settlement for teachers nor in fundamental improvements in the education system. She also feels that the current funding formula is unfair and inadequate and insists that teachers receive salary increases in excess of 12 percent to maintain parity with other professionals in the province.

Mr. Speaker, I wish to reassure the teachers in my constituency, of whom Ms Newton-Wakely is one, that teachers will all receive a significant raise in pay and remain Canada's highest paid teachers. Additionally, the Ministry of Learning has taken an extremely proactive measure to ensure that PTR and other classroom issues are being addressed. This government is a strong supporter of teachers, and we have many teachers in our caucus that all do their best to represent the interests of the education system. We value our teachers, and we want nothing more than for the arbitration process to end in a sustainable and equitable settlement for both school boards and teachers as well as students. I consider it of extreme importance that their views be heard in this Assembly and by our government, and I want to say that I have certainly heard their message. I will continue to represent the views of my constituents and thank this particular constituent for very clearly outlining her concerns. It is my hope that the current labour dispute is resolved fairly and we maintain long-term sustainability, accountability, and excellence in the education system.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

### **Lew Hutchinson**

MR. JOHNSON: Thank you, Mr. Speaker. Agriculture is truly a major contributor to the economic and social lifeblood of this province. It contributed in excess of \$18 billion in economic activity this past year, yet we do not honour or recognize enough those who work so hard or give of themselves so freely so that those who follow are more successful as a result of their unheralded efforts and leadership. We can never do too much to recognize and honour these leaders or, better yet, our unsung heroes. Some try to do this.

The Alberta Agriculture Hall of Fame and the 4-H Hall of Fame each in their own way attempts to do this, and they do a very good job, but it is never enough.

Camrose and district has its own agriculture hall of fame, the agricultural wall of honour. When the county of Camrose held this year's inductions into the agricultural wall of honour on March 8 at the Camrose Regional Exhibition centre, they chose to induct Lew Hutchinson, a man whose name is synonymous with agriculture in Alberta, for his outstanding leadership and commitment to agriculture.

Lew Hutchinson homesteaded on the banks of the Battle River near Duhamel in 1900 and began his farming life promptly thereafter, developing an Aberdeen Angus purebred herd and raising high quality Suffolk sheep and Berkshire hogs. In addition to his farming activities Lew was an active and effective participant on numerous agricultural boards and committees. In 1923 he helped launch the Alberta Wheat Pool and served on its board for 30 years. He was president of the Alberta Federation of Agriculture from 1941 to 1946, chairman of the Advisory Committee of the Canadian Wheat Board as a representative of the Alberta grain producers, and a representative of the Alberta barley producers on the national barley commission. He was president of the Alberta Swine Breeders' Association for two years and president of the Alberta Aberdeen Angus Association.

Lew and his wife, Barbara, raised a family of 10 children. The Lew Hutchinson family has been an integral part of agriculture in Alberta for over 100 years, and family members continue to contribute to Alberta agriculture even on the original homestead near Duhamel in my constituency.

Thank you, Mr. Speaker.

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

2:40

### **Women's Movement**

MR. MacDONALD: Thank you, Mr. Speaker. In the last 35 years the women's movement has been very effective in generating sound social policy and influencing all governments in a positive way. The women's movement has successfully eliminated sexism in many sectors of society including the media, education, the sciences, and the legal profession. It has also started to break down established patriarchal power structures that serve to oppress and control women.

A brief review and a reminder to all hon. members of this Assembly of the achievements of the women's movement in the past 35 years includes the following. In 1971 the Canada Labour Code is amended to give maternity leave to female federal government employees. In 1974 women become eligible for enlistment in the RCMP. In 1977 the Canadian Human Rights Act forbids discrimination on the basis of gender and ensures equal pay for equal work. In 1982 women's equality rights are entrenched in the Canadian Charter of Rights and Freedoms. In 1983 the Canadian Human Rights Act is amended to include provisions on sexual harassment and to ban discrimination on the basis of pregnancy and marital status. In 1985 the spouse's allowance is extended to widows and widowers aged 60 to 64. The Indian Act is amended to restore the status and property rights of aboriginal women. In 1993 stalking becomes a criminal offence. In 1995 intoxication in crimes of violence including sexual assault is removed as a basis of legal defence.

I encourage all hon. members of the Assembly to reflect on these past achievements. We now need to develop policies and programs to reduce family violence and sexual assault and increase employment income security programs.

Thank you, Mr. Speaker.

### Alex Janvier

MR. DUCHARME: Mr. Speaker, on Sunday, March 10, the 2002 national aboriginal achievement awards were presented in Winnipeg, Manitoba. I am pleased to inform the House that this year's recipient of the lifetime achievement award is from Alberta: the renowned and admired Dene artist Alex Janvier from Cold Lake.

Recognized as an artist, educator, mentor, activist, and much more, Mr. Janvier has been at the forefront of aboriginal art in Canada for over 40 years and has works in at least 30 corporate, public, and government collections, including the Canada Council art bank, the Montreal Museum of Fine Arts, Shell Canada Resources, the Glenbow Museum, the National Gallery of Canada, and the Department of International Trade. Described as an original member of the Native Group of Seven, he is the first aboriginal person to use the language of modern art to tell his story and has sought to represent the fullness of life in his paintings. Janvier is an ambassador of aboriginal art with paintings exhibited in Canada, the United States, and Sweden. His 450 square metre mural *Morning Star*, that graces the dome of the grand hall of the Canadian Museum of Civilization, is a masterpiece.

Janvier is a giant of his time and has served as a major influence on the new generation of aboriginal artists. I invite Alberta to join me in congratulating and honouring one of Alberta's and Canada's greatest artists, who resides in the constituency of Bonnyville-Cold Lake.

Thank you.

### head: **Presenting Reports by Standing and Special Committees**

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

MS GRAHAM: Thank you, Mr. Speaker. In accordance with Standing Order 94, the Standing Committee on Private Bills has reviewed the petition that was presented on March 21, 2002, and I can advise the House that the petition does comply with Standing Orders 85 to 89. That is my report.

THE SPEAKER: Would all hon. members in favour of the report as presented by the hon. Member for Calgary-Lougheed please say aye.

HON. MEMBERS: Aye.

THE SPEAKER: Opposed, please say no. The report is carried.

### head: **Presenting Petitions**

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

DR. PANNU: Thank you, Mr. Speaker. I rise to present a petition signed by 182 Albertans. They come from Edmonton, Duffield, Wabamun, and other places in the province. The petition was signed by these Albertans urging the government "to not delist services, raise health care premiums, or introduce user fees or further privatize health care."

Thank you, Mr. Speaker.

### head: **Introduction of Bills**

THE SPEAKER: The hon. Minister of Revenue.

### **Bill 22 Tobacco Tax Amendment Act, 2002**

MR. MELCHIN: Thank you, Mr. Speaker. I request leave to introduce Bill 22, the Tobacco Tax Amendment Act, 2002.

The amendments in this bill will legislate the increase in tobacco tax rates as announced in Budget 2002. In addition, several amendments are proposed to help prevent tobacco smuggling from gaining a foothold in Alberta. This action is in response to the recommendations from the report A Framework for Reform and is part of a comprehensive tobacco reduction strategy.

Thank you, Mr. Speaker.

[Motion carried; Bill 22 read a first time]

### head: **Tabling Returns and Reports**

THE SPEAKER: The hon. Member for Red Deer-North.

MRS. JABLONSKI: Thank you, Mr. Speaker. Today I rise to table the appropriate number of copies of two documents. The first tabling is a letter from the treasurer of the Western Walleye Council, Mr. Terry Welty. This letter is to inform the Members of the Legislative Assembly that there is a petition available that now has almost 6,000 signatures from Alberta fishermen who are concerned about the collapsed status of walleye in most Alberta lakes and are requesting that the government of Alberta stock walleye in select lakes using fingerlings from stable lakes and the Cold Lake hatchery on a perpetual basis.

The second tabling is on behalf of the Member for Red Deer-South. I am tabling the appropriate number of copies of a petition with 466 signatures that urges the government of Alberta

to use the power it has to amend the Planning Act and the Municipal Government Act to give municipalities authority to henceforth prohibit all performances in live peep shows that, in any form or manner, expose to the view of any member of the public, the genitals, buttocks, or female breasts.

As well, it urges the restriction of alcohol sales in said establishments.

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I'd like to table the appropriate number of copies of the 2001 annual report from the Edmonton Arts Council. This was presented at their annual general meeting on April 3 of this year. The annual report is detailing the distribution of the city of Edmonton funding for the arts and also goes into detail on programs that are offered, like Tix on the Square and the artist trust fund awards.

My second tabling is a letter from Ken Cameron of Calgary, who is writing to me about the community lottery board and asks us to work hard for the restoration of the community lottery boards "so that VLT and gambling revenues can be put back to work directly in the community."

Thank you very much, Mr. Speaker.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I have two tablings today. The first one is a petition that was organized by Mr. Darby Mahon of Edmonton-Gold Bar, and it is supporting public and separate school teachers in their struggle against the provincial government.

The second tabling I have is a letter regarding Bill 207, the Alberta Personal Income Tax (Tools Deduction) Amendment Act, 2001. This is a letter stamped from Johnson Onesty Automotive Ltd. on 70th Avenue and 50th Street in the constituency of Edmonton-Gold Bar, and the gentlemen that work in that shop are encouraging the government to have this act proclaimed.

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

DR. PANNU: Thank you, Mr. Speaker. I rise to make four tablings today. I'm tabling the appropriate copies of four letters each expressing disappointment and outrage at the way the government is handling the dispute with teachers. The first tabling is a letter from Dan Huot of Calgary to the Premier. The letter says that Bill 12 is a "mockery of democracy," and "it is shameful that a group of so-called leaders of . . . this government have to stoop so far down."

2:50

The second tabling, Mr. Speaker, is a letter from Mary Ann Kurucz of Calgary, who expresses her outrage at the government's "high-handed, arrogant and brutally-repressive action in handling the labour dispute with teachers."

The third tabling is a letter from Linda Leiren from Sexsmith addressed to the Minister of Learning. She is disappointed with the way the government has treated the Alberta teaching profession.

The fourth tabling, Mr. Speaker, is a letter from Frances Shultz addressed to the Premier expressing her concern with the government's display of school bully tactics towards the teachers.

Thank you, Mr. Speaker.

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

MR. MASON: Thanks very much, Mr. Speaker. I have two tablings today. The first is a letter from Don Fleming, the board chair of Edmonton public schools, addressed to me. Mr. Fleming is deeply concerned with the recent increase of 30 percent in Alberta health care premiums as this increase will add "a direct expense to Edmonton Public Schools of approximately \$390,000 for the 2001-2002 fiscal year and a projected expense of \$935,000 for the 2002-2003 fiscal year."

The second tabling, Mr. Speaker, is a document from me in response to the Premier's challenge yesterday in question period in which he suggested that community organizations in Forestburg, Hardisty, Killam, and Wainwright that I referred to might be double-dipping with CFEP grants. The document shows that none of these organizations that I referred to received a CFEP grant in the year 2000-2001.

MR. McCLELLAND: A point of order, Mr. Speaker.

THE SPEAKER: Yes. The hon. Member for Edmonton-Rutherford on a point of order.

#### **Point of Order Member's Apology**

MR. McCLELLAND: Mr. Speaker, in checking *Hansard* I noticed that I had referred yesterday in debate to comments from the hon. Member for Whitecourt-St. Anne as "drivel," and I wish to unequivocally and totally withdraw that remark. Even in jest I should not have used that term, and I apologize and withdraw that remark.

MR. VANDERBURG: I accept.

head: **Orders of the Day**

head: **Government Bills and Orders**

THE SPEAKER: I think we'll recognize the hon. Government House Leader at this point in time.

MR. HANCOCK: Thank you, Mr. Speaker. Prior to calling the Committee of Supply, after continuing communication on this issue with the Official Opposition and the third party I seek the unanimous consent of the Assembly to waive Standing Order 58(4) to allow this afternoon's consideration of the estimates of the department of health to go beyond two hours with the vote on these estimates to take place no later than 5:15 this afternoon as per Standing Order 58(5) or sooner if no one wishes to speak.

[Unanimous consent granted]

head: **Committee of Supply**

[Mr. Tannas in the chair]

THE CHAIR: I'd like to call the Committee of Supply to order.

head: **Main Estimates 2002-03**

**Health and Wellness**

THE CHAIR: Are there any comments or questions to be offered with respect to these estimates? We might call on the hon. minister to begin this afternoon's deliberations.

MR. MAR: Well, thank you, Chairman. It's my pleasure to present the Alberta Health and Wellness budget for 2002-2003 for your approval. This is a transition year for health care in Alberta. This year we take control of health spending, and hence we will move forward with prudent increases that respect our fiscal reality and are sustainable over the long term.

This year, Chairman, we take health care into a deliberate and planned process of change based on more than a dozen years of public consultation that culminated with the Premier's Advisory Council on Health report. Our business plan for the three years to 2004-2005 integrates our action plan for reform. The Health and Wellness budget supports the business plan with the largest ministry budget and the largest single increase in the government.

The budget I present today represents almost 36 percent of all government spending. In 2002-2003 Health and Wellness will provide \$6.8 billion to support our public health system. For this fiscal year our public health system will cost the public purse almost \$19 million every single day. That is \$468 million, almost half a billion dollars, more than last year and represents an increase of more than 7 percent.

There is an understandable concern over the size of this increase for public health care. The province's revenues are expected to be down and other public needs also demand attention. However, a public health system demands public funding. There is only one source of public funds, and the only options for health care are federal transfer payments, taxes, and premiums. Given our lower revenues, other public priorities, and our commitment to an Alberta tax advantage, we turned to health premiums to increase public funding for health care.

Premium increases of just \$10 a month for singles and \$20 a month for families will raise \$184 million to offset the increase in public health funding. Premiums paid by the people we expect to attract to the province of Alberta this year will generate an additional \$10 million. I would like to remind the committee that this is the first premium increase since 1995. During the same seven years public health costs increased by almost \$3.2 billion.

Higher subsidy thresholds will protect more lower income Albertans, including an additional 8,000 seniors, and a new category of subsidy recognizes the additional financial pressures on families

with children. We did not focus solely on raising funds. We also moved to reduce costs on the very basic and very fair principle that health benefits should be based upon need and not upon age. We eliminated the extended health benefits program that applied to all seniors. To meet the optical and dental needs of lower income seniors, we moved \$9 million from this previous program to Alberta Seniors. However, those that can afford it now will pay for their own optical and dental services. We transferred the balance of \$15 million saved to regional health authorities.

That outlines the money coming into health care. Now I will look at where the money is going. There are good reasons for the size of the increase for Health and Wellness. Compensation for physicians goes up \$177 million this year to \$1.4 billion. That is the cost to keep our skilled physicians in Alberta and to attract more doctors. Blood products will cost \$16 million more for a total of \$120 million this year. Tobacco reduction comes at a cost: \$8.75 million in the first year for AADAC to co-ordinate a provincial tobacco reduction strategy. Acting on the Premier's Advisory Council on Health recommendations will cost \$25 million in year 1.

But the biggest factor in rising health costs is our growing and aging population. The population growth that will fill the 35,000 jobs our economy will create this year also means more patients for Alberta's health system. Health care services are driven by population numbers and needs. We allocate funding to health regions using a population-based funding formula. The formula also considers differences by region in the needs of a higher seniors population, more lower-income families, or the lesser needs of an affluent and younger age group. On top of this, we allocate funds for nonpopulation-based items to cover expenses like operating MRIs in regions that have them and funding to rural regions to compensate physicians who are on call.

3:00

In Budget 2002 every health region receives a minimum increase that reflects its population growth plus 1 percent for inflation. Regional allocations differ widely based on local population growth, demographics, and the impact of services provided to residents outside their region. The bottom line is that health authorities will receive over half the total increase in health funding this year, \$247 million. The Capital and Calgary regions also receive an increase of \$21 million, or 5.3 percent, in funding for provincewide services for specialized care like heart and neurosurgery provided to all Albertans. In all, Alberta's health authorities will receive over \$4.2 billion, almost two-thirds of the total health budget.

Even so, Mr. Chairman, regions across the province have been quick to tell us that maintaining facilities and services at current levels will be a challenge. If ever we needed any further evidence that our current health system is unsustainable, it lies in this reality. Some people have the notion that sustainability is making sure that the same services continue to be available, but it is actually about making sure that the necessary care continues to be available. Alberta's health authorities understand this. They've accepted the need for reform in this time of economic constraint, and I applaud their willingness to manage care and look forward to receiving their business plans.

Our own business plan sets a direction for health reform while assuring Albertans that our vision, mission, values, and principles remain unchanged. We remain committed to the principles of the Canada Health Act. We will continue to help citizens of a healthy Alberta achieve optimal health and wellness.

Goal 1 is to "lead and support a system for the delivery of quality health services." The first strategy is to implement our plan for health care reform. I will appoint an expert panel soon to review the

scope of publicly funded services. My department will work towards a 90-day guaranteed access for selected procedures. We will work with the regions and health professions to implement new models of service delivery like primary health care reform. Together we will better align physicians' services with regional service delivery and remove barriers to practice for other health professionals. We will expand Telehealth and begin to implement electronic health records, conscious of the need to protect the privacy of personal information. Success will be measured by reducing wait lists and wait times for certain procedures by ease of access to services and the quality of care that Albertans receive.

Goal 2 encourages and supports healthy living. This, in my view, is the key to sustainability. It is the first theme in the Premier's Advisory Council on Health report. We will set 10-year targets for key health indicators. We will monitor and evaluate cervical cancer, newborn metabolic conditions, chronic and communicable disease management. We will work to reduce tobacco use and promote healthy aging. We will measure our success by Albertans' health status, by reducing injury and suicide rates, and by the rates for breast cancer screening, childhood immunization, and smoking.

Goal 3 supports and promotes a system for health with an emphasis on accountability and electronic access to health information. Under goal 3 we will integrate mental health services into the regions and achieve the potential of information technology. The MLA Task Force on Funding and Revenue Generation will identify and address barriers to cost-effectiveness and regional revenue generation.

Strategies under goal 4 will optimize the ministry's effectiveness in how we respond to Albertans and how we work across government on joint efforts like the Alberta children and youth initiative and aboriginal policy initiative.

Reform recognizes the realities of a changing world. Today we realize the remote reality of a terrorist attack. Our business plans include strategies to develop an Alberta plan for emergency preparedness and response to chemical, biological, radiological, and nuclear threats to public health and maintain a plan for the resumption of business in the event of a public crisis.

To conclude, medicare was founded on a vision that no one would ever have to choose between buying groceries or seeing a physician. No family would ever be bereft of a loved one for lack of medical attention. No one would ever face bankruptcy over personal health costs. Budget 2002 and the reforms it supports remain true to that vision. This is a year of transition to a more sustainable health system but one that serves the spirit and purpose of the original long into the future.

Members of the committee, I ask for your approval for the Health and Wellness budget for 2002-2003. Thank you.

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

DR. TAFT: Thank you, Mr. Chairman. I appreciate the comments of the Minister of Health and Wellness. It is a huge department, and it is, as I think we all know, the one that consistently comes in as the highest priority and the area of greatest concern for citizens right across the province. I appreciated the minister's opening comments. I will be putting out a series of questions, and I fully understand that most of them will require a written response. There may be some, though, that the minister is prepared to respond to just on his feet here in the House, and I'll ask him that from time to time. If he's prepared to do so, that'd be great, and if not, I'll accept a written response.

The discussion of the budget I think has to begin with an examination of the budgeting process, and a concern that is simply inescap-

able to me – and perhaps the minister can either help me understand it or else give indications of how the department might be addressing it – has to do with the timing through which the budget is developed. So we are today, on April 9, debating the budget, yet the regional health authorities, which account for two-thirds of the budget, are still submitting and preparing their business plans. The question to me is: how does the department go about preparing its budget when the regional health authorities, which account, as I say, for two-thirds of the expenditures, haven't submitted their business plans and their budgets to the department?

I may well be missing something here, but it would seem to me that if we rearranged the timing of the budget process so that the regional health authorities were expected to submit their budgets to the department perhaps by the middle of November or something like that and feed into the department's budgeting process in a more timely manner so that we're not caught in this position of debating a budget for which a huge chunk of the variables are not clearly settled – I don't know if the minister would be prepared to engage me right now or respond right now to the idea of rearranging the timing of the budget process so that the RHAs fed into the process in the fall rather than, say, in April or May. I'd appreciate that.

MR. MAR: Mr. Chairman, this is a comment that was made by the Auditor General when reviewing the operations of the Department of Health and Wellness, wherein he noted that the budgeting process for the provincial government actually was much earlier than the submission of business plans by regional health authorities. In fact, on previous occasions business plans would not be submitted by regional health authorities until half of the fiscal year had already expired, which didn't make the business planning process for regional health authorities particularly useful.

We are correcting that, Chairman. We do work very, very closely with the regional health authorities in assembling our budget, and we have a fairly good idea of what it is that RHAs require. Because we work closely with the RHAs, while we do not release specific data to the RHAs, our budget is assembled based on input from RHAs, and they do prepare business plans with multiple scenarios that may accommodate a zero percent, a minus 5, a plus 5, and so on. So regional health authorities will be submitting their business plans later on this month, and it much more closely coincides with the budgeting process set out for the overall government's spending plans.

3:10

DR. TAFT: I appreciate the minister's response there, and I would just throw it out for his and his department's consideration that they may well want to request the responses from the RHAs even earlier in the year. While the period of limbo, as it were, is smaller than it once was, it's still the case that we are debating budgets, and the RHAs are submitting business plans well into their fiscal year. I'm glad to see that we're headed in the right direction, and I encourage the department and the minister to carry on further along that direction.

The symptoms of the shortfalls of the timing right now I think do turn up in a number of the responses by the regional health authorities to the provincial budget. I fully understand that there's a lot of politicking going on here and negotiating through the media and I'm sure through the back rooms over what the RHAs should get as their budgets, but there is a clear sense that a number of the regional health authorities were caught somewhat by surprise by the budget that we are debating today and are looking at having to close beds or reduce services or even lay off staff and, of course, are unhappy about that and will be and already are letting all of us know about their unhappiness.

I am also concerned that the bases for the budget increases are not entirely fair, again recognizing that this is a tough negotiating process the minister and the department are engaged in, but when most of the regional health authorities are allowed only 1 percent for inflation when we all realize that even the general consumer price index measure of inflation is running at 2 or 3 percent, then that is in effect a cut. It's a cut of 1 or 2 percent, and that will translate into reductions in the regional health authorities.

I also am concerned that, strictly speaking, using the general consumer price index as a measure of inflation is not as good a measure as we should have of inflation in the health sector. The CPI can be broken down further into different subsectors, and one of those does relate to health. I'm particularly concerned that because of the very generous labour settlements of a year or two ago, the actual inflation rate in the health sector is much greater than 1 percent in Alberta. I would support the minister and the department in meeting the cost of inflation in the health sector in Alberta, not just a 1 percent inflation allowance. Otherwise, again we are effectively asking the health authorities to cut their services. This is particularly a problem because the settlements for labour were undertaken by the provincial government, and it therefore seems to me to put an onus on the department to provide the RHAs with enough funding to fully meet those labour requirements.

I'll also make another general comment, and that is a concern that I have and others have that the department itself is not muscular enough. It does not frankly have enough staff, enough budget to hold all the regional health authorities accountable as strongly as they should be held accountable. Well, I'm the opposition health critic, and if the minister were ever to come forward and say, "You know, I need more people in my department and I need more money, because for us to have a strong health care system in Alberta, we need a strong central voice to hold it all together," I would support that. The minister knows that I feel that we are more or less spending enough on hospital services and on physicians' services to have an effective health care system, but I am concerned that in important ways the regions, especially the two big urban regions, are running the system more than they should be. There's a sense in which the tail wags the dog. So I would be quite prepared to support any initiatives by the minister and his staff to strengthen their own department to hold the RHAs accountable. I've had some chats with the regional health authorities, and they will admit that that's probably a legitimate concern. We need the centre of the system to hold.

The minister in his opening comments described this as a transition year and as a year to take control, and I think building up his department is a way to do that. The department staff are now – I could be corrected on this – I think in number less than half what they were eight years ago, and that is a huge hit to take. I am concerned that we have in some sense 17 minidepartments out there, and that's not the way we want to go.

The comments the minister made on premiums as a way of bringing in revenue. He knows our opposition view on the premiums, and I won't belabour him with those again, but I think I can speak for all the opposition that we would prefer, clearly, to have seen the premiums phased out over the last few years. There have been a series of tax cuts brought in by this government over the last five or six years, and I think it's regrettable that this wasn't one of the taxes that was cut as opposed to some of the other taxes that were cut. So if in the future the minister or the government were to bring forward steps to reduce and eliminate premiums, we would wholeheartedly support that as an initiative.

The minister's comments on the budget also raised a question for me – I should know this, and I don't – on the funding formula

through which the regions are funded. I'm not aware if that's public or not, and if it is, I'd be curious to know how it's worked out. I know that last year, last July, there was a \$200 million adjustment made to the budget just six or seven weeks after we voted on it to adjust for a larger population and inflation. I assume that that formula has been sorted out in advance, but the funding formula that allocates the money to the different regional health authorities – if that's public, I'd be interested in seeing how it works.

With those general questions, then, I'll move to a series of more specific questions. I think we might as well start with the regional health authorities. They persistently get the most attention. Maybe they get more attention than they should, but that's how it goes, so I think I'll start there. Our assessment is that about seven of the regional health authorities are likely to run deficits or, to offset deficits, will be undertaking layoffs or program cuts in the proposed fiscal year. I assume that the minister and the department are very much on top of the RHAs' plans, so it would be useful for us to know in advance – and maybe we could even work with the minister on this – which RHAs will be undertaking cutbacks or layoffs or which ones will be running deficits and how they will be managing those deficits. There are, I believe, provisions under legislation for RHAs to actually issue debt instruments, debentures or bonds or that sort of thing. I don't know if that's ever been contemplated or if I'm understanding the legislation correctly. But if that's not allowed, then how would an RHA run a deficit? How would they manage that? As I said, it would be useful to know as soon as possible how many are expecting to run deficits.

3:20

Going back to the inflation issue, the 1 percent for inflation, I would be curious to know and I'm sure the RHAs themselves are curious to know: why did the minister and the department settle on 1 percent for inflation, knowing full well that inflation is running higher than that? If there was some rationale for that, I'm sure we would all appreciate that.

Reviewing the department's budget today as opposed to how it was presented quite a number of years ago in some ways is more frustrating than it used to be because it isn't clear as a province how much we are putting into labour costs in the health care system, how much we're putting into capital costs in the health care system, how much provincewide is going into long-term care, how much provincewide is going into acute care. It's somewhat more difficult to follow with the development of the regions. If the minister could provide a breakdown of how much of each regional health authority's budget goes to labour costs, that would be helpful, and even more so, how much goes to different subcategories, the biggest one, obviously, being the registered nurses but also the LPNs and lab techs and so on.

Of course, I'm sure I'm hoping for too much here, but it would be interesting for us to see the trends in those areas over the last several years. How much are expenditures on RNs changing – I assume they're going up, but I could be wrong there – in the regional health authorities? Are we seeing costs driven a tremendous amount by increases in RN salaries, or in fact is that a misperception? Are they being driven by other considerations? Of course, what's the mix between RNs and LPNs and so on?

We'd also be interested to know the population projections for the different regional health authorities, because as the minister made clear in his opening comments, population growth is a major, major driver of costs in some of the RHAs, in many of the RHAs. The projections used by the RHAs or the department would be useful to know. This may be an area – maybe this is happening – where the RHAs and the departments could work together. Do we have 17

different offices around the province and each RHA doing population projections, or do we have one in the department doing provincewide population projections for each RHA? I would prefer the latter idea, where there was a branch of the department doing that work, and maybe it is happening that way. If it's not, I'd be curious to know, and I'm of course curious to know what the projections are.

The year of transition, that the minister referred to, will apply to nothing more than it does to the mental health sector. As we watch the provincial Mental Health Board and its services being integrated into the different regions, the complexities of that process are enormous, and it would be useful to know – and the minister may be able to comment on this right now – how the budget for mental health services is going to be integrated into the RHAs. Has that already happened, and are those plans in this budget? Is it being phased in over a couple of years?

Do you want to respond to that now? Thank you.

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

MR. MAR: Thanks, Chairman. As hon. members of this House know, one of the recommendations set out in the Mazankowski report that the government is embarking on and implementing is the regionalization of mental health services into RHAs. Perhaps I should say by way of background that the reason why the Mental Health Board was set up at the outset was to ensure that money that was dedicated to mental health was in fact spent in that area and not hived off to go to supporting acute care or some other important priority but was in fact kept in the area of mental health. It would be our intention that there would be some role for an agency to ensure that money that is given to regional health authorities for the purposes of delivering mental health services in regions is in fact spent in that area, so there will be an accountability function that will be required.

I should also note, Mr. Chairman, that there are probably some services that would not have happened in this province in the area of mental health but for the Mental Health Board, and perhaps telemental health would be one good example. So there may be some requirement still for certain types of mental health services to be governed by a provincial agency that would look after two things: one is those services which should be provincial in nature and also to ensure that there is an accountability that regional health authorities spend money devoted to mental health on those programs.

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

DR. TAFT: Thank you, Mr. Chairman. Thank you, Mr. Minister. There's an issue that was brought to my attention on the weekend, and again I felt like I should know it and I don't. I know there's a section in the business plan on aboriginal health, but it would be useful to know how services provided to status Indians off reserve, say in hospitals throughout the province, are funded. Are those services billed back to the federal government, or are they handled some other way? I don't think that's itemized in the budget, and frankly it's unclear to me how that particular issue is handled. There was some concern that the provincial government was being required to pay the full cost of health services to treaty Indians when those individuals sought health care in provincial facilities. Again, maybe the minister can correct me on that now, or maybe he needs to get back to me. I don't know the answer.

MR. MAR: I'll get back to you.

DR. TAFT: Okay. Thanks.

I'm going to return for a minute to the issue of premiums, because we might as well get more detailed information on that if it's at all possible. There is, as the minister knows, widespread concern among businesses and among municipalities and universities and school boards and so on that they face a direct cost increase because of the rise in health care premiums and the fact that they pay those premiums on behalf of their employees. So it would be very useful for us to learn how much in health care premiums is collected by the province, first of all, from itself, as it were, from its own employees, from postsecondary institutions, from the regional health authorities, and from the school boards. You can well see why the regional health authorities, for example, are concerned about this, because in effect, when they're paying an increased premium on behalf of their staff as a result of provincial government budget, it's a cutback for them in practical purposes. So it would be very helpful, I think, for the public to know and for all of us to know how much public money from universities, RHAs, municipalities, school boards, and the government itself is flowing back into government coffers, sort of moving money from one pocket to the other pocket without really a very clear purpose.

3:30

There are always of course concerns over the cost of collecting premiums and the impact of the very substantial premium increase on the number of people who will be defaulting on their premiums. If I were to dig through the numbers here again, I know there's a projected significant increase in the default on these premiums and the cost of collecting them. I can't lay my hands on that right now, but that's an area of real concern, and it would be interesting for us to know how much it is costing the government to pursue the premiums that are not paid through collection agencies and so on.

I've supported this minister and I will continue to support this minister and the government on the tobacco reduction strategy. I think it's commendable; I think it's a step in the right direction. I've taken some flak and probably all MLAs have taken some flak from tobacco users who are unhappy, but I think it's the right direction to take, and I think all of us in the opposition will support the government on this initiative. One of our members, I think the only one who used to be a smoker, has recently quit, so we are very supportive of that. She – I'll give you a clue – quit before your step, but she probably would have quit even more enthusiastically when the price went up.

But to be specific, how are we going to know if this program is working? What are our benchmarks to know whether the tobacco reduction strategy is having the effect we want? Are there some measures that have been established to determine whether the tobacco reduction strategy is having the effect we want, and of course is there any sense of the financial implications of those benchmarks being achieved? The tobacco industry has argued that in fact they're doing taxpayers a favour by killing off people who, if they lived longer, would need more health services. Of course, the humanity of that argument is a huge issue on its own. Has the department looked at all of the long-term cost implications of reducing the number of smokers in Alberta? I would be interested in that, and I'm sure many of the supporters of the government's tobacco reduction strategy would like to see that as well.

I think I will stop there. I've got many other comments, but I don't want to monopolize the whole afternoon. I could carry on for quite some time yet, but there may be other members of the Assembly who want to engage in discussion with the minister on the budget, so I'm going to take my seat, Mr. Chairman, and give someone else the floor.

MR. MAR: I can make a few comments in reply, Mr. Chairman.

I've carefully taken notes here, and I know that members of my department are doing the same in the galleries, and I will certainly take the opportunity to review *Hansard* to fill in any details that I may miss. Of course, some of the replies to these questions are not immediately at my fingertips, and I will take the time to review it and provide responses by written correspondence in due course.

Perhaps the one thing that I will touch on, Mr. Chairman, is the tobacco reduction strategy. I think that it is of important note that the first recommendation set out in the Mazankowski report is to promote wellness, and there can't be a more important area to act upon than the area of reducing tobacco use.

Tobacco use is the number one avoidable cause of death in Canada and here in Alberta as well, and I think it is important to note that the name of this department is the Department of Health and Wellness, not simply the department of health. It's for that reason, Mr. Chairman, that we are being aggressive in our tobacco reduction strategy, and we are using our very best efforts to rely upon credible sources of information to structure our strategy for reducing tobacco use in this province. We have looked at, for example, the Center for Disease Control based in Atlanta, Georgia, and I think to summarize, if I may, the types of programs that have been found to work to reduce tobacco usage is that simply increasing the cost of tobacco is insufficient as a long-term strategy. Simply having cessation programs and support and education by itself has not been demonstrated to be a long-term successful strategy. But those two working in combination have been found to be successful, and that's the reason why we have increased tobacco taxes and put in just under \$9 million for our programs that will help educate particularly young people on tobacco use.

The interesting question that was asked by the Member for Edmonton-Riverview: how will we know that this is successful? We see in other jurisdictions where this type of two-prong strategy has been applied that there has been a measurable reduction in the number of people who smoke, and that is, I think, a good surrogate for other things which are ultimately the outcome that we seek, which is better health. Reducing the number of people smoking is a good surrogate for improving overall population health, and that, of course, is the endgame. So I think, Mr. Chairman, it may be difficult in the medium- or short-term to measure the health effects of smoking cessation, but reducing the number of people who actually smoke will be a surrogate that over the medium or longer term will demonstrate itself to result in better overall population health.

Mr. Chairman, we are going to be relentless in this effort to reduce tobacco use, particularly among young people, because our health care system in the long term cannot afford, cannot be sustainable, cannot deal with the number of people who will be using our acute care system with smoking-related diseases unless we do something today about the 23 percent of high school aged children in this province who smoke, and it is for that reason that we are aggressive on this and hope that that cohort of young people can lead much healthier lives than lives that are damaged terribly, at a cost that is difficult to measure, from smoking-related diseases.

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

DR. TAFT: Thanks, Mr. Chairman. Thank you, Mr. Minister. I'll shift gears a bit. If we go to the business plan of the department, it talks about a target of reducing wait lists for long-term care, and I'm on page 206 of the business plan. You don't particularly need to look it up. It's a pretty straightforward target and a commendable target. I'm sure the minister is aware that the delay in people getting access to long-term care has all kinds of repercussions. It has

repercussions through the community and for families who are struggling to look after people who should really be in facilities, it has repercussions for home care services, and it has serious repercussions for emergency wards. I'm sure the minister has been in a number of emergency wards touring – I don't mean as a patient but just in his role as minister – and has undoubtedly encountered patients who have been held in emergency wards for 24 or 48 or even 72 hours waiting for a bed. These are typically elderly patients who are there because of a fall or some other problem, and there is nowhere for them to go from the emergency wards.

3:40

The objective of reducing the waiting list for long-term care is a crucial one, and it would be useful for us to know how the minister and his department plan to meet that particular objective. I've already said it once today, and I've said it many times before. My sense is that we're probably spending enough on hospitals and doctors, but I'm not sure that we're spending enough as a society and as a government on long-term care. One of the ways we can improve the operation and the functioning of acute care hospitals is by actually spending a bit more on long-term care facilities so that we can place long-term care patients who are in hospitals and in emergency wards much more quickly in facilities where they need to be served and will be better served; i.e., long-term care facilities.

So I think this is an objective or a performance measure that will have huge benefits for the whole health care system and ultimately for all Albertans, and I would encourage the department to focus on that one and, indeed, to seriously consider increasing its financial support for long-term care in this budget and certainly in future budgets. There was a time when it was quite easy to track long-term care spending provincewide through the budget and through the financial reports of the government. It's become much more difficult now, but I'd like to know how that particular objective is going to be met. I would, as I say, support the minister if he were to seek more funding for that area of health care.

The concerns over drug costs is another area where I'm not convinced that we've actually budgeted enough. I don't know if the department is yet looking at a comprehensive pharmacare program, but there is a clear sense I have that we may be able to save money as a society by increasing the amount we spend as a government on pharmaceuticals. In other words, all health care spending comes down to coming from one pocket. It comes out of our pockets as individual Albertans, and I'd rather pay 80 cents out of my pocket as a taxpayer than a dollar out of my pocket as a marketplace consumer for pharmaceuticals. So if the department were to consider in its budget programs that lead us towards a comprehensive pharmacare system, I'd certainly be very interested in supporting those if they made sense, because I do think that they could ultimately save money and they could save money in more ways than just controlling costs.

One of the concerns that I hear repeatedly – and it's supported to some extent in the research literature – is that once patients are discharged from hospital and they go home and they are then responsible for their drug costs, they reduce their drug consumption. They will often, for example, cut their dosage in half because they can't afford the full cost of the drugs. Then, of course, they don't recover the way they should, and they end up back in the health care system. So that's an area where I think we could really take a tough and creative look at what we're spending on health care in this province.

Health care budgets, as we all know, are driven more by labour costs than by anything else, and there has been some controversy over the settlements of 18 months ago or so with the doctors and

with the RNs and the cost implications of those. As we move now into a whole new round of labour negotiations that will unquestionably have an immense impact on the budget, I'd be very interested to know what role the minister or his department will be playing in upcoming labour negotiations between the health authorities and unions such as AUPE or the Health Sciences Association of Alberta or the United Nurses. How active a role does the department plan to take in those negotiations, and is the department prepared to meet the additional obligations the RHAs will face when those labour settlements are finally agreed to? If they aren't, then the RHAs are caught in an unacceptable bind. So some information on that would be anticipated. I'm sure that for negotiating purposes the province's position won't be made particularly clear to me, and I understand that, but any indicators would be useful on that.

Another area where there is concern – and I frequently get questions on it – is the area of overtime expenditures. It would be useful for the province to actually make clear both in its budget and then in its final accounts how much is spent on overtime through the regional health authorities and potentially through the department itself but, I think, especially through the regional health authorities. Certainly I've received questions often wondering how much is spent on overtime, and there have been informal indicators to me that overtime expenditures are very high because we are short of staff. So it would be useful to know how much is budgeted for overtime costs and what steps are being taken to reduce those, because those are frequently unnecessary costs. They're certainly in the long term a cost we would want to bring under control.

[Mr. Lougheed in the chair]

Now I'll shift to questions on something the minister knows is near and dear to my heart: the issue of contracting out services and potentially the role of the private sector in providing health services to Albertans.

DR. TAYLOR: You've had a change of heart, and you're going to support it.

DR. TAFT: I have had no change of heart on this particular issue, so I will remain vigilant in watching over how it plays out and what it costs Alberta taxpayers and what it costs patients in terms either of extra fees or in terms of issues around reduced services or potentially better services, although I'm a skeptic on that front.

I'll begin again by comparing a financial presentation of information today with that of, say, 12 years ago. There was a time when some private expenditures were actually itemized. For example, the allocation to private nursing homes was a separate item in the provincial financial statements. It no longer is, and I think it should be, and I think it should also be in the budget. How much of our \$6.8 billion is going to private, for-profit providers of long-term care, of home care, and of other services? It used to be made very clear in the financial statements, at least for long-term care, and it no longer is, and I would like to see that. I'm also interested in knowing, of course, any cost-benefit analyses the department has done.

The minister has mentioned a couple of times recently in response to my perhaps repetitive questions the example of the Holy Cross hospital being, you know, a private, for-profit facility that's operating on a contract to the public system. Have there been cost benefits done of that facility, and what do they show? How much is the cost of cataract surgery at that facility compared to cataract surgery, say, at the Royal Alex hospital in Edmonton or the Lamont hospital or other public facilities?



3:50

On page 202 of the business plan there is actually a statement about – I'd have to scan through the page – the minister partnering with the private sector perhaps more and more. What does the minister envision and what does the department envision in terms of that public/private partnership? There is a strong lobby for public/private partnerships driven, of course, by the private partners, both the consulting firms and the companies themselves. On the other hand, there is evidence from Australia, Britain, and the United States, where these have been undertaken and evaluated, that they're not a particularly good idea and that they lead both to higher costs and reduced services. They also are frequently the cause of huge scandals. There are huge scandals in both the U.S. and Australia involving public/private partnerships in the health sector right now. So what is the minister's vision for the partnering with the private sector that's outlined in the business plans here that come along with the budget?

One of the roles, I guess, inevitably, and a justifiable role certainly in some cases, of the department is promotion and advertising, but it can become an expensive role, and it's not always clear what the benefits of the department undertaking advertising and public relations are. There was a news release, for example, issued a few months ago that the department was undertaking a million dollar public relations plan with its Health First initiative. How did that work out? Did that come in on budget, under budget? Is that turning up in this budget, or was that covered under last year's budget? How much was spent on TV and radio and print and so on? How much was handled through the Public Affairs Bureau? Were the Public Affairs' expenditures on that separate from and in addition to the department's, or how did they work out? What are the plans for the current year in terms of promotion and advertising? Will there be more promotion and advertising undertaken in conjunction with the Premier's Advisory Council on Health?

That moves us to the issue of the Premier's Advisory Council on Health itself. The budget has a wonderfully round figure in it of \$25 million exactly for expenditures relating the Premier's Advisory Council on Health, but it's not very clear what that \$25 million is going to go for. In fact, I don't think it's at all clear. How was that figure arrived at? It's such a marvelous number. It's amazing to me that it looks like it was pulled more or less out of thin air and that it was a pretty wild ballpark, but I could be wrong on that. Sometimes numbers add up to even figures like that. What will be spent on implementing the recommendations from the Premier's advisory council report, and how will it be spent? Is it going to the various implementation committees? Is it going to background research? Is it going to a lot more promotions and advertising? Does the government have any mechanism in place to measure the outcomes for how this money is being spent? How do we know that we're getting value for that \$25 million? Do we have any mechanism in place to tell us that, yeah, that was well spent or that we could do that better the following year?

I've gone nearly my 20 minutes again on this round, so I think that I'll take another pause in the action and again see if anybody wants to engage in the debate. Thanks.

THE ACTING CHAIR: The hon. Member for Cardston-Taber-Warner.

MR. JACOBS: Thank you, Mr. Chairman. I would like to rise today and make one or two observations regarding the study the committee is undertaking on the health estimates, particularly as it pertains to challenges that are being faced in rural Alberta by the costs that are being incurred by hospitals and regional authorities there and the revenue they're receiving.

[Mr. Tannas in the chair]

During the last couple of weeks I've attended several meetings in my constituency of elected officials and others, and because of the fact that the constituency I represent doesn't have a large population increase, their increase in funding is not very substantial. It's around 1.9, 2 percent, and that increase is not beginning to deal with the additional costs that the authority has incurred because of salary increases and other costs that have been incurred in the past year. So the fact that the Chinook regional health authority is going to be short a considerable amount of money, probably in the neighbourhood of \$11 million, even after the increase in funding from the department – this is causing a lot of frustration among the people in rural Alberta, specifically in southern Alberta, as to the effects that budget reductions could have on the communities that will be impacted. There are several good-quality rural hospitals in my constituency, and they are all worried about what effect budget reductions might have.

For example – and this is in the southern papers this morning, I notice, so I will make this comment and ask the minister if he would care to respond to the question – at a recent meeting of the mayors and reeves in southern Alberta they apparently passed a resolution asking for the University of Lethbridge to undertake a study to see if there are other ways that could be found to address the funding challenges being faced by hospitals, regional health authorities, et cetera. They simply are frustrated by the process that we either have to close hospitals or reduce staff or whatever, which will impact communities and will impact health care. So they're trying to think a little bit beyond the normal discussion and have come up with this proposal.

They're doing this simply as a response to the pressure they're feeling from the people in the communities which will be impacted. If you live in a community that's a hundred kilometres from a regional hospital and then if you're serviced in that community by that hospital and you live another hundred kilometres from that hospital, putting you 200 kilometres from a regional hospital, and there's a fear that your hospital is going to be closed, even though you are only an eight-bed hospital, you can understand the frustration that's felt by people who will be impacted by a closure or a reduction of a small rural hospital. This creates a lot of tension among people and a lot of fear and a lot of frustration and a lot of wonderment.

Now, I understand the challenges faced by the department of health, and I'm not advocating that we spend a great deal more of our budget on health. But I'm wondering if there are other ways that we could look at reducing health costs, making the system more efficient, and specifically if the minister would care to respond to the idea of the mayors and reeves to go to the University of Lethbridge or some other facility to ask for help in looking at ways to make the system more efficient. Also, they obviously would look at more time to respond or to set their budgets should such an event occur.

So I raise the concern that's being raised by many people in rural Alberta: the impact that reductions are going to have. Their population increases haven't been great, so they're not going to get large increases. They're dealing with some severe budget constraints. Health authorities are being challenged. From the point of view of rural Alberta are there some other ways we can look at here to alleviate the problem, and specifically what about the study that's being proposed by the mayors and reeves? If the minister would care to respond, I would appreciate it.

4:00

THE CHAIR: The hon. minister.

MR. MAR: Thanks, Mr. Chairman. I was aware of this meeting that the mayors and reeves had from the area that is served by the Chinook health region, and I can say that, first of all, I am very understanding of the concerns of Albertans, not just in the area represented by the hon. Member for Cardston-Taber-Warner but throughout rural Alberta. I understand the concerns that Albertans have expressed during this time when health authorities are trying their best to decide how best to use their budgets.

Mr. Chairman, we need not fear change. There can be new ways to deliver services that will continue to meet our health needs. I might make this observation about regional health authorities that serve rural Alberta: those that have been successful are those that have managed to keep people in their area, getting service in their area, or, in fact, reverse the trend so that people from larger centres come to rural areas for services.

It is perhaps not a complete analogy, but the owner of a small department store, a Saan store, in a small town in rural Alberta came to me and said that the ability to operate a hospital facility in a small rural area was not unlike trying to operate a Saan store and that if people in the local community did not shop in their local Saan store and instead came to places like Calgary to do all of their shopping, then ultimately there would be no viability in operating the Saan store in this small rural community. Similarly, he concluded that for those regional health authorities that have facilities in places perhaps like Cardston or Milk River or Taber or Warner, there would have to be some way of repatriating people from that community to make sure they got services, because the money that is provided by the health system in Alberta follows patients to where they receive their services.

So, Mr. Chairman, I acknowledge that there is some angst, again not just in the area served by the Chinook health region but in other parts of Alberta where there are many facilities but perhaps not as many people. We have to ensure through our process that any changes that we make at the RHA level will continue to ensure that access to appropriate health care services by the right person at the right time and in the right place is delivered by regional health authorities.

So the need for a financial review, in my view, is not required. I would have to be satisfied that Chinook was not managing its finances appropriately or that its current funding would not support its existing services. The chair, of course, of the Chinook health region is the hon. Jack Ady, a former Member of this Legislative Assembly and a former minister of the Crown. The fact is, Mr. Chairman, that we do need to make changes. Providing greater funding through our funding formula would simply in my view delay the need for real change in our system so that in the future we can continue to provide the right services in various parts of the province in an affordable way.

It actually brings me a bit, Mr. Chairman, to the question which was raised by the hon. Member for Edmonton-Riverview about the funding formula and how it works. It is a population-based funding formula. It recognizes that there are greater costs associated with dealing with lower income individuals and also greater costs associated with dealing with older people in the population, but if we were to get away from that basic funding formula, it would lead to a very strongly disproportionate amount of funding following patients to where they actually receive their services. This funding formula was extensively reviewed, I think most recently by our former colleague in this Legislature the hon. Bonnie Laing, who proudly served the constituency of Calgary-Bow for many, many years.

So, Mr. Chairman, I do acknowledge the concerns expressed by the hon. member. I do believe also that regional health authorities

are engaged in the idea of solutions that will address the kinds of concerns that he and others have expressed.

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

DR. TAFT: All right. I'll carry on then. Another question around waiting lists comes up. I talked a little bit about my thoughts on the long-term care waiting lists and the importance of addressing that and essentially a need for the budget to expand. The business plan also calls for a decreased wait list for MRIs, and I would voice a word of caution around unlimited enthusiasm for MRIs. I think it's a technology that is extremely useful as long as it's properly used, but I am concerned that there are pressures building in the public and perhaps in the medical community for an MRI for unnecessary things: you know, I need an MRI for this, or I need an MRI for that.

I'm concerned as well – and I have had this issue put to me – that there is a vested interest in some subsets of the medical community in maximizing the number of MRIs that are done, and we may want to turn to disinterested sources for an assessment of how many MRIs per thousand population or whatever measure we want to use are really necessary and at what point it simply becomes extravagant.

Of course, we would all support reduced MRI waiting lists for those that are genuinely necessary. There were times a couple of years ago when this was a real problem in Alberta, and I commend – boy, I'm in a good mood today I guess – the government for taking steps to address that issue. I now think we have an opportunity to really evaluate how much further we need to go with MRIs, and I would encourage the department to get an independent view of how many MRIs we need.

Moving through some of my notes here, again reflecting on the minister's opening comments that it's a year of transition and the initiatives taken in reaction to the recommendations of the Premier's council, I was a little bit surprised, if I'm reading the budget correctly, to see that the budget for strategic planning services in the department is dropping. It's not a big drop, but I am concerned that the ability of the department to plan for the whole health care system is, if anything, insufficient. So when I see the budget dropping, even if it's only by 1 or 2 or 3 percent, it concerns me that we may be being penny-wise and pound-foolish.

4:10

There is a profoundly important role to be played by strategic planning services, and I think we really could be shortsighted if we reduce that area too much, if I'm understanding the budget correctly. It raises the question – and I would be interested in knowing this – of what role, if that's been sorted out, strategic planning services will play in implementing the changes that will be entertained under the Premier's Advisory Council on Health in its report. Is the strategic planning services branch supporting the activities of the implementation committees, or will they be responding, or do they have any role at all in implementing the Mazankowski report?

I was also a bit surprised to see the expenditures under health information and accountability services dropping. I think this year's budget is \$3.3 million lower than last year's, about a 7 percent drop. I'll admit openly that I'm of two minds on the whole issue of health information and how to handle that. It's quite possible to pour tens of millions of dollars down a sort of electronic sinkhole and never get any value for that. At the same time, it is widely recognized that we need to improve our health information systems, and that may well be a key to improving the effectiveness of the health care system and to controlling costs.

So I'm curious to know the explanation for the drop in the budgeted amount this year for health information and accountability

services. It's still, of course, a significant amount of money, \$43 million. How is that allocated? What are the details on that? How much of that money goes towards permanent salaried staff? How much goes towards contract positions? What are the outcome measures that we will be looking at to know if we've achieved some value for our investment in that area? As I said, it's almost a stereotype or a cliché to talk about computer systems that waste money, so I want to be cautious here, but we can underspend as well as overspend.

I'm also concerned around who ultimately owns the material that's generated under the health information services area. I don't mean the contents of the information; I mean the software. If we are contracting out for major software development in that area, will we as a province own that ultimately, or is the software going to remain in the ownership of the software development companies? That would be important to me.

I'm also concerned – and I've heard this as a real concern from both the RHAs and from researchers, and the minister may well have too – that health information that is collected by the RHAs and provided by the RHAs ultimately, I think, to the department then is sent to a private third-party provider that I think is based in Montreal, and then the RHAs have to pay to get that information back, and researchers have to pay even more to get that information back. I may be misunderstanding the situation, but it has been made very clear to me that health researchers who are looking at the trends in health care spending and health status of Albertans are actually facing huge increases in the costs of their data now that it's being handled by a third-party private provider. I've heard the same thing, that RHAs who turn this information over on a free basis are now having to pay for it from private providers. So how is that handled in the budget, and what precautions are we taking in the future to reduce and eliminate those obstacles to really understanding what's going on in our health care system?

I could carry on, but again I don't want to monopolize the whole afternoon, so I'll take my seat. I don't know if the minister wants to respond.

THE CHAIR: The hon. minister.

MR. MAR: Thank you, Chairman. Just a couple of comments in response. One that piqued my interest in particular was the comments that the hon. member made with respect to MRIs and trying to determine what is the right number. He correctly pointed out that it's possible to both underspend or overspend, and trying to find the right number of applications of this important diagnostic tool is a very difficult issue. His comments were quite constructive in this regard and thought provoking. I might suggest that one of the things we should be considering when looking at any procedure in our health care system, not only diagnostic tools such as MRIs, is this question. As a first inquiry, is it medically necessary? Then the second inquiry would be: is it medically beneficial? Now, I don't know if there are many people who would argue that an MRI would be a medical necessity, but whether it is medically beneficial in every circumstance is, I think, an open question.

Perhaps I can illustrate by a particular example. An individual goes into a sports medicine clinic and has an injured knee, and the physician examines this person's knee and concludes that it is one of two things: it is either torn cartilage or it is arthritis. Now, the particular circumstances of this individual are that the individual has no family history of arthritis and he's relatively young. He's in his mid-30s, let's say. The physician says: "Well, we can give you an X ray, and that will confirm that it's torn cartilage, because it's not likely that it's arthritis since there's no family history of arthritis and

you're very young. But if you want to rule out that it is arthritis, then we can get you an MRI as well." I think we could probably agree that if an X ray was given and it was determined that it was in fact torn cartilage and not arthritis, then we wouldn't need to go the further step of ordering an MRI as well. So an MRI for examining knees may be a medical necessity, but for that particular circumstance it may not be medically beneficial. It may not disclose any further information than we could determine from another type of diagnostic test.

So in looking at all of the procedures that we do in our health care system, we should evaluate, first of all, whether they are medically necessary but also whether they're medically beneficial in all circumstances. That may lead, hopefully, to a better utilization of important resources, be they MRIs or any other procedure that we would choose to give.

With that, Mr. Chairman, I'll take my seat again.

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

MS HALEY: Thank you very much, Mr. Chairman. I appreciate very much the opportunity to be able to just make a few comments on the Health estimates. I guess I want to preface my comments by saying that I understand the line item in the budget and the way that it's laid out, but from just an average Albertan's perspective, if you were picking up this business plan and you were going to try as an average Albertan to understand the magnitude and the scope of what close to \$7 billion does in the province of Alberta from a health perspective, you probably wouldn't get a sense in here of some of the marvelous things that are being done, the number of surgeries that are being performed, the number of utilization visits to a doctor. I think we're at 30 million visits a year to doctors now. You wouldn't get a sense of how many doctors there are, 5,000, or if there is a growing number of doctors. You may not be able to find the issues in areas where we still need to improve.

4:20

You know, I don't mean it in a disrespectful way, but I think that this business plan could be enhanced a lot by putting some of that type of information in here. Even though I do know that it falls under regional health authorities, it's just that from an Alberta point of view, if you wanted to take this out and show it to your constituents, you wouldn't be able to just say to them that there are so many hospital beds or so many long-term care beds. I don't know, Minister. I'd just be really grateful if you could consider looking at some of those items for next time as a way to sort of enhance the information that is available to Albertans on a subject that's so incredibly important to all of them.

I know that for the close to 50,000 people that live in my riding, from a health care facility point of view Bethany Care has a long-term care centre there. They do a wonderful job, but it's only one. I have a community health facility that people can go to for public health care services, but I don't have a hospital, with 50,000 people. It is an issue in Airdrie, and for the last year and a half there's been a lot of study going on, Minister, with regard to what Airdrie needs and how best to serve those needs.

One of the issues that the Calgary health authority did come up with was a DAT centre, a diagnostic and treatment centre, for the south and for the north, and I've heard that it's delayed and then not delayed and then delayed again. Minister, I know that you and I share a common boundary for our constituencies. I know how much your riding has grown, and I know how much my riding has grown. We've probably got between the two of us well over 120,000 people in there with virtually no access to anything. I'm wondering if you

can give me some insight as to where you think the regional health authority is on that issue, because I know it matters. It's very near and dear to the people that live in my area who cannot figure out why they don't have a hospital when I try to explain that we've got a regional system. It's imperative that we do a better job of just getting something done for them, for your area and for mine. That Harvest Hills area is huge and is still massively growing. So I'm hoping maybe you could shed some light on that as well.

As for the rest of my constituents, I guess they would like to know at some point in the vision for health care in Alberta on accessibility how you see us dealing with the 24-hour care issues where we don't have access to a hospital. The health phone system: are we making some progress on those types of issues? I know that this maybe doesn't fall specifically in your business plan, Minister, but once again I just wonder if you could give me some insight as to how you see us handling these huge high-growth issues in some parts of the province.

Thank you very much, Mr. Chairman.

MR. MAR: Chairman, these are important questions to be asked and have been asked by Members of the Legislative Assembly, on both sides of the House I might add. How will we deal with issues like primary health care reform? How will we deal with 7-24 care?

Let me make the observation, Mr. Chairman, that in the current iteration of the health care system we do not have enough physicians, we do not have enough nurses, but that suggests to us that there are two things we can do. We can either increase the number of doctors and physicians and nurses that we have, or we can make better utilization of the existing pool of such resources that we currently already have. I think that in looking at primary health care reform, in looking at how we will deliver health care in the future, it may not be in places like hospitals. We may be able to use technology in a manner that is much more effective and useful.

I will share another perhaps imperfect analogy but a story that is worth while repeating, I think, and that is of a friend of mine who is well known for his love of horses. He happens to live in the province of Ontario. He's a minister of the Crown there. He took his horse, who had an equine bone spur, to the local veterinarian. The veterinarian took a diagnostic image of this horse's foot, and he took a digitized image which he sent digitally to one of the world's leading experts on equine bone spurs, who happened to be in the state of Texas. The veterinarian in Texas looked at this bone spur and phoned back to the veterinarian in Mississauga and said: here's what you do, and here is how you do it. The total cost for this treatment and diagnosis was \$1,500. This minister of the Crown from Ontario said: I hope that someday people will have the same access to affordable high-quality health care that my horse does.

Mr. Chairman, the growth in areas like Airdrie-Rocky View is mirrored in other parts of the province. I can't help but be reminded of the hon. Member for Calgary-Shaw, whose riding in the south end of Calgary is extremely large and growing rapidly. The idea is that we do need to meet people's needs. Whether those needs will be met by a physician in a clinic or in a hospital or whether they will be met in a different manner, such as the diagnostic centres that the hon. member raised in her comments, I think that is an open question. I think that regional health authorities are working hard looking at different ways of meeting people's needs. Of course, this province is well known for its innovation. It's not an overstatement to say that people have traveled from all over Canada and other parts of the world to look at centres like the Northeast community clinic here in the city of Edmonton or at the Eighth and Eighth centre in the city of Calgary. These are innovative ways of delivering health care. Also, another good example would be the 24-hour link line

that has been set up by the Capital regional health authority. That link line now serves not only the city of Edmonton but Peace River and the Mistahia health region, which includes Grande Prairie. It has demonstrably reduced the number of unnecessary visits to emergency rooms in the jurisdictions that it serves.

Mr. Chairman, I can say that we don't have all of the answers as to how we deal with the kinds of pressures outlined by the hon. member, but I do believe that we are taking steps in the right direction and that we have a good sense of what our health care system is going to look like five and 10 and 15 years down the road. There will come a day when, if you are injured while on the highway in Pincher Creek, an emergency medical technician will by wireless communication be able to access your health record if you are a resident of the city of Calgary, find out that you are a diabetic, that you are on certain types of medications, that you are allergic to certain types of things, and govern the treatment accordingly. Your health record would be available to other providers of health care to you so that we know that you won't be given drugs that will either cause an allergic reaction or conflict with another medication that you already have. Your diagnostic tests will be available on a secure-access system so that a radiologist can take a look at your diagnostic image regardless of where they are in the province of Alberta. These things are ways that we will be able to improve access and quality of our publicly funded health care system in a way that will be, I believe, an envy to other jurisdictions throughout the world.

THE CHAIR: The hon. Member for Edmonton-Glenarry.

MR. BONNER: Thank you very much, Mr. Chairman. This is a massive budget that Health and Wellness has, and it certainly does reflect the priority that Albertans have for their health and for their quality of life and, as well, their concerns, particularly concerns when health care is going through a transitional period. It seems that we have been going through this transitional period for the last eight or nine years. Certainly I think that all Albertans would love to have that sense of security, that sense that somebody has taken control and that the public health care system will be there for them when they need it.

4:30

Now, then, I was looking at the business plans on page 205, and I noted that "Alberta Health and Wellness welcomes the opportunity to lead the cross-ministry Health Sustainability Initiative in 2002/2003 by developing, in partnership with Alberta Seniors and Alberta Finance," and we are looking here at "a government-wide strategic framework to enhance the sustainability of the health care system into the future." What I would like is if the minister could provide us with some of the details on this cross-ministry health sustainability initiative in 2002-2003 and if he could further elaborate on what performance measures have been laid out for the initiative and what part of the plan is in place.

In moving forward to page 206 of the ministry business plan, I notice that one of the goals and strategies here is to decrease the wait list, certainly a target that Albertans would want to see, that all of us would want to see, because there is nothing worse than waiting for medical attention. So if the minister could please outline in the business plan how the decreased wait list for long-term care facility admissions is going to work.

Now, then, as well on page 206, according to the business plan, "the Ministry collaborates closely with health authorities, agencies and other stakeholders," and it goes on to say that it also "demonstrates leadership in setting direction, policy and provincial stan-

dards.” Can the minister give us concrete examples of where the ministry has provided leadership to RHAs, how they collaborate with the RHAs, and how this whole issue, that some of our RHAs are predicting that they will be running deficits, can be addressed?

As well, when we were looking at the ministry’s business plan, the ministry is prepared to “establish more clearly, the accountability for health authorities and health providers for service provision, governance and management.” If the minister could please outline what concrete steps he is prepared to take to accomplish this goal beyond “the introduction of multiyear performance contracts and targets” suggested in the business plan.

Now, another area of concern that I do have, Mr. Chair, is with health care insurance premium revenue write-offs, and I notice here that in the year 2002-2003 the estimates for these write-offs are somewhere in the neighbourhood of \$41.3 million. In the year 2001-2002 the forecast was \$32 million, and the budgeted amount in the year 2001-2002 was \$28.8 million. So, again, we are noticing that write-offs are expected to be 29 percent higher than last year’s forecast. They are also expected to be 43 percent higher than last year’s budget. I know that the minister has already indicated that he did not see Alberta families having difficulty paying the premiums. Would he further elaborate on why we are looking at more than \$41 million in expected write-offs this year?

As well, Mr. Chair, if the minister could please inform us if the department has done any analysis of what effect the 30 percent increase in health care premiums will have on premium revenue write-offs. I’d also be interested if the minister could provide a detailed breakdown of the administrative costs of the administration and collection of health care premiums for 2001-2002 as well as the estimated cost for 2002-2003. If this information could include but not be limited to manpower costs, materials, supplies, equipment and postage, computing services, money paid to external collection agencies including the number of cases referred to external collection agencies, banking services, and income verification. Also, could the minister provide a copy of any directives or guidelines given by the Department of Health and Wellness or any other Alberta government department to external collection agencies who have undertaken the task of collecting overdue health care premiums? My final question in regards to health care premium revenue write-offs is: what is the number of cases of unpaid health care premiums that were written off in the year 2001-2002?

With that, Mr. Chairman, I’ll give some other member the opportunity.

THE CHAIR: The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Chairman. I’m happy to continue in the vein that my colleague was speaking, and that’s with regard to health care insurance premiums, particularly the revenue side I would like to take a look at. First of all, I’d like to ask a general policy question, and then I have some specifics on the actual budget items. It’s my opinion that health care premiums as a user fee are a tax, and it would be my opinion and that of my colleagues in the opposition that this kind of a tax is a regressive tax and impacts low-income and middle-income people significantly harder than it does others in our society. So, in general, I would like the health minister to explain how it is that he feels that they can justify taxing people for health care.

Now, I have heard him say in this Assembly and elsewhere that he believes that Albertans need to appreciate some form of the cost of health care services, and I would suggest to him that we used to have a system in this province that worked very well at letting Albertans know how much their health care cost, and that was a yearly billing

summary, that went out to them, that was the summary of the costs incurred on their behalf and on members of their family’s behalf for health care services used throughout the year. That was not a bill but a statement and listed those costs associated with their uses, and I felt that that was a very good way of bringing home to people in the province the kinds of benefits that they received through a universal health care system. I think that if you want to bring home the actual cost to people, that’s an excellent system to use.

If I remember correctly, that system was discontinued because of the costs incurred in sending the statements out, but it would seem to me that that was a small price to pay for keeping people fully informed of what the actual costs were. For instance, if you just had a few doctor’s appointments during the year or nothing, you would have very limited costs, but if someone in your family had received extensive care for some reason – had heart attacks, strokes, extended hospital visits – people got a full appreciation for the costs associated with providing that kind of service, and I think that that’s a benefit.

On the other hand, what we have now is a premium that is at best a token premium in terms of covering the costs of health care services provided. It’s a premium that is more heavily borne by those of lower income. Now, I know that the lowest income members of our province can apply for and receive subsidies or partial subsidies, but it doesn’t cover the working poor or the middle class in the province, and it significantly disadvantages, I believe, young families who are trying to get ahead in this society and often bear a high proportion of health care costs and other operating costs.

4:40

If the minister can explain to us his philosophy and his government’s philosophy in terms of continuing to pursue health care premiums over and above what he has stated in terms of their just bearing some costs of the services provided, particularly in view of the fact that we’re one of only two provinces in this country to pass on that cost, particularly in view of the fact that I would believe that we are the wealthiest province in this country and wonder why that’s the kind of cost we would pass on.

In addition to that, I’m interested in knowing what the administrative costs of providing that particular service are and, as my colleague from Edmonton-Glengarry stated, the collection costs and the number of delinquencies we have and exactly what they do to pursue those costs. I’ve heard of people being pursued by credit collections agencies, but I’ve also heard the flip side, where people have gone for absolutely decades without paying this service and have no intention of ever doing so. So if we could have some information on that.

Then with the addition of the latest increase in costs for Alberta health care premiums we’d like some descriptions of how those costs are being borne by different sectors of our population and industries and organizations. Also, the rationale for increasing those costs without having any direct consultation with those parties who would be directly affected; that being individuals, companies. There are a number of organizations throughout this province representing groups of businesses and organizations who I’m sure would have dearly loved to have been consulted about the potential for an increase and could have discussed with the government their rationale for going there and also express to the government the kind of burden that increasing those premiums would be for them. So, in that vein, I would like some specific answers, if I could.

Let’s talk about Alberta businesses first. If I remember correctly, about 40 percent of businesses collect health care premiums on behalf of their employees and also pay their premiums or some share of those premiums, not the least of which is ourselves. We pay a

portion, and the Legislative Assembly pays a portion. So could the minister tell us how much Alberta businesses will have to pay for health care premiums in 2001-02 and 2002-03 so that we can get some comparison figures there? How much information does the department of the minister actually keep on the premiums that businesses pay in Alberta, and what's the cost of collecting that data? We'd also like to know that information. What was the total cost to the government itself? I see what the costs are for myself over the course of the year, but if we were to include all the members of the Assembly and the various government employees, let's take a look at what that costs. Were government departments given an allocation in this year's budget to cover those increasing costs? Nobody in the private sector was, so I'm wondering what happens there with the government.

For people who have organizations who have fixed their budgets in advance, this kind of an increase can be substantive and is a curve ball that many of them wouldn't have been expecting. Is the minister collecting data on how much postsecondary institutes have had to pay for health care for their various employees last year as compared to this year? How about RHAs? Could we get the information on that? That one should definitely be available.

I just heard from the ATA recently about the increase in costs that they're going to bear as a result of this change, and in a climate where they feel that they have been unfairly treated by the government and where they have certain restrictions on how their operating funds are administered, they now also have to carry the additional burden of health care premiums. I don't see the number readily at hand here, but if I recall, it was in the order of 300,000 to 400,000 additional dollars just on the increase in the premium. So if the minister could explain to us the rationale behind how he would expect them to pay for those increased costs. That amount of money is a significant number of teachers in the province or a significant number of textbooks. The pie is only so big, and they have to make some choices. We'd like to know how the minister would expect them to make those choices.

When we talk about answering the question of how much is spent in administering the health care premium department, particularly on the collection side, we'd like a specific breakdown on that, the number of employees and mailing costs. Exactly how are collection costs handled? Are they handled within the department? Are they subcontracted out to collection agencies? How long before delinquent accounts are sent out or sent to the collection component? What is their success rate? How much specifically do you write off in the course of a year, and are there two sets of write-offs? Sometimes organizations will write it off the instant they send it to a collection agency and then recapture whatever is collected into revenue. If that's the case, we would like that kind of breakdown done there too.

I would think that when the government came up with the idea of increasing health care premiums, there were some sorts of studies or work done in order to analyze the affordability of the increases in the premiums. If that information is available, would you share it with us, please? If not, would you tell us why that work wasn't done? Have you done in collaboration with perhaps Treasury or any other departments impact assessments regarding the impact on the economy and on businesses from the increase in health care premiums? Regressive taxes like this take money out of the economy and act as a destimulant, and we would certainly hope that the government acknowledged that and accounted for that when they went forward with this kind of increase, and we would like access to that information. If they didn't do this, we would like an explanation of why. I think that it is not responsible for a government to only look at their own short-term goals of meeting budget requirements but that they have a more long-term objective and should have

a wider vision in terms of the impacts the decisions they make have on the people as a whole and on the economy in general. So if we can get that information.

That was all in program 2, and I would like to go to program 3 for a few minutes, if I may, Mr. Chairman, and talk about the Alberta Alcohol and Drug Abuse Commission.

It's very interesting to see the changes in this commission over the years that I've been in this Legislature. Initially the mandate of the commission was to deal with primarily alcohol and some other kinds of substance abuse. We have seen a very huge increase in gambling addictions over the years, which does seem to have a direct correlation to the open-door policy that the government has to gambling in the province now. So I'm wondering if they are tracking the increase in the addictions by type over the course of the years and if they compare that to the increase in gambling revenues and if they have drawn any correlations from that. If that information is available – and I want more than just a three-line answer. I would like access to some of the documented research. If you could tell us where we could find that, that would be very helpful.

4:50

Interestingly enough, AADAC finished last year under budget, 3.8 percent below budget, and if we could get some explanations as to why that was. I know that over the last year or so there have been some reorganization in terms of centralizing some of their centres, and I would like to know how that is done, if that's been a success or not. I know that initially some of the treatment centres were located in other regions of the city for a few reasons: access for people who lived in those particular areas and also because a lot of people that lived in large urban centres didn't want to have to come downtown for treatment due to many factors, not the least of which was that people whom they knew would see them and create other social problems for them. So if we could get some information on how that centralization has worked and how it's going in rural Alberta. Mr. Chairman, we'd like to have some of those answers. Has regionalization worked in that area? Are people getting access to treatment that need it? I'm sure they must be tracking the stats in the rural areas in terms of increasing or decreasing problems, and if you could share that information with us.

When we see such a significant decrease in funding like this \$1.75 million – it's not big in terms of the global budget for health but big in terms of this department – it usually means that there was some sort of reduction in services or programs. If that was the case here, would the minister please share that with us. What are his expectations for this department in the future? Is it looking at increased costs, or does it look like they're going to be holding the line? If so, then what would be the justification for that? What do they determine to be success rates in terms of people who access the programs and who successfully complete the programs, and how many people repeat within the system and over what course of time? That would be very good information for us to have.

I wonder if the minister can also explain why the government doesn't increase funding for gambling addictions by an amount equal to the percentage increase in gambling revenue. It doesn't seem fair that as gambling increases in the province, it hasn't kept pace with the treatment. So if he could explain that.

When I look at the stats, we're receiving an increased amount of revenue and not a parallel kind of increase in funding for treatment facilities. Often we've heard in this Assembly ministers of health talk to us about how we've always had gambling in this province with bingos and so on and that the opposition has been on the bandwagon about increased funding for gambling addictions because gambling addictions have increased is just a smoke and mirrors exercise. In fact, if we take a look at the relative addictive factor of different kinds of gambling, we will find that forms like bingo are –

I won't say far less addictive, but it takes a person playing bingo a much greater time to become addicted than it does for someone playing a VLT.

All statistics I have looked at would state that the difference is phenomenal, that due to the very fast payoff and the sensory input of VLTs, people become addicted much quicker. It's pretty hard to spend the same amount of money on bingo as you can drop in a VLT machine in an evening. What we've seen as a result of that is people with just absolutely horrendous stories and living horrendous lives who have VLT addictions and end up spending a great deal or all of their paycheque there. The outcome of that is not only the gambling addiction but the side effect of all the social costs. We see the increased social costs. We see family breakdowns. We see neglect of families in terms of being able to provide the basics of food, shelter, clothing, school supplies. So there's a big cost.

Many studies have indicated that the costs to treat the side effects of gambling are \$3 for every \$1 that's collected by the government in revenues. So I would like to know what the minister's opinion is of that, and has he seen any parallel funding programs or support programs in the other areas – the children's services area, the housing area, education – to support the increased costs that we have seen from gambling?

In the time that I have remaining, Mr. Chairman, I would just like to talk about this government's tobacco reduction strategy. We saw a significant increase in costs for cigarettes. We've received lots of feedback. I'm sure that every member of the government has as well from those people who use the system. I'm not a smoker, and I'm happy to support programs that eliminate smoking, and I'm happy to see that the amount of smoking in public areas is being reduced. But for those people who are smokers and who are addicted to smoking, we see this significant increase in costs come about without any significant increase in support or help for those people to kick the habit. So is the minister addressing that? He didn't in the budget, but perhaps he has some plans that he could announce soon with regard to that.

Thank you.

THE CHAIR: The hon. Member for West Yellowhead.

MR. STRANG: Thank you, Mr. Chairman. It's a great honour today to stand and speak to the Committee of Supply on Health and Wellness. I guess a couple of items I'd like to display and get some answers on. Number one, I realize that with the Mazankowski report we have to make change. I looked at the aspect of change within my area, and what I've done is I had a meeting on April 3 to talk about the aspects of health and wellness within the rural setting. I had people from Jasper, Grande Cache, Edson, Hinton, and the Yellowhead county to discuss what was transpiring. I had very able people from the Department of Health and Wellness that gave us the outline of the 10 different facets that we're looking at for the total of 44 recommendations in the Mazankowski report. We broke up into different groups so that the people in the group would have a chance to discuss each one of the different items in there.

We assembled in the afternoon to talk about the different areas, and it was interesting to see how each person made their presentation, and then we culminated in the afternoon to look at the aspect, number one, of how we would rate each one of the different facets. It came up very strong. Number one was that we have to have sustainable funding while we're in the transition of change, because they wanted to make sure that was understood first. So I guess that was really the strong point that came out of it.

I guess the other thing that was sort of a strong understanding was the aspect of developing a rural health strategy. As you realize, we

in rural Alberta don't feel that we are going to get the same services that we get in the Capital or the Calgary region. We realize that we can't do heart surgeries and that in our area, but I think we're looking at the core services. As you look at our region and if I go to the extreme western part of my region and you take the municipality of Jasper, what happens in the two strong seasons – the summer and winter seasons – in that community? That community doubles in population, sometimes even more, where we're getting really high in population. We have the need for that, so we've got to try and compensate for that. We have other areas in our region where we have the aspect of industry. We have a lot of oil and gas in our area. As you realize, with the way the basins are in our region, because they're drilling along the eastern slopes, they're very deep holes. Therefore, they're there for quite a while. It's a vulnerable industry.

5:00

We have the forest industry, which is also very highly mechanized now, but we need the core services in our area. I guess the other thing that I really want to stress is the fact that we have to have these core services in our area because then we don't entice industry to move into the area. As you realize, a lot of our industry is based on resource sectors, so we need that type of system set up.

I guess the other thing that I would like to really stress and stress fairly strongly is that if you take a look at our region, there are a lot of areas where we have operating rooms. We have the aspect of some surgeons in our area, but I still believe that doctors in the city of Edmonton, being that we're in close proximity to them, have the latitude to come and utilize our facilities, and patients I think are willing to travel to do that. Out of my group when we were discussing this, there was sort of agreement with one of the groups that came up that they'd be willing to travel for two hours to get services. So I think that's something that we have to really look at.

I guess the other thing that I really want to stress and to try and get an understanding of, if I may, is on ambulances. As you realize, in some of our regions we have foreign doctors, and because of the College of Physicians and Surgeons they're not allowed to practise some practices because they've got to keep up the accreditation. So there are some areas in West Yellowhead, namely Grande Cache, where nobody is allowed to have a baby. They have to either go to Grande Prairie or they have to go to Hinton. But these doctors have the accreditation from their other countries, and I fail to understand why we can't streamline something along that line.

I guess the other thing I'd like to stress and stress fairly strongly is the aspect of looking at some system on telehealth. You know, in the rural area I think we have to have people take ownership of aspects of their health. They have to look after their health. So if there is some way that we could get that in the rural area, they'd be able to get out and have the people take ownership of their own health.

I guess the last thing that I want to talk about today is the aspect of long-term care. I know we've all got different names, and I wish that we would take the initiative and get the proper definition on this. For long-term care in the region of Whitecourt-Ste. Anne and in the region of West Yellowhead we're going to have two facilities built. Hopefully they're going to be open this fall, but with our process that we have, we won't have any money to operate them, and that's operating capital. So I'm just wondering what we're going to do to try and derive a system so that we can go ahead and have that type of a system set up so we can facilitate these facilities when they're open. As you realize, with long-term care and what's transpiring in our region now, we have a number of lodges. What's happening with the lodges is we're having long-term care people in those lodges, whereas they should be in a long-term care facility.

Hopefully, when this fall comes, we are going to have those facilities to transfer them to. I think we have to have more of an insight on the aspect of total health, and we have to sort of co-ordinate it more.

I think that with those few remarks at this time, Mr. Chairman, I appreciate the time you allowed me. Thank you very much.

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

DR. TAFT: Thank you, Mr. Chairman. I just wanted to cover a handful of other points. The population health area is one. Again, it would seem to fit in with the priorities that the minister has struck and with some of the recommendations in the Mazankowski report that we support, yet I see that there is a drop in the budget for the population health branch of the department. So I'm interested, given that, I assume, that's a priority, in why we are spending less on it. Maybe I'm mistaking its function or mistaking priorities. That's one issue I'm interested in.

Another one has to do with practitioner services, especially the whole issue of alternate compensation strategies. This is a huge area, as the minister knows, a billion and a half dollars, and it has jumped significantly. So it's one that I'm sure is going to cause a lot of concern in terms of containing the expenditures in this area. I know that the minister has laid out a target – I'm not sure if it's in the business plan – of 50 percent of physicians being paid through alternate compensation strategies within three years, I believe. It's a very, very ambitious target. You know, we've supported an increase in alternate compensation strategies for physicians but nowhere near the ambitious level that the minister has laid out. We're wondering what provisions are in this budget and what strategies will be used over the next three years to implement that target. What are the cost implications? There are arguments to be made that in fact it could increase the costs of physician services. So some greater detail on how this budget and the business plans advance that goal would be very helpful to all stakeholders.

The minister in his opening comments talked about the elimination of the extended health benefits program and the transfer of \$9.2 million to the Seniors department to offset some of that elimination. I'm wondering if the department has done any assessment of how many seniors will be affected by the elimination of that program. We'll be spending roughly \$15 million or \$16 million less. How many seniors will be affected? Frankly, what will the impact be on other programs? Will we see some of the people who are now short of services costing us more in other areas of the health or government expenditures?

Finally, my closing comment will address ambulance services. Ambulance services and the ongoing debate over how to best handle ambulance services are, I'm sure, for all of us a priority. There is a drop in the expenditures on ambulance services proposed in this budget. It's about, I think, a 3 percent drop, and I'm wondering how that's being achieved. Is that because of an efficiency, or is that because of some change in demand? What's the explanation for that drop in ambulance services?

Actually, I'm sorry. I did have one other comment here. For the Health Facilities Review Committee, of which I was actually a member at one time for eight years or maybe even nine years, way back, last year's budget was \$560,000. The forecast for this year is an increase, up to \$630,000, which is about an 11 percent rise. We're looking at dropping back to the \$560,000 in this year's estimate. I'm curious to know what the explanation is for that up and down or down and up pattern. Is less being spent, or is it being spent more efficiently? Are the committee's activities properly explained and properly accounted for here, or will we be seeing a rise in their expenditures before the budget year is over?

So with those comments I thank you, Mr. Chairman. I appreciate

the attention of the minister, and I've appreciated your back and forth comments here. I think they're constructive, and I hope our comments have been constructive too.

Thank you.

5:10

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

MR. MAR: Thank you, Mr. Chairman. I have appreciated the constructive comments made by all members of the Assembly who chose to rise to speak this afternoon. I confess that I'm ill able to write as quickly as the people from my department, and I am perhaps even less able than the people who work for *Hansard* and have recorded comments by all members. I will, as I undertook at the beginning of today's session, review the comments made by all hon. members, and where I have not replied, I will do so in writing in due course.

Thank you, sir.

THE CHAIR: After considering the business plan and the proposed estimates for the Department of Health and Wellness, are you ready for the vote?

HON. MEMBERS: Agreed.

Agreed to:

Operating Expense and Capital Investment	\$6,795,313,000
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THE CHAIR: Shall the vote be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIR: Opposed? Carried.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Chairman. I would move that the Committee of Supply rise and report the estimates of Health and Wellness and beg leave to sit again.

[Motion carried]

[The Deputy Speaker in the chair]

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

Resolved that a sum not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 2003, for the following department.

Health and Wellness: operating expense and capital investment,	\$6,795,313,000.
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THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I would move that we adjourn until 8 this evening, at which time we'll resume in Committee of Supply.

[Motion carried; the Assembly adjourned at 5:15 p.m.]