

Legislative Assembly of Alberta

Title: **Wednesday, April 28, 2004**

1:30 p.m.

Date: 04/04/28

[The Speaker in the chair]

head: **Prayers**

The Speaker: Good afternoon.

Let us pray. On this day let each of us pray in our own way for all who have been killed or injured in the workplace. Life is precious. When it is lost, all of us are impacted.

In a moment of silent contemplation may we now allow our thoughts to remember those taken before their time, those who have suffered through tragedies and reach out to the families, friends, neighbours, and communities most immediately impacted. May God provide them eternal peace. Amen.

Please be seated.

head: **Introduction of Visitors**

Mr. Tannas: Mr. Speaker, I am pleased today to introduce Mr. Christopher Shyne. Mr. Shyne recently retired as member of the Oldham metropolitan borough council in England, where he was a member from 1992 to 1996 and again from 1999 to 2003. He was also elected as a member of the Greater Manchester county council in England from 1977 to 1981. In addition, from 1999 to 2003 he was the leader of the Tory group.

Mr. Shyne is accompanied here today by his son-in-law Mr. Andy Holt, creative director of Rose Country Communications Ltd. They are seated in your gallery this afternoon, Mr. Speaker, and I would ask them to rise and receive the warm traditional welcome of the Assembly.

head: **Introduction of Guests**

The Speaker: The hon. Minister of Learning.

Dr. Oberg: Thank you very much, Mr. Speaker. It gives me great pleasure to introduce to you and through you someone who has done a tremendous amount of work with the Alberta Association of Colleges and Technical Institutes. He's a former president of Keyano College in Fort McMurray, and he is someone who is now doing a tremendous job in bringing the colleges and technical schools together. I would ask Doug MacRae to stand and receive the very warm welcome of the Legislative Assembly.

The Speaker: The hon. Minister of Sustainable Resource Development.

Mr. Cardinal: Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to the Members of the Legislative Assembly three members of my department that investigate fish and wildlife offences. They are seated in the members' gallery: Dr. Rick Jobin, Tom Packer, and Richard Lyons, and also my acting executive assistant, Dave England. I'd like them to rise and receive the traditional warm welcome of the Assembly.

The Speaker: The hon. Member for Edmonton-Glenora.

Mr. Hutton: Thank you very much, Mr. Speaker. It is indeed a pleasure to rise today and introduce 21 bright minds from my constituency. They are from Glenora elementary school, and they are here to tour the Legislature. Accompanying them are their

teachers and parent helpers, which include Mrs. Lynne Spencer, Mrs. Jan Zechel, Mrs. Dawn Haack, Mrs. Karen Cromwell, Mrs. Linda Richards, and Mrs. Heather Klimchuk, who is also the president of the parent council. I would ask them to please rise and receive the traditional warm welcome of this Assembly.

The Speaker: The hon. Member for Edmonton-Glegarry.

Mr. Bonner: Thank you very much, Mr. Speaker. It gives me a great deal of pleasure to rise this afternoon to introduce to you and through you to the Assembly 80 bright, intelligent, enthusiastic students from Northmount elementary school in the constituency of Edmonton-Glegarry. They're accompanied today by teachers Ms Gloria Arsenault, Mr. Terry Butlin, Ms Irene Siedlecki, Ms Charmaine Francis, Mr. Paul Anderson and teacher assistants Karen Lowes and Leslie Yankee. I would ask them now to rise and receive the traditional warm welcome of the Assembly.

Thank you.

Mr. Ouellette: Mr. Speaker, my group isn't here yet. They're not going to be here until about 2:30, so at that point I'd like to revert to Introduction of Guests.

Thanks.

The Speaker: The hon. Member for Red Deer-North.

Mrs. Jablonski: Thank you, Mr. Speaker. Today it is my great honour to introduce to you and through you to members of this Assembly a group of 37 enthusiastic, energetic, and active people. Thirty-seven seniors from central Alberta are here to visit us today to observe their government in action. Their group leader is June Wade, and John Parsons is the tour group operator. I would ask the members of our group from central Alberta to rise and receive the traditional warm welcome of this Assembly.

Mr. Speaker, I have another introduction as well. I'd like to introduce to you and through you to our members Mrs. Elizabeth Lund, the mother of our very distinguished and dedicated Minister of Infrastructure. Mrs. Lund was born in Scotland and came to Canada at the age of three. She has been married to her husband for 65 years – they celebrated their 65th wedding anniversary last month – and they have been working on the family farm, which was established in 1906. Mrs. Lund, welcome, and I think that you should stand and receive the warm welcome of this Assembly once again.

Mr. Doerksen: Mr. Speaker, it just goes to prove how great the influence of central Alberta is on the rest of Alberta and Canada.

Among this group is another example of that, and I'd like to introduce especially Eugene and Loretta Moran, who are also there, and ask them to rise. They are the parents of Charlotte Moran, who is the executive assistant to the Minister of Energy.

Mr. Smith: Well, Mr. Speaker, it's certainly a great day to introduce great Albertans, and in that light I would like to introduce to the House and through you to the Assembly Mr. Kamil Umar. Kamil is working in my officer prior to entering law school in the fall. His father is a distinguished professor of political science, his mother has a master's degree in political science, and he's here in the laboratory. So I'd ask him to rise and receive the warm welcome of the Assembly.

The Speaker: The hon. Minister of Justice and Attorney General.

Mr. Hancock: Well, thank you, Mr. Speaker. Special Olympics Edmonton is a local nonprofit organization whose mandate is to provide opportunities for people with mental disabilities to participate in sport and training programs. As a member of the Kiwanis club I've had occasion to work on Special Olympics, and there can be no more rewarding an afternoon than being at Special Olympics and helping children and adults with mental disabilities achieve in that arena and feel so good about what they're doing.

On March 13 this organization, with the support of the good folks at Capital City Savings, held a fundraising event called Bowl for Special Olympics Edmonton at the Bonnie Doon Bowling Lanes. The event was a resounding success, raising over \$52,000, and I'm proud to note that many of the Legislature staff and members of government caucus who were asked contributed to that fundraising total to the tune of \$750.

We all know that these events are only successful because of the hard work and dedication of the people who organize them and run them. So through you I'd like this Legislative Assembly to welcome and thank Mr. David Armstrong, director of member services and direct banking at Capital City Savings – David has been involved in the Edmonton Special Olympics for over 15 years and has served in virtually every capacity, including chair, vice-chair, treasurer, volunteer co-ordinator, and currently past-chair of the organization – Ms Jacqueline Broverman, community investment adviser for Capital City Savings, who's involved in the organization as well; Ms Louise Suru, who's the office manager for Special Olympics Edmonton; and last but not least, Mr. Speaker, Mr. Lenny Andrichuk. Lenny was this year's chairman for the Capital City Savings Bowl for Special Olympics in Edmonton. In addition to this role, he has also served in a volunteer capacity for many years as a track and field coach with Special Olympics.

I'd ask these four individuals to rise and receive the traditional warm welcome and sincere thank you of the Legislative Assembly for the work that they do to make our community a better place.

1:40

The Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Mr. Speaker. It gives me great pleasure today to introduce to you and, indeed, to all hon. members of this Assembly a very special constituent of mine who also happens to be the deputy leader of the Alberta Social Credit Party. His name is Alan Cruikshank, and Alan is sitting in the public gallery. I would ask Alan to please rise and receive the warm welcome of the Assembly.

head: **Ministerial Statements**

The Speaker: The hon. Minister of Human Resources and Employment.

National Day of Mourning

Mr. Dunford: Thank you very much, Mr. Speaker. April 28 is our National Day of Mourning for workers who have been killed or injured on the job. One hundred and twenty-seven people died from job-related injuries or illness last year in this province. Someone was injured on the job every three and a half minutes. Even though our workplace safety performance is improving, this is still too many deaths and too many injuries and too many devastated families and friends. Everyone in this province should make it back home to his or her family in good health at the end of their workday.

Last year the Alberta government launched the WorkSafe Alberta initiative in conjunction with labour, employers, and safety associations to make improvement in workplace safety. We've made

substantial progress in this province in reducing the workplace injury rate. However, some industries still increased their injury rate, and the number of work-related fatalities actually increased. That is just unacceptable.

We have to keep the pressure on employers, workers, and the public to keep safety as a front-of-mind issue. We in this Assembly have the privilege and the responsibility of leading societal change. I'm calling upon my fellow members to help lead this change. I would like to ask the members of this House to show that they accept that responsibility, first of all, by remembering injured and fallen workers but also by attending ceremonies that are being held in their communities across this province not only today but through the weekend.

I want to say thank you for honouring and respecting our fallen workers by having observed the moment of silence.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Gold Bar on behalf of the Official Opposition.

Mr. MacDonald: Thank you, Mr. Speaker. One hundred and twenty-seven Albertans died as a result of their work last year. One hundred and twenty-seven families struggle to cope with the unexpected and unnecessary loss of a loved one as a direct result of that person's commitment to provide for their family by going to work. Those families continue to struggle. Sadly, the number of people who died as a result of their work was up last year compared to previous years; 98 people died in 2002 and 106 in 2001.

About half of last year's work-related deaths were attributed to occupational disease. We need to reduce this frightening statistic. We need to reduce health care costs, and we need to improve the health of all Alberta workers.

The Minister of Human Resources and Employment has made some great strides in the effort to reduce workplace incidents. It is clear that what the minister and his department need to do next is initiate a public information campaign for employers and employees to ensure that proper respiratory equipment is supplied and worn on every dangerous job site across this province.

In the last four years the number of workers dying from occupational diseases on an annual basis has unfortunately increased by 70 per cent. That is unacceptable. In order to turn the tide of workplace fatalities, it is necessary to reduce workers' exposure to toxic substances that can slowly and painfully kill that worker over a number of years. The high number of workers killed last year was also due to an increase in the number of people killed in motor vehicle accidents. Albertans need better traffic safety programs to prevent needless deaths that occur on the way to and from work.

On this National Day of Mourning we must reflect on all the lives wasted or ruined by workplace fatalities and accidents. We must remain vigilant and strive to improve conditions for all Alberta workers so that this time next year we can report that fewer workers have died and fewer families have been torn apart.

Thank you.

The Speaker: The hon. Member for Edmonton-Highlands.

Mr. Mason: Yes, Mr. Speaker, I would request unanimous consent of the House to respond to the minister's statement.

The Speaker: Hon. members, unanimous consent will be required under the rules that we do have, so should such consent be given? Anyone opposed?

[Unanimous consent granted]

The Speaker: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Speaker, and thank you to all members of the Assembly. April 28 is recognized across Canada as the day to mourn victims of workplace accidents. It should as well be a day for the renewal of the pledge to make the workplace safer.

The canary was once the safeguard that miners had against a dangerous gas buildup in the mine. If the canary died, it was a signal to evacuate the mine and quickly. Today's workers are exposed to dangerous substances and dangerous practices at the workplace with no canary to give them advance warning of danger. It is up to government, employers, and unions to work towards the goal of eliminating deaths, accidents, and illnesses caused by inadequate health and safety procedures.

My colleague from Edmonton-Strathcona stood before this Assembly on this very day two years ago with a message that employers cannot be permitted to get away with infractions of health and safety laws and regulations. He insisted that political will must exist to prosecute employers who break the law. I stand here today reiterating this same message. Last year Alberta recorded its highest number of work-related fatalities since 1986. The WCB reported 127 workplace deaths in 2003. This is 127 too many, Mr. Speaker.

Today is the day to again commit ourselves to organize, mobilize, and fight for safe jobs for everyone. Every worker must return home safely at the end of the workday, Mr. Speaker.

Thank you very much.

head: **Oral Question Period**

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

Private/Public Partnerships

Dr. Taft: Thank you, Mr. Speaker. This government seems committed to privatization no matter what the consequences, but as Albertans are learning, that commitment to ideology can come at taxpayers' expense. Public/private partnerships, or P3s, are no exception. The Alberta Liberals have warned for a long time that building roads, schools, hospitals, and courthouses as P3s means higher financing costs. My questions are to the Premier. Can the Premier tell the Assembly how much the failure of this government's flagship P3, the Calgary courthouse, is going to cost taxpayers given that the government will have to pay for work already done by the private consortium?

Mr. Klein: Mr. Speaker, first of all, the courthouse is not a flagship. It was a proposal that . . . [interjection] It is not a flagship. Had the Liberals been paying attention to what has been happening in this province over the past 20 years or so, they would have found that there are numerous public/private partnerships.

The Twin Atria building in Edmonton, built in the early 1980s, and the Provincial Building in Athabasca, built in the early 1990s, are both examples of successful P3s. Keyano College in Fort McMurray – we have representatives here today – has constructed a new building and leased 60 per cent of it to Suncor for training facilities. Olds College and a local company established a compost testing facility on the Olds College property. It also joined with John Deere, a private company, to construct a building extension. Building use is split between the company and the college.

1:50

Fairview College: a tree nursery was built on land provided by the

college. The college uses the facility as a lab for its students. The town of Fairview provided the water connections. SAIT: the TransAlta epiCentre was built through a partnership between SAIT, TransAlta, and other businesses. The Centre for Rail Training and Technology . . .

Dr. Taft: How do we know these things?

Mr. Klein: How do you know these things, he asks. Mr. Speaker, they only want to research those things that make for a 15-second sound bite. They don't want to research and tell about the successes because it's not in their interests. Their interests are only to be negative. That is the only justification for their existence.

Some Hon. Members: Answer the question.

Dr. Taft: Thank you.

Mr. Speaker . . .

The Speaker: Just a second, hon. member.

Speaker's Ruling Decorum

The Speaker: Yesterday I received a letter, that I tabled in the House, from the Opposition House Leader which said, you know, that decorum is very important. Today I'm going to repeat again Standing Order 13(4)(b). Now, what does it say? It says:

The Speaker shall preserve order and decorum and shall decide questions of order . . .

(4) When a member is speaking, no person shall . . .

(b) interrupt that member, except to raise a point of order.

Which means that we listen after we've been recognized.

Private/Public Partnerships

(continued)

The Speaker: The hon. leader.

Dr. Taft: Thank you. Well, let me try again. What are the liabilities to the taxpayer of the failed Calgary courthouse P3 project?

Mr. Klein: First of all, Mr. Speaker, it has not failed. The project is going ahead, and it will consolidate all the Provincial Court activities – if the opposition is opposed to that, have them stand up and say so – and the activities of the Court of Queen's Bench. We don't know what's going to happen with the Court of Appeal at this particular time. They are safely functioning in the TransCanada PipeLines' building, which, by the way, is a bit of a P3 itself, albeit an expensive one.

But, Mr. Speaker, relative to the question of the ongoing costs which would have to be paid for one way or another, I'll have the Minister of Infrastructure respond.

Relative to the issue of private/public partnerships, I was about to say that the Centre for Rail Training and Technology was built by SAIT in a partnership between Canadian Pacific railways and SAIT to provide training for the railway industry. Now, here's one; this is the Brazeau bridge. It was opened to traffic in September 2002 under a partnership between Alberta Transportation and a local industry. I know of that quite well. Highway 63: another public facility. The government partnered with Suncor to build an access road from highway 63 into the Suncor site near Fort McMurray.

The Deerfoot interchange: now, this is a good one. A \$22 million interchange at Airport Trail and Deerfoot Trail and a connecting

roadway from Deerfoot Trail to the Barlow Trail and the Calgary International Airport were constructed with funds from the Alberta government, the city of Calgary, and the Calgary Airport Authority. An example of a P3.

Long-term care. Mr. Speaker . . .

The Speaker: That's fine, hon. Premier. We've now spent six minutes on these two questions.

The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Again to the Premier: Why did this government ignore the evidence from B.C. and Nova Scotia where one of the same private developers involved in the Calgary courthouse project racked up major cost overruns at taxpayer expense?

Mr. Klein: Mr. Speaker, there are no cost overruns. The project's been scaled back with the concurrence of the developer over the long term, and I will have the hon. Minister of Infrastructure respond relative to the long-term costs associated with this project.

I would like to cite other examples of P3s that have been in this province for many, many years. Of course, the Liberals have deliberately – and I say deliberately – ignored these examples of P3s. I'm alluding to long-term care centres. These have been P3 projects since time immemorial, literally hundreds of millions of dollars. Long-term care centres have been built by the private sector, in some cases costing the government half, less than half, of what they would have cost had we built them ourselves.

The Liberals conveniently ignore these wonderful examples of P3s. Why do they ignore them, Mr. Speaker? I would suggest that they ignore them because they are positive and the Liberals by nature are negative.

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

Premier's Trip to Fox Harb'r Resort

Dr. Taft: Thank you, Mr. Speaker. Yesterday in question period the Premier said about government aircraft: "We want to keep them in the air." The Premier has certainly done a good job of that given that last year alone cabinet flew over 1,100 times on these aircraft. Ontario's cabinet, in comparison, took 282 flights. My questions are to the Premier. Was it this mentality of keeping the planes in the air that led the Premier to take one of the government's planes to the private landing strip at the exclusive Fox Harb'r golf resort in Nova Scotia before the 2002 Premiers' Conference in Halifax?

Mr. Klein: No, Mr. Speaker. There was a meeting there, a gathering, albeit there was a little golf involved. I don't apologize at all. I think there were 40 business leaders from across North America there, and there was some good networking and good discussions.

These people will never be in government, so they don't understand the need to associate with the top decision-makers in North America. The plane was going to Nova Scotia anyway. Big deal. So it stopped twenty minutes prior to the final destination to let me off. Big deal. It's only a big deal to them. Martha and Henry and Mr. and Mrs. Grundy don't give a tinker's darn about this at all. Only the Liberals do.

Only the Liberals do because they don't understand; they won't understand. They won't, nor will they talk about their Liberal cousins in Ottawa, who flip around the country and around the world in their Challenger jets and their A320s. They don't talk about the

Liberals in Quebec, who flip around their province in Challenger jets. They only want to talk about our little turboprop King Air 350, two 200s, and the Dash 8, which is used to haul, ostensibly, firefighters and people who are going down to Calgary to do the land sales, which generate a lot of dollars for the province, Mr. Speaker. But they don't want to talk about those things.

You know, Mr. Speaker, they even went so far as to send the media – or maybe the media went over themselves – to the air hangar to take pictures of the airplane. If they want a picture of the airplane, you know, I'll be glad, hanging on with my arms wide open, to say: take a picture.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Can the Premier tell us how much taxpayers' money beyond government airplane costs was spent at the Fox Harb'r Resort?

Mr. Klein: I have no idea. I don't think much was spent, Mr. Speaker. There was one night's accommodation. I don't know, but I'm sure that the information is available. But to what advantage? What are the Liberals driving at? That's what I want to know. They have dome disease. They seem to think that this is important. There is no waste of money whatsoever.

2:00

Well, this is interesting. The Liberal government of Ontario has 22 aircraft in their fleet: two King Air 350s used exclusively for executive transport, six Twin Otters used occasionally for executive transport but also for forestry, six turboprop Beavers, two Maule Rockets – I don't know what they are – six helicopters. Saskatchewan, still running a deficit, has six aircraft in their fleet: three King Air 200s, one King Air 350, two Cheyennes. Manitoba has 10.

The Speaker: Hon. Premier, thank you very much. I'm sure we'll get to it on the next one.

The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Well, given the lack of a lobbyist registry in Alberta, can the Premier tell us who was at the meeting at Fox Harb'r and whether he was lobbied by them?

Thank you.

Mr. Klein: Mr. Speaker, I can't name all 40 people at Fox Harb'r, but the meeting, I can tell you, was hosted by Ron Joyce, who is a well-known Canadian, a member of the Order of Canada, former CEO of Tim Hortons doughnuts, former co-owner of the Calgary Flames. He really has a lot of time and a lot of respect for Alberta because of what we have done in this province. As a matter of fact, he moved from Ontario to Alberta at one time because of the tremendous economic climate we have created in this province. But the Liberals want to ignore that because it's positive.

The Speaker: Third Official Opposition main question. The hon. Leader of the Official Opposition.

Dr. Taft: Thank you, Mr. Speaker. Well, in question period the Premier has told the House that others pick up the tab for him when he travels, and that's an interesting policy. To the Premier: can the Premier confirm that his assistant at the time, one Gordon Olsen, used a government credit card to charge about \$2,500 in expenses at Fox Harb'r?

Mr. Klein: I have no idea. Mr. Speaker, if he did, so be it. I don't know what those expenses would be other than for the accommodation. That seems to be awfully expensive for, you know, one or two nights' accommodation. I forget how long it was we were there. We were there at the invitation of Mr. Joyce to join with other business leaders. I understand that other political leaders were invited as well. I can't remember precisely who was there. I know that Mike Harris was there. He was no longer the Premier of Ontario but still a very good friend of mine, although he's not a good friend of these Liberals or the Liberals in Ontario.

Mr. Speaker, the fact is that this is all part of doing business. It's all part of doing business, and these people will never ever know. They will never ever know because they are so intent on picking up on the picayune, minor, minor issues and so intent on focusing on the dome. They are fully consumed with dome disease, and they have dome syndrome, to say the least. It's time to get out of here.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. Well, given that an invitation was extended to the Premier for this exclusive meeting, can he indicate to us what the purpose of the meeting would have been?

Mr. Klein: The purpose of the meeting, as I explained first, was to network, to tell those who don't know about Alberta about the Alberta advantage. You know, I remember that one other person who was there was also the person who bought Tim Hortons. The president and chief executive officer of Wendy's was there. You know what, Mr. Speaker? I remember him arriving in a great big airplane, that stayed there, although that wasn't at taxpayers' expense. But our plane landed, dropped me off. I stayed there. I networked with these business leaders and political leaders.

An Hon. Member: You golfed.

Mr. Klein: And I golfed too. Yes. So what? Big deal. The only people making a big deal out of this are the Liberals. Big deal. You know why they're making a big deal of it? Because they didn't get invited, and they never will get invited.

The Speaker: The hon. leader.

Dr. Taft: Thank you, Mr. Speaker. My final question: is it government policy that the cost of the aircraft when booked and used by Executive Council members is paid by the Executive Council budget or paid by Infrastructure? Is it billed to Infrastructure?

Mr. Klein: I don't know. That's an interesting question, and it relates to policy or departmental procedure. I'll have the hon. minister respond.

Mr. Lund: Mr. Speaker, the cost is to Executive Council, so it flows back that way with the exception of some specific trips where the aircraft goes to a destination to pick up a member of Executive Council and then goes to another location. Those are charged back to the department that the minister is responsible for.

The Speaker: The hon. Member for Edmonton-Highlands, followed by the hon. Member for Edmonton-Norwood.

Utility Charges

Mr. Mason: Thank you very much, Mr. Speaker. Alberta consum-

ers are really having a tough time understanding the reasons for yet more additional charges on their utility bills as a result of the ATCO sale to Direct Energy. They do, however, understand the fact that every single time the government makes any move to further deregulate, the consumer pays more. What these extra charges really mean is that thanks to the government's botched deregulation system, Direct Energy will collect enough money in new charges to fully pay its purchase price for ATCO within 26 months. My question is to the Premier. Why are Albertans being charged an equivalent of the purchase price of ATCO to finance a foreign company's takeover of a Canadian utility?

Mr. Klein: Mr. Speaker, as I pointed out previously in this House, this was a private deal between two private-enterprise companies.

Relative to the details insofar as the government was concerned, this was reviewed by the Alberta Energy and Utilities Board, and I'll have the hon. minister respond if he has anything further to add.

Mr. Smith: Well, Mr. Speaker, the member's preamble is, again, so error riddled that it's difficult to make sense out of the subsequent question. Let me pick up from the fact that, yes, the EUB approved a 10-cent a day charge, which is, oh, I don't know, maybe 2 and a half to 3 per cent of the total bill. Secondly, they cannot use those funds for covering their purchase price. The supposition that they'll pay back from collecting these funds is wrong, erroneous, and false.

Mr. Speaker, the other thing we do know – and he can bring any graph, any survey by any socialist organization that he wants to bring to the table – the bottom line is that Albertans have the lowest gas prices in Canada.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Will the Premier explain why, if in fact these extra charges are supposed to make up for the ending of the cross-subsidization that existed between the distribution and retail sections once they've been unbundled, ATCO's distribution charge has not been reduced by the same amount that has been increased for Direct Energy?

Mr. Klein: It's a very involved and complex question. I'll have the hon. minister respond.

Mr. Smith: Mr. Speaker, the fact is that the ATCO price was reduced. Their distribution costs did shrink. They did not shrink to the same amount as what was charged. The difference is about 2 per cent on the bill. The advantages that come from this: not only will Albertans continue to have the lowest priced natural gas rates in Canada, but they'll also start to have many different options on how they're able to purchase these products for their home.

Then what we've found, Mr. Speaker, is that this has led to increased conservation. I know that they pay lip service to conservation, but this government actually pays real attention to conservation. Since the period of 2001 natural gas consumption in the average home has been reduced – and I think this is a tribute to Albertans – by 10 per cent.

2:10

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. So is the minister telling the House that consumers will have to pay \$86.40 more per year for their gas and electricity in order to have Direct Energy make

more money so that they can conserve their gas and electricity? Is that the purpose of this?

Mr. Smith: No.

The Speaker: The hon. Member for Edmonton-Norwood, followed by the hon. Member for Edmonton-Centre.

Forest Fire Prevention

Mr. Masyk: Thank you, Mr. Speaker. Recently the B.C. government released a provincial review on the 2003 wildfire season. The report outlines steps that need to be taken in the future to reduce wildfires on homes and people's properties. My question is to the Minister of Sustainable Resource Development. While the report focused on what needs to be done in B.C., I understand that Alberta faces many of the same challenges. One of them is management of dangerous forest fuels. What is the minister doing to ensure that Alberta's forest communities are protected from this type of threat?

The Speaker: The hon. minister.

Mr. Cardinal: Thank you very much, Mr. Speaker. That is a very good question. In Alberta, of course, as you're aware, we take a proactive approach, basically, to protect forest communities and also, of course, Albertans. We feel that early detection is the best way to ensure that we get there on time, and that's done through lookout towers, sometimes air patrol, and other communication systems we use. Early response is another key. For an example, if a fire starts in the evening or late evening, that the bombers can't get at at night, we will have them in the air at about 4:30 in the morning, as long as it's daylight, to hit the fires. So that is the key.

The best way to protect from fires is to ensure that they don't have a place to start. What we do in that area is prescribed burns. We have the FireSmart program, which does work around communities in Alberta to protect homes. We have an education program.

Dr. Taylor: Jasper the Bear?

Mr. Cardinal: Yes. Jasper the Bear.

Forty per cent of the fires are caused by humans. Therefore, we need a good education program, Mr. Speaker. We have fire bans, forest fire closures, and of course we also have over 500 sprinkler systems that, for an example, we used at the Lost Creek fire. Over 45 homes were saved, actually, from the fire when the fire went through the community, and the homes still stood after that. So prevention is the key.

The Speaker: The hon. member.

Mr. Masyk: Thank you, Mr. Speaker. The report also indicates that better recommendations should be taking place with respect to communication, such as with the fire at Lost Creek. What procedures have the government and the department developed to communicate timely and accurate information to Albertans?

The Speaker: The hon. minister.

Mr. Cardinal: Yes, Mr. Speaker. The staff in the wildfire information branch are to be commended. They do a great job communicating with the media. Of course, the Lost Creek fire, which happened last summer, is again a good example. We responded to over 2,000 visitor inquiries in a day, conducted two media briefings each day . . .

Dr. Taylor: How many?

Mr. Cardinal: Two.

. . . maintained 49 community information boards, and of course worked very closely with the local MLA also.

Mr. Masyk: My final question, Mr. Speaker: how prepared is your department for the upcoming wildfire season?

Mr. Cardinal: Well, generally, Mr. Speaker, because this year is not so dry, we've commenced our forest fire season in April of this year. Last year, of course, we started March 1 because it was much drier. So we are well prepared.

Lobbying Government

Ms Blakeman: Mr. Speaker, the B.C. lobbyist registry tells us that lobbying or, as the Premier prefers, consulting firms Global Public Affairs, Hill & Knowlton Canada, GPC International, and National Public Relations are also operating in Calgary. The Alberta government encourages organizations and companies to pay for access or events and, indeed, refuses meetings if opposition MLAs are involved. My questions are to the Premier. How has the government allowed this situation to deteriorate to the point where public institutions like NorQuest, who are dependent on government funding, are forced to wine and dine Tory MLAs in order to get a hearing?

Mr. Klein: Mr. Speaker, such balderdash and such nonsense. I'm sure that the Minister of Learning has met with officials from NorQuest.

Mr. Hancock: I've met with them.

Mr. Klein: Oh, the hon. Attorney General, Government House Leader. The hon. Minister of Health and Wellness indicates that he has met with NorQuest. The hon. Minister of Infrastructure has indicated. If they properly set up an appointment, just like anyone else they can meet with me. I get lots of requests for meetings. We try to accommodate everyone as best as we possibly can.

If I can revert just for a second to a question asked by the Leader of the Official Opposition, he asked the question: who picked up the \$2,500 tab? I understand that Gordon Olsen used his government credit card but immediately – immediately – reimbursed the government, Mr. Speaker. So to answer the question, it was paid for by the party. By the party. Now, I know that the Liberals can't afford that kind of a bill, never will be able to, but it was paid for by the party and not the taxpayers.

So, Mr. Speaker, this hon. member ought to stand up and apologize for not doing thorough research and trying to mislead the Legislative Assembly and the people of Alberta that this was a taxpayer expense.

The Speaker: The hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you. [interjections] Again to the Premier: has the government been lobbied by representatives . . .

The Speaker: Hon. member, I quoted Standing Order 13(4) with respect to the hon. Member for Edmonton-Centre. I now quote it for all the other members who are now interjecting when the hon. member has the floor.

Hon. Member for Edmonton-Centre, you have the floor.

Ms Blakeman: Thank you. To the Premier: has the government been lobbied by representatives from Global Public Affairs, Hill & Knowlton Canada, GPC International, or National Public Relations?

Mr. Klein: I have no idea, Mr. Speaker, if we have been lobbied by those organizations or any other organizations. The way it works with the opposition or any organization or any citizen sitting up there: if they want to meet me, if it's a constituency matter, I'm usually available in Calgary on Fridays to deal with matters in my own constituency. If it's a general government matter, I will try to have the individual meet with his or her MLA, opposition or government, or the appropriate minister, and if it's something that can't be resolved, I'll meet with the person. It doesn't matter who lobbies.

I have told people who hire these firms: for God's sake, all you need to do is phone my appointment secretary and set up a meeting. I've said: you don't have to pay to have someone lobby to get a meeting because I'll meet with anyone at any time.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Then to the Premier: why doesn't the Premier take the plunge and create a lobbyist registry just like his federal cousin did in the late 1980s?

Mr. Klein: Mr. Speaker, if we want a reason, it's that this government is open and transparent, and if you're open and transparent, you don't need to put in a lot of rules, a lot of rules relative to lobbyists' registries. If this hon. member wants to meet with me, send a note to Debby, and I'll meet with her on that issue or any other issue. As a matter of fact, she happens to be my MLA. Maybe I want a meeting with her.

The Speaker: The hon. Member for Dunvegan, followed by the hon. Member for Edmonton-Gold Bar.

2:20

Crop Insurance

Mr. Goudreau: Thank you, Mr. Speaker. As the deadline to sign up for crop insurance approaches, some of my constituents have been unhappy with their discussions with the Agriculture Financial Services Corporation about increasing the number of insured acres and subsequently getting reductions in the coverage due to some major adjustments. My question is to the Minister of Agriculture, Food and Rural Development. What changes have been made to crop insurance programs in regard to increasing insured acres?

Mrs. McClellan: Well, Mr. Speaker, the hon. Member for Dunvegan is not the only one who is receiving calls on this matter, so in the interest of all members who have producers who are in the process of signing up for crop insurance with the approaching deadline, I would give this general information.

Prior to 2004 under indexing a producer would achieve an index by production. Unfortunately, what has happened in a small number of cases but has happened is that producers will seed a small acreage, perhaps 50 acres of a crop, do that for two years, build up a high index, and then switch to a very high acreage in a subsequent year. It is pretty clearly shown that you cannot maintain that kind of an index when you go from 50 acres to a thousand acres. Mr. Speaker, we've had some problems in that area. We've had to pay some fairly high claims, and the corporation had to look at how to manage this.

Now, I will say to hon. members that if you have this issue and it is a matter of changing from 600 acres of barley to 1,200 acres of

barley this year because of rotation or because of production price changes, I encourage them to deal with those on an individual basis. But, Mr. Speaker, you could in essence have somebody paid out at over a hundred per cent coverage if we did not deal with this issue on moving from a very small acreage to a very large one.

The Speaker: The hon. member.

Mr. Goudreau: Thank you, Mr. Speaker. My only supplemental then is: how can our producers be assured that their coverage will be maintained, and basically, you know, how can they adapt to those changes?

Mrs. McClellan: Mr. Speaker, it is not an issue under what you would call normal or ordinary conditions, and most producers who insure crops do maintain an index by growing a crop consistently and a similar acreage.

As I said in my previous answer, Mr. Speaker, we want to be fair to producers. We want to reflect that there are times when you will double your acreage in a particular crop, and on an individual basis we will look at that. We will look at the producer's production history, and we will probably adjust that rule, if you wish, or guideline in those instances. But where a producer has put in a small acreage of particularly a specialty crop, built in a high index, and moved from, as I said, 50 to a thousand or 5,000 acres, we will in fact will reduce their coverage on the first percentage of it, and subsequent percentages will follow.

Labour Relations Code

Mr. MacDonald: Yesterday the Premier announced changes to the Labour Relations Code by prohibiting salting and MERFing. MERF funds are workers' pooled savings accounts developed to stabilize wages in a very competitive construction sector. Salting is a labour organizing tactic where union members, after being hired by a non-union contractor, begin a certification drive. My first question is to the Minister of Human Resources and Employment. Given that no evidence exists that any union certifications in this province are a result of salting, why are we prohibiting this practice in the Labour Relations Code now?

Mr. Dunford: Mr. Speaker, the issues surrounding salting and MERFing have been coming into this building now for some period of time. Through a study a couple of years ago we determined that there was no need to make any major changes to the Labour Relations Code but that around issues involving allegations of salting and/or MERFing further discussion would be required. A committee was put together in order to examine those situations. That committee has now provided me with their report. I'm currently reviewing the report, and we're having discussions on the internal process of government as to what to do with the report and with the recommendations, and at an appropriate time we'll make a public announcement.

The Speaker: The hon. member.

Mr. MacDonald: Thank you. Again to the same minister, Mr. Speaker: what evidence does this government have that indicates that market enhancement recovery fund, or MERF, targeted funds are an unfair trade practice?

Mr. Dunford: There's been quite a bit of discussion about MERF funding and, first of all, Mr. Speaker, as to whether a competition

issue, whether a labour relations issue. Again, I have a report that a committee has provided to me providing some direction. We've had discussions with colleagues inside the government caucus, and we'll continue to discuss until we're ready to publicly release the government response to the report. Until that time, he can continue to speculate however he wants.

Mr. MacDonald: Again, Mr. Speaker, to the same minister: what other changes are now being planned for Alberta's Labour Relations Code?

Mr. Dunford: I sometimes wonder why we bother to answer questions when they don't listen. Perhaps it's a good thing that there's *Hansard*. We can, you know, give it to them again, I guess.

As I explained earlier, there was a situation of examining whether there were changes that should be made to the Labour Relations Code. I put a committee together to see whether or not we should do that. They came back and basically recommended that, no, in most if not all cases the Labour Relations Code in Alberta works very well as, I guess, the rules of how employers and employees will conduct themselves as it relates to labour relations.

We enjoy the best completion rate of all of our collective agreements and negotiations that take place. We have the highest productivity in the nation, indicating again that employers and employees are able to work together at work sites. We do have initiatives around workplace health and safety, which is always kind of an issue. Most importantly, Mr. Speaker, we have the lowest time lost due to strikes in the country.

The Speaker: The hon. Member for St. Albert, followed by the hon. Member for Edmonton-Centre.

Government Fees and Charges

Mrs. O'Neill: Thank you very much, Mr. Speaker. Several years ago I worked with a number of other Albertans in recommending to the government that the fees and charges that are charged by the government for services should be aligned with the cost of delivering that service. My first question is to the Minister of Government Services. Is that principle still operative, and is there any kind of current oversight to see whether that principle is in effect?

Mr. Coutts: Mr. Speaker, the services that are provided by government to the people of Alberta are through legislation, but more importantly there was a Supreme Court decision called the Eurig decision that actually set out the fact that you absolutely cannot charge a fee that is greater than the services rendered.

In Alberta Government Services we set fees based on the legislation and that decision that governs our fees for all our services. If you take drivers' licences, those rates are set, and they're designed to keep the revenues in line with government spending on motor vehicle initiatives. That would include things like driver education, vehicle safety programs, driver monitoring and enforcement, as well as road safety and maintenance. Those set fees help us to recover those costs of operating not only those services but also our registry and the computer systems that help provide that service to Albertans. So the answer to that question is yes.

2:30

The Speaker: The hon. member.

Mrs. O'Neill: Thank you. I have a supplemental to the same minister, and that is: how do we as a provincial government in determining or approving our fees and charges stack up with or

compare to those fees and charges charged for similar services in other jurisdictions?

The Speaker: The hon. minister.

Mr. Coutts: Thank you, Mr. Speaker. That is a really good question, and it's a question that I get a lot in terms of Albertans wanting to know basically what kind of fee they're charged in terms of other jurisdictions across Canada. Let's just take our new drivers' licences for example. In Alberta the government fee for that is \$55 for a 5-year licence, which is comparable to the rest of Canada. Fees range from \$50 in Ontario and the Yukon to as high as \$125 in Saskatchewan. What you find, say, with drivers' licences: the average range is about \$71 for a driver's licence across Canada. So you compare that to the Alberta fee of \$55, and we're well within the range and we're quite a bit lower than the average.

Now, there are other services that we provide, and we've done some comparisons, and pretty well with all the other services that we provide through Government Services to the people of Alberta, we are in the middle range, around sixth out of the 12 jurisdictions across Canada.

The Speaker: The hon. Member for Edmonton-Centre, followed by the hon. Member for Edmonton-Strathcona.

Wildlife Protection

Ms Blakeman: Thank you, Mr. Speaker. The Minister of Sustainable Resource Development has been asked twice this session about government wildlife protection policies. The minister responded that "I know for a fact that we have a good balance at this time." In a report released this week, however, Environmental Defence Canada revealed that Alberta received a failing grade in wildlife protection. My questions are to the Minister of Sustainable Resource Development. How are you protecting a species at risk such as the grizzly bear when you allow them to be hunted?

Dr. Taylor: Liberals are a species at risk.

Mr. Cardinal: Yes. The Liberals are a species at risk.

Mr. Speaker, the Liberals, of course, would close everything down. That's how they operate. In the government here we don't do that. We take the balanced approach. We have a strong economy, and we will continue having a strong economy. At the same time, we will continue protecting the animals and the resources that are out there.

The Speaker: The hon. member.

Ms Blakeman: Thank you. Again, to the Minister of Sustainable Resource Development: why does this government continue to show – and I quote the report – "remarkable willingness to ignore the advice of its own Endangered Species Conservation Committees on whether to protect species"?

Mr. Cardinal: Mr. Speaker, of course, we work very closely with the committee that's in place. In fact, the Member for West Yellowhead chairs one of the committees, and they do make recommendations on an ongoing basis. We've been proactive for over 25 years already in relation to animal protection here in Alberta, and we'll continue doing that.

Specifically on grizzly bear, that the member mentioned, at one time we allowed about 130 hunting licences in one year. We've reduced that to 73 now.

Dr. Taylor: How many?

Mr. Cardinal: Down to 73, a 44 per cent reduction.

In fact, we also removed hunting from the more sensitive areas of southwestern Alberta to northern Alberta, Mr. Speaker. The average taken when we were allowing 130 licences was about 15 animals. We assume that if things go the same way, the maximum animals that will be taken will be 10.

Dr. Taylor: How many?

Mr. Cardinal: Will be 10.

And this member should know that their cousins in B.C. in fact allow the hunting of 200 animals, Mr. Speaker.

The Speaker: The hon. member. But first of all, Sergeant-at-Arms, would you kindly deliver to the Minister of Environment an earphone? It seems that the Minister of Environment is having a difficult time hearing.

The hon. Member for Edmonton-Centre.

Ms Blakeman: Thank you. Again to the Minister of Sustainable Resource Development: well, given that the government allows hunting of species at risk, ignoring the advice of its own committees, can the minister tell us if there is any intention to implement stand-alone legislation and adequate funding to protect our species at risk here in Alberta?

Mr. Cardinal: Mr. Speaker, the most threatening piece of legislation that is in Alberta that we have to deal with right now is the federal endangered species legislation. The legislation is in place; the regulations have not been developed yet. If your opposition is going to play an important role in the economy of Alberta, you'll do the wise thing by advising your cousins in Ottawa that as they unfold the development of new regulations, we participate so that we benefit Albertans.

The Speaker: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Wainwright.

Calgary Courthouse

Dr. Pannu: Thank you, Mr. Speaker. The Tory government, with its ideological blinkers firmly in place, wasted two years and who knows how much in taxpayers' dollars pursuing a P3 scheme for the new Calgary court centre. It took a cost overrun of 67 per cent to finally bring the government to its senses. Happily, the government is slowly coming around to the New Democrat opposition's view that it's more economical to use conventional public financing to build capital projects like the court centre. My questions are to the Minister of Infrastructure. Now that huge cost overruns have forced the government back to square one, will the government abandon this obviously flawed P3 approach and instead build a publicly owned and publicly financed Calgary court centre? If not, why not?

Mr. Lund: Well, Mr. Speaker, the preamble is just unbelievable. If people were to believe it, they would be – I know that we're not supposed to use words like "misled," but I don't know any other way to describe it. The fact is, Mr. Speaker, that P3s work very well, and the Premier clearly showed today in many examples how well they work.

The member is so wrong as far as saying that there were huge overruns. That is simply not true. But as we worked through the

system and saw what the final cost was going to be – and where the cost was going had nothing to do with the way it was financed – and because of all of the components of the project, we have scaled it back. If he stays tuned, he will find out how it's going to be financed.

The Speaker: The hon. member.

Dr. Pannu: Thank you, Mr. Speaker. To the same minister. Given the Premier's refusal to answer this yesterday, I ask again: will the government table in this Assembly project cost estimates for the winning bid from the BPC consortium, project estimates for the two rejected bids, and the results of the so-called dummy bid, and, finally, the process used to evaluate all of these bids? If not, why not?

The Speaker: That's five questions. Take your choice.

Dr. Pannu: One question, Mr. Speaker.

Mr. Lund: Well, Mr. Speaker, we are currently in negotiations. Now, I hope that covers all five with one answer.

Dr. Pannu: Let me try again, Mr. Speaker. Given that the Calgary courthouse has been significantly reduced in size in order to avoid the 67 per cent cost overrun, why is the government sticking with a P3 consortium that has a track record of not staying within budget?

Mr. Lund: Well, Mr. Speaker, I think that that is extremely offensive language that the gentleman is using. The fact is that the people that worked on that project are very outstanding people, and for him to stand there and make those kinds of comments when he doesn't know the facts – I think that he should stand up and apologize to those people.

Mr. Speaker, the fact is that in the whole process we had two outside groups. We have the committee that looks at any alternate financing, and we also had a committee set up that was to look at fairness and openness and accountability. There are very outstanding people on that committee, and they came back and said that it was a fair and open process and everything was above-board.

So for that individual to make those kinds of comments is really offensive, Mr. Speaker.

2:40

The Speaker: Hon. members, 30 seconds from now I'll call upon the first of seven, but in the interim might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

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

The Speaker: The hon. Member for Innisfail-Sylvan Lake, followed by the hon. Member for Edmonton-Calder.

Mr. Ouellette: Thank you, Mr. Speaker. It gives me great pleasure today to rise and introduce to you and through you 65 of the brightest minds from my constituency, and they come from a brand new school in my constituency, the Innisfail middle school. When they were getting their picture taken today, they said that their school was just the greatest. Along with them are their teachers Mr. Grant Klymyk and Mrs. Linda Pederson, along with parents and helpers Mr. Gary Clutton, Mrs. Gloria Beardsworth, Mrs. Cheryl Bilton,

Mrs. Lori Maldaner, Mrs. Roxane Ure, Mrs. Lisa Boyd, Mrs. Tina Wagers, Mrs. Brenda Bennett, Mr. Chris Harper, and Mrs. Wanda Lohman. They're in both galleries, and I'd like them all to rise and have the warm welcome of the Assembly.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Calder.

Mr. Rathgeber: Yes. Thank you very much, Mr. Speaker. It is indeed a pleasure for me to rise and introduce to you and through you to all members of the Assembly Miss Jessica Moe. Jessica is a grade 12 student at Ross Sheppard high school in the Edmonton-Calder constituency. Jessica is one of three Alberta recipients of the Canadian merit scholarship foundation prestigious award that provides graduating high school students with up to \$60,000 to pursue postsecondary education. I understand that our colleague the hon. Member for Bonnyville-Cold Lake will be recognizing these scholarship winners in a few moments. I understand that she's in the members' gallery, and I'd like Jessica to rise and receive the traditional warm reception of this Assembly.

head:

Recognitions

The Speaker: The hon. Member for Red Deer-North.

Active Youth

Mrs. Jablonski: Thank you, Mr. Speaker. Today during Education Week I rise to recognize the importance of our young Albertans and the importance of exercise and active living.

A healthy mind needs a healthy body to be successful. A well-rounded education both in and out of school involves activity and play. Live Outside the Box is an initiative of our Alberta Sport, Recreation, Parks & Wildlife Foundation that encourages youth to spend less time in front of the TV and computer and more time being physically active. Programs such as Active8, Schools Come Alive, and Ever Active Schools help students, parents, and teachers to develop active living attitudes in Alberta schools.

Adding more physical activity to your day equals better health, strength, and well-being. I invite everyone to join me and the Minister of Community Development, responsible for active living in Alberta, and the Minister of Learning to encourage more physical activity and play in our schools.

Thank you.

The Speaker: The hon. Member for Bonnyville-Cold Lake.

Canadian Merit Foundation Scholarships

Mr. Ducharme: Thank you, Mr. Speaker. I rise today during Education Week to recognize three outstanding Alberta learners. Allison Keating, Kate Welwood, and Jessica Moe are each recipients of the Canadian merit foundation scholarships. This prestigious scholarship provides graduating high school students with up to \$60,000 to pursue postsecondary education.

Currently Allison is a student at Central Memorial high school in Calgary, Kate is from Cold Lake and attends Grand Centre high school, and Jessica studies at Ross Sheppard high school in Edmonton.

This year 30 national scholars from across Canada were selected from an initial pool of 4,000. These scholars must demonstrate service to the community, character, leadership potential, entrepreneurial energy, and, of course, academic excellence.

Mr. Speaker, I'm sure that all members of the House will join me

in celebrating our education system and in congratulating Allison, Kate, and Jessica.

Thank you.

The Speaker: The hon. Member for Edmonton-Riverview.

Southeast Calgary Hospital

Dr. Taft: Thank you, Mr. Speaker. Today I rise to recognize the need, the absolute need for a hospital in southeast Calgary. Despite the Premier admitting over five years ago that the next hospital should be built in southeast Calgary, there is still no hospital, and the people of Calgary are still waiting. Despite five years of feet dragging between the Calgary health region and the Alberta government, there is still no hospital, and the people of Calgary are still waiting. Despite the fact that the Alberta government has taken on average over \$2 billion extra in taxpayers' money each year over the past five years, there is still no hospital, and the people of Calgary are still waiting. How much longer must Calgarians wait?

There is no excuse – no excuse – in a rich province like Alberta for a five-year delay in constructing this hospital. An Alberta Liberal government would begin construction on this badly needed hospital immediately. An Alberta Liberal government would provide the funds publicly. It's time this government made good on its commitment to the people of Calgary. It's too late to turn back the clock and reverse five years of stalling, but it's not too late to provide the public funds to build this hospital.

Thank you.

The Speaker: The hon. Member for St. Albert.

Grant MacEwan Literary Awards

Mrs. O'Neill: Thank you very much, Mr. Speaker. I truly rise to recognize the winners of the Grant MacEwan author's award and the Grant MacEwan young writer's scholarships, which were awarded on April 17 at the Alberta book awards gala. In recognition of the late Dr. Grant MacEwan these awards commemorate his achievements in literacy excellence and support Alberta's established and emerging writers to further develop their craft.

The 2004 Grant MacEwan author's award of \$25,000 was given to Fred Stenson of Calgary for *Lightning*. The 2004 Grant MacEwan young writer's scholarships of \$2,500 each were presented to Rachele Delaney of Edmonton for her essay *Student of the Boreal*, to Meghan Masterson of Bragg Creek for her story *Wolfsong Winter*, to Carley Okamura of Edmonton for her story *Matsuhito and His Journey*, and to Wela Quan of Edmonton for her essay *The Economics of Immigration*. Please join me in congratulating these talented Alberta writers.

Dean Lien, Farmers' Advocate

Mr. McFarland: Mr. Speaker, I rise today to recognize the retirement of Mr. Dean Lien, the province's Farmers' Advocate. Since 1998 Mr. Lien has been working on behalf of Alberta's farmers, helping them with dispute resolution and sharing with them information about the complex business of farming.

The services of his office are well used. More than 10,000 calls are taken every year. The Farmers' Advocate is an ally for both individual producers and the industry as a whole. Comfortable in both the farmyard and the boardroom, Mr. Lien, a former ag producer and county reeve, has exemplified the skills needed by a first-class Farmers' Advocate: a good ear and a fair mind. Mr. Lien has spent his six years as the Farmers' Advocate working with

farmers on a wide range of issues, from mineral leasing to trespassing.

Mr. Speaker, the agricultural industry has been fortunate to have Dean Lien on its side. We wish him a wonderful, well-deserved retirement.

Thank you very much.

The Speaker: The hon. Member for Grande Prairie-Smoky.

Perky McCullough

Mr. Knight: Thank you, Mr. Speaker. It is with pride and pleasure that I rise today to recognize an individual from the Grande Prairie-Smoky riding, one Perky McCullough, who on the 28th of May will be inducted into the Alberta Sports Hall of Fame.

Perky was born in Peace River, moved to Edmonton in 1956, and was a member of the Edmonton city police force, serving as a policewoman. She served with Grande Prairie parks and recreation; was a zone representative for Alberta Amateur Fastball; was president of the Alberta Ladies Curling Association; was northern zone representative for the Alberta Golf Association and chaired the Alberta junior golf championship in 1985; was appointed as a director of Alberta Games Council in '84; served on the Recreation, Parks and Wildlife Foundation, completing a term in '96; served on the Alberta mission staff for the '87 Canada Winter Games; chaired the 1986 Alberta Seniors Games in Grande Prairie; was chairman of the Grande Prairie Amateur Games Society and instituted the first zone 8 Summer Games; was volunteer of the year in '79 and '83; served on the Alberta mission staff for the 1990 Arctic Winter Games; was director of special projects, 1995 Canada Winter Games.

Mr. Speaker, I offer congratulations on the recognition by her peers and thank Perky McCullough from the people of Grande Prairie-Smoky and all of Alberta.

2:50

Worker Safety

Mr. MacDonald: On this National Day of Mourning I would like to rise in recognition of all the employers, workers, unions, government agencies, and other organizations who went out of their way to ensure worker safety. Unfortunately, there isn't a way to measure how many people returned home safely to their families night after night because someone went the extra mile to reduce or eliminate potential hazards in the workplace. As we remember the 127 Albertans who lost their lives due to their work last year, we should all count our blessings, because if not for the actions and ideas of safety-conscious people, it could just as easily have been one of us.

So today I would like to say thank you to the employers who spent the money on safety equipment, to the people who develop and enforce safety regulations, to the employees who abided by the rules of the road and encouraged their peers to do the same, in addition to all the other people who contributed in ways we'll never know. Please continue to strive for zero workplace fatalities. If you save just one life, it is worth all the extra effort.

Thank you.

head:

Presenting Petitions

The Speaker: The hon. Member for Edmonton-Castle Downs.

Mr. Lukaszuk: Thank you, Mr. Speaker. I would like to present a petition signed by 32 people from the Camrose Police Service and another one signed by 226 members from the Alberta Fire Fighters Association petitioning this Assembly to encourage the passage of Bill 204, the Blood Samples Act.

Thank you.

head:

Tabling Returns and Reports

The Speaker: The hon. Minister of Environment.

Dr. Taylor: Sorry, Mr. Speaker; I had a little trouble hearing you.

I'm pleased to rise this afternoon to table the appropriate number of copies of two reports. One is entitled Water and Oil: An Overview of the Use of Water for Enhanced Oil Recovery in Alberta. The other is entitled Advisory Committee on Water Use Practice and Policy. These are both good reports, and I recommend them. They are available through MLAs' offices or through our Department of Environment office. I recommend them to Albertans.

Thank you.

The Speaker: The hon. Minister of Seniors.

Mr. Woloshyn: Thank you, Mr. Speaker. I have three tablings today. The first is a letter to the leader of the third party in response to a question he raised regarding the Seniors supplementary estimates.

The second is a letter to the chair of the Standing Committee on Public Accounts in response to questions raised during the March 10 meeting of the committee.

The third is to the hon. Member for Edmonton-Centre in response to Written Question 50.

The Speaker: The hon. Minister of Government Services.

Mr. Coutts: Thank you, Mr. Speaker. I rise today to table five copies of the Alberta Real Estate Foundation's 2003 highlights. The Alberta Real Estate Foundation initiates and supports all initiatives that enhance the real estate industry, that ultimately benefit the people of Alberta.

The Speaker: The hon. Solicitor General.

Mrs. Forsyth: Thank you, Mr. Speaker. I have two tablings today. The first is the Alberta Law Enforcement Review Board's 2002 annual report, being tabled in accordance with section 14 of the Alberta Police Act. This board is the appeal body for complaints concerning police members.

The second document I am tabling is the Victims Programs Status Report for 2002-2003. The annual report shows that nearly \$2 million in grants were provided to 81 victim assistance programs. These programs reported handling more than 30,000 new cases, with over half of those involving assistance to victims of violent crimes.

The Speaker: The hon. Member for Calgary-Currie.

Mr. Lord: Thank you, Mr. Speaker. Today I rise to table two separate reports. The first report is the results of a survey conducted by Ipsos-Reid for the Royal Bank of Canada and contains many interesting findings regarding the benefits and employee experiences of teleworkers. Now, in order to save on paper, I'm just tabling the highlights of the report, which includes the finding that the overwhelming majority of teleworkers report greatly increased job satisfaction. Interestingly enough, 18 per cent report that they can get by with only one vehicle.

The second report I am tabling is a report called Lemons and Peaches: Comparing Auto Insurance Across Canada. It's from the Fraser Institute, and it makes a very compelling case that if you want to save lives and reduce accidents and road carnage, you absolutely

should not go with government insurance monopolies at all. It also praises Alberta's and Ontario's insurance policies as amongst the best in the nation from a consumer's viewpoint.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Gold Bar.

Mr. MacDonald: Thank you, Mr. Speaker. I have two tablings this afternoon. The first is an article from the April 2004 edition of *Business in Calgary*, and it's titled Charged Up: Empty Government Promises, Cranky Business Owners and the Real Cost of Electricity Deregulation. It's written by D. Grant Black.

The second tabling I have this afternoon is correspondence I have received dated April 16, 2004, and it's in regard to a request for a review of a FOIP application that I made in regard to the KPMG study on the real cost of auto insurance in Alberta.

Thank you.

The Speaker: The hon. Member for Edmonton-Glengarry.

Mr. Bonner: Thank you very much, Mr. Speaker. I'd like to table the appropriate number of copies of a news release where stakeholders participating in the RTO West Regional Representatives Group, RRG, endorse changing the name of RTO West to Grid West.

Thank you.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Shariff in the chair]

The Deputy Chair: Hon. members, we'll call the committee to order.

head: **Main Estimates 2004-05**

Health and Wellness

The Deputy Chair: As per our Standing Orders the first hour will be dedicated between the minister and members of the opposition, following which any other member may participate.

The hon. Minister of Health and Wellness.

Mr. Mar: Thank you very much, Mr. Chairman. Joining us in the gallery this afternoon are the following individuals who I think will be familiar to most of the members on the floor of the Legislature: the Deputy Minister of the Department of Health and Wellness, Dr. Roger Palmer; Alexandra Hildebrandt; Peter Hegholz; Charlene Wong; and Elsa Roehr. I'd ask that they stand and please be acknowledged by members of the Assembly.

Mr. Chairman, it's my pleasure to present the Alberta Health and Wellness estimates for 2004-2005. Even outside of the regular budget process this is an especially timely discussion. So much of the talk on health reform centres on affordability and with good reason. A service that we cannot pay for becomes a service that we cannot sustain.

My budget for 2004-2005 shows an increase of 8.4 per cent over the 2003-2004 forecast, and that is consistent with our average annual increase over the last 10 years based on data from the Canadian institute for health economics. Increases like that have been necessary, but they will get harder to manage, and that is because the growth in health funding has outstripped the 4 per cent annual increase in provincial revenues.

The impact is predictable. Ten years ago health care took one-quarter of the provincial budget. Today it is over one-third, and by 2020, with its current trends, it will take over half, 53 per cent, of every dollar that we spend in Alberta. That is just to maintain the system that we have now. Some hon. members might say that that's a good thing.

Past budgets and business plans have accomplished much. The fact is that Alberta has a very good health system. We lead the country in cardiac care, organ and tissue transplantation, and the use of information technology in health care. We made Canadian history with the first ever trilateral agreement with physicians. In no other province are health regions partners in the agreement between a province's physicians and its government.

Two of our nine health regions are among the top 10 in all of Canada. We have a provincial diabetes strategy. We have a response plan in place in the event of a life-threatening pandemic. Our immunization program expands every year, most recently to protect more Albertans from hepatitis A and whooping cough. Our telehealth system leads the country, and now it is expanding to deliver more clinical services to people in rural and remote areas ranging from tele mental health to cardiac monitoring to teleradiology.

3:00

With the focus on what we need to do, it is worth remembering that health reform is already two years old in the province of Alberta. Since the Mazankowski report we've worked across ministries and the health system to launch a province-wide Health Link system, an on-line wait list registry, and an electronic health record that is improving care here at home while it attracts interest from abroad.

The Alberta Medical Association and the health regions worked with us to make history with Canada's first trilateral agreement. For the first time regions are a partner in an agreement between the province's physicians and its government, and we have a model to implement primary care across Alberta.

We restructured our regions. We moved mental health services under regional governance where they can be integrated with front-line health care. On a commitment to primary care Calgary now has linked four psychiatrists and five other mental health professionals with 44 physicians to better meet patients' mental health needs.

Every other region in this province has its own examples of achievement. Chinook launched a new partnership envisioned for service delivery and supportive housing in Picture Butte. Palliser opened a family medicine/maternity clinic in Medicine Hat for the hundreds of women with low-risk pregnancies who do not need a specialist. In the David Thompson region Drumheller became the first community in all of Canada wholly connected to an electronic health record. East Central reconfigured the Camrose rehabilitation services to reduce wait lists and improve outcomes and opened a cardiac rehab program in Wainwright. Aspen launched the first blood-thinning clinic in rural Alberta to help treat conditions like deep-vein thrombosis. Peace Country expanded access to health services by opening a new health centre in partnership with the Grande Prairie Regional College. Northern Lights is expanding access with the new Northwest health centre in High Level. Capital launched six new multidisciplinary clinics to make it easier for specialists to team up with other care providers in the community. Those are just some of the examples, and there are many, many more, and success is attractive.

Alberta is home to the secretariat for the new national patient safety institute and the national secretariat for the Canadian council for organ donation and transplantation.

Over the past few years while Canada has scrambled for scarce

health professionals, we attracted more than 600 physicians from 1999 to 2002 and in a similar period of time over 1,500 registered nurses and 740 licensed practical nurses. They will be joined by the over 12,000 students training for health careers in Alberta today, augmented by over 2,100 postsecondary seats added in the last four years.

Now, despite the anecdotes Albertans remain consistently satisfied with the care that they receive. My ministry's annual results reports show that the number of people who rate the quality of care as good to excellent consistently is in the mid-80 per cent range. We want to keep that satisfaction rating. We want to improve it. Albertans are entitled to receive the best public health care.

Therein lies the crux of the debate on sustainability. Our goal is to sustain our ability to meet the health needs of Albertans; however, sustaining our ability is not the same as sustaining our system. In fact, the system we have now is part of the problem. It must change, and so must we.

No argument is more persuasive than my budget for 2004-2005. This year we will spend \$618 million more on health care. That adds \$1.7 million to health care funding in this province every single day. Over the year health care will take almost \$8 billion. In just the two hours that this committee will use to debate my estimates, the health system will have spent an additional \$1.8 million. Eight billion dollars this year, and the system needs every nickel. We could not afford to spend less and maintain access. We could not afford to spend more and meet other public responsibilities.

Total allocations to the province's health authorities are up \$390 million this year, 8.4 per cent. This includes the increases for specialized care provided centrally to all Albertans as province-wide services. That brings total funding for health authorities to over \$5 billion to pay for nurses and other health workers, for hospitals and other health programs and supports. Even with an 8.4 per cent increase over the last year and the largest regional allocation ever, already several regions have expressed concern over their ability to manage health care delivery. My department is committed to helping the regions work within their budgets, and I am confident that together we will succeed this year. But to continue to do so over the next three years, the system will need to change.

Physicians are paid out of a different portion of the ministry's budget. I commend the Alberta Medical Association and Alberta's physicians on agreeing to a modest 2.9 per cent negotiated increase in fees that comes into effect on October 1. But physician funding is about more than just fees. In these estimates the allocation for physician services totals over \$1.5 billion to pay for not only fees but also benefits, on-call compensation, alternative payment plans, office automation, and primary care reform. That means, taking health authority and physician allocations together, more than 4 out of 5 health care dollars, over 80 per cent of the health care budget, support care delivery in our regions and physicians' offices.

On top of that, we are allocating over one-half a billion dollars to other programs like addiction treatment and prevention through AADAC and allied health services: chiropractors, community physiotherapists, optometrists, and podiatrists. This half billion dollars also includes air and ground ambulance, which I will mention again in a moment.

To complete the look at my estimates, human tissue and blood services will cost a total of \$137 million, up from \$123 million. Prescriptions and other nongroup benefits will cost \$532 million, up from \$456 million. Health protection through vaccines, Aids to Daily Living, and wellness initiatives will cost \$177 million. All but 1.6 per cent of the health budget goes directly to support health care.

It has been suggested that administrative changes alone are the answer to sustainability. With just 1.6 per cent of all health funding

my ministry administers the province's health insurance plan, updates legislation, regulations, and standards, administers the accountability process and measures, and provides information and staff to handle the 1.15 million telephone calls, the 1.14 million written inquiries, the 4,000 e-mails that we received last year, and the more than 126,000 walk-in clients that we serve.

I also point out that Alberta's health authorities spend less than 4 per cent of their budgets on administration. Capital spends in the range of less than 3 per cent. On average, 70 to 80 per cent of health authority budgets is spent on the health workforce, leaving just 20 to 30 per cent for drugs, materials and equipment, operations and maintenance, and other expenses. The challenges that face health care go beyond administrator solutions. They call for fundamental reform of the system itself.

The Health and Wellness budget plan for 2004-05 continues the reform agenda started in 2002 and sets the stage for taking health care where it needs to go. The budget strikes a delicate balance between the urgent need for acute, long-term, and community care and the equally urgent need to change the system. What I have for direct health reform is \$116 million. That is just 1.5 per cent of the entire health budget, but it is almost as much as I will spend on my ministry's entire operations for the year.

Primary care is identified nationally and in Alberta is holding the greatest promise to improve access and co-ordination with other health services. In all, \$20 million is allocated to primary care through Health Link and capacity-building projects and the federal primary health transition fund. Just over \$25 million continues to build the electronic health record to give physicians, hospitals, pharmacists, and medical labs a link to better health care delivery.

Despite the advantages of technology no public service is more people dependent than health care. Twenty million dollars is budgeted for training, and another \$20 million is dedicated to alternative funding plans for academic medicine to fairly compensate physicians for their teaching, research, and clinical work. Another \$13 million will support the transfer of ambulance services from municipal to regional governance, where this sophisticated mobile health care service can be better integrated with other health services. In years 2 and 3 that allocation jumps to \$55 million as health regions begin to take over the funding of the operations of ambulances.

The small budget allocated directly to health reform is not the whole picture. Other reforms will be funded through the existing funds as we work through the strategies listed in my ministry's business plans. The Premier of this province has made a public commitment to sharing the health reform plan with Albertans for their input. Our mission statement confirms my department's commitment to partnership in health care. That includes partnership with Albertans who use and depend on and pay for their health system. Decisions on how people manage their own health and access care make every Albertan a vital partner.

3:10

Recognizing the need for strength in a time of change, my business plan adds leadership as a new core business to the established two core businesses of healthy living and quality health services. A more comprehensive list of strategic priorities identifies the need to strengthen our public health protection and enhance the sustainability. New goals focus on health protection through healthier personal choices and public health protection. Over and above the simple reasons of compassion and avoiding suffering, we know that over time preserving health is less costly than treating illness.

Goal 1, to encourage and support healthy living, looks at the

impact of personal choice and responsibility on health and the health system and how to leverage that untapped resource through education, early intervention, and treatment.

Goal 2 affirms our commitment to well-managed public health in the face of emerging threats like SARS.

Goal 3 directly addresses access through use of technology, primary care, a rural health strategy, and a co-ordinated approach to long-term care.

A new goal 4, to improve health service outcomes, makes sure that accountability is strengthened for quality, system performance, chronic disease management, effectiveness, and response to complaints. The newly expanded and renamed Health Quality Council of Alberta will report directly to Albertans on how well the system is performing. My department will use those findings to do even better. It is entirely intentional that our commitment to improved outcomes comes before the commitment to sustainability.

Goal 5 in my business plan recognizes the need for fundamental change in how we manage and fund health care as well as in how, by whom, and where care is delivered. The 11 strategies are grouped under three headings: System Management, Health Workforce, and Technology. They focus on innovation, flexibility, and collaboration across responsibilities and jurisdictions including with our regional, provincial, national, and federal counterparts and colleagues.

Finally, goal 6 applies the same collaboration, information, and support within the health system to my ministry's own interactions with our government and health system partners, including our staff.

To conclude, Mr. Chairman, this is a business plan that looks at the future and identifies priorities, responsibilities, and actions. This budget is significant in what it empowers our health system to do and what it cannot do. The business plan is evidence that this government is taking a system-wide approach to health reform. The limits of the budget are compelling evidence that we need to be more bold than we have been before. However, the hard policy decisions are for the near future. They are the subject for another debate at another time.

Today I have given you a picture of how the health system will use the \$7.994 billion you will vote on. I've shown you how absolutely necessary this year's increase is for \$618 million. I believe these estimates give us the time and resources to deliver the health system Albertans expect and need now and continue on the recent course of necessary change while we consider and plan for the future.

Mr. Chairman, as has been my practice over most of the last 11 years that I've had the honour of serving as a minister of the Crown, I will entertain as many questions as possible, but it's my intention to of course take notes and respond to inquiries in written format so that we can get through the most number of questions that we can.

Thank you, sir.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Chairman. I'd like to thank the minister's staff for being here today. I know that they'll get back to us in some detail for those questions that are not fully answered by the minister during this time. As is my habit in this Legislature, I will ask a specific question or a small grouping of questions and ask the minister to answer them during the first hour that's allotted to the opposition.

As the minister can well imagine, I'm very interested in some detail on the health reforms that the government is currently talking about. I see that on page 198 of the estimates there's a line item titled Health Reform. We see this as being a substantial increase this year from a net expense of just over \$46 million last year to \$100 million this year. Other than the very small tidbit of information he

gave us in his preamble, can you tell us what that money is dedicated to that would be outside of those strategies outlined in your business plan, please?

Thank you.

Mr. Mar: Mr. Chairman, I'll be happy to do that in written format so that I can provide the exact detail of the increase. I can say that, by and large, it is an expansion of some of the reforms that were started as we were replying originally to the recommendations as set out in the Premier's Advisory Council on Health, or the Mazankowski report. I, of course, will be equally interested when the hon. member is perhaps a Member of Parliament that she might be able to provide me some details on their health reform as well.

Ms Carlson: I hope he gets his before I get mine.

I know that when you came in as minister, you were quite keen on turning the kind of sickness model of health care delivery that we have to a wellness model. Is there any detail you can give us on that and how far that's progressing? Do you see that as being an integral part of what's going to roll out over the next year or few years?

Specifically, I'd also like to know: of this \$100 million that's designated for this year, how much is being spent on a communications plan? How much of that will be directed to telling people in the province what you currently believe to be wrong with the system?

Mr. Mar: Mr. Chairman, I don't have the exact figures for the amount spent on communications, but I can advise the hon. member that we have spent significant sums on programs like the Healthy U campaign. We have spent significant sums on programs for a tobacco reduction strategy. I think that was in the magnitude of some \$12 million. We can report on the results of that effort. There are now some 40,000 fewer smokers in the province of Alberta than there were last year, and I think that is something that ought to be lauded.

In answering the simple question asked about whether we will continue to promote wellness, the answer is: yes, we will. That is a critical reform. What makes me think about it in particular and should make us all acutely aware of this today is that earlier this morning the Minister of Justice and myself and the hon. Member for St. Albert were at the Cross Cancer Institute to announce a capital expansion of some \$5.5 million to meet the needs of that particular facility because Dr. Tony Fields of the Cross Cancer Institute indicated to us that the number of patients that we're having was growing by some 6 per cent a year. Six per cent a year was the increase in the number of visits over the previous year. We've responded in part by adding additional capital resources to this facility but also by increasing their budget in the magnitude of 12 per cent. So we do recognize that this is a growing area.

Dr. Fields would also be able to tell us with some detail that there are many cancers that are preventable through proper exercise, proper diet, avoiding smoking, and so on and so forth. Don't spend too much time in the sun. I think that it would be very important that we indicate to Albertans that they are a partner in their own personal health and hence their health system as well. So we do want to continue with those messages. It will cost money to do so, but those messages about how individuals in Alberta can take responsibility for their own health will continue to be supported by this government.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Minister, and thank you, Mr. Chair-

man. Can you tell us how successful the program has been where people can phone in their complaint or their ailment and get help over the phone as compared to walking into an emergency room or doctor's office?

3:20

Mr. Mar: I do not have the exact figures before me at my fingertips, Mr. Chairman, and I could be corrected, but my recollection is that in the first year of the province-wide Health Link line, there were 800,000 calls. I don't know what that translates into in terms of the number of people who used it. There could have been a number of people who used the system many, many times, but 800,000 calls were made.

In terms of the outcomes, of course, people have to recognize that the Health Link system does not replace emergency rooms and that in many cases in those 800,000 calls people still would have been referred to an emergency room. The people at Health Link would have been able to direct them to the best place possible for them to go and get their emergency service. The Health Link line program, which, for those that are not familiar, provides 24 hours a day telephonic doctor-approved, nurse-delivered advice, has demonstrably reduced the growth of unnecessary visits to emergency rooms, so we would call this a great success.

The final thing that I'll say – and this was an extraordinary thing for me to find out – was that the Health Link line can deliver the service to Albertans in over 100 different languages. I think that it is a fair criticism that our health care system does not always serve all Albertans equitably, and to improve access to people who might not have facility in the English language, I think, was another great success.

The final success that I would say of the Health Link system is that some very, very experienced nurses who otherwise would have retired from the health care system because they cannot meet the physical rigours of practising nursing are now providing their service through Health Link. Therefore, we have expanded the longevity of their professional lives, and I think that that has been a very positive outcome as well.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you. Next I'd like to have the minister explain for us, if he would, the extent that you're investigating the use of user fees and graduated user fees for things like increased use of the health care system or attaching user fees to lifestyle choices like those who are smokers or are obese. Can you tell us how much investigation you've done into that and where you stand on that now?

Mr. Mar: Mr. Chairman, I cannot confirm a government position on this perspective, which I think should be the function of this committee and this Legislature. I can share, however, some personal perspectives that we should examine how we finance the health care system, that there are jurisdictions in other parts of the world where there is a connection between an individual's utilization of the system and what they pay for the system. The hon. member mentioned, for example, risk factors like smoking. Should there be a connection between what an individual pays for the system based on their risk factors? I think that those are legitimate questions to ask. As a government we have not yet drawn any final conclusions on what may or may not make sense.

Overall, Mr. Chairman, I think that there are a couple of principles that have to be front and centre, the first one being that nobody should ever suffer a financial catastrophe as a result of a health care

catastrophe. I think that that is well within the spirit of what Tommy Douglas had in mind when he brought this forward in the House of the Saskatchewan Legislature in 1961, and we agree with that. But in looking at health care systems in other parts of the world, I believe that there are other ways of funding the health care system than simply out of the general revenues of the provincial government. What our final conclusions on that will be has not yet been determined.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you. Can you expand for us on just the kinds of options that you're taking a look at? There's of course the private insurance route. There's a direct billing route. There's an incremental cost route. What countries are you looking at? I'm not asking which ones you are going to follow or even highly recommend, but in general which specific styles are you looking at?

Mr. Mar: I think, Mr. Chairman, that there isn't, in the words of the hon. Member for Edmonton-Ellerslie, one particular style that we're looking at. What we are doing, however, is looking at other jurisdictions. Many European jurisdictions, for example, have programs where core services, say, for cancer treatment would be covered by the state, but if you want services that are outside of that core, you pay supplementary health insurance premiums. I think Canadians would be surprised at the wide range of services that are provided within those packages.

So when we look at our budget, of the \$8 billion that we spend, almost one-third is on non Canada Health Act related services. One might make the argument that the most critical of those services are those that fall within the Canada Health Act. Perhaps those should be covered by the province or a government, and anything that is outside of those core services ought to be taken care of through some form of supplementary health insurance. That's one iteration of what could happen. I think that's a proposal that's come forward.

But, again, I acknowledge the hon. Member for Edmonton-Ellerslie when she says: I'm not asking for what you are you planning on doing. This is simply a consideration that is on the table.

Ms Carlson: Thank you for that information. When would you anticipate would be the first possible release of a new health reform package by the government?

Mr. Mar: By the end of June of this year.

Ms Carlson: And will we see the release of the Graydon report prior to that date or at all?

Mr. Mar: It will be prior to that date, Mr. Chairman.

Ms Carlson: While we're on reform and fees, I just want to ask: do you anticipate as a part of that reform that you'll be talking about dealing with Alberta health care fees at that time?

Mr. Mar: I'm sorry, Mr. Chairman; I didn't quite catch the last part of that question.

Ms Carlson: It's with regard to the Alberta health care fees. Are you looking at the premiums that we pay? Will that be a part of your reform package?

Mr. Mar: Mr. Chairman, I think that there have been many

legitimate questions raised here. I think it's a legitimate question to be asking: how will we fund our health care system? It's a legitimate question to ask whether health care premiums should increase. It's an equally legitimate question to ask: should they be eliminated altogether? So both of those considerations are on the table, sir.

The Deputy Chair: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Chairman. I appreciate the minister's comments, his answers to the questions, and I look forward to the opportunity to ask him a few questions myself.

The first question I have is on the notion that increases in health care spending are normally presented as a percentage of total government expenditures. So it goes from, you know, 40 per cent of total government expenditures to 50 per cent, or whatever the figures may be. I wonder if the minister can comment on the suggestion that as a percentage of the gross domestic product – that is, the total economic output of the province or the country – health care spending has remained relatively constant and that it has been reductions in other government expenditures during the 1990s that contributed to the perception that the proportion going to health care has risen, because health care spending has not been cut as much as other areas.

3:30

Generally, what I want to start with, Mr. Chairman, is the general notion that health care spending is out of control. Maybe the minister could comment on what areas in particular have driven the increases. Have they been able to identify those?

For example, the aging population is certainly one. I think he's touched on that relative to cancer rates and so on. Certainly drug costs, technology, and the distinction between what would be considered a core service and something else. Normally an example of that would be heart surgery or cancer treatment, on the one hand, and cosmetic surgery not related to disfigurement but cosmetic surgery for the enhancement of one's personal appearance, on the other. So I wonder if he can say where the government is looking at drawing the lines in those sorts of things.

Mr. Mar: Mr. Chairman, I appreciate the hon. member's questions. I will say this about gross domestic product and expressing health care expenditures as a percentage of GDP. I first give the disclaimer that I'm not well versed in the science of economics, but I can say that gross domestic product is not the same as having money in the bank. You cannot pay out of gross domestic product. We pay out of the revenues that the government of Alberta or any government across Canada would collect from its taxpayers, and the notion that some suggest, that the Alberta provincial government is driving this agenda to suggest that we've got a crisis in health care funding – if that's true, then apparently we've been able to persuade everybody across Canada of exactly the same thing.

The reality is that whether you're a minister of health for the province of Saskatchewan, an NDP government, or Manitoba, an NDP government, or a Liberal government in Ontario or British Columbia, we are all facing the same challenges. Health care spending is outpacing the growth of government revenues in all those provincial governments that I just gave as examples, in fact I'd suggest to you in all 10 provinces and three territories across Canada.

As far as the cost drivers in health care I appreciate this question as well, and I would be happy to forward a copy to the hon. member's office of a report done by the Conference Board of Canada that sets out some of the cost drivers and escalators in the health care

system. He identified one quite capably. When we talk about aging, I think that people understand that as we get older, we tend to use more of the health care system and particularly in the latter parts of our lives. As our population ages so, too, does our utilization and costs associated with health care.

Drugs have gone up an average of 17 per cent in each of the last five years. I think it's a legitimate question to ask: are we spending too much on drugs? It's an equally legitimate question in some cases to ask: are we spending enough on drugs? There are examples where utilization of drugs can actually lower our overall costs of delivery of health care. So we have to look at that issue carefully.

Technology. New services that were not even thought of even 10 years ago are now available that are costlier than what we do now. An example of that would be the Birmingham hip. Ten years ago the Birmingham hip did not exist, and today it does exist, and it is costlier than the standard prosthetic that is covered under the health care system.

Home care is another area that's grown dramatically. Costs in that area have gone up in rough terms about 15 per cent on average over the last five years.

These are all areas that are resulting in health care spending being much greater than the normal rate of inflation and greater than the rate of growth of our population.

The Deputy Chair: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Chairman. I appreciate the minister's response to those questions.

I would like to ask the minister about the federal contributions. They've given an additional \$228 million, \$200 million of which is coming from the promised payout of the federal government's surplus. This has been declared a one-time payment, and for some reason the department seems to have slotted this under the heading Other.

The total federal contribution, now at \$1,625,112,000, amounts to 20.27 per cent of the Alberta Health and Wellness budget including capital investment. I'm just wondering what the use is of this one-time money. Is the government taking steps to try and ensure that this payout becomes a permanent and ongoing transfer?

I recall – and I'm sure the minister is very much aware of this – that medicare was originally established as a 50-50 cost-shared program. What's his sense of what the federal government's stance is now with respect to meeting its commitments? I know that there were some negotiations a couple of years ago and lots of fanfare about the federal government starting to recognize its responsibility and so on, but I think it's been coming rather slowly.

Does it look like the federal government will be placing any strings on the federal money? Will it be available for just about anything that would be allowed under the principles of medicare, or has the government been pushing them to allow different uses for the money than originally envisaged by the Canada Health Act?

The Deputy Chair: The hon. minister.

Mr. Mar: Thank you, Mr. Chairman. Let me say that it is very difficult to know exactly where the federal government is right now. I can tell you where the provinces are at. The provinces are at the recognition that there's no credibility in saying that you're interested in a 10-year sustainable program for health with \$2 billion in one-time-only funding. So the provinces and territories continue to push forward on health reform in their own jurisdictions, Alberta included.

Let me give you an example of why it's difficult to know exactly

where the federal government is going. Yesterday the federal Minister of Health spoke before the Standing Committee on Health. I have a copy of the *Hansard* here before me. It's titled Standing Committee on Health, evidence number 12, unedited copy. So this is the equivalent of their Blues.

Following his comments in here and questions that were asked of him and in the media questions that Minister Pettigrew, the federal Minister of Health, answered, this is what he said.

Public administration is the principle, not public ownership. There's a difference between public ownership and public administration.

If . . . provinces want to experiment with the private delivery option, my view is that as long as they respect the single-payer, public payer, we should be examining these efforts. And then compare notes between provinces whether . . . it doesn't work. If it doesn't work, they'll [have to stop]. But if it works, we'll all learn something.

So the federal Minister of Health yesterday stated that they were interested in the possibility of experimenting with private deliverers of services within a single-payer model, meaning that like our Health Care Protection Act you would allow private surgical facilities to be under contract to regional health authorities. Today he completely did a 180-degree turn on that.

3:40

It's obviously very frustrating to know where the federal government stands and its policy in terms of commitments that it might make to money and commitments that it might make to real reform of the health care system. We're accustomed to sometimes having the federal government say one thing and then change its mind and do something else several months later. It's not very often that it happens within a 16-hour period.

Now, as far as the dollars go, the federal contribution of \$2 billion, Alberta's share of that is in the magnitude of \$200 million. Again, what we spend per day is in the magnitude of \$22 million a day. You can see that the federal government's share, its contribution to Alberta of an additional \$200 million doesn't really amount to that much reform. It'll help pay for another eight or 10 days of health care.

The Conference Board of Canada report that I referred you to earlier suggests that some \$5 billion is needed on an annual basis by the provinces just to keep the system as it is now, and that's without trying to put money into improving access or improving quality or expanding services.

So in answering your question – will we continue to press the federal government for a greater contribution? – the answer is yes, we will, but Alberta won't be alone in making that request. We'll be shoulder to shoulder with other provinces who'll be making the same press of the federal government.

The Deputy Chair: The hon. Member for Edmonton-Highlands.

Mr. Mason: Thank you very much, Mr. Chairman. Thank you for that answer.

I'd like to just touch on another matter which has to do with people's need to access health care in – I'm searching for the right words: a considerable, intense requirement to receive health care services. Just to indicate that about two years ago the New Democrat caucus had a round-table with a number of health experts including people from the health care system and people who were academics and so on. One of the interesting things that we were told is that in terms of dollars the average person consumes about 80 per cent of the health care that they receive in their lifetime in the last year of their life. Now, I don't know if that's absolutely true, but I suspect that there is a very significant element of truth to that statement.

That puts the suggestion that we ought to limit people's access to health care to a certain fixed amount of money in a given year in quite a different light.

I just wonder if the minister could comment on whether or not that aspect has been taken into account. Surely if you're in the last year of your life or the last period of your life and you really need a lot of health care, such a system would quickly break down or, alternatively, create considerable problems, indeed suffering on the part of individuals who needed a large amount of health care as they approached the end of their life. So I wonder if the minister could comment on that.

Mr. Mar: Mr. Chairman, this is a very, very difficult issue to deal with, as I think everybody in this Assembly would recognize, and that would be regardless of the political banner that we carry. We don't deal particularly well with end-of-life issues. We know that, for example, the average cost of renal dialysis is somewhere in the range of \$50,000 per person per year. That is very, very costly care. It perhaps yields two responses. There are some that would suggest that perhaps we shouldn't be providing the service. There are others who would suggest, I think perhaps with more public support, that this statistic should focus our attention on the need for trying to avoid the need for dialysis in the first place. I think that most people find that to be a more palatable approach to how you deal with end-of-life issues.

I've heard Dr. Mo Watanabe, a very well-respected physician in the city of Calgary, say that an ideal health care system would promote a long, long, long, healthy life where people would die instantly. They would not die lingering deaths. They would not suffer pain, but they would be healthy right up until the day that they died. That would be an ideal world. We don't live in an ideal world. If the hon. member has any suggestions for how we deal with end-of-life issues, because I think that there is some merit to his idea that there's a large percentage of health care dollars spent in the last year or the last months of life, I'd welcome him to share them with us because I'd be more than happy to entertain them.

Mr. Mason: Just to clarify, Mr. Chairman. The real concern is the notion that in a bid to control health care costs you would somehow place a limit on how much value or money's worth of health care someone could get at the public expense in a given year. So the concept that you consume – and I hate to use that term – 80 per cent of the value of the health care that you use in your entire life in your last year of life would seem to suggest that such a notion would be nonfunctional and not of very much value because it would only kick in in the last, you know, period of your life, and then it would be a tremendous barrier to receiving the care that you need.

Mr. Mar: Perhaps I misunderstood the hon. member's question when he first asked it. If he's suggesting that we are going to entertain a notion that an individual should be entirely responsible for the cost of their health care in the last part of their life, the answer is no. It would offend the original principle that I set out in answering the hon. Member for Edmonton-Ellerslie's question when I said that a financial catastrophe should not follow upon a health catastrophe. If an individual is suffering from a terminal disease and incurring a great deal of cost, it would not be our consideration to bankrupt such an individual as a result of their health catastrophe. In any form of patient participation in the financing of the health care system, there have to be limits on the amount that such an individual would contribute to their own services at any stage of their life.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Chairman. I'd like to ask some information on any public/private partnerships that you may be looking at in health services now. Are there specific areas that you're looking at? In the process of making these decisions, are you looking at specific studies or reports that you could make public to us?

Mr. Mar: Mr. Chairman, from the perspective of the Minister of Health and Wellness I am more interested in the delivery of health services. As far as an edifice may go for the provision of those services, such as a P3 hospital, that is not really something that I've devoted a great deal of attention to. It's more within the purview of my friend and colleague the Minister of Infrastructure.

I know that there have been some examples of P3s that have been examined in the United Kingdom. Some have worked; some have not worked. Similarly, there have been proposals for P3s by a Conservative government as it then was in the province of Ontario and the current Liberal government in the province of British Columbia. But I'm not intimately familiar with plans that the Minister of Infrastructure may have for P3 hospitals or anything else.

I'm focused on the delivery of the service. How the edifice is paid for and provided for is not really within my scope of expertise.

3:50

Ms Carlson: Mr. Minister, can you tell us how much participation the Premier's new chief of staff will have in leading or participating in the health reforms that we're going to see in the next year?

Mr. Mar: Mr. Chairman, I can't answer that question on behalf of either the Premier or his chief of staff, Dr. West. My opinion, though, is that a chief of staff is there to facilitate the policy directions of a government. He is not there to create policy; he is there to facilitate it so that the expressions of government policy are seen through.

Ms Carlson: Thank you for that.

Mr. Chairman, I'd now like to ask a little bit about the Alberta Blue Cross Review Committee. We saw that committee last year recommend that Alberta Blue Cross should retain its tax-exempt status, but then instead you chose to take away the Blue Cross tax-exempt status and introduce that payment-in-lieu-of-tax program. My question is: has the minister looked at the potential cost to government as an employer to pay the employee's share of increased Alberta Blue Cross insurance premiums for those government employees now covered by Alberta Blue Cross?

Mr. Mar: There is a cost associated with that, Mr. Chairman. I can say that the reason why that payment in lieu of taxes was put in was so that the private-sector services provided by Alberta Blue Cross would be on a level playing field with other providers of similar types of insurance. With respect to the exact number I will have to get back to the hon. member.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Chairman, for that. Then can you tell us with regard to this: have you looked at whether the increased Alberta Blue Cross premium will have an effect on negotiations between the government and workers like the APE workers? I would expect that there would be some impact on those negotiations.

Mr. Mar: That may be so, Mr. Chairman, but the amount is relatively small, and I wouldn't expect that that impact would be particularly onerous.

Ms Carlson: Okay. One more. I'll just finish this. Still on the Alberta Blue Cross Review Committee recommendation 5 there is for the minister to negotiate agreements solely with Alberta Blue Cross, as is quoted from the report, "until such time as the Minister deems it would be in the best interests of Albertans to tender the Agreement." When we see this tax-exempt status withdrawn and the requirement is to pay the 2 per cent premium tax, what advantages are there left as you see them?

Mr. Mar: Mr. Chairman, I can say that the hon. Member for Calgary-Lougheed, who was responsible for this review, would be able to answer this question with a great deal more completeness than I possibly could hope to. I would say to you, hon. member and Mr. Chairman, that the review was done in a very, very thorough way. It did not yield what I thought it would yield. I thought that it would be found that Alberta Blue Cross would not have any advantages in the provision of its services, but it in fact has demonstrated itself to be a very good organization. As a consequence, I've seen no compelling reason at this time to put the work that's done by Alberta Blue Cross out to tender. But, again, the hon. Member for Calgary-Lougheed would be able to identify those advantages much better than I could ever hope to.

Ms Carlson: Mr. Chairman, one final question from me, and it's still on this particular issue. Then is it possible for us to get a list of the people who presented or who were in correspondence with this particular committee so that we have a better feel for what actually happened there?

Mr. Mar: I can take that question under advice, Mr. Chairman.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks, Mr. Chairman. Just following up on the questions, actually, concerning Blue Cross. I appreciate that the minister wasn't leading that review, so he may not be able to answer, but he may be able to.

One of the disadvantages of a nonprofit group such as Blue Cross is that they're unable to raise capital through an equity issue. They aren't able to issue stocks, for example, to raise capital that way. That means that they always have to borrow money, which adds to their operating costs compared to a for-profit corporation, which can raise capital through issuing shares. Is the minister aware at all if that issue was factored into the decisions of the committee?

Mr. Mar: Not to the best of my recollection of all the discussions that I've had on the subject.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thank you. Boy, where to begin? Well, there are some reforms underway through this government on the health care system. One that the minister's very proud of, and maybe in the long run rightly so, is the development of the electronic health records. I don't believe those have been discussed yet today.

I can understand the appeal of this reform and the kind of excitement it generates. At the same time, it makes me nervous, makes me concerned for two or three reasons. One is that it tends to be the case, in my experience, that where an organization leads the process of developing major new electronic applications, they end up paying the costs of the mistakes and the development costs. At times the costs can actually soar unbelievably, and the timelines can stretch out, and all kinds of complications can arise.

I'm also concerned because as I think about the sheer scale of health information generated every day in Alberta through all the visits to the doctors and all the lab tests and all the hospital procedures, I picture an incredibly big, complicated system. Frankly, you know, when I watch a little PC crash when it's overloaded, I worry about: how big is this system going to get? How much is it going to cost? What's the backup provision going to be? Does it all have to be on paper in case the computer goes down? So I have real concerns about the costs of developing the electronic health records, particularly if we're the province leading the way.

Maybe we can spend a few minutes to and fro on this. Has there been some genuine cost-benefit analysis done? Do we have any sense – clear, firm, well-documented sense – of what an electronic health records system will provide as compared to what it will cost?

Mr. Mar: Mr. Chairman, this is a difficult question to answer. Let me try and preface it by saying that I share some of his concerns. I believe that when you do embark on a program as large as this, you have to be cautious. We witnessed examples in other jurisdictions right here in Canada where large-scale information technology programs have failed. Notably, I think, in the province of Manitoba, where some \$60 million was spent in that province on IT initiatives that ended up being written off by their Treasury Board.

I think that we've learned from that, and we structure our agreements with our service providers better.

That's not to say that we get it perfect. We don't always have exactly what it is that we need.

4:00

Overall, my focus is on the delivery of better outcomes in health care services. Every time we can use an electronic health record to avoid a drug interaction that will be bad, every time we can avoid an unnecessary diagnostic test, every time we have our pharmacists hooked up with our physicians and our physicians linked up with our laboratories, that is not only cost-effective; it's better patient care as well. If we can use our electronic health system in physicians' offices so that the very best of clinical practice guidelines can be at a physician's fingertips while they are in the examining room with their patient, that will provide better health outcomes.

So I look at it not only from the point of view of cost effectiveness from avoiding unnecessary tests and avoiding bad drug interactions; I also look at it from the point of view of the value that it can provide. As far as being cautious, I agree. We do have to be cautious, and we are being cautious, and as best we can, we've learned from the mistakes of others and endeavoured not to repeat them.

The Deputy Chair: The hon. Member for Airdrie-Rocky View.

Ms Haley: Thank you so much, Mr. Chairman. I just have a few brief things, Minister, and I would just like to get a sense from you of where we might be at.

As you know, I have an urban city inside a rural riding, 24,000 people living in Airdrie, and we have virtually no health care delivery in Airdrie other than our doctors that are there as well as our paramedics. For a number of years now we have been trying as a community – that would also include health care delivery for Crossfield and the rural area surrounding Airdrie as well as Beiseker, Balzac – to get an indication on when we can anticipate that there might be something that would help us deal with 24-hour emergency care. So the question from my constituents is: when is something going to happen?

I'm wondering, Minister, if you could give us a sense of when the

diagnostic and treatment centre that would service not only the Harvest Hills area of Calgary but would also serve my constituency might be announced or be ready for development. Also, if there's been any consideration at all, in fact, to utilizing the paramedic service in Airdrie, which is an incredible advanced life-support system, as a way of trying to provide some cover-off to people between the hours of, say, midnight and six in the morning prior to the doctors' offices opening. So I'd just be grateful for any ideas you might have on that.

Mr. Mar: This is one of the questions, Mr. Chairman, that often dogs MLAs who are responsible for areas like the hon. Member for Airdrie-Rocky View. I know the minister responsible for Children's Services also has this issue as it relates to people in Strathcona county. Now, in the case of Airdrie it's a population of roughly 10,000 or 12,000 people?

Ms Haley: Twenty-four thousand.

Mr. Mar: Twenty-four thousand people in the overall area. It's a large area. In the Strathcona county area it's probably in the magnitude of 50,000 or 60,000, but the same question persists. What I can say is that there are examples where people in such communities that are just outside of the major cities are able to have their health care needs met.

In Strathcona county there's a clinic that's open after doctors' normal clinic office hours, and we're looking at how that's providing services to people in that area. It's open late at night, and the early indication appears to be that in combination with our Health Link line it's providing very good services to the people in the county of Strathcona.

What I'm hoping is that the good experiences there that are the result of an innovative idea set up by the Capital health authority in the city of Edmonton would be, in fact, learned by the Calgary health region and that a similar or analogous type of program might be exactly what's needed to serve the people in the area of Airdrie. The hon. member and I share a boundary at the Calgary city limit. That kind of service would equally be applicable to the people who live in my riding and right in my own home community of Harvest Hills.

Mr. Mason: Mr. Chairman, I'd like to ask the minister about his view of the future of a couple of models of health care delivery which are quite similar, but there are important differences. In my constituency of Edmonton-Highlands there exists the Boyle-McCauley health centre, which is a nonprofit, community-based clinic which provides tremendous services to residents of the inner city and has many specialized programs related to their needs, and that includes around substance abuse and HIV. There are a number of programs as well for seniors in the area. It's my belief that this is perhaps one of the most cost-effective and sensitive delivery systems in the entire province.

Another one is the Northeast health centre, which was originally started by the Royal Alexandra hospital, which later became the Capital health authority, and it was based on needs in urban areas. At that time the needs assessment showed that in Edmonton there were no medical specialists whatsoever north of 118th Avenue. This spoke to the need for this type of facility. There were particular needs, including dental, where there were tremendous deficiencies. It's a little different than the Boyle-McCauley health centre. It's operated directly by the health authority. It's bigger. It's 24 hours. It's got an emergency room and so on.

Does the minister see these particular models of health care delivery as worthy of further development and ways in which we can

deliver sensitive, community-based health care in a cost-effective and nonprofit fashion?

The Deputy Chair: The hon. minister, followed by the Member for Calgary-Currie.

Mr. Mar: The short answer is yes, Mr. Chairman. I note that right in the hon. member's own question he acknowledges that they are two very different models. I think that that's an important acknowledgment to make because as a provincial government we recognize that there may be many different models for the effective delivery of health care and that the nonprofit models as set out at Boyle-McCauley and the one run by the regional health authority, the Northeast clinic, are two examples of services that seem to be provided in a very cost-effective way. Both of those examples have been cited not only by me but by federal Minister of Health Anne McLellan, as she then was, in comments made in other parts of Canada as being the kinds of innovations that we would want to emulate across Canada.

Within Alberta we are starting to learn from these examples. We compare that with primary health care that's delivered through medicentres, which don't appear to be particularly cost-effective by comparison. So we do learn from these comparisons, and we look at what has happened since the time Boyle-McCauley and the Northeast clinic have emerged. There have been other examples here in Alberta of similar types of models. The Crowfoot Centre in Calgary is an example of a different way of looking at primary health care.

Our whole AMA agreement is helping to drive different models of primary care delivery where we might have multiple health care providers working as a team in delivering services, which is exactly what is done in the models that the hon. member identified. In our budget for physicians' services we have \$100 million set aside for physicians to use that money to hire the services of other health care professionals so that they can be encouraged to work in multidisciplinary teams. Now, I know that this is not exactly on point, but I think it's illustrative.

4:10

I often use the example of two doctors that I have, Dr. Wong and Dr. Wong. Leo is my dentist in Calgary. Paul is my physician here in Edmonton. When I go to Leo's office in Calgary, I get my teeth cleaned by a dental hygienist, and nobody ever complains about remunerating Leo's office for services provided by someone other than Leo. In fact, the hygienist might even do a better job than Leo does of cleaning my teeth. By comparison, when I go and see my physician, Paul, we only remunerate Paul's office when Paul performs the service even though I know that my flu vaccination could be competently dealt with by a licensed practical nurse or an RN or a nurse practitioner.

So the purpose of our hundred million dollars for local primary care initiatives is to encourage physicians to group together and pool their money so that they might be able to purchase the services of physiotherapists or chiropractors or licensed practical nurses. The average full-time physician carries a roster of about 2,000 patients, so if you had five doctors pooling together, that would be 10,000 patients times the \$50 per patient that they would be able to get out of this hundred million dollar pool. That would be a half a million dollars collectively that these physicians could use to have the resources to pay for a licensed practical nurse so that that person could do all the flu vaccines for their 10,000 patients.

So we are moving in the direction of encouraging models like the two that you described, and we're putting our money where our mouth is, as well.

The Deputy Chair: The hon. Member for Calgary-Currie.

Mr. Lord: Thank you, Mr. Chairman. I'm pleased to rise to ask a few questions of the minister as well and comment on the budget. It's obviously an area that my constituents in Calgary-Currie have a great interest in. In fact, we even have an upcoming town hall meeting, which I really appreciate the minister's assistance with.

For the questions I have to ask, I'm not sure if the minister would have all the facts and figures at his fingertips today, so I would certainly be satisfied, if he doesn't, with perhaps answers that could just be provided at a later date. I guess to save a little time today, I'll just ask all those questions, and then if the minister does want to comment, that would be fine.

Now, health care costs and health care spending are obviously very difficult areas for us to try and contain costs in as a society. I mean, part of the difficulty that we have, really, is wrestling with the value of saving a known life versus a statistical life. The usual example given in that regard, of course, is: do we spend millions saving the life of a little girl dying of cancer knowing that the same amount of money invested in guardrails and better roads might in fact save dozens of lives instead? But, of course, one is a known life; the other one is a statistical life. So we have incredibly difficult challenges as a society to wrestle with those very hard emotional choices and trade-offs.

My first question, I guess, to the minister just in regard to, perhaps, some other areas that we might look at in treating some of the causes of these cost drivers in health care as opposed to treating symptoms. I'm wondering if the minister is aware of any studies or evidence to support the notion that doctors may be running more tests than necessary, unnecessary medical tests, because of fear of malpractice lawsuits. If there were evidence to that effect, then perhaps we should be looking at legal reforms as opposed to just spending more money continuing to do tests that perhaps are not providing much benefit. So that'd be my first question.

My second: is it true – and I've seen evidence to the effect – that Canada is now spending more money as a percentage of GDP than any other country except the United States? I'm wondering how Alberta's expenditures as a percentage of GDP, now and projected into the future, stand up to that of, for example, Britain's expenditures or Japan's expenditures as a per cent of GDP.

Another question: is there any evidence to support the notion that – you know, a built bed is a filled bed I think is the cliché – the more you choose to spend, the more you have to spend in future? Sort of like, you know, feeding a growing dragon in that the more you feed it, the more it grows; the more it grows, the hungrier it gets, the more you have to feed it. So by refusing to cap our percentage of GDP expenditures on health, are we creating something similar to the mythical Hydra, that you cut off one head and you get two and so on?

The other question I'd like some information on if possible: is it true that despite all our spending and the spending that the United States is spending, the life expectancy and the health care outcomes are virtually no different than for Britain or Japan or most other developed nations? I mean, how does Canada rate in that regard? How does Alberta rate within Canada in regard to health outcomes as compared to some of these other nations? Is it true that British doctors are apparently performing only half the surgeries that American doctors do per capita yet still have almost equal outcomes? I'm wondering how Alberta rates within Canada in that regard in that similar comparison.

I guess, you know, there's evidence that Japan performs in fact only a tiny fraction of the surgeries that we do and has been criticized for it, even called backward for it. However, it seems that

their health care expenditures are about a third or more less as a percentage of their GDP, and their health care outcomes are the best in the world. So that really starts to beg the question: is there an issue about maybe more surgeries being performed than necessary? Of course, there are epidemiological studies that indicate that 20 per cent and maybe even 50 per cent, as I understand it, of surgeries performed cannot be claimed to have statistically significantly affected the outcomes, meaning that these costly surgeries may have not done much good.

Of course, that brings up, you know, a number of questions around health care outcomes. In fact, what are the iatrogenic complications and maybe negative health outcomes of these surgeries? I understand – and I guess there was some media recently that the minister may be aware of – that there are some committees and that there are in other countries other committees and studies ongoing in regard to iatrogenic complications. I'm wondering if perhaps some of that could be looked into or explained. What are the results, if any, at this point?

I guess that in defence of our current health care system and our expenditures, are the expectations that the public has as to outcomes perhaps too high? Do we ask too much of our health care system? I haven't got the study, but I understand that, actually, mountain climbing is safer than some surgeries are, yet we expect 100 per cent results every time of all surgeries. I mean, people have very, very high expectations of our health care system. Has that been really addressed? Should we perhaps be looking at a little bit of awareness and education of the public into what the risks really are, into what we can expect? You know, is the idea that we can expect perfect results every single time no matter what it costs, especially when to the individual it's free, really a realistic sort of expectation to have on our health care system?

With that, thank you, Mr. Chairman. I appreciate all the comments and support from my colleagues as well.

Mr. Mar: The hon. Member for Calgary-Currie was right: I don't have all those at my fingertips. But maybe I'll address the issue of expectations first.

People do have high expectations of our health care system, and they should. They should have high expectations of our health care system, but they should have equally high expectations of their own responsibility for their health. When we survey Albertans, the overwhelming majority of Albertans say: I'm in very good or excellent health. Some 90 per cent of Albertans will say: I'm in very good or excellent health. That's the reason why when we say, "You've got to take responsibility for your own health," they don't think that message is being directed at them.

The reality is that the majority of people in this province could be doing a better job with respect to what they eat, their regular exercise. We demand accountability out of physicians, out of nurses, out of our health care regions and appropriately so. We demand accountability out of the people in this Legislature and the people who work in our Department of Health and Wellness and appropriately so. My question is: when will we be asking for accountability of the user of the system? That is a critical question that I think needs to be asked as an important policy point.

4:20

Are doctors running more tests than necessary because of the practice of defensive medicine? I haven't seen any statistics to suggest that, but I can suggest to you anecdotally, based on discussions that I've had with many physicians, that the answer is yes. I think that it speaks to the reason why we need to continue to focus on clinical practice guidelines. I would want individuals who are

using the health care system to have the demonstrably best practice of a treatment protocol used with them. I'm not interested in what Dr. Brown's or Dr. Smith's protocol is. I'm interested in what is the best demonstrated protocol of the treatment of my particular condition.

Are we spending more as a percentage of gross domestic product? I don't know what the answer to that question is, but as in responding to the hon. member from the third party, I think that that's a bit of a red herring. I don't think that the expression of health care expenditures as a percentage of gross domestic product is a particularly useful measurement of anything.

On your comment that a bed built is a bed filled, I think that there are other jurisdictions and other health systems in the world where we can show that there are fewer beds per thousand than we have here in Alberta. Even here in Alberta I think that there are examples where the aggressive pursuit of a policy of using designated assisted living, in the Chinook health region, has reduced the real needs for more hospitals to be built in that area. I think that there are things that we can learn right here, from inside the province, where we could be doing a better job.

On the subject of health outcomes you talked about Japan and Great Britain. If we look at the OECD comparisons of health care systems, according to the rankings done by the Conference Board of Canada, Canada is the third highest per capita spender, and we would be among the highest among provinces and territories within Canada. Yet our results as a nation are ranked at about only number 13. Now, we can argue – we can debate whether or not the criteria that were used to rank those nations were proper or not – but we should be motivated at least to find out what is being done with respect to health care delivery in other jurisdictions.

Why does Japan, why does Sweden, why does France get good outcomes that seem to be better than those that we have? There may be some things that are cultural that we ultimately can't compare. I think the diet of people in France and Japan is quite different than the North American diet. It leads us to ask the question: should we be doing something to dissuade North Americans or Albertans from eating the kind of diet that we have here on this continent, or are there other solutions? I think that the inquiry into the outcomes achieved by other jurisdictions compels us to pose important questions as to how we can learn from their experiences and, if applicable, put them in place here in Alberta.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks, Mr. Chairman. I'd like to raise an issue that's extremely pertinent to the budget discussion, which is the entire budget process between the department and the regional health authorities. I know that I had contacts from RHAs across the province last year that even in the third quarter and possibly the fourth quarter but certainly well into the third quarter of last year the RHAs were still waiting for their budgets to be approved. They were getting pretty frustrated because they weren't sure what their plans were. They were expected to live up to delivering services, but the final budget decisions hadn't been made. I assume that eventually those got resolved, but my question to the minister again now is: when will the process of sorting out and finalizing the RHAs' budgets and the minister signing those off be completed in this budget year?

Mr. Mar: The regional health authorities already know as of today what their allocations are going to be in the current budget.

Dr. Taft: So this debate, then, is pretty academic.

I just need to confirm that the minister is stating that he has approved the budgets of the RHAs as of today and that they're finalized. That's what I heard him say.

Mr. Mar: What I've indicated, Mr. Chairman, is that we have advised the regional health authorities what their allocation of resources will be. On average it was 8.5 per cent. In the case of the Cancer Board it was higher; it was 12 per cent. But each entity knows today what they will be allocated. Their responsibility now is to come back with a business plan for how they will spend it and deal with the needs of the people that they serve within their budget envelopes.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks. I'd like to go two or three questions back in the exchange to another of the minister's favourite projects and one that I think is pretty interesting, which is primary care reform. Like the minister, I share his concern that we need to reform the primary care system, and I think the commitment of some extra money to that – \$100 million is a lot of money actually – is a good one.

The one concern I have is that it is, as I understand it, channelled entirely through the physician side of the health care system. In other words, the \$100 million will have to be channelled through individual or groups of local MDs rather than, for example, a group of RNs or nurse practitioners or somebody else coming together and applying for some of this \$100 million. Can the minister confirm or correct me on that view? That's where we'll start.

Mr. Mar: Mr. Chairman, for budget purposes it is all coming through the medical services budget. But keep in mind, as I indicated at the outset of my comments, that this is a tripartite agreement with the regional health authorities, the physicians, and the government of Alberta. So the involvement of groups like nurse practitioners or other health care providers who would want to provide primary care would be co-ordinated through the regional health authority. The regional health authority would have to be satisfied that such a local primary care initiative in fact set out appropriate criteria for what such an LPCI would accomplish and that there would be the need for a plan for how that LPCI would provide 24-hour primary health care, what kind of providers it would use, and so on and so forth.

So there will be ample involvement of these other health professionals, other than just physicians, within these LPCIs. But he's right that for budget purposes it does come through the medical services budget.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thank you. Just for my clarification, I understand that there are the RHAs, the doctors, and the department involved in this process, but would it be possible – and this is hypothetical; I hope that's allowed here – for a group of nurse practitioners, for example, perhaps going through the RHA, to directly tap into this funding, or would they have to have a medical organization, a doctors' organization, between them and the funding?

Mr. Mar: It would have to be done with the co-operation of a physician group.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: All right. Thank you, Mr. Chairman. The Calgary health

region and the Capital health region and perhaps all of them are always looking for new options and opportunities to bring extra revenue into the system. One of the interesting things the Capital health region has done, as I understand it, is to contract with the Workers' Compensation Board to provide joint surgery and other significant surgeries to Workers' Comp clients and bill the Workers' Compensation Board and, as a result, earn a substantial amount of money. I can't remember exactly how much it is, but it's I think quite a few millions of dollars. As far as I know, everybody's pretty happy with the arrangement: Workers' Compensation, the Capital health region, and presumably the patients.

Is the minister aware of a similar kind of initiative at all out of the Calgary health region to try to bring the Workers' Compensation surgical work into the Calgary health region in a similar way to what's done in Edmonton?

4:30

Mr. Mar: Not that I'm aware of, Mr. Chairman.

Dr. Taft: Does the minister have a role in encouraging a health region to undertake that sort of initiative? Clearly, the Calgary health region is looking for business opportunities. If there's one involving the WCB that's worked out extremely well in Edmonton, does the minister have a role to say: hey, why don't you folks in these other regions look at the same model?

Mr. Mar: The answer is yes, Mr. Chairman. We do try and facilitate that through regular meetings with regional health authorities, but regional health authorities themselves take the opportunity to meet from time to time. The hon. member may be familiar with the Council of Chairs, which is a council of all of the chairs of regional health authorities throughout the province who meet on a regular basis, and they take the opportunities to share their best practices. I hope that we are able to extend those practices not only to matters as they might relate to revenue generation but also to practices as they might relate, for example, to the safe handling of potassium-containing solutions that may be in a central laboratory in a hospital.

We are meeting regularly. I think that those exchanges do take place. There may be WCB work done in the Calgary health region. If there is, I'll certainly advise the hon. member by correspondence. But that I'm aware of, it hasn't been done thus far, and I don't know what the reason would be or if the circumstances exist for them to be able to take advantage of that.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks, Mr. Chairman. There's been a lot of talk here about better health outcomes or sometimes disappointing outcomes in comparison to other developed countries. I'm not sure exactly which outcomes we're talking about, but I think we could also focus a lot more on better inputs. By that, I mean improving the health of the people who go into the health care system or perhaps don't need the health care system because they're healthier. Again, I'm being very generous to the minister today. He's shown some initiative and interest in that and has moved some issues forward in terms of healthy living – tobacco use abatement, I think, is very important – and a number of other issues.

What is the current status of the wellness fund? Is there any hope of that getting established and growing into something that I think the minister might like to see and certainly I would eagerly support?

Mr. Mar: I continue to advocate for it, but there are no plans for it at this time.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thank you. The issue of conflict of interest is one that I've raised quite a number of times in this Assembly and even brought in a private member's bill on the issue, although it didn't get very far. I have a particular concern about this issue in relation to the Calgary health region, but it applies across the board, and I think there's a need in the health care system to directly and courageously address conflict-of-interest issues in the same way that the legal profession has had to address them, the accounting profession and other professions.

Now, I do understand that there have been internal discussions and debates in the Calgary health region on conflict-of-interest policies, and from time to time in the last year those have gone up to the minister's office for signing and approval. I'm not sure, actually, where they stand right now. Maybe the minister can provide some information on that.

I raise this in the context of a budget debate because I'm concerned that until we get the conflict-of-interest lines clearly drawn for the medical profession in general and particularly for physicians in senior and influential positions in regional health authorities, we may be contributing to the cost pressures because we are having people who actually have a vested interest in costs going up.

Has the Calgary health region finalized its conflict-of-interest policy, and has the minister signed that off?

Mr. Mar: I'll have to reply to the hon. Leader of the Opposition by written response to that question.

Dr. Taft: All right.

The Deputy Chair: Anybody else wish to participate in the debate, the questioning? The hon. Member for Edmonton-Riverview.

Dr. Taft: Thank you, Mr. Chairman. The regional health authority boundaries were changed exactly a year ago, as I recall, and there was inevitably the to and fro around how those boundaries were drawn. There was some question in particular about I think region 7, just north of Edmonton, the very stretched out one. My question is essentially this. Has the department done any work that would indicate whether there's been administrative efficiencies or losses as a result of the change in the regional health authorities? Have those changes made for more efficient health care expenditures or not?

Mr. Mar: Mr. Chairman, this is an interesting question in this context. Earlier this week members of the ALS Society came to meet with many members of the Legislative Assembly, and they outlined that one of the key challenges put forward by their group was the differing levels of support for people suffering from ALS throughout the province. They said that when you are on one side of the boundary of a particular health region, you might get one service, and on the other side of the boundary you might get another service.

We can't look at the boundary simply as an academic exercise or simply as one of administrative savings. We also have to look at how it may improve the equity of delivery of services throughout the province. Within larger regions you'll have fewer conflicts between the kinds of services that you might receive. We still want to strive to have a completely seamless health care system whereby an individual with ALS or any other chronic disease would be able to access on an equitable basis, perhaps not an equal basis but an equitable basis, services regardless of where in the province they lived.

So one of the most important outcomes of reducing the number of regional health authorities is that we are starting to make our services more equitable. We've got some work to do, but we are doing a better job as a result of having nine health regions now instead of 17.

Dr. Taft: If the minister has any studies to confirm that, I'd be very interested in any cost-benefit analyses or anything like that, any review going back and saying, "Okay. Are these boundaries right, or can we tweak them a little bit more?" That would be helpful.

I know the question of ambulance services came up earlier this week in question period, and it's certainly one that's come to our caucus a number of times, concerns on how the transfer will be handled and what the plan actually is. It's of great concern to the people right at the front lines understandably. It's a genuinely tough issue; I acknowledge that.

4:40

One of the questions that has come up to us – I think it was raised at least in general in question period a couple of days ago, but I need a clearer answer here from the minister. When ambulance services are turned over to a regional health authority, the concern is that they will then have to compete with heart surgery or pediatrics or everything else for priority on the list of spending. What precautions or safeguards if any is the minister putting on the transfer of ambulance services to ensure that they will get a fair shake, or is that decision being given over to the RHAs in its entirety?

Mr. Mar: Mr. Chairman, we'll want to be careful to do this in a proper way, and that's the reason why we're taking one year to make the transition from where we are today to where it is that we want to be. Over that period of time I imagine that municipalities or regional health authorities may make the argument that they want that funding enveloped, that it will be for the dedicated purposes of running ambulances. Certainly, if they make that recommendation to me, I'd give that serious consideration. It seems to me to make sense.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Chairman. I have a few questions before we conclude for today. I'd like to ask some questions on the money being spent in primary care, if I can. I refer the minister to page 198 in the estimates, where we see that primary care is receiving quite a large increase, going from \$8 million last year to \$20.5 million in the year 2004-2005. We would like to get a breakdown of what these costs will be and how much of it is going to be directed to the local primary care initiatives established under your agreement with the Alberta Medical Association and regional health authorities.

I would expect some of that detail to come in writing, but can you give us an overview of that at this point?

Mr. Mar: The amount that will go to local primary care initiatives is separate and apart from our other reform funds, and it will be in the amount of \$100 million. As I indicated earlier, it comes through the budget line of the medical services budget, which in aggregate is in the magnitude of \$1.5 billion.

Ms Carlson: Mr. Chairman, are there some focus groups being held right now relative to the local primary care initiatives? If so, can you tell us what the purpose is? How many are you holding, and what will be done with that information?

Mr. Mar: Mr. Chairman, there are no focus groups for the purposes

of designing LPCIs, but I can tell you that there are approximately 12 submissions that have been made by groups for entry into LPCIs. Hopefully, we'll be able to have the first of these, if not most of them, up and running by the end of June, but it remains to be seen. I have not personally seen what these letters of intention have expressed yet, but I'm hoping that we'll be able to move this forward early this summer.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you. Then are those letters of intention from independent businesses or consulting groups? Can you expand on that? Also, what participation will community groups or individuals have in this, or will there be no way for them to participate?

Mr. Mar: These will come forward from groups of physicians who believe that they can serve their patients better through an LPCI.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you. Will there be any review process, then, for members of the community at large or individuals in this?

Mr. Mar: There are none planned, Mr. Chairman.

Ms Carlson: Thank you for that.

Then I'd like to just talk a bit about: nongroup health benefits, also, has seen quite a substantial increase, as we see it, by more than \$77 million. I'm not sure what the nongroup health benefits are. Could you explain that to me and tell me why they're increasing so significantly?

Mr. Mar: I could do that more completely through a written response, but my recollection is that the largest increase in that area is in the area of pharmaceuticals.

Ms Carlson: The largest increase is pharmaceuticals?

Mr. Mar: Yes.

Ms Carlson: So then for people who are accessing benefits, is that what it is? Is it just the increase in cost? Are we seeing an increase in access?

Mr. Mar: I don't have the breakdown between increase in access versus increase in cost. It's something that I could provide to the hon. member.

Ms Carlson: Okay. But essentially you're saying that it's both.

Mr. Mar: Yes.

Ms Carlson: Okay. Good.

Now, can we talk a little bit about West Nile? I know that you're doing some work in conjunction with the Department of Environment here. Everything we hear from the media reports would indicate that the outbreak is expected to be larger this year, perhaps again largest in southern Alberta. Can you give us an update on what your department's doing in that regard?

Mr. Mar: Mr. Chairman, we are taking this very seriously, and we are using the very best information that we can from jurisdictions throughout North America that have gone through this outbreak

before. It appears that the progression of the disease is that there's a spike in its occurrence rates, and then it seems to drop. What we're anticipating is one of the spikes, so we've been very, very aggressive in having a larvicide spraying program, that we did not have last year. There was no evidence that there was last year West Nile virus in overwintering mosquitos, so a larvicide program wouldn't have made any difference.

This year there is evidence that overwintering mosquitos do have West Nile virus, so we are spending several million dollars on a spraying program that's being distributed through municipalities. We're focusing our greatest amount of monies on those municipalities in southeastern Alberta where the outbreak of the mosquito that does carry West Nile virus will in fact be present.

We're also being very aggressive in terms of monitoring and working with the Minister of Sustainable Resource Development, continuing to monitor animal health, birds, horses. Of course, through our regional health authorities we're looking for evidence of West Nile virus in humans. We're working very closely with the Canadian Blood Services organization. Every blood donor now is being screened. When they're donating blood, they're being screened for the presence of West Nile virus.

Finally and perhaps most importantly, Mr. Chairman, we are working very hard on a public education program to indicate to Albertans that no matter how aggressive we are in spraying mosquitos, we can't get every one of them and that Albertans themselves should be educated about the need to protect themselves, wearing long-sleeved shirts and long pants, particularly at hours when mosquitos are feeding, in the morning and in the evening, using, if you don't wear long sleeves, a DEET-based repellent, and that that DEET-based repellent is safe even for children.

Fortunately, most people who get West Nile virus won't suffer serious consequences, but some suffer very serious consequences. Again, the most important thing that we can do is to advise Albertans how to protect themselves. They need to take responsibility for their own health, because no matter how many mosquitos we spray in the adult stage or the larva stage, we can't get them all.

The Deputy Chair: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you. I'm happy to see that there's going to be an increase in spraying this year, because that is what we had asked for last year. But it looks like to me that in your budget there's a decrease in funding. So what will you not be doing this year with regard to West Nile that you did do last year?

Mr. Mar: Everything that we did last year we'll be doing more of this year, Mr. Chairman. I indicated that the reason why we didn't do larvicide last year was because there was no evidence of West Nile virus in larva stage mosquitoes. This year there is. My recollection is that our program this year would be in the magnitude of \$4 million to \$5 million for spraying. That is new money that we did not spend at all last year. Our public education program, which was aggressive last year, will continue this year. So to the best of my recollection, hon. member, there isn't anything that we did last year that we won't be continuing this year, but in fact we are expanding what we do this year, the larvicide program being the best example.

4:50

Ms Carlson: Okay. But, Mr. Chairman, doesn't the spraying program come out of the Minister of Sustainable Resource Development's budget?

Mr. Mar: My recollection is that the answer is no, Mr. Chairman.

This is new monies that have come from the Department of Health and Wellness.

Ms Carlson: That's good. Thank you for that.

I have just one more question. Like you said, Mr. Minister, some people are severely affected by West Nile, and it's expected that they will have at least short-term if not long-term neurological effects from this disease. What kind of support can we anticipate seeing from your department or some other department to help those people through that time period, specifically with regard to loss of employment?

Mr. Mar: Mr. Chairman, I can't speak for issues of income support during a loss of employment. That wouldn't be within the purview of the Ministry of Health and Wellness.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks, Mr. Chairman. While we're on issues like West Nile, we might as well talk about SARS as well. I know that some of the regions have taken very significant preparatory steps in case there's even a single case of SARS in Alberta. Are there any contingency funds in this budget in anticipation of a SARS outbreak, or would the extra costs of that be borne at the time of the outbreak, if one were to occur?

Mr. Mar: It would be the latter, not the former, Mr. Chairman.

Dr. Taft: Changing topics to – actually, I'm going to stay on SARS for a moment. My information, as I said, is that there have been significant preparatory steps taken for SARS both in terms of training of staff, in terms of equipping of staff, and, frankly, in terms of some changing of spaces, ventilation systems, renovations, and things like that. Can the minister give us an indication of what those preparations have cost so far?

Mr. Mar: I don't have the exact figures before me, Mr. Chairman. I should say that this is not a preparation for SARS alone. It's a preparation for any pandemic that may occur, most notably for influenza. We don't know exactly when the next influenza pandemic will occur, but we know that it's coming. So it's in that context that we have an overall plan for dealing with it, which has included capital. There are capital improvements that have occurred in intensive care units that would have separate ventilation systems, as an example. The training that the hon. member mentioned would include training for how to handle a potential SARS virus within your laboratory.

Our regional health authorities have been very, very good in terms of disseminating information on what to look for in the event that SARS arrives in this province. There are some six cases, suspected cases at this point is my latest information from China. I can say that airlines and the federal government have been instituting the kinds of protocols necessary to be aware of what to look for from flights arriving from that place, and we'll be cautious and we'll be vigilant.

I think that one of the great learnings from SARS last year in comparing what happened in Toronto with what happened in Vancouver is that in Toronto, where they don't have a regional health system as we do here in Alberta or as they have in Vancouver, each hospital was left to rediscover this thing on its own. The result was that a secondary and tertiary spread of this disease happened without them really being aware of it. Compare that to the example with the presence of SARS in Vancouver, where because they had a regional system, they were able to disseminate information quickly

and contain the secondary and tertiary spread of that disease. This speaks to the strength of having a regional system. It's something that we've learned from, and we continue to learn from reports by people like Dr. Naylor, who did the review in Ontario following the SARS outbreak.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thank you. Currently negotiations are underway between the nurses and the Provincial Health Authorities association on their next contract. They're into arbitration. It's gotten very quiet, and none of us know what the outcome will be, but whatever the outcome is, it's going to have a significant impact on the budget of the health care system. How is the potential outcome of the negotiation of the salary settlements worked into the current budget year?

Mr. Mar: Mr. Chairman, regional health authorities in this province have an average increase of 8.4 per cent. We expect them to be able to live within those budgets, and that would include a portion for reasonable increases to nurses and other health care workers.

Dr. Taft: All right. Let's hope that plays out successfully.

The minister talked a few moments ago about the strengths of regionalization, and certainly there are some. As with any organization there are also weaknesses. One of the concerns that comes to me and I'm sure comes to the minister is the challenge of interregion transfers of patients. So somebody from Chinook needs treatment in Calgary and the concern that the patient from Chinook maybe gets a lower priority than the person in Calgary or the concern that billings aren't fairly handled. Either there's double billing or there's inadequate billing or whatever.

[Mr. Tannas in the chair]

Now, maybe this is getting sorted out. I haven't had these concerns raised to me as much this year as I did the previous year. Maybe it's a function of the larger boundaries. Can the minister comment on the issue of interregion transfers? Is he aware of a better system in place, and how is it working?

The Chair: The hon. Minister of Health and Wellness.

Mr. Mar: Thanks, Mr. Chairman. I think the hon. member answered his own question in part. I think partly it's because we're getting better at it. It's also partly because there are fewer regions and larger regions. The regions were based upon, as best we could, the service areas where people actually got their health services from, so there would be as a result fewer transfers among and between regions.

Dr. Taft: One of the concerns that hasn't gone away, in fact has gotten worse, is the very, very real sense, especially in Calgary and Edmonton, that there need to be more acute care beds and they're needed urgently and quickly. I listened several minutes ago to the minister indicate that perhaps there are jurisdictions he's aware of in the developed world where there are actually lower acute care bed ratios per population than in Alberta. I'm not aware of them, and I'd be interested to see those. But, certainly, by Canadian standards and by the international standards I've seen, Calgary and Edmonton are absolutely at the lowest levels, the absolute tightest acute care beds supplied for the population.

Both regions have put forward expansion plans. There have been some announcements of approvals over the next – I'm trying to recall – 18 months or two years or something like that. Can the minister fill us in a bit more on exactly how the need for expanded acute care capacity is going to be met in this current year? I understand that it'll involve the Minister of Infrastructure as well, but frankly it's one of the frustrations of Infrastructure existing at all. It feels like on capital questions there are two people in charge when it would be nice to go to one for the answer.

Can the minister tell us what he foresees in this budget year and in the foreseeable future, let's say the next two years? What's going to roll out for Edmonton and Calgary in addressing the acute care bed shortage?

5:00

Mr. Mar: Mr. Chairman, I think that that has been well expanded upon in this Legislature during question period, but if the hon. member would like a list of the billions of dollars that we've got planned in our capital budgets across this province in many areas over the next three years, I'll endeavour to do my best to provide that to him by written response.

In Calgary, as an example, we are moving forward on the Children's hospital, which, if the hon. member has seen the site, is progressing quite nicely.

We will proceed with the south Calgary hospital, but I think that it's important to know that you cannot build such a facility overnight. There's a great deal of planning that needs to be done not only on the capital side but in terms of where you will find the staff to fill such a place. You don't suddenly find thousands and thousands of staff at the snap of a finger either. So the regional health authority is currently planning how it will staff up such a facility as the plans move forward on the building of a south Calgary hospital.

In Edmonton, Mr. Chairman, they're moving forward on a repatriation of beds that currently are administrative offices in facilities throughout the city. This is a good plan. The regional health authority is trying to do what the Calgary regional health authority did some time ago, and that's to move all of their administrative staff into a single place. The Calgary health region did that by moving to Southport, I believe, four or five years ago thereby freeing up space in the facilities that they had at that time. Capital health will be moving forward on that as well.

My recollection is that that is some 50 million dollars, money in that magnitude, to repatriate some 170 beds. That is a much more cost-effective way of doing it than simply building a new facility.

So there are plans for short-term but also long-term needs of residents of both of the metro areas.

The Chair: The hon. leader.

Dr. Taft: Thank you. Subsequent to that, is the minister aware of any funds either in this budget or, I guess, in the Infrastructure budget to move along the planned ambulatory care centre just immediately west of the University hospital site in Edmonton?

[Mr. Shariff in the chair]

Mr. Mar: I don't recall off the top of my head, Mr. Chairman.

Dr. Taft: In many ways I regret that I've focused so much on the traditional aspects of health care delivery – the bricks and mortar, the doctors and nurses – when I think the minister and I both agree that

so much emphasis really needs to be placed on issues like education, issues like poverty, strong communities, diet, exercise, lifestyle, those kinds of issues.

Are there initiatives that will be supported through this budget to encourage a co-operative approach between, say, the Department of Health and Wellness, the Department of Learning, the Department of Seniors to heighten the awareness of those departments of the health impact of their work? For example, the Department of Learning comes into contact with every child in Alberta by the age of five or so and can reach those kids on health issues immediately. Likewise, at the other end of the age spectrum, the Department of Seniors is in contact with virtually every senior in Alberta in one way or another.

Is there something like an interdepartmental health and wellness task force? Or are there mechanisms through which the departments work together, led by the department of health, to ensure that people in other government departments are thinking: gosh, this policy on kindergarten or this policy on housing or this policy on building codes has a health impact that I'd better think about?

Mr. Mar: The short answer is yes, Mr. Chairman, and I can give you tangible evidence of its success. Take, for example, the Minister of Learning's announcement that we will be moving to daily physical education in our schools. I think that this is a very, very good move and clearly will have an impact upon our acute care system, albeit not one measurable immediately, but it will yield results down the road. I think this is a step in the right direction.

This is where we have great challenges, of course, in health. Many of the things that we will do to improve people's health will not accrue immediate benefits or immediately result in the sustainability of our health care system. But 20 years from now we can have no hope of being able to stop the wave of type 2 diabetics that will accrue to our health care system unless we deal with the rates of obesity and overweight children who are currently in school.

I think that the Minister of Learning made a very cogent and compelling comment when he said that he was shocked, as should we all be shocked, when there are epidemiologists who are suggesting that this may be a generation of young people who will not outlive their parents. That should be shocking. It's for that reason the minister brought forward programs like daily physical education.

That's one of many, many examples, but the short answer to your question is yes.

Dr. Taft: Good. Well, I would encourage all of that and more because I think that's absolutely crucial to the long-term viability of health care and to the wellness of our society.

What will probably be my last question, Mr. Chairman, in light of the hour concerns the wait list registry that was announced about six months ago or so, last October, and was put on the Internet. I visited it a couple of times although not recently.

An Hon. Member: Have you moved up?

Dr. Taft: I haven't moved up because I'm not on there.

The theory is interesting: it allows Albertans to view where they stand and pick and choose where the wait list might be the shortest. My question basically, like so many of my questions, is: has there been a good evaluation of this, or when will the evaluation be done? Is it somewhere in this budget? Will we have some sense of whether this registry is actually reducing waiting lists, and will that evaluation be made public? How might it be conducted?

Mr. Mar: We're not finished with the wait list registry, Mr. Chairman. We hope that by 2006 it won't be just a waiting list registry, it will be a centralized on-line booking system. We are moving towards that.

With respect to whether it will reduce the wait list for a particular individual waiting for a particular service from a particular doctor the answer may be no. If an individual sees that they're waiting for Dr. Brown for a period of 12 months to get a particular procedure done, that individual may decide: I really like Dr. Brown; I don't want anybody else to do my particular procedure. So the wait list for that individual might not change. But if the individual sees that Dr. Smith, who may be located in another hospital or even another town, can do that procedure in six months or maybe even six weeks, that individual may decide: I'm going to see Dr. Smith instead of waiting to see Dr. Brown. As a consequence, they'll have their wait list reduced.

To be able to measure it in global terms is very difficult. It would be the individual experiences of patients waiting for a service who actually decide to change, or they may decide to wait.

I think that even if the person is waiting for Dr. Brown and they see that they're waiting 12 months, there may still be a value in that person seeing the length of that list because they'll recognize that they're not waiting to see a specialist; they're waiting to see this particular person. I think that has some value because they would recognize that if Dr. Brown is just not taking any more people, we can't force them to see people faster and move you up the list.

I think there's value in it. Even if the wait list doesn't change for that particular individual, they'll see that they're waiting for a particular person to do their work, and therefore at least they'll understand why they're waiting. It's not because there's a shortage of specialists; it's because there's a shortage of the time that Dr. Brown has to see people.

The Deputy Chair: The hon. Member for Edmonton-Riverview.

5:10

Dr. Taft: Thanks. I will just stay on this topic with my question. I guess I would say that if I were designing an evaluation of the wait list registry, I'd try to connect with the people who are logging on and using it and see what their experience is and whether they're finding it useful or not. It would be a little tricky to track those people down but certainly not impossible, and it might tell us whether it's serving their needs or not. So many people may be just clicking on and clicking off and not using it or not following through. So I think an evaluation of the wait list registry's probably a good idea.

This really will be my last question, and it's on the wait list registry. I assume this will have to be done in writing. Could the minister just provide us with the number of hits and visits, a log count or a log assessment of the wait list registry? I'm thinking, in fairness to the registry, maybe month by month for the last six months. I assume it's probably building up or something like that. It would be useful for us and I think for all interested Albertans to know the number of visitors, how long they're staying, what they're

using, and I assume there's a tracking system on the web site that will do that.

That's my last question. Thanks, Mr. Chairman.

Mr. Mar: I'll do my best to provide that, sir.

The Deputy Chair: Anybody else wish to participate?

After considering the business plan and proposed estimates for the Department of Health and Wellness for the fiscal year ending March 31, 2005, are you ready for the vote?

Hon. Members: Agreed.

Agreed to:

Operating Expense and	
Equipment/Inventory Purchases	\$7,994,063,000
Capital Investment	\$24,895,000

The Deputy Chair: Shall the vote be reported? Are you agreed?

Hon. Members: Agreed.

The Deputy Chair: Opposed? Carried.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Chairman. I'd move that the Committee of Supply rise and report the estimates for the Department of Health and Wellness and beg leave to sit again.

[Motion carried]

[Mr. Shariff 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, 2005, for the following department.

Health and Wellness: operating expense and equipment/inventory purchases, \$7,994,063,000; capital investment, \$24,895,000.

The Acting Speaker: Does the Assembly concur in the report?

Hon. Members: Agreed.

The Acting Speaker: Opposed? So ordered.

The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. I'd move that we adjourn until 8 p.m., at which time we'll reconvene in Committee of Supply.

[Motion carried; the Assembly adjourned at 5:14 p.m.]

