

LEGISLATIVE ASSEMBLY OF ALBERTA

Friday, April 28th, 1972

(The House met at 2:30 pm.)

PRAYERS

(Mr. Speaker in the Chair.)

INTRODUCTION OF BILLS

Bill No. 210: An Act to Amend The Election Act

MR. WILSON:

I beg leave, Mr. Speaker, to introduce a bill being an Act to Amend The Election Act. The purpose of this bill is to revise the requirement that a woman's name be prefixed Mrs. or Miss to include the prefix Ms. on the list of electors.

SOME HON. MEMBERS:

Hear, Hear!

MR. WILSON:

The object of this proposed amendment is to keep pace with the changing mores of our society and to ensure the rights of the individual to liberty of choice and to freedom of association. This bill, with the concurrence of the members of this Assembly, would prevent the possibility of a woman being denied the right to vote because of her insistence on the manner in which she wishes to be addressed and recognized. Furthermore, Mr. Speaker, this bill ensures the privacy of personal information by allowing equal opportunity for women to withhold their marital status, as men have done for centuries. In no way does this bill even suggest to delete the rights of women to proudly proclaim their marital status by using the prefixes Miss or Mrs.

MR. FARRAN:

Mr. Speaker, just on a point of clarification, I wonder if the hon. Member for Calgary Bow could read the proposed new prefix to us. I don't know how to pronounce it.

MR. WILSON:

Mr. Speaker, I would be happy to oblige. The prefix is spelled "Ms." and is pronounced "Mizz".

[Leave being granted, Bill No. 210 was introduced and read a first time.]

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Bill No. 69
The Alberta Health Care Insurance Amendment Act, 1972

MISS HUNLEY:

Mr. Speaker, I beg leave to present a bill, Bill No. 69. This is a bill to amend The Alberta Health Care Insurance Act. The purpose of the bill, Mr. Speaker, is to permit the commission to go back and reassess claims if necessary. This is a businesslike amendment which will improve the operation of the Health Commission. It also makes it possible for the Health Commission to pay to any resident or practitioner any amount which might be determined on the reassessment, so it can work both ways.

Mr. Speaker, this amendment makes part of the act the waiver of premium for optional contracts, in other words, for the Alberta Blue Cross, for those subscribers or spouses who are over 65. It is intended to highlight the importance of the policy change by making it changeable only by the Legislature rather than by the Lieutenant-Governor in Council.

This amendment also enables the commission to accept new registrations after a prescribed waiting period of up to three months, of previously unregistered Albertans. It is intended to make it possible for those few who have not registered to come forward and register. This amendment is provided to avoid the necessity of charging the residents the premium back to July 1st, 1969.

A further amendment, Mr. Speaker, will give the authority to restrict a long period of treatment outside Alberta for a service which is readily available within Alberta. It thus conforms with the privileges presently in effect in the Alberta Hospital Services Commission.

[Leave being granted, Bill No. 69 was introduced and read a first time.]

Bill No. 64: The Surface Rights Act

DR. HORNER:

Mr. Speaker, I beg leave to introduce a bill, being The Surface Rights Act, Bill No. 64. Mr. Speaker, this is a major first step in new legislation in relation to the surface rights of property owners in Alberta. The bill will replace The Right of Entry Arbitration Act, and has several significant new features in it. The Surface Rights Board will replace the Right of Entry Arbitration Board, and the number of members will be increased from three to seven. It will be our intention, Mr. Speaker, that not all the board members will be located in any one centre.

Another significant introduction in this bill is the application of the principle that the operator must make a reasonable attempt to notify the person in possession of, or the owner of, land before entering thereon for any purpose, but particularly in the case of surveying, etc, they must make a reasonable attempt to notify the person who either lives on the land or owns the land.

There are several consequential amendments in the act that relate to other acts. The provisions in The Surface Reclamation Act with respect to rental or compensation are transferred to this act. There were a number of cases before the Public Utilities Board with regard to power lines that, by a specific amendment in prior legislation, had to remain before the Public Utilities Board. This bill will allow all of those outstanding claims to be heard by the new Surface Rights Board.

Another significant introduction, Mr. Speaker, in the bill is the provision for an annual review of the board orders and surface leases every five years. We have not, in this bill, made this retroactive, but it will be in effect as of January 1, 1972. The

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additional amendments are concerned with some of the other problems that property owners have had over the years and we hope that this will be, as I said earlier, a major first step in establishing their rights in regard to property ownership and the surface rights thereon. I would point out, Mr. Speaker, that the hon. Attorney General has already notified the House that substantial amendments to The General Expropriation Act are under consideration by the Institute of Law Reform and that once that new Expropriation Act comes into effect in a year, it will be a companion legislation for this one and will, in effect, complete the job of establishing the rights of the property owners in the Province of Alberta.

[Leave being granted, Bill No. 64 was introduced and read a first time]

Bill No. 76: The Credit and Loan Agreements Amendment Act, 1972

MR. KOZIAK:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 76, and being The Credit and Loan Agreements Amendment Act, 1972. Mr. Speaker, the bill is a step towards much needed consumer rights protection legislation in the area of credit. The act, if passed, would require credit grantors, under loan agreements and time sale agreements, to provide pay-out statements in the event that the borrower wished to prepay or pay out the balance outstanding under the contract well before the expiration of the time due for payment under the contract. It would also limit extra charges which would be chargeable by credit grantors to borrowers for late payments and in matters of this nature.

It introduces some exciting new legislation in the area of credit cards, Mr. Speaker, making it an offence to issue an unsolicited credit card. It also relieves the recipient of an unsolicited credit card from any responsibility which might arise by virtue of the misuse of that card, or following loss of it. The bill goes further and introduces legislation requiring truth in advertising insofar as credit charges are concerned. This requirement would affect all media.

[Leave being granted, Bill No. 76 was introduced and read for a first time.]

MR. HYNDMAN:

Mr. Speaker, on behalf of the hon. Minister of Labour and Manpower I move, seconded by the hon. Provincial Treasurer, that Bill No. 76, The Credit and Loan Agreements Amendment Act 1972, be placed on the Order Paper under Government Bills and Orders.

[The motion was passed without debate.]

INTRODUCTION OF VISITORS

DR. WARRACK:

Mr. Speaker, it is my very great pleasure today, for a couple of special reasons, to introduce to you some guests of this House and of myself. These are grade XII students from the Chestermere High School in the Three Hills constituency. They are the people who have given the flowers they are wearing to the various members. I thought I would clear that up, and at the same time introduce through you to the members of this Legislature, those gentle people from the Chestermere High School, in the members' gallery, and I would ask them to rise and be recognized.

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MR. YURKO:

Mr. Speaker, I too, am very pleased to introduce to you today, some students from my constituency, that is Edmonton Gold Bar. I would like to introduce 60 Grade V students and their teacher, Mrs. D. Rehill, to you and to the Assembly. I suggest it is certainly a distinct pleasure to see them in the House so that they might witness the House in action. They are in the public gallery. I would like to ask them to stand and be recognized by the House.

MR. NOTLEY:

Mr. Speaker, it is a very great pleasure for me to be able to introduce to you and through you to the members of the Assembly, some 46 students from Wanham, Alberta, from grades VII through to XII. They are accompanied by their teachers, Mr. Keith MacMillan and Mr. B. S. Pawa, and their driver, Mrs. Zahara. They are seated in the public gallery. I would like to commend them for coming this far to watch the proceedings of the Legislature, some 300 miles. I would ask them to stand now and be recognized by the members of the Assembly.

MR. LEITCH:

Mr. Speaker, I have the very great pleasure of introducing to you and to the members of the House, 70 students from the St. Matthews School in the constituency of Calgary Egmont. They are accompanied by their teachers, Mr. Beatty and Mr. Hays, and by two very brave parents, Mrs. Taylor and Mrs. Fulmec. I would like to congratulate them for taking the time and trouble of coming from Calgary to Edmonton in order to watch the House. They are seated in the members' gallery, and I would ask them now to stand and be recognized.

MR. TAYLOR:

Mr. Speaker I would like to introduce to you and to the hon. members of the Legislature, two distinguished citizens of the Drumheller area, and, of course, of the province. I refer to Mr. and Mrs. Ben Lowther, who are in your gallery. Mr. Lowther is the chairman of the Drumheller Valley School Board, and very active in community affairs. Mrs. Lowther is very active in the affairs of the hamlet of East Coulee. I am very happy to have Mr. and Mrs. Lowther with us today. request them to stand and be recognized.

MR. HYNDMAN:

Mr. Speaker, today this Legislature has a very special guest in your gallery. He is a man who is known to all of us in this assembly. Jack Austin has been a guide in the Legislative Assembly building since 1964. Today he is retiring. He has carried out his last tour of the building. He has -- it is estimated over the eight years -- introduced to this building and to this legislature approximately a quarter of a million school children and citizens, and I think it's very fitting and appropriate today that I introduce him to this Assembly.

We wish him many years of relaxing and healthy retirement. We say to him, not good-bye, but au revoir. I would ask Jack at this time to stand and be recognized by the Assembly.

MR. STROM:

Mr. Speaker, I hope you will permit me to say a few words on this special occasion. I, too, want to join with the hon. House Leader from the government side, and to say how much we have appreciated Jack Austin over the many years that we have been permitted to be associated with him. I'm afraid that very often we, as the elected representatives, feel that we are largely responsible

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for the relationship between government and people. But I would have to say that the relationship that exists between people coming to this building, and government, is largely influenced by fellows like Jack Austin, who in my view, do a tremendous job of public relations for us. It's certainly very fitting that we should honour this man upon his retirement. My hon. colleague sitting on my left just informed me that Jack Austin happens to be a constituent of his, and I thought I would like to mention that to the House, so that my hon. colleague would not get to his feet to talk.

MR. HENDERSON:

Mr. Speaker, just to demonstrate, in the event that it needs a demonstration, that I am not easily led, I would like to add my personal congratulations also to Mr. Jack Austin. I know, however, that in view of Jack's extra-curricular activities in the community of Leduc that he's really not retiring. He's just finding some more time to spend on other public activities at home. Best of luck, and good health.

FILING RETURNS AND TABLING REPORTS

MR. CRAWFORD:

Mr. Speaker, I'd like to file copies of a Return, being Sessional Paper No. 166, ordered by the House.

MR. COPITHCRNE:

Mr. Speaker, I would like to file correspondence to the Minister of Transport, Mr. Jamieson, as a follow-up of the letter that was recently sent by the hon. Premier, and regarding the all-weather road in the Mackenzie Valley.

ORAL QUESTION PERIOD

Grasshopper Control

MR. RUSTE:

I would like to direct a question to the hon. Minister of Agriculture. What steps have been taken to ensure that sufficient supplies of insecticide will be available in light of a possible grasshopper outbreak this summer?

DR. HORNER:

Mr. Speaker, as the hon. member is aware, there has been a prediction both by my department and the federal officials in the area, that we might expect a grasshopper outbreak in particular areas of Alberta which have been mapped out. In relation to this warning that was made some time ago by my department additional supplies other than insecticide are now on hand or have been ordered and will be available in the event of their need.

MR. RUSTE:

A supplementary question to the hon. minister. How long does it take to get additional supplies in the event the outbreak is greater than anticipated? And to follow that up -- where are these obtainable?

DR. HORNER:

Well I can't answer the last question as to exactly where they are obtainable, but my understanding is that these supplies are

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readily available and can be obtained fairly quickly, in regard to grasshoppers.

Use of Insecticides

MR. RUSTE:

A supplementary question in the matter of infestations. What consideration is being given to the supply of lanate in case we get the Bertha army worm again?

DR. HORNER:

We have some supplies of lanate on hand, Mr. Speaker. We intend to keep a close watch on the development of the crop this year in regard to the rapeseed situation. We, as I mentioned before in the House, are concerned about the re-cropping of rapeseed land, as this tends to increase the possibilities of another outbreak of army worms. The army worm outbreak, of course, was due to a specific number of circumstances that followed one in succession to the other, that created the outbreak last year. We're hopeful that the climatic conditions won't allow a similar outbreak this year.

MR. TAYLOR:

A supplementary, Mr. Speaker. I wonder if the hon. Deputy Premier has had an opportunity to check and see if we can work a province-wide mosquito control program in Alberta this year?

DR. HORNER:

We have made some initial inquiries, Mr. Speaker, in regard to the hon. member's suggestion. I have also had some interesting correspondence from people from the other side of the fence that I would like to make the hon. member aware of, suggesting -- and properly so -- that a major chemical onslaught on mosquitos might, in fact, cause a imbalance in nature that wouldn't be helpful. I think this is a matter that has to be studied, and I intend to take the questions up with my colleague in the Environment and have some general discussions in this area before we go forward.

MR. SPEAKER:

The hon. Member for Whitecourt.

Provincial Loans

MR. TRYNCHY:

Mr. Speaker, my question is to the hon. Provincial Treasurer. In regard to an article in the Financial Post recently with the headline reading: "Getting provinces to borrow in Canada may be difficult." How will this affect Alberta's borrowing when most of the provinces are borrowing abroad at a cheaper rate of interest, resulting in a substantial upward pressure on the Canadian dollar?

MR. MINIELY:

Mr. Speaker, a point of clarification in reply to the hon. member's question. I would like to say that the Province of Alberta and provinces in Canada have recently been encouraged by the federal government as much as possible to borrow on the domestic market. The reason for this, Mr. Speaker, is that in the view of the Government of Canada and with some realism, borrowing on the foreign market would create an upward pressure on the Canadian dollar which would be undesirable. However, Mr. Speaker, this only carries on as long as the rate in the domestic market is competitive. I would like to say in that regard that Alberta's position has not changed, as we can, in

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effect, go into the foreign markets if we need to do so for competitive purposes.

MR. SPEAKER:

The hon. Member for Calgary McCall.

Cigarette Advertising

MR. HO LEM:

Mr. Speaker I have a question for the hon. Attorney General. Has the government considered placing any restrictions further than those already existing, or removing any present restrictions, on the advertising of cigarettes and cigarette products?

MR. LEITCH:

No, Mr. Speaker.

MR. HO LEM:

A supplementary question. Does the government monitor the purchases of land by cigarette companies in Alberta?

MR. LEITCH:

Mr. Speaker, I'm not sure what the hon. member means by monitoring the purchases of land.

Growing of Marijuana

MR. HO LEM:

This question might clarify my question. Is the government aware of any purchases of land in the Red Deer Valley by any cigarette company for the purpose of growing marijuana in the hopes that it will be legalized in the near future?

MR. LEITCH:

I'm not, Mr. Speaker, and if the hon. member has any such information I would be interested in getting it.

MR. HO LEM:

A supplementary question, Mr. Speaker. Will you explain what is the government's position on the legalization of marijuana?

MR. LEITCH:

Well, Mr. Speaker, I'm sure the hon. member knows that that is a federal matter, and there exists federal legislation on it.

Smoking in the House

MR. SORENSON:

Mr. Speaker, a supplementary question to the hon. Premier. When we move into estimates we are able to work on our "tobacco" here, and the smoke hangs kind of heavy. My questions are: (1) Do you think there's enough ventilation in here? (2) Could we move quickly through the estimates? (3) Do you think there is a possibility that some of us non-smokers may keel over from lung cancer?

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MR. LOUGHFED:

Mr. Speaker, being a non-smoker I have some sympathy with the hon. member's question, and maybe in terms of proceeding with the progress of the estimates, it might just be that will be a factor in favour of a little more rapid progress.

MR. RUSTE:

Mr. Speaker, a supplementary question to the hon. Minister of the Environment. Would he consider having one of his monitors in here at the time to register this so that we could see whether it is helpful or otherwise?

MR. YURKO:

Mr. Speaker, we are giving some serious consideration to conducting a demonstration in the House, placards and all, against the generation who smoke.

MR. SPEAKER:

The hon. Member for Drumheller.

Medicare

MR. TAYLOR:

Mr. Speaker, may I direct a question to the hon. Ms. Hunley . . . [Laughter] . . . Has the hon. minister any estimated cost of including dentistry in a province-wide Medicare program?

MISS HUNLEY:

No, Mr. Speaker, it's just a matter that has come up for preliminary discussion and I don't have any figures on it.

MR. SPEAKER:

The hon. Member for Lethbridge West.

STEP Program

MR. GRUENWALD:

Mr. Speaker, I would like to direct a question to the hon. Minister Without Portfolio in Charge of Tourism and also the Chairman of the committee set up to administer the STEP Program. I'm just wondering, how was your decision made regarding the allotment of funds in this STEP program -- in other words -- what was the criteria you used?

MR. DOWLING:

Yes, Mr. Speaker, there were a number of criteria. We demanded that the projects be labour intensive; that no project or no job eliminate or endanger the job security of an employee that would be normally employed, even if the STEP program didn't exist. We gave preference to conservation and social betterment programs, and all of these were dealt with in conjunction with departmental programs that were proposed, and also the approvals of projects by the Opportunities for Youth organization. The reason for this was that we didn't want to duplicate programs that were being funded by Opportunities for Youth. We did establish that these programs should be allotted on a census division basis rather than by a constituency basis for pretty obvious reasons. One of the other factors that was taken into account was the population of a particular census division. Each one, we feel, received an equal amount of money when all of these factors were taken into account.

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MR. GRUENWALL:

Supplementary, Mr. Speaker, I'm a little confused. I noticed in the list of grants that they sent out, that there is one sheet that shows \$5,000 grants allowed to towns, and Grande Prairie gets \$5,000. Then I flip over and I see the \$10,000 grants went to cities, and we have Grande Prairie again. Now who is the friend in Grande Prairie?

MR. DOWLING:

I have some very good friends in Grande Prairie, Mr. Speaker, one of whom is Dr. Backus. I have to admit that that is a typographical error, and Grande Prairie will receive a \$10,000 amount, in view of the fact that it's a city, and it didn't receive two letters indicating two programs.

MR. SPEAKER:

The hon. Member for Hanna-Oyen.

Fishing and Hunting Licences for Senior Citizens

MR. FRENCH:

Mr. Speaker, I have a question for the hon. Minister of Lands and Forests. Will you advise if the government intends to continue the policy of permitting people 65 and over to fish without a fishing licence in Alberta?

DR. WARRACK:

Yes, Mr. Speaker, we certainly do. As a matter of fact, I think this is the kind of thing we can do to help senior citizens in some ways that are very helpful to them and yet in ways that are not very much trouble for us to carry forward. As a matter of fact, if there are any other suggestions of these kinds of things from other members of this Assembly that might help senior citizens in some of these ways, and keep them out of the position of having to make out so many forms to get by in our society, we would appreciate those suggestions. In short, the answer is indeed yes, Mr. Speaker.

MR. FRENCH:

I have a supplementary question, Mr. Speaker, and I'm wondering what consideration has been given to providing hunting privileges to people 65 and over?

DR. WARRACK:

Mr. Speaker, that matter was considered by the Fish and Wildlife Advisory Council when they met the week of April 18th and 19th, and I do not have their complete report as yet on that particular matter. We have them on the game regulations as they pertain generally across the province and I'm reviewing them personally at this time. So that is under consideration, but I don't have an answer on that question as yet.

MR. FRENCH:

Just one supplementary question and this will be the last one, Mr. Speaker. What consideration has been given by the department to issuing an identification form or some card that the fisherman could carry with him instead of carrying valuable documents, such as a birth certificate, when he's out fishing.

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DR. WARRACK:

Mr. Speaker, I'm afraid I don't have an answer to that question, but I'll make it an undertaking to follow it up with the hon. member.

MR. RUSTE:

Mr. Speaker, a supplementary question to the hon. minister. How soon can we expect a decision on this matter from the hon. minister relative to the hunting licences for those 65 and over?

DR. WARRACK:

Very soon, within ten days to two weeks, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Vegreville.

Honey Production

MR. BATIUK:

Mr. Speaker, I want to direct this to the hon. Deputy Premier. Is the hon. Minister of Agriculture aware that over the last few years some smaller honey producers have found it impossible to get rid of their products and have had to go peddling it from door to door?

DR. HORNER:

Well, Mr. Speaker, I do know that honey producers in past years have had some difficulties. On the other hand the year that we have just finished in the honey industry was one of the best on record, with prices substantially above the long-time average, with exports to the Far East also at record levels. One of the real problems, as a matter of fact is because of our export commitments to Japan of Alberta honey, that we can't supply the entire domestic market in Alberta.

Food Processing in Alberta

MR. BATIUK:

Supplementary, Mr. Speaker. Is the hon. minister aware that yesterday at the breakfast where there were many MLA's available, that with the goodies for the top of the toast there was honey and jam which was imported from Portland, Oregon?

DR. HORNER:

Yes, Mr. Speaker, I've had several samples already directed to my office, and as a follow up to that we have already made representations to the hotel chain, and they've assured us that they intend to revise their buying procedures to make sure it doesn't happen again. And I would welcome the bringing of any of these products to my attention, because this is one way in which we can increase our own domestic market penetration, and in which every hon. member can take part in our marketing drive.

MR. BATIUK:

Supplementary, Mr. Speaker. Since oranges have to be imported into Portland, would it not be just as easy to have them brought into Alberta, and have marmalade made maybe someplace in the Vegreville constituency, just as easily as in Portland?

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DR. HORNER:

If I might, Mr. Speaker, I can assure the hon. Member for Vegreville that this is the kind of thing that I've been talking about in this Legislature since it opened, and that's the food processing business in Alberta. Every time we can get more of that food processed here in Alberta, it means that we use more Alberta products, and that, in fact, increases our penetration of our own market. Basic things like sugar, flour, wheat, meat, all of these things are so important and are why we have moved ahead in a survey of the processed food industry, intend to follow up on it.

MR. BATHUK:

Supplementary, Mr. Speaker. Is the hon. minister aware that this hotel and maybe many other hotels besides, have been using this product from Oregon for the last number of years, with the approval and the blessing of the previous government?

MR. SPEAKER:

Order please. The hon. Member for Calgary Bow.

MR. BATHUK:

Supplementary, supplementary.

MR. SPEAKER:

It has been suggested that a question of this extent should -- Order, please. We have had a number of supplementaries, there are a number of questions waiting. Perhaps it could be put on the Order Paper if it requires further amplification.

The hon. Member for Calgary Bow.

The Planning Act

MR. WILSON:

Mr. Speaker, I would like to address a question to the hon. Minister of Municipal Affairs. Has any information come to the hon. minister's attention which would suggest that a specific municipality may be or may have missed sections of The Planning Act or the regulations pertaining thereto?

MR. RUSSELL:

I don't know if the hon. member has a specific example in mind, but in response to the general nature of the question, I would have to say no.

MR. WILSON:

A supplementary, Mr. Speaker. Has the hon. minister received any information which would indicate that the interests of Albertans in general, or residents in any specific municipality might best be protected by further investigation into the use of The Planning Act by a certain city in Alberta?

MR. RUSSELL:

Mr. Speaker, I sense the hon. member has some specific case in mind and I have been unable to identify it. Again, the general answer has to be no.

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MR. WILSON:

Mr. Speaker, has the hon. minister indicated to anyone outside his department that any inquiry would be considered into the use of The Planning Act by the City of Edmonton?

MR. RUSSELL:

Oh, Mr. Speaker, now I think I know what he is talking about. It would have been so simple if he had said so in the first place. Mr. Speaker, a matter was brought to my attention some months ago concerning the amount of community reserve and public lands that the City of Edmonton was managing to obtain from developers. Is this what you are talking about? I had the contents of the brief examined by the Director of the Provincial Planning Branch, and after discussing the matter we decided that the matter did warrant further investigation and consideration. It is my understanding that the branch, on its own, is intending to conduct an examination into the matter, which may include hearings of some sort which would allow interested parties to present their viewpoint.

MR. WILSON:

A supplementary, Mr. Speaker. Could the hon. minister advise when a decision might be made as to the date of the inquiry and the terms of reference?

MR. RUSSELL:

Mr. Speaker, I was speaking with Mr. Dant, the director of the Planning Branch, about ten days ago and he indicated that perhaps around the middle of May that hearing exercise might take place.

MR. SPEAKER:

The hon. Member for Lacombe.

Department of Education Regional Offices

MR. COOKSON:

Mr. Speaker, I would like to ask a question of the hon. Minister of Education. In view of the experimental nature of the regional offices that were established by the former government in the Department of Education throughout the province, could you advise the Assembly of the present status of these offices?

MR. HYNDMAN:

Yes, Mr. Speaker. In July and August of last year, six regional offices of the Department of Education at Grande Prairie, Athabasca, Edmonton, Red Deer, Calgary, and Lethbridge, were set up. As of July 1st of this year there will be five, as the government has decided to close, as of July 1st this year, the Athabasca regional office. This decision was taken by reason of submissions made by all nine of the school divisions and counties in the area comprising the Athabasca region. The activities of the office there which will be closed on July 1st will be amalgamated into the Edmonton region.

MR. SPEAKER:

The hon. Member for Smoky River.

MR. APPLEBY:

Mr. Speaker, I realize that there have been a considerable number of representations regarding this office, but I would like to have the hon. minister comment, if he would, on two things that I think are of vital concern. One is the matter of the local secretarial staff and what their future status would be. One of

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these girls, I know, is a local married lady who has set up a home there with her husband in the belief she will have a permanent position. The other is the matter of the premises. I think the landlord built this building with the expectation that it would be a fairly permanent arrangement. I wonder what the minister would tell us about that?

MR. HYNDMAN:

Mr. Speaker, firstly concerning the staff, we will certainly make every effort to ensure that the employees there are fairly dealt with and if any of them do move back to Edmonton that would be no problem. Concerning the lease, it is my recollection that it was entered into for five years, and insofar as the lease will be cancelled as of July 1st of this year, there will be a remaining obligation of some \$40,000 which the government will have. Of course, efforts will be made hopefully to place any federal or provincial government agency that might wish to move into those quarters there, so the cost would be minimized in respect of the balance of the lease.

Compulsory Automobile Testing

MR. MOORE:

A question, Mr. Speaker, to the hon. Minister of Highways. In light of press reports of yesterday and today regarding the Alberta Safety Council's request for a reintroduction of compulsory automobile insurance testing, I would like to know what the government's position is as of today in relation to compulsory automobile testing?

MR. COPITHORNE:

Mr. Speaker, our minds are always open to compulsory automobile testing, but at this time we have not come up with any alternative that we think is satisfactory to put into effect.

MR. SPEAKER:

Is this a supplementary? I believe the hon. Member for Stony Plain is next.

RCMP Insignia

MR. PURDY:

Mr. Speaker, a question for the hon. Attorney General. Tuesday evening I asked, during the estimates for the Attorney General's department, if any progress had been made in regard to having the RCMP signs and insignia replaced. Are you satisfied with the announcement made in Edson last evening by the Prime Minister?

MR. LEITCH:

Mr. Speaker, I said in answer to the hon. member's question, that I'd been holding discussions with the Solicitor General, Mr. Goyer, both personal discussions and those by letter and that I was satisfied with the progress of those negotiations. Yes, indeed I'm very pleased with the news reports of the Prime Minister's statement last evening, as it appears that those negotiations are going to be satisfactorily concluded.

MR. SPEAKER:

The hon. Member for Calgary North Hill.

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Breathalyzer Tests

MR. FAFRAN:

Mr. Speaker, I have a question to the hon. Attorney General. As a miserable sinner who enjoys smoking and drinking, I feel sorry for all these puritans in the House.

MR. SPEAKER:

The hon. member's innuendo is contrary to the rules with regard to -- [Laughter].

MR. FARRAN:

Mr. Attorney General, are you aware of the reports from Calgary that undue delay was practised in giving a breathalyzer test to a police detective charged with impaired driving? This resulted in his acquittal, despite evidence from two taxi-drivers and a police sergeant that the man was intoxicated. Will you request an inquiry by the local police commission?

MR. LEITCH:

Mr. Speaker, I wasn't aware of that matter. Now that the hon. member has raised it, I'll look into it.

MR. SPEAKER:

The hon. Member for Camrose.

Alaska Oil Pipeline

MR. STROMBERG:

Thank you, Mr. Speaker. A question to the hon. Minister of Mines and Minerals, without any supplementary questions. I understand that Senator Griffin of Michigan has urged the Interior Secretary of the United States to open hearings to consider an Alaska oil pipeline through Canada to the United States mid-west. If such hearings are held, would Alberta be presenting a brief at that time? And have you or the government made any representation to these American senators?

MR. DICKIE:

Mr. Speaker, in answer to that question, I'd like to say that we noticed that remark in the newspaper with interest. As the energy province of Canada, of course, we are interested in making - and all hon. members are aware - Alberta the energy corridor of North America. Towards that step we have taken action towards calling a pipeline conference in Calgary. We are meeting again next week with the hope that we can finalize some date that would meet with everyone's approval. I might also add that I did read a newspaper comment some weeks ago about U.S. Secretary Roger Morton saying that Ottawa was uninterested in the pipeline. I can assure all members of the House today that he can't say that about Alberta. As far back as last January we had written him, expressing our interest, suggesting that we'd welcome a meeting with him. We subsequently wrote a follow-up letter indicating the same thing, and certainly when we hold our proposed pipeline conference, we will extend an invitation to him as well as to other members of the United States government that are interested in the pipeline situation.

MR. SPEAKER:

I regret having overlooked previously the hon. Member for Bow Valley.

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Loans for Potato Growers

MR. MANDEVILLE:

Thank you, Mr. Speaker. I'd like to direct a question to the hon. Minister of Agriculture. The potato growers have brought to my attention that the Treasury Branches or the Credit Unions are not able to make loans under the present regulation of the Potato Guaranteed Loan. Has the government amended these regulations so that potato growers can now make loans under these institutions?

DR. HORNER:

Yes, Mr. Speaker, one of the head officials of the Treasury Branch brought this to my attention immediately after the regulations were presented, and arrangements have been made to change them so that the Treasury Branches can take part in the loan program.

The hon. Member for Taber-Warner.

Alberta Sugar Promotion

MR. D. MILLER:

Mr. Speaker, I have a question for the hon. Minister of Agriculture. Do the public institutions in Alberta, such as hospitals, universities, NAIT and perhaps others, use Alberta sugar?

DR. HORNER:

Mr. Speaker, if I might answer that in a general way. The Alberta government purchasers have been given instructions to give preference to Alberta produced products in whatever product it may be in relation to needs in the institutions run by the government.

MR. D. MILLER:

Supplementary question, Mr. Speaker. Would the hon. minister take necessary action to promote Alberta sugar in the province?

DR. HORNER:

Yes, Mr. Speaker. We certainly will. I would ask the hon. member to join with us in that promotion in all agricultural products used in the province.

Auto Insurance Rates

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to the hon. Attorney General. By way of explanation, I have had a number of letters of complaint about large increases in auto insurance rates this year, specifically those applying to the No Fault provision. I am wondering if the Attorney General can advise the Legislature whether the Insurance Commission has received a number of complaints, and what the commission plans to do to police the rising insurance rates?

MR. LEITCH:

I take it, Mr. Speaker, that when the hon. member used the word 'commission' he is referring to the Automobile Insurance Board which was appointed a few months ago. As I said some time ago, I expect that board will hold hearings some time during the summer to consider the question of automobile insurance rates, in an effort to ensure that they are fair and reasonable.

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MR. NOTLEY:

Supplementary question to the hon. Attorney General. During the hearings is there some mechanism by which the board will be able to monitor whether there are any savings in cost as a result of the No Fault provisions that might be translated into a rate reduction, as we saw in the State of Massachusetts this year, once the No Fault provisions became effective.

MR. LEITCH:

I'm sorry, Mr. Speaker. I missed the middle words of the hon. member's question.

MR. NOTLEY:

What mechanism will the board have to monitor whether there will be a saving or not as a result of the No Fault provisions?

MR. LEITCH:

Mr. Speaker, I must confess that I am not at all sure what the hon. member's question is. Perhaps he can assist me by clarifying it.

MR. NOTLEY:

Alright. By way of explanation, in the State of Massachusetts, Mr. Attorney General, because of the No Fault provisions there was a saving which was passed on to motorists in the form of a rate reduction. My question to you, during the board hearings, is there any way by which the board will be able to monitor whether or not this saving is taking place?

MR. LEITCH:

Thank you, Mr. Speaker. Not just during the hearings but at all times the board will be able to gather sufficient information to ascertain whether a rate being charged for any portion of the automobile policy which will include the No Fault portion, is fair and reasonable, having regard to the losses that are experienced with respect to any particular portion of the coverage. So the answer in a word is, yes.

MR. NOTLEY:

One final supplementary question, Mr. Speaker. Is the government giving any consideration to public automobile insurance as recommended by the Alberta Federation of Labour and several of the farm organizations in Alberta?

MR. LEITCH:

Mr. Speaker, on these matters -- and it is a field that has experienced, and undoubtedly will experience, a good deal of change in the future -- we have an open mind, we are looking at all of the suggestions. But to specifically answer the hon. member's questions, we don't have any such plans for the immediate future.

MR. TAYLOR:

Supplementary, Mr. Speaker. Is the hon. minister able to tell us if the government is considering extending the No Fault provisions to PL & FD?

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MR. LEITCH:

Well, Mr. Speaker, my answer to that question is very similar to my answer to the last one. We don't have any current plans to do that, but that's again a matter that we have an open mind about, and will be looking at continuously.

MR. GRUENWALD:

Mr. Speaker, could I assume from your answer, then, that even the wording of the No Fault provision in the policy will be looked at, because there are some serious inequities in the wording of that?

MR. LEITCH:

I take it the hon. member is referring to "looked at" by the Automobile Insurance Board. The Automobile Insurance Board's prime function is to consider rates being charged for insurance coverage, but certainly, Mr. Speaker, I would think recommendations by the board in that area would be something I'd expect them to make.

MR. SPEAKER:

The hon. Member for Calgary Millican.

Swedish Mining Mission

MR. DIXON:

Mr. Speaker, I'd like to direct my question today to the hon. Minister of Mines. It has to do, Mr. Minister with the visit of the Swedish delegation to our province this week. I was wondering if the minister could outline to the House if the Swedish delegation showed any interest in the Alberta tar sands.

And while I'm on my feet, Mr. Speaker, could I also ask the following question, because it has to do with the tar sands. I wonder if the hon. Minister of Mines and Minerals would bring us up to date on the recent negotiations with Syncrude. Have there been any changes since the original agreement was signed?

MR. DICKIE:

Mr. Speaker, perhaps I could answer the last question first, and say we are planning to meet with representatives of Syncrude next week, so we should have a report for the hon. member at that time.

In respect to the Swedish mining mission, we had many interesting discussions with them during their visit here. They didn't touch on the tar sands particularly. I think their interest was more in the nature of, say, mining equipment, in my discussions with them, and what types of mining equipment we might use in the Province of Alberta.

While I'm on my feet, I might, however, say and pay a tribute to my colleague, the Minister of Culture, Youth and Recreation. He was instrumental in bringing the Swedish mining mission here, and spent considerable time with them, and I'm sure he might like to say a few words about some of the discussions he had with them.

MR. SCHMID:

Mr. Speaker, Mr. Lars Olov Lofelt, who was a member of the Swedish mining mission, was very interested in looking into possibilities and the properties of the Fort McMurray oil sands, especially of the development in extracting oil. They themselves have a very small deposit in Sweden. They would like to come back here and look at the development up there; look at the results; and, of course, also are very interested in getting all the information

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possible that we can provide them. I promised them I would forward to them any information that they could have.

MR. SPEAKER:

The hon. Member for Athabasca.

Water Resources Program

MR. APPLEBY:

Mr. Speaker, I have a question for the hon. Minister of the Environment. Has there been any consideration in the Water Resources branch of your department to changing some of the emphasis from investigation to remedial action? This question is asked, Mr. Speaker, because in the many inquiries I have made, particularly with regard to flood control, the most frequent answer I ever get is, "Well, we're doing a survey on that." This seems to continue for some time.

MR. YURKO:

Yes, Mr. Speaker, I am pleased that the question was asked. When we took over, we examined in detail the functions of the Water Resources Division, and we did recognize that a major effort was associated with studies, and not very much effort was dedicated to implementation.

But we also recognized several other things. We recognized that, first of all, some basic policies had to be established in connection with equity expenditure across the province. Secondly, we had to establish some basic policies in connection with assistance for lake stabilization, as well as flood control and flood management, and we, of course, placed in our appropriations immediately some pretty substantial sums in connection with transferring from a period of study to a period of implementation. But because of the budgetary considerations this year, and because of the fact that we have to establish some basic policies in a number of areas, it was decided that this year would be again a year basically of policy establishment and of study, but we hope to go into an era of implementation just as soon as possible.

We also recognize, though, that in order to go into an area of implementation in water resource management, that there will be need for some method of generation of funds for an awful lot of these programs. As a result, as I've indicated to this House on several occasions, we are looking very, very seriously at the possibility of the establishment of provincial water use fees on a provincial basis. We have a major study in this regard going on in connection with what practices are carried on in other provinces, as well as other jurisdictions. So I simply say that until there is money available for water management and construction purposes we are not going to be able to do very many programs.

MR. STROM:

Mr. Speaker, could I ask a supplementary question to the hon. Minister of the Environment? Has there been any remedial work done on the east-west prairie rivers?

MR. YURKO:

Yes, Mr. Speaker, if my memory doesn't fail me again, we had a winter works program in this regard in cleaning out certain blockages in the river. I believe that the extent of the program was somewhere around \$100,000.

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MR. STROM:

Mr. Speaker, a supplementary question to the hon. minister. Is he suggesting that the amount of money spent on those two rivers was only \$100,000? Would there have been more spent?

MR. YURKO:

I think I suggested that in connection with the winter works program that we initiated in this regard, I think we spent approximately \$100,000. But I'm not suggesting that this is all the money that in fact was spent. I believe, if my memory doesn't fail me again, that substantial sums of money may have been spent in this area in the past.

MR. STROM:

Mr. Speaker, if I might just ask a last supplementary question. As I understand the hon. minister, he is saying that a considerable amount of money has been spent on work, not on studies, on those two particular rivers?

MR. YURKO:

Yes, that is correct, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Edmonton Calder.

Freight Rates

MR. CHAMBERS:

Mr. Speaker, my question is for the hon. Minister of Industry and Commerce. Regarding the hearing that the governments of Manitoba, Saskatchewan and Alberta obtained with the CTC for review of freight rates with respect to the shipment of rapeseed oil and meal, my question is, is the hon. Minister of Industry and Commerce involved in this review?

MR. PEACOCK

Mr. Speaker, we are, and the provincial government on behalf of our department will be making a formal presentation on Wednesday next in Saskatoon.

MR. RUSTE:

Mr. Speaker, a supplementary question to the hon. minister. Is there any minister making a presentation as such on behalf of the government?

MR. PEACOCK:

Mr. Speaker, I am the minister making the presentation.

MR. SCHMID:

Mr. Speaker, may I add some supplementary information for the hon. Member for Calgary Millican? There were 150 members attending lectures in British Columbia, and British Columbia is usually known as the mining province. We had 110 in attendance from Saskatchewan, the Northwest Territories and Alberta, of all the mining professions from the Canadian Institute of Mining and Metallurgy and they considered it one of the most successful lectures they had given.

MR. SPEAKER:

The hon. Member for Wainwright.

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Grazing Leases

MR. RUSTE:

Mr. Speaker, I would like to direct a question to the hon. Minister of Lands and Forests. Is he giving any consideration to the reduction in size of the larger Crown grazing leases in the province?

DR. WARRACK:

Mr. Speaker, that's a question that actually requires a good deal of detail to do a good job of answering. In the history of the grazing leases in Alberta there have been some very large ones, and these large ones were established prior to the limitation that was brought in some time ago. Subsequently some of these have been reduced over a period of time as was possible, while not inflicting undue hardship on the ranchers to bring these back toward the size limitations. As of the moment there are a very few, and only one group in particular that is well above the limitation. I have not, as yet, taken that particular matter into consideration except that I do know that that is the information that is the background to the question.

MR. SPEAKER:

The hon. Member for Pincher Creek-Crowsnest.

Prison Camp Operations in Forest Reserve

MR. DRAIN:

Thank you, Mr. Speaker. This proves to me that he who waits long enough gets the opportunity to ask a question. This question, Mr. Speaker, may refer to the hon. Attorney General or possibly could be in the purview of the hon. Minister of Lands and Forests. My question, sir, is it the intention of your government to carry on with the program of prison camp operations in the forest reserve, which is a very beneficial program that I would like to see encouraged?

MR. LEITCH:

It's my intention to do so. And now perhaps the hon. Minister of Lands and Forests would like to say whether he agrees.

DR. WARRACK:

I agree.

MR. SPEAKER:

About three minutes remain of the Question Period. The hon. Member for Little Bow.

Provincial Parks

MR. R. SPEAKER:

Mr. Speaker, my question is to the hon. Minister of Lands and Forests. Has the hon. minister initiated any steps to make Kehoe Lake or McGregor Lake local parks into provincial parks?

DR. WARRACK:

Not at this time, Mr. Speaker.

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MR. R. SPEAKER:

Mr. Speaker, supplementary; will either of these local parks receive any provincial support for operation during this summer?

DR. WARRACK:

Mr. Speaker, I don't recall, with respect to Keho Lake but it seems to me that we wrote a letter quite recently to people regarding the other part of the question. I believe the hon. member was sent a copy, and my recollection is that the answer was yes, but I would have to check it out to be sure.

Rapid Transport

DR. PAPROSKI:

Mr. Speaker, a question to the hon. Minister of Highways or the hon. Minister of Industry and Commerce. In view of the fact that the City of Edmonton is willing or has decided to give up the very expensive MET planning regarding transportation for the City of Edmonton in favour of a balanced transportation plan -- what is the stage of negotiation regarding that plan with the City of Edmonton and your departments?

MR. COPITHORNE:

Well, Mr. Speaker, being that this is in the area of the City of Edmonton it's entirely a decision that the Council of Edmonton have to make.

DR. PAPROSKI:

Supplementary question, Mr. Speaker, have they submitted to you a balanced plan program yet to either departments?

MR. COPITHORNE:

Mr. Speaker, they have just recently submitted to me a plan that involves all of their transportation needs for the next several years.

DR. PEACOCK:

Mr. Speaker, if I may just add to my hon. colleague's comments. Because it gets involved in economics here, we have had some further discussion regarding Edmonton, and have suggested to the Mayor that in formulation of their plan program that they should maybe inter-relate with the City of Calgary, and then look at a whole complex of a rapid transportation system between the two cities, in conjunction with the two urban areas.

ORDERS OF THE DAY

GOVERNMENT MOTIONS

Mr. Lougheed proposed the following motion to this Assembly, seconded by Mr. Strom:

Be it resolved that this Assembly recommend to the Lieutenant Governor in Council that George Brinton McClellan be reappointed as Ombudsman for the Province of Alberta effective September 1, 1972.

MR. LOUGHEED:

This is a very important motion, Mr. Speaker. I would first of all like to commence my brief remarks by giving credit to the previous administration for having taken the initiative in presenting

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to the people of this province, and then through legislation, the concept of the Ombudsman as a first in Canada. I'm not sure, but if my memory serves me, the report of the Ombudsman indicates that there are now approximately five provinces involved in similar approaches, and I believe the previous administration certainly deserves credit with regard to the concept.

Secondly, I think we are particularly fortunate in this province in having had for some years Mr. McClellan as Ombudsman in the Province of Alberta. Any member in the Legislative Assembly who was here last year and sat as I did -- as the Ombudsman sat in that chair at that table there and replied to questions about his office -- certainly came away with an impression, in fact I am sure a conviction, that the Ombudsman brings to his office a very important balance of qualifications. On one hand, and perhaps as important as any, the important qualification of having a real feeling of empathy for the people of this province; the people who perhaps have difficulty in understanding the ways of government; a real humanism is brought by the Ombudsman, Mr. McClellan to his task. And in all of his reports this has been reflected, and certainly is very clearly the reaction that I had as I read between the lines in the reports that the Ombudsman has submitted to the Legislature.

He brings also an important qualification of having had a background of understanding in the ways of matters of the public service, which has also carried him in good stead in the course of his past responsibilities. He brings, I think, many important talents to this job.

We, therefore, are very pleased to move that he be reappointed under the Statute; that reappointment is for a period of five years. We do it without any hesitation. We are pleased, very pleased indeed, that the hon. Leader of the Opposition has seen fit to join with me in the motion. Because quite clearly the Ombudsman is an officer, Mr. Speaker, of this Legislature.

We on this side intend in the next few days to bring before the Legislature some important amendments with regard to the office of the Ombudsman that I think will serve to strengthen the role and the position of the Ombudsman as an officer of the Legislature. I have no doubt that in the course of the years ahead, recommendations to the Ombudsman are going to cause myself and the other members of the Executive Council some discomfort from time to time. And so they should, because in essence that is the role of the Ombudsman.

I'm pleased to see and I'm sure the previous administration are too, that to a very large extent, the history of the Ombudsman's actions have been such that where recommendations have been made it has not been necessary to do more than perhaps bring the matter to the attention of the appropriate official who has been involved, and there has been a positive response to the suggestion by the Ombudsman. And I think that is to the credit of the public service of Alberta as well as to the Ombudsman in the way that it has worked out.

Certainly there have been difficulties, but they have been few, and I for one am very proud indeed to be advised that Mr. McClellan is prepared to accept this reappointment; and to move this motion to the Legislative Assembly this afternoon.

MR. STROM:

Mr. Speaker, I'm very pleased to be able to rise in my place today and to second the motion that has been moved by the hon. Premier. And I want to say that I do so for two main reasons.

The first reason, Mr. Speaker, that it gives me a great deal of pleasure to second the motion, is that I want to demonstrate very,

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very clearly our confidence in, and our support for, the Ombudsman, Mr. George McClellan.

Mr. Speaker, there is no doubt in my mind that Mr. McClellan has been breaking new ground in the position that he has filled during the past five years, and he has done an outstanding job. No government, and I don't care where it is, or under what conditions it is operating, is perfect. And there are bound to be situations arise that need the talent of someone outside of government to review and then to report on. And I have to say that in this area, Mr. McClellan has done a very, very outstanding job.

Inasmuch as he was the first man to assume the role of Ombudsman, he has more or less had to establish ground rules for his operation, and for that reason I think it is rather important that he be given an opportunity to continue his work to further refine the role of Ombudsman. And I'm sure as we look forward to further service in this area, that he will be able to recommend, to make changes that will make this office more meaningful to the people of this province. I was very interested in reading the report that he has given to the Legislature, particularly when I recognize that my party had been in office for some 36 years, and he was able to report that there were no misdemeanours or wrong-doing in the sense of something that was wrong within the rules of the Legislature, but that there were situations that possibly, for various reasons, could be improved. I think that is a commendation to the previous government.

Mr. Speaker, I therefore am very pleased to be able to support the resolution, but in doing so, I believe I would be remiss in my responsibilities if I didn't raise a couple of points that I think the Legislature ought to give some consideration to. I think it is very important that a man being appointed to the office of Ombudsman should be given a five year term to start his work. I think that is most important in order that they be able to fit into the job. I do have some questions as to whether or not it is necessary to give them a second five-year term, and I believe that we could, in fact, accomplish the same thing by having it on a one-year basis and having it under review each year. I say this as no reflection whatsoever on the man that is presently serving. I simply say that after five years maybe it is well to have it on one year periods, so that for various reasons, we might examine the operation of the man filling that office.

The second point that I believe we need to review in the light of a rule that we apply in the civil service, is the matter of a retirement age. I am not going to be emphasizing it, Mr. Speaker, but I simply raise it as something that we ought to think about. Periodically as a government, you are going to be faced with requests that a certain individual is well nigh indispensable and therefore you ought to give him an extension of his office beyond the 65 year age limit. There are a number of reasons as to why this should be done. But I say that in the light of providing opportunity for these offices to others who are coming along, we should very seriously think about whether or not we should extend the office beyond 65 years. Having said that, I merely want it to be something that the Legislature will be thinking about, and that at this particular point in time, we are happy to go along with this resolution, and will support it. We merely raise the two points that I mentioned as points that we might want to look at in the future.

MR. SPEAKER:

The hon. Member for Calgary Mountain View, followed by the hon. Provincial Treasurer and the hon. Member for Spirit River-Fairview.

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MR. LUDWIG:

Mr. Speaker, I find myself in agreement entirely with the remarks of the hon. Premier and the hon. Leader of the Opposition. I do wish to add a few of my own views on this particular office. I believe that the success of the office of the Alberta Ombudsman was greatly responsible for the fact that other provinces followed very quickly in establishing their own offices throughout Canada. I believe that quite a number of them have this office established now. I believe that when Mr. McClellan was appointed Ombudsman the eyes of Canada were on him. Although the principle of the Ombudsman was sound, and it had been established for a great number of years throughout the world, the success of the operation in Alberta depended greatly on the kind of man we selected. None here would say that we did not make the most fortunate choice. In view of all the glowing commendations of his qualities and the principle of the Ombudsman, I hope that the same sentiments will prevail when a motion that I have in favour of extending this very worthy principle to other authorities in the province, will be expressed likewise. I'm also hoping that the hon. Premier, who has certainly supported this concept and the man himself, would perhaps ensure that this very important motion will be debated during this session. Thank you, Mr. Speaker.

MR. MINIELY:

Mr. Speaker, firstly, I'd like to say that most of the comments of the Leader of the Opposition and the hon. Member for Calgary Mountain View, and generally speaking, the Premier's statements, are in agreement. However, there is one thing that the hon. Leader of the Opposition stated which I think is fundamental to the position of an Ombudsman in the province. The hon. Leader, I believe, stated that the first appointment of the Ombudsman was for a period of five years because it was a new office, and it was necessary for the Ombudsman to become established in office, and that perhaps, in his view, from that point on it might be one year. Mr. Speaker, I would just like to make --

MR. STROM:

Just to make sure that there's no misunderstanding, if it is a new man appointed, I meant that his first term should be a five-year period - not that any new Ombudsman would have a one-year period.

MR. MINIELY:

I understand that, but I feel very sincerely, Mr. Speaker, that in the office of Ombudsman, one of the primary prerequisites of this office is, in fact, the independence that the Ombudsman has. I think part of that independence: although we realize that he is responsible to the Legislature as a whole, not just to the government: is security of tenure as well, in that he knows for a reasonable period of time that he has security of his appointment in carrying out the duties which he has to carry out as Ombudsman. I think even though the responsibility is to the Legislature, that it would encroach upon the Ombudsman's independence to reduce that period of appointment at any time to an annual review.

Mr. Speaker, another major thing that I think has to be considered when you consider the term of the Ombudsman's office, is certainly the length of cases - the length of time that it takes an Ombudsman to handle a particular case - and some of these, we all know, looking at the Ombudsman's report, you can see the length of time that it does require for a case to be carried from its initial stage of reaching the Ombudsman's office to the final disposition of that case. Mr. Speaker, for both those reasons, I think it would be very unwise, regardless of whether it's a reappointment or it's a new appointment, to consider a period of one year. In fact, I think there is a real necessity for a much more reasonable period of tenure for the office of Ombudsman.

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MR. NOTLEY:

Mr. Speaker, so that we can have unanimity on this question, I want to say that I fully support the resolution as proposed by the hon. Premier and seconded by the hon. Leader of the Opposition. I would like to just make the observation that I believe the former government is to be congratulated for instituting the office of the Ombudsman, and I think at the same time, they are also to be congratulated on their choice. I think the last five years have clearly shown that in Mr. McClellan we have a man of unquestionable integrity, of very great courage, and a person who has been a true pioneer in setting the ground rules for this very important responsibility that he holds.

I would just like to make one observation however, apart from the general commendation of Mr. McClellan's work, and that is to say that I too, would have some concern if, after the initial five-year appointment, we were to extend the tenure on the basis of a yearly reassessment. I believe that to really fulfill the responsibility of the Ombudsman, there has to be security of tenure. He has to be in a position to slap the wrists of the government on occasion - to slap the wrists of all of us on occasion, and it seems to me that if he's put in a position where his tenure is subject to yearly review, this could act as an inhibiting factor. So I understand the reasons why the hon. Leader of the Opposition made the suggestion, but with due respect to him, I can't agree with it.

However, just a general summary, Mr. Speaker. I think we have, in Mr. McClellan, a man whom we can really proudly say is not only Canada's first Ombudsman, but quite frankly, Canada's best Ombudsman. On that basis I am very pleased to support this resolution.

MR. DIXON:

Mr. Speaker, standing on my feet and supporting this motion, there are one or two points I would like to touch on briefly. There has been some concern with the general public. The evening that the Ombudsman's report was made public, one or two individuals in our civil service, who were involved in the report, were quoted in the press as not agreeing entirely with the facts of the Ombudsman's report. It affects these individuals, and I wonder sometimes whether the Legislature shouldn't have some type of vehicle where a man or certain men from a particular department, after the report has been released, would have an opportunity to clarify their situation. I am thinking of one case in point, the warden of the Fort Saskatchewan jail, who made statements in the paper that were contrary to what was said in the report.

You and I, as hon. members of this House, could probably reason as to why the report was made that way, but to the general public it must feel strange that he has made this report, but the men who were involved in the particular department do not agree fully with the report and have really no opportunity to be heard. I am a great believer in the fact that every individual who has been accused in any way should have an opportunity to 'have his day in court', as the saying goes. So, that is one thing regarding The Ombudsman Act I am concerned about. I like the independence of the Ombudsman, I am all in favour of it. But at the same time, he is responsible to the Legislature.

Carrying it a step further we, as members of the Legislature, are responsible to every individual within this province of ours. And I feel that if some of them feel they have been aggrieved by the report they should be given the opportunity to be heard. I know it is going to be difficult to bring about, but if we are going to carry democracy full circle, as we hoped that we had done when we set up The Ombudsman Act, we should look at one or two of the situations that have arisen since the implementation of The Ombudsman Act.

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I refer in particular to the case of the warden of the Fort Saskatchewan jail; and there are one or two others; but his case in particular, where he made statements to the press, and I am sure the general public wonders why he doesn't have an opportunity to explain his side of the situation.

MR. SPEAKER:

Is it agreed that the hon. Premier close the debate?

HON. MEMBERS:

Agreed.

MR. LOUGHEED:

Mr. Speaker, just two very brief comments with regard to the last point made by the hon. member. I didn't want in any way to indicate a lack of attention or interest in the matter he raised. It seems to me, though, that it could be better dealt with and responded to when we are debating The Ombudsman Act, because there is an intention, as I mentioned in my remarks, to bring that act forward in a matter of days.

With regard to one comment made by the hon. Leader of the Opposition, I think it is important to respond to the second item he raised. The hon. Provincial Treasurer responded to the first. I personally am of the view that, aside from the civil service, with regard to appointments that may be made either by the Legislature or by the Executive Council, that this matter of age should not be overdone. There are certainly cases -- and the hon. Leader will recall the fact of the Alberta Marketing Commissioner, Mr. Hargreaves, which may be a case in point -- who is doing an excellent job, in my view. I recognize the warning in the remarks by the hon. Leader, that there is a difficulty in trying to make overall policy decisions.

I do feel pretty strongly that there can be exceptions made, and there is plenty of justification for the exceptions, particularly in cases where you're asking the person involved to be involved in quasi-judicial responsibility, and that certainly is true in the case of the Ombudsman.

So I did want to conclude my remarks on this motion by responding to the hon. Member for Calgary-Millican and say that I think that matter should be followed up, and to the hon. Leader of the Opposition in the other matter. With that I am pleased to close the debate on this motion.

[The motion was carried unanimously.]

COMMITTEE OF SUPPLY

MR. HYNDMAN:

I move Mr. Speaker, that you do now leave the Chair and the assembly resolve itself into Committee of Supply for consideration of the estimates.

HON. MEMBERS:

Agreed.

[Mr. Speaker left the Chair at 4:00] * * * * *

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COMMITTEE OF SUPPLY

[Mr. Diachuk in the Chair.]

Health Commissions (cont.)

Appropriation 2410 Alberta Health Care Insurance Commission (cont.)

Deficit Grant

MR. NOTLEY:

As the hon. Minister Without Portfolio made some brief comments last night, before I make any general observations, perhaps I'd just like to put a question to her. Does the hon. minister want to make any further comments on it today? If so, I gladly defer to her, if not, I will carry on.

MISS HUNLEY:

Thank you very much, hon. member. I don't have anything to add. I'll wait and see what observations you have, and perhaps I may have to answer some questions.

MR. NOTLEY:

Mr. Chairman, I want to cover a number of points today. First of all, dealing with the whole concept of the financing of Medicare, I will certainly support the government in their decision to eliminate Medicare premiums for senior citizens. I've said for a long time that we should have premium-free Medicare. I don't think they're going far enough in eliminating the premiums just for senior citizens. We should go somewhat farther than that, but because it does represent at least a first step, I certainly support that move.

My submission in favour of eliminating the premium concept is that I think it would save administrative costs. It would eliminate a great deal of the confusion. I know as members of the legislature, we all have had constituents come to us who are completely confused about the whole premium set-up and what the subsidy rates are, and whether or not they are eligible for subsidy and so on. The whole question of whether or not we carry out prosecutions against people who haven't paid their premiums tends to put our whole legal system into a little bit of a tizzy because it's obvious that many more people have not paid premiums than are presently being prosecuted. The question of who is going to be prosecuted and who isn't, poses a number of rather dangerous questions.

But perhaps the most important reason, Mr. Chairman, that I favour the elimination of premiums is that I feel the financing of a program like this should be shifted from what is essentially a regressive kind of taxation to a progressive taxation. I don't think any of us should be misled -- there is no such thing as free Medicare. No government service is free. We all recognize that the cost has to be borne somehow.

But the point that must be made, or at least my submission is, that at least we should bear that cost as clearly as possible in relationship to people's ability to pay. That's why we should eliminate the premium concept and finance our Medicare out of the general revenues of the province, particularly those revenues, Mr. Chairman, which are related to the ability to pay principle. Now that's a general statement of my philosophical position on the financing of Medicare, I don't especially ask the hon. minister to respond to it. She may have a different point of view, but this happens to be my viewpoint and I believe it quite strongly.

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The point that I would like to take just a little bit of time to discuss, Mr. Chairman, is the matter of the sky-rocketing costs of Medicare. I say this from the viewpoint of a member of this Legislature who is very favourable to the concept of Medicare -- one who is totally committed to it philosophically. I always have been and I would suspect I am always going to be. But I must confess a little consternation when I look over the Health Care Commission Report and find an increase of what I very quickly work out to be 39% in one year. Because of that increase we have to take a pretty close look at the whole question of financing Medicare in Alberta.

I note, and I want to preface my remarks on this particular point, by saying that I feel we have excellent medical practitioners in Alberta. I think they're doing a good job and I'm the first to acknowledge that because of their training they do require an income which is somewhat greater than the average person. However, having said that, I think we have to take a pretty close look at whether or not these incomes are reaching the saturation point. And I say this not in any effort to try to organize a lynching squad to go after the medical profession, because in a moment I have some recommendations as to how I think we should work with the medical profession in an effort to resolve this problem.

But I raise it, Mr. Chairman, because when you have a 39% increase in the Medicare Commission in one year, I know that a lot of taxpayers in this province are going to be deeply concerned. I have here, going to table it when I complete my remarks, the Health Care Series No. 28 which the hon. minister was kind enough to locate for me, and I want to thank her for doing that. It's the earnings of physicians in Canada, 1959-1969. It's dated October 1971, Ottawa. It's a publication, Mr. Chairman, of the Department of National Health and Welfare. It gives the gross earnings of doctors and then the expenses of practice, and then the net earnings. This is very important, Mr. Chairman, because we've had a lot of comments bandied about in the press about this whole question of the income of medical practitioners in the Province of Alberta, and indeed across Canada. The medical profession has replied by saying that the expenses are very substantial and I acknowledge that there are substantial expenses involved.

But I think it's important in examining the Medicare Commission that we know what the facts are, at least to the greatest extent possible. In 1969 the gross income of doctors in Alberta, according to this report, was \$52,400. The expenses of practice worked out to \$19,100, leaving a net income in 1969 of \$33,200. The estimate -- I want to clearly state, Mr. Chairman, this is an estimate that I have located by talking to certain individuals who are fairly well advised in this field, and they take the increase in the payments under the Health Care Commission from 1969-1970 to the present year. They have told me that an estimate of the net income for the year 1970 would be somewhere in the neighbourhood of \$41,500.

Now I raise this to ask the committee today to consider the comparative increases with other aspects of the health profession. Let's take for example an hospital maid. In 1962 the average hospital maid earned \$2,124; in 1971 she received \$4,068; or an increase of \$1,944 in that nine year period.

Let's take a look at the average nurse in the Province of Alberta. In 1962 the average nurse collected a salary of \$3,624; in 1971 those salaries had risen to \$6,984 on the average, or an increase of \$3,360.

But on the other hand, the average net income of medical practitioners in 1961 was \$17,925, and if we take the estimate of \$41,500 we find an increase in that same period of time of \$23,575.

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Now, Mr. Chairman, the point I want to make is that in our society today we have different power groupings. The ability of certain people to negotiate for the share of the pie, if you like, is much greater than others. I think this is well borne out as we look at the whole health care field, that the maids are receiving a very small increase; on the other hand the medical profession have managed to get a very substantial increase.

This is true in other fields as well. We have areas in our economy where strong unions, for example, United Steel Workers of America, are good bargaining agents. They do a good job. But one of the problems we find is that the well organized people tend to overpower those people who aren't so well organized, unless government is prepared to recognize that we have a social responsibility to right the balance. And I must say, as I look over these figures, I'm convinced in the health field perhaps there has been somewhat of an overbalance. That the professional people have gone ahead very rapidly and the ancillary workers have not done nearly as well by comparison.

The reason I raise this is that, as I mentioned before, now is not the time to go off on a lynching crusade against the medical profession, but, clearly, we must do something to curtail rising health costs. And that being the case, I want to emphasize something I raised during the Budget Speech, Mr. Chairman, several weeks ago. I suggested at that time that perhaps we should set up a tripartite committee representing the members of the Legislature -- both sides of the House -- people who are responsible for the general conditions that affect medicare in this province, secondly, the members of the medical profession, and thirdly, the interested public. Such a committee could examine ways and means of looking at the whole question of health costs in Alberta, and perhaps considering the various alternatives. Yesterday, the hon. Member for Wetaskiwin-Leduc made a suggestion that I think has some considerable merit; the proposition that we negotiate between the commission on one hand and the medical association on the other, a global figure which is then transferred to the medical profession and they decide how they're going to allocate. That sort of proposal has some merit. We ought to take a look at it. There are also many drawbacks too, drawbacks between urban and rural doctors and so on. But we have to take a look at it.

The hon. Member for Calgary North Hill made a suggestion which I hear wherever I travel in Alberta and he simply says, "You know when a job is done by a doctor there should be some form of slip signed." I get that kind of suggestion whether I'm in Spirit River-Fairview or Calgary, Lethbridge, Medicine Hat, or Fort McMurray, or what have you. Well, again, this is something we have to take a look at.

But I think the point that I really want to stress, Mr. Chairman, is that the government ought to take the position, as I see it, that the time has come to sit down with the medical profession -- not to work against them -- but to work with them in an effort to examine this whole question of rising health costs. I say that because, as a taxpayer, I am a little concerned about the increases, and because as a stalwart supporter of the principle of medicare I want to see a functional operating medicare system.

I also don't want to see us jump to the conclusion that deterrent fees would be the way of handling rising health costs. I say this because the national Minister of Health has already suggested that one way of dealing with rising health costs might be deterrent fees. I want to tell you, Mr. Chairman, and the members of this committee, that would be a totally unfair way of dealing with the problem because the deterrent fee system is really a tax against low income people. The little old lady who has \$100,000 in the bank and who is a hypochondriac may find it a nuisance to pay a deterrent fee, but she's still going to clutter up the doctor's office. On the other hand the low income person who is just getting by, the working

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poor, the small farmer, what have you, paying that deterrent fee may be just enough to stop them from going to see a medical practitioner when, in fact, they should see one.

One of the strongest arguments for the whole medicare concept is that we can shift the medical practice as much as possible to preventive medicine. The deterrent fee concept in my judgment is clearly in contravention of the preventive medicine approach.

So I would hate to see us jump to easy answers. Those who argue deterrent fees are attempting to find easy answers to a much more complex problem than might appear to be the case at first glance.

Several brief comments on the question of medical laboratories. I raised this in the Question Period to the hon. Minister last week, if my memory serves me right. There is at least one very large laboratory in Alberta, which is controlled by a firm in the United States, Smith, Kline & Prince from Philadelphia. I note the CMA Journal of November 21st, 1970, and the journal states some considerable concern about foreign ownership of this large laboratory. Now this is perhaps an area where, when the hon. minister does find some time to catch her breath -- I know she has a big department here and many responsibilities -- but this is one area perhaps we should examine. I don't want to over-estimate its importance, but I think that we should make sure that the laboratories in our province, where we have public funds paid by the taxpayers of Alberta, that at least these laboratories are owned by Canadians.

In general conclusion, Mr. Chairman. I want to say to the hon. Minister Without Portfolio, Miss Hunley, that I want to wish her the same best luck as I did the hon. Minister of Health and Social Development last night. She has probably got the second most frustrating job in the Cabinet, trying to solve the many, many problems that are associated with modern health care. But may I say that I do hope we look at this question of costs -- we look at it carefully -- we look at it, not in an abusive sense, but by sitting down with the medical profession. Perhaps we can find a way of resolving this problem and showing the way for the rest of Canada.

MR. CHAIRMAN:

Mr. Purdy and then Mr. Henderson. Excuse me. Miss Hunley, would you prefer that they make their comments and then you'll reply to all of them?

MR. PURDY:

I just have one general remark to make, and that is directed to the hon. Member for Spirit River-Fairview. I am appalled and amazed at his remarks and the criticisms that he directed towards the medical doctors and practitioners in this province. What he's looking at is the gross earnings, he never mentioned net.

MR. NOTLEY:

Point of order, Mr. Chairman. Just to set the hon. Member for Stony Plain straight. The report that I was reading, sorry if you didn't listen to me too well, the report I was reading gave the gross, it then gave the expenses of practice, and gave the net. I intend to table the report so that all members of the House can see it.

MR. PURDY:

Thank you, I wish you would. I'm talking just on the gross. What is not realized by most people is that there are years and years of university, there are office expenses, pension funds, overhead,

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office staff and so on. And this is why I am going to keep my remarks pretty well general to this point. I didn't hear the hon. Member for Spirit River-Fairview point out that he had a net figure there too.

MR. HENDERSON:

Mr. Chairman, I would just like to follow up the comments of the hon. Member for Spirit River-Fairview on the subject of ownership of laboratories doing medical analytical work by people other than the profession, individual members of the profession itself. I know from my experience at the time, when the one transaction that I think everybody is thinking of took place in Alberta some time ago, that, certainly as minister at the time, I was very concerned about it. I still think it is an item that the government and the Legislature itself should be concerned about as well. I certainly look with concern on the fact, for example, that major drug companies are buying up these facilities. I have to say that in my limited experience in the political arena, in particular in the matter of dealing with drugs and drug companies, I don't think the drug companies of Canada have a particularly credible record of always acting in the best interests of the people of Canada. I certainly can't follow the argument that the drug companies are out to particularly benefit the people of the Province of Alberta.

I think that it is inevitable that before too long governments across the country are going to have to examine the question of drugs. We had it in our volunteer program and hopefully it won't happen until the question of costs of services we do now have are controlled. Sooner or later, I am convinced that governments all across the country, from the federal government on down, are going to have a confrontation with the major manufacturers of drugs in Canada.

Why I say this is because I am aware that in one instance that happened some time ago in Alberta, where a company had obtained a license in eastern Canada to manufacture, under license, a particular drug with materials imported from Europe, and they were going to market it at substantially lower cost than the competing products on the market. Whereupon the main supplier of that drug in Canada set their salesmen on the road across Canada and were coming in and offering, even to the government and all hospitals, supplies of this drug for nothing, with a view of simply trying, of course, to drive the competitor out of business with his low cost product, before the competitor had ever got into business. We protested, at the time, to the appropriate department of the federal government that we didn't think this was in the public interest, and privately, in rather strong language, let it be known that particular outfit could find itself cut off from the bulk purchase of drugs under the Alberta government program at that particular time, because the government does purchase drugs in bulk for its own hospitals for the mental hospitals and so on.

I am convinced, from what little I have seen of it, as I say it is only a matter of when the confrontation is going to take place. I am also convinced that if it weren't for the political punch of the drug manufacturers being concentrated in Ontario -- significantly in Ontario and some in Quebec -- that probably the confrontation would have taken place long before this.

While I say these words with some reluctance, because I basically am in favour of a system of private enterprise which is as free as possible of government restrictions, but when I look at this business the whole health field now, with the exception of drugs, is pretty well entirely transferred into the public sector. While the hon. Member for Spirit River-Fairview doesn't like the premium, the premium in Alberta doesn't just apply to Medicare, it applies to hospital services as well. It represents less than 20 per cent of the total costs of services. So we are not dealing with something

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that is really a private enterprise matter anyhow, basically, we are dealing with something that is already in the public sector and is basically publicly financed. So as one looks down the road, about the large drug companies -- and I don't care whether they are drug companies that are nationally owned in Toronto, or they are owned in New York, it makes no difference to me as far as my responsibilities in this Legislature are concerned -- when I look down the road I can't help but be concerned about the problems that we are heading into when we have the large drug companies, national or international, which are moving into this field that is being paid for by the people of the Province of Alberta now in the field of diagnostic services.

Obviously it is fraught with a lot of pitfalls where there are no restraints on consumption of these services, and the method of determining payment is according to a fee schedule and freedom of access, time fee schedule ends up in increasing utilization, and the costs are going up and up and up. I am not critical of the medical profession for using this technology. Very clearly, I would urge the government to seriously look at this as a matter of public policy. If the trend continues there is no doubt about it, we are simply delaying the day in which a very sticky situation will have to be faced up to publicly. And regardless of who the government of that day is, it will probably be a very unpleasant task. I'd like to go back many years in Alberta, before my interest in the subject of drinking beer, back to the day when the government of Alberta decreed that the breweries had to get out of the hotel business, for example, and there had to be a separation between them.

I would simply close by saying that I would urge the government to examine this area as a matter of public policy. It's a critical area, it's an area in which one, I think, wants to move cautiously. On the other hand, in the long run, I think it's an area in which the adjustments that would have to be made down the road would be far worse than what the adjustments would be if you saw fit to act in the next year or two on the matter. I haven't heard of any further purchases in this direction by the drug companies; of buying up these analytical facilities, but I'd like to hear from the minister whether there have been any more moves in this direction. I'm sure the minister is aware that the people in the profession themselves are certainly very concerned about this business, because one inevitably runs into a conflict as to who is responsible for the quality of the service and so on and so forth - as to whether it's the professional that's employed in the plant or whether it's the company. I know this from my engineering business experience. You always end up with somebody going to be prosecuted for a poor piece of work, so do you prosecute the man because he took orders from the employer or do you prosecute the employer? It's a really naggy problem and there are no solutions for it. As the control over these facilities is transferred from the profession into the hands of other corporations, there is all the more reason to examine the policy in this particular area.

MR. DOWLING:

Mr. Chairman, just two or three remarks in reference to the remarks made by the hon. Member for Wetaskiwin-Leduc. The first one is that you can't automatically assume because a drug manufacturing firm produces a quality product that it's making excess profits. I would suggest to the minister that when she looks into this drug field that she investigate how much money from the drug manufacturing firms that produce these quality products or the ethical firms of the country produce them, and funnel 23 per cent or better of their profits back into research. You should investigate the amount of money it costs to engage a research scientist, and the resource staff required to keep that researcher busy.

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I think it's important that all hon. members know exactly how the pricing of prescriptions is done throughout this province. It is done on the basis of wholesale cost. In other words, if a tablet costs one cent and 25 of them are dispensed, that's 25 cents, plus the fee of \$2.00, which is established by the Department of Health and Social Development. If a tablet costs 20 cents, and ten of them are dispensed, that's \$2.00, plus the fee of \$2.00, or \$4.00 for the prescription.

So I think you can't automatically assume because a firm is a drug firm that they are charging excess amounts for their product. I think the important thing that we must look at is therapeutic equivalents. We can't assume, for example, that a manufacturing firm in Saskatchewan that manufactures aspirin or any other product -- aspirin is not a very good example, but antibiotics, say, in Saskatchewan, -- is going to manufacture that product and have it manufactured with a therapeutic equivalent to a product manufactured by another firm. If we're to get into this realm of therapeutic equivalents, it's a very costly one. The drug manufacturing firms that, in my view, are ethical have standards that are far in excess of those required by the drug department of the Canadian government. So I would suggest that you just can't automatically make statements that would indicate that drug manufacturing firms in this country are not ethical, are not producing quality products or are charging excess profits. Thank you.

MR. CHAIRMAN:

Let Mr. Henderson react, and then Mr. Farran next.

MR. HENDERSON:

Just very briefly, Mr. Chairman. I would like to respond to the remarks by the hon. Member for Jasper. I would like to make it perfectly clear -- talking about drug manufacturing -- that in my view the pharmacist in the province isn't in a much different position, on this particular matter, than any other consumer is. I am aware of some other situations that the pharmaceutical profession has run into itself, in trying to deal with the drug manufacturers.

So, it is the manufacturing end of it that I am talking about. It is quite frankly my impression, two things; that the drug inspection standards that the federal government have, probably are about a century behind the times. They are hardly in keeping with today's technology.

Secondly, it is also my impression that there is very little real basic drug research done in Canada, we are riding on patents, processes and so on perfected primarily in the country to the south, or in Europe. All we are doing is paying royalties on this particular matter. It isn't a question really of getting into the question of high drug prices. I think one of the big problems about the manufacturers is some of their marketing techniques and methods. Aside from the question of profits, I am still convinced personally, that there is eventually going to be a confrontation between the public sector and the manufacturing companies over the supply of drugs at equitable prices, to the people of Canada.

I come back to this for this basic reason. Aside from the question of profitability, we should be viewing with alarm the fact that national and international drug manufacturing firms are moving into this particular field of buying up laboratory diagnostic facilities in the Province of Alberta. Hon. members should also know that Alberta is -- along with Ontario -- just about the lone holdout on where so much of the laboratory work is done in private laboratories. In many other provinces of Canada -- and I can't quote from memory too accurately on it -- a lot more of the diagnostic work is already being done in publicly owned laboratory facilities.

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For example, in a place like Calgary, the department, when I was minister, wanted to build a new provincial public health office set-up and laboratory in Calgary. I felt that before such an office facility was built there should be a study made of having one central laboratory in Calgary doing as much of the diagnostic work as possible, for even the larger metropolitan hospitals. Not all the diagnostic work, but stuff that can be sent out quite conveniently anyhow.

I think this is in line with the comments the hon. Member for Calgary North Hill, Mr. Farran, was making the other day. I want to make it very plain, my remarks were not aimed as any criticism to the retail drug industry in the Province of Alberta.

Quite frankly, I restrict my remarks to the question of the drug manufacturers. This, I think, is the area of concern.

MR. FARRAN:

Mr. Chairman, the points made by the hon. Minister for Spirit River-Fairview and the hon. Member for Wetaskiwin-Leduc were very much alike as to the dangers of the high ballooning costs of this national health scheme. But of course, they are aiming for a different end. They look at it as a danger in light of, perhaps, a different target. Of course, my views would come much closer to those of the hon. Member for Wetaskiwin-Leduc than to those of the hon. Member for Spirit River-Fairview.

The historical progression of state-run medical schemes is well enough established as to what actually happens. You can start with, perhaps, a panel system of contributions to a health scheme such as Britain had in 1906 under Lloyd George. Then you go through the progressive steps towards a total medicare scheme. Even when you have gone through all those steps the end is not yet in sight. That, of course, to me is a nightmare, something I would want to avoid. Even then the basic problems still arise.

If a health care scheme is operated by the doctors themselves, there is a measure of self-restraint, as there was under MSI. But once they get latched onto the bottomless pocket of the state, then one gets into extreme danger, because after all, the great weakness of mankind is greed. And the biggest menace to a free society is a concentration of property in too few hands. The worst of all, of course, is concentration of property in the single hand of the state. That is the worst monopoly of the lot, in my opinion.

So what happens is that when the costs of the health scheme become utterly unbearable, pressure has to be exerted by the state on both the top and the bottom to fetch them under control. So in the doctors' own interests, one must point to the dangers of these ballooning costs.

First of all, there is the danger that the doctors are excessively greedy, and will milk the scheme for every penny they can. Then of course, in the end, there is the proposition that they should be paid by the state, that their fees should be regulated by the state, and that they become, in effect, civil servants, with very little freedom of choice.

This is what happens in the end, and this is, of course, the nightmare which I would like to avoid; where there is no freedom of choice. Doctors themselves are probably shortsighted and don't always recognize this. They don't recognize that the threat is there when they go in for such things as a closed hospital, where they limit the practice of doctors who are in the hospital . . .

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MR. HENDERSON:

I wonder if the hon. member would speak into the mike. It's a little difficult to hear him with the murmur that's going on in the hall, and I'd like to hear his remarks.

MR. FARRAN:

Alright . . . I'm saying that when the costs get astronomical, out of control, more than the state can bear what has happened in history is that the state then reacts by applying pressure from the top and the bottom. It begins to regulate the doctors' stipend, the doctors tend to become civil servants, and be completely controlled and directed by the state.

Then from the bottom, there's also a regulation to try to stop abuse of the system by demands for unnecessary work, so you get the proposition of the deterrent, and this has even been applied in socialist states, like Britain, where the national health scheme was completely universal. Here, even a socialist government introduced a concept of what they called "a bob in the bottle", which was a shilling on a bottle of medicine as a deterrent fee, and there was a big sort of political furor over it. Now the price has gone up to 50% as much as that again, just in the last few years.

So this is what happens. If we're not alive to the dangers, then in the end the greedy people who are abusing the scheme, become regulated, and the whole thing becomes kind of regimented and uniform. The same thing applies to drugs. Now, although the hon. Member for Wetaskiwan-Leduc is absolutely correct in saying that there is very little abuse by the local pharmacist in his retail store, it's well enough established that the large drug manufacturing corporations have been charging excessively high prices, partly because they're protected by patent laws in Canada, and they have been able to conduct well-financed campaigns against those who promote the use of generic drugs in hospitals; campaigns which insinuate that generic drugs may not be pure enough, or may not be of good enough quality. But there was a Royal Commission in Ontario that pointed to the fact that drug prices in Canada are excessively high. The Kefauver Commission in the United States pointed to exactly the same thing in that country. And I understand the levels in Canada are even higher than the levels in the United States. When this sort of thing happens -- when you have, again, a state health scheme -- in the end, of course, there is an invasion of the private enterprise field of the drug manufacturers by the state, because restraints have to be applied. This is an abuse of free enterprise and it's sad. This is the sort of thing that will happen if we don't face up to the need for some sort of reasonably sane ground rules at this stage of the game.

Now, insofar as the Alberta Medicare scheme is concerned, drugs are only covered under option (b), through the arrangements with Blue Cross. Now Blue Cross do not regulate in any way at all the price -- the retail price -- of drugs which can be bought by a subscriber. Of course, they rely on the deterrent, that there is a deductible before the scheme comes into operation -- I think of \$15 a year. And even then, Blue Cross only pay 80% of the cost of drugs. But, of course, in many cases, the Blue Cross costs are indirectly underwritten by the government itself. This may be properly so, although they do seem to have some sort of monopoly in this option field -- a monopoly that should be examined for its validity -- but the only case where there is any control at all over retail prices for drugs in Alberta, is through the welfare department -- through the social assistance route of the Department of Health and Welfare -- where there is a prescribed price list that the government is prepared to pay for the drugs for welfare cases.

Really coming back to the main point, if these costs are not brought under control there will be heavier taxes, deterrents, restriction of the freedom of both doctors at the top and the

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patients at the bottom. This is why it's so important to apply the ground rules now before we have a runaway situation going right in the direction of the hon. Member for Spirit River-Fairview.

MR. KOZIAK:

Just one short comment to the hon. minister in charge of the Alberta Health Care Insurance Commission. I don't know whether the Commission and your department has been looking at this particular point, but if you haven't I strongly recommend that you do. And that is the matter dealing with the requirement for senior citizens -- and I believe it's over 70 years of age -- to obtain medicals before they can obtain their driver's license. Obtaining these medicals, I understand, involves an expense of approximately \$10 which is not covered by these plans and must come out of the pockets of these very senior citizens. Now what that in effect does is makes the driver's license for a senior citizen in the age group of 70 and over a \$12 a year item, rather than a \$2 a year item as it is for the younger people. I think it is an area where, as we are with the senior citizens, perhaps should look and remedy.

MR. DIXON:

I would like to ask the hon. minister one short question. It maybe an unfair question to ask her but we have a number of medical practitioners in the Assembly and maybe they would answer the question for you. I've had complaints from patients who go to their physician, go through a series of tests, end up in the hospital a few days later and go through the series of tests again. They're complaining of duplication of costs. The laboratory has been paid for these tests and then they go back and the local hospital goes through them all over again. Maybe one of the practitioners here could enlighten us. Is there some way the tests couldn't follow the patient -- at least into the hospital -- and save not only the inconvenience to the patient of going through it again, but considerable extra cost to the Medicare system?

MISS HUNLEY:

Anyone of the doctors in the House would like to reply?

DR. PAPROSKI:

Thank you, Mr. Chairman. Firstly you must recognize that some of the tests are necessary to repeat for a cross check and this is done deliberately for diagnostic purposes. There are some basic tests that are absolutely necessary to do when a patient enters a hospital as a base line. It varies from hospital to hospital, but basically they are a complete blood count and a urinalysis. Some hospitals are looking at this matter very carefully now and requesting, that if a blood test has been done within a specified period of time, say 24 hours that test will come with the patient and be put on the chart, recorded and used as admission tests. But the other extensive tests like repeat x-rays and so forth usually done by the medical practitioner are to re-enforce or to clarify a diagnosis.

MISS HUNLEY:

Perhaps I could wind up this discussion by dealing with some of the observations. Concerning free premiums -- I think it would be very nice if we could do that. But the estimated revenue from premium income for June 30th, 1972, which is the year we're on at the moment, is almost \$59 million. I haven't figured out where to get that except by, of course, income tax points probably. At this point I haven't really assessed whether this would be valid. My philosophy doesn't lend itself. I am very sympathetic to the plight of the working poor, which was brought to my attention by the hon. Member for Spirit River-Fairview. I applaud the fact that the previous

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government did institute a subsidy which was based on income tax, and of course to me income tax is really -- I hate to say it but -- it is one of the fairest taxes of all, I think. It's based on real ability to pay. I can't figure out a way to get out of it.

But I can't really accept the fact that the premium should be really free, not at this stage of the game. There's a saving in administration cost but not that great. I haven't done a cost study to find what we would save if we didn't have to collect the premium, but we still have to keep track of everybody and we still have to keep the people there. We're still using our system and we're trying to build an efficient system by data processing so that these people can be kept track of. And I would feel that the cost of billing and collection of premium is rather a small part of the actual process of keeping track. So it would remain finding about \$59 million, based on this year's estimate.

Free medicals for those requiring driver's licence I've already looked into it because I favour it and probably I'll be bringing it forward for consideration at some time. I'd like to see it instigated. But I didn't start as soon as taking over because I wanted to look at all the angles.

There is a lot that we need to do; there are a lot of things that need to be examined; there are other people who have problems when they are required to have third-party medicals. The reason you have to pay when you have a medical for your driver's licence is that Alberta Health Care does not pay for third-party medicals. The fact that we require them, as a government, of course could be an extenuating circumstance. I'm prepared to look at it. The estimate of the cost if we had instigated it this year would have been \$200,000. So we did look at it and I am keeping an open mind on it.

The observations about costs and how they can be handled I couldn't agree with you more that we require a study and if and when this session ever ends, and if we still have a breath of energy, I'm most anxious to start a study and I would like observations from those of you who are experienced on the other side and those of you who are experienced and have a special interest on this side. I don't, as yet, have in my mind the kind of committee I would like to have examine it, but I certainly do intend to have it examined and I would very much appreciate the observations.

As I said last night, the idea of a lump sum, to me so far, is the most appealing. But, of course, without a doubt there are many angles that we need to consider. I would not like to sit down to do an analysis of this problem without having the Alberta Medical Association involved on the committee.

I have no knowledge of any massive sales within recent history.

The lab tests which should follow the patient --

MR. HENDERSON:

Mr. Chairman, I wonder just in the interest of the record if the hon. minister could be more specific about sales of what?

MISS HUNLEY:

Well, you asked if I had any information about drug companies and laboratories -- such as occurred a few years ago -- and I don't have any at this point.

The signature on cards has been brought up on several occasions. I have discussed it with the commission. They feel, and at this point I agree, that we can't really gain that much by having a signature. True, we sign our credit cards, but we also go and buy

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many other things, or we go to a dentist and he sends us a bill and we don't expect to sign for it.

I don't think there would be any protection for the government by the signature. And another thing, there could be increased cost because you are assuming that if it's signed -- at least I'm reading this into your suggestion -- that if it's signed somebody in Alberta Health Care is going to be responsible for looking at it and assuming that it's a bonafide signature.

You also haven't told me how we manage those who are infirm and not able to sign and sign with an 'X', and things of this nature. It's not just a matter of signing. When you think of the number of claims we process in one day, I don't know, really, if that would be of any assistance. Mind you, I have an open mind on it and I am prepared to look at it again and we'll take the matter under advisement, but I have thought about it; I have talked about it; and can't see where it would achieve anything except additional work in Alberta Health Care.

I think I've dealt with all the observations that were made and if there are any I've missed I will be pleased to answer them.

MR. HENDERSON:

Mr. Chairman, I wonder if the hon. minister could provide us with a forecast for the next years operations of the commission as to its estimated total expenditures; how much of that is for administration; how much is for payments, and to the source of revenue. She mentioned \$59 million from premiums. I presume there is \$45 million or so from the federal government and \$17 million in the treasury. I don't want to worry about the statement now, but I'd certainly like to have it.

MISS HUNLEY:

I could either read it, because I have the information, or I could provide an extract whichever you'd like.

MR. HENDERSON:

I'd prefer to have a written statement of it, I'd be glad to read it.

MISS HUNLEY:

No problem, I'll provide that.

Appropriation 2410 total agreed to

\$17,037,882

Agreed to without debate:

Appropriation 2420 Alberta Alcoholism and Drug Abuse Commission

MR. BARTON:

Mr. Chairman, just one question before we close this. Are the old age pensioners on the Blue Cross numbers going to stay the same effective the first of July? The specific reason I'm asking is that we have -- and it will effect probably most drugstores in the North country -- we have patients that are on a continuing monthly drug charge, and they sign over the authorization so that they can get the drug to them in time, and there is about 20 per cent you usually have to carry. The mail service is poor and in some places they can't get to it. I was wondering when they sign over, would this number change as of July 1st this year?

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MISS HUNLEY:

I can't answer that specifically because Alberta Blue Cross runs their own show. We just purchase the service from them but I'd be glad to inquire about it. I don't think they ever like to change any numbers unless it's necessary or unless a person re-registers. Sometimes we have two people registered under two numbers in error, but I'd be pleased to inquire about that for you.

MR. KOZIAK:

Before you leave the Commissions, I think perhaps I should again place on the record my concern that the amount which is allotted under the estimates No. 2420 for the Alberta Alcoholism and Drug Abuse Commission is in my opinion insufficient. However as I said earlier in this House, I expect that in the forthcoming years this amount will be increased substantially.

I also have a comment that perhaps can be taken by both the hon. Attorney General and the hon. Minister in charge of this commission, and that is perhaps the workings of the Alberta Liquor Control Board and the Alberta Alcoholism and Drug Abuse Commission could be handled by the same department, the same minister. The reason I suggest that is because in one area we rake in the profits, and in the other area we try and pick up the pieces. And sometimes it would be nice if one department would be in charge of both so that there is an overall view over what is happening. My suggestion would be, the commission should perhaps be handled by the same department as the Alberta Liquor Control Board.

The other thing I suggest, too, is that in the whole area of education, both with respect to abuse of alcohol and abuse of any other drugs, I think we'll have to spend money because there is really no other way that you can publicly educate people as to the good and bad effects of alcohol and drugs. And I think that in the future we should be looking at a much larger appropriation for this commission so that the commission can do that particular job.

Total Health Commissions agreed to \$220,785,594

Department of Health and Social Development

Agreed to without debate:

Appropriation 2501 Minister's Office \$ 76,590

Appropriation 2502 Department Administration

MR. R. SPEAKER:

Mr. Chairman, possibly there were certain questions and comments that I would like to make. Possibly we can clear the air here and then go through that much quicker.

I think first of all we would certainly like to congratulate the government for carrying on the amalgamation of the Health and Social Development Department as one entity. We feel that certainly the objectives of doing that were sound and we support the continuation of that particular aspect.

My colleague, in an earlier debate, indicated the reasons for doing it. One was for integration and co-ordination of services, and two, certainly to try and perform this, not only at the central level of government here in Edmonton, in that sense, but also at regional level. We felt it was most significant to do that particular thing. One of the reasons for doing this was, as I said, for co-ordination and integration, but also in the implementation of the Blair Report, to try to come to grips with the decentralization, the regionalization and the use of local citizen participation. It was most necessary to have a structure within which you could work. In

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light of the that, we certainly support the government's openness -- I would have to say in that sense -- to give this a one year trial.

We would also like to recommend that we feel this is the way to go and that soon a decision be made that the one-year trial period be forgotten and that we get on with the job and carry on as is. I think we would even go so far as to say that we are willing to support other help for the minister, such as a minister within the department that could look after the ongoing responsibilities in the department, and then the minister himself could look at new policy areas, new directions and give the department that type of momentum.

I am sure we would support another person appointed to take on that responsibility in the department rather than having the functional areas of Health and Social Development divided up again as they were before. I notice in an article some time ago back in, I believe, late 1971, that the Premier indicated he was concerned about the inaccessibility of the minister to the public and we would rather see someone come in -- another elected person come in -- and give him support, rather than the division of the department to give him the accessibility that the Premier wants.

The questions that we would like to ask with regard to the amalgamation, so that we understand how things are going and what your ideas are in this coming fiscal year, are as follows:

We would first of all like to know what you are going to do with the pilot project and if you are going to continue on that basis; secondly, how you are going to involve local people and bring about local determination; and thirdly, how you see the integration and co-ordination happening at the local level?

One of the things that we thought was most significant in this process was to bring together the various vested interest groups in the health and social development area, bring them together so that they could form some type of a local composite board. In the act you will notice that we call it a Health and Social Development Composite Board. The intention of that was to form some type of an entity through which the local people could come to grips with the co-ordination and integration that was necessary. We felt that after the local people had looked at the problems that were before them, that certain new boundaries may emerge and that eventually what we may have is a Health and social development board that would parallel either a school board or a municipal board, that would look after setting of local priorities of expenditure and assisting in the delivery systems. This is one of the things we saw down the road.

I would just like to leave it there at this point, Mr. Chairman, with those few questions.

MR. CRAWFORD:

Thank you, Mr. Chairman. On the last point, I do feel that the attention that has been given by the government and the intentions that we have indicated in that regard to community health and social development centres, are consistent with the last part of what was said by the hon. Member for Little Bow as being the sort of arrangement on the local level that was hoped for at the time the composite Health and Social Development Board for local areas was conceived -- the local composite board. I think on that point there isn't any doubt that this is an ideal to work towards. There surely cannot be a better and more satisfactory way for the citizens of the community to be served than on the basis of the decisions and priorities being arrived at locally to the largest possible extent.

Now, in regard to the amalgamation of the department, I think the situation is the same as it was outlined a few months ago, and that is that the merger is under review. It's not an easy act to

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perform as the hon. gentleman well knows. I think, myself, that the more I work in the area, the more satisfied I am, myself, that some way has to be found to make the merger administratively possible.

I think the reasoning is simply this: the reference to it not being simply a matter of co-ordination at, you might say, the head office or minister's office level. The important thing is at the local level where the service is delivered, to see if co-ordination can take place there, and that it's delivered there, and it's this challenge that's very considerable and which will probably take some years to see its fulfillment on a local basis.

I often think that the questions of decentralization, the questions of regionalization, and the questions of citizen participation can quite easily be grouped in the same sort of subject matter as the issue of local autonomy. Once again they are ideally, if not easily, related to the question of the delivery of the health and social development services in the community. I mentioned before, and don't mind saying again that I have a strong commitment to local autonomy because it seems to me that that is what the people are entitled to. The greatest participation can be had with local autonomy, and that's what our efforts should be directed towards. I don't want to say too much about regionalization except that I wouldn't like to see it developed into historic framework of being an attack upon local autonomy. Regionalization, to me, means that the service may be co-ordinated at different levels without infringing on local autonomy. And yet I know in the criticisms that are made of regionalization, in some of the ways that it has been conceived up to the present time, that the criticism is because of the fact that it seems to take away local autonomy. That is a clash in ideas that I think I wanted to highlight. Regionalization to me should not be an attack on local autonomy. It often seems to fall into that because of some of the plans for regionalization of services that come up and are put forward from time to time. I don't think there's anything in de-centralization that is inconsistent with the remarks that I've made about local autonomy and regionalization.

I'd just like to dwell for a moment on the question of citizen participation. I have the feeling that in health and social services, knowing what we can know of the history of it, that much has been done in the private sector. The existence still, of voluntary hospitals indicates that people from non-government areas went ahead and provided important health services at the time when there was a need.

In regard to the areas that come directly in contact with the Department of Health and Social Development. So often people want to find good works to do in the community, it may be something like the Canadian Mental Health Association or the Canadian Association for the Handicapped or organizations for children with learning disabilities or organizations to help the blind or the aged. Whatever it may be, these needs are fulfilled and always have been fulfilled to a partial extent by voluntary groups, associations or groups that are related in many instances to, say, churches or service clubs.

Knowing that, it seems to me that I want to be very careful in developing government programs to make sure that citizen participation is fully utilized. I know that is a very general statement, but it is one that I have been consciously moving toward during the time that I have been minister. It is my intention to look for ways in which the private sector can benefit from its involvement with government, without the government appearing to overwhelm and run the innovativeness and the sense of voluntary service that exists in associations in the private sector. I think that relates to the questions primarily that have been raised by the hon. member so far, Mr. Chairman.

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MR. R. SPEAKER:

You have commented on one of the projects that we were initiating. Our first pilot project was in High Level, which is continuing, I understand. Secondly, we announced during the summer that we would like to initiate the second pilot project area of Red Deer. Are you still proceeding and maybe looking for other areas for pilot projects?

MR. CRAWFORD:

Yes, Mr. Chairman. As the hon. member has noted, the High Level one is proceeding. The one in Red Deer, I think, I would just say that in the early decision making stages it seemed to be important to go ahead with some things, and to be cautious in adopting plans in some other areas where no steps had been taken to the extent where a logical commitment existed. I think I would look upon that as only being in a state of suspense, something that I would like to proceed with. I don't consider the pilot project in respect to Red Deer to be dead.

In regard to other areas, we have had some discussion because of the unusual attitude, unusual in the sense of the initiative shown by the people in Medicine Hat recently in approaching the department and asking for support in using one of their local buildings -- I believe it was a nurses' residence which was vacant and available for conversion. I am very sympathetic to the support requested and I am hoping to be able to develop a plan for Medicine Hat. I will just comment again that what they had come forward with was an awful lot of local preplanning on their own, which was quite encouraging to see. They had met on a local level a number of times and were introducing the concept of a composite community centre with the site as they proposed to have it, but based on both social and health services in the same facility. This seemed to me to be a useful initiative.

MR. HENDERSON:

Mr. Chairman, I just want to bring up one matter at this point in time, since the matter of High Level has come up for discussion as one of the original pilot projects. I would like to bring one particular matter concerning the High Level project to the attention of the MLA for that area, the hon. Minister without Portfolio Responsible for Northern Development.

I received a note in the mail a while back indicating that at the sod-turning ceremony at High Level, the hon. Minister without Portfolio had inferred that the former Minister of Health had promised this hospital would be operating last fall. I'm sure that the hon. minister, who has seen fit to vacate the House at this critical moment must have snuck out when I looked down, because he was there when I started. I believe these people are pretty shifty on the other side of the House you have to keep your head up and look at them eyeball-to-eyeball, particularly my good friend immediately opposite.

I think as a matter of record, that I'd like to bring the attention of the member for the area, and suggest that he delve into the files that are in the Minister of Health's office, and he'd find that my predecessor as Minister of Health made a commitment to build that hospital in High Level, provided that he keep a doctor in the community for six months.

They did keep a doctor in the community for six months. They came into me as minister. We said we would honour the commitment. We also wanted to tie-in with the development of this integrated unit, because the High Level project would not be just a hospital, it should be an integrated health centre for the delivery of health and

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social services in the entire district. Contrary to saying that the hospital would be operative last fall, I recall very distinctly and I think there is something on file to this effect -- I pointed out to the board that even though the approval was there it was going to take several months just for the board locally to get construction under way. I thought that I should bring the matter to the attention of the member for the area. As I say, I'm sure he wouldn't want to run around his constituency misrepresenting the past performance of the Social Credit government in that particular constituency.

MR. CRAWFORD:

Mr. Chairman, I just wanted to say on that, as minister, I hope that there aren't too many six-month options outstanding around the province that I don't know anything more about than that six-month option.

MR. HENDERSON:

Mr. Chairman, I'm not going to tell him. That's a little secret. Quite seriously, I'm not aware of any, and of course, I wish in some cases I'd been in the ideal position he is in now relative to outstanding commitments.

DR. PAPROSKI:

I'd like to congratulate the hon. member from Little Bow and the hon. Minister of Health and Social Development I think they are right on beam regarding community health centres. I'm overwhelmed. Thank you.

MR. SPEAKER:

In your pilot project areas -- the one in Medicine Hat -- we're looking at a community health and social development centre. Are you also exploring the broader concept of the health and social development composite area? For example, in Red Deer, we were thinking of having the City of Red Deer, plus a number of the local towns that were interested around Red Deer, becoming involved in discussing the health and social development programs for that area -- trying to bring a broader type of co-ordination rather than just from the facility level itself.

MR. CRAWFORD:

I hope that's the way it works out. This is in the stage now of meetings with the people in Medicine Hat. I have had departmental officials meet with them in Medicine Hat not long ago, but I have not, myself, been able to meet with them yet, and it's a matter that's developing.

MR. CHAIRMAN:

Very well, Appropriation 2502 . . . oh, Mr. Young?

MR. YOUNG:

On the matter of new types of projects and plans, I wonder if the minister would comment very briefly on West 10, which is a departure, I believe, in terms of services in the city.

MR. CRAWFORD:

Mr. Chairman, that could be one of those questions that looks like a loaded question. It's not. When he says comment briefly, I'm going to show my determination to do so by being brief, but West 10 was something, when it was proposed, I had the opportunity of examining in its infancy as a result of the fact that I was on City

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Council at the time, and supported the concept right from the beginning and I am really pleased to be able to say that, in my view, the way in which it has developed to the extent of just over a year of a three-year pilot program is very encouraging. What is provided there in the same physical setting that is in a common physical setting is an area where the services of three governments and of various agencies can be made available to the community. And the community council, which has been set up from the Westmount area in conjunction with it, actually takes part in some of the social services that are provided there in the sense of working with people in the area who have need to come there seeking assistance in some form. So it is a combined community and government area. I can't say if the federal government is physically in the premises at the present time, but the municipal and provincial governments are, and it's a very promising experiment.

Appropriation 2502 total agreed to \$ 66,860

Agreed to without debate:

Appropriation 2503 Finance and Administrative
Support Services \$2,646,080

Appropriation 2504 Personnel and Manpower

MR. TAYLOR:

Mr. Chairman, I wonder if I could ask the hon. minister if this was the appropriation from which the grant was made to Mr. Edwards and Mr. Gibson or the Manpower office?

MR. CRAWFORD:

Mr. Chairman, I believe the grant was made prior to the end of the fiscal year under probably a treasury appropriation. If I remember correctly, I think it was at one point publicized as \$10,000 and I think it turned out to be somewhat less after their proposed budget was submitted. I believe it came out of a grant appropriation as approved by Executive Council. That would probably be Appropriation No. 2706 in Treasury. But I could get that information for the hon. member and provide it.

MR. TAYLOR:

I was wondering, Mr. Chairman, how do people get into this type of grant? Is there an application made? What type of checking was done on it and was there more than one application? Were the other applications in the file considered and so on? This is the type of information I would like to have.

MR. CRAWFORD:

Mr. Chairman, I can answer to that. My understanding is -- I'm giving this now on the basis that if I'm in error in any way I'm undertaking to bring the information back to the hon. gentleman -- but I'm sure from what I was told in the department that there was indeed a previous application, but it was not contemporary, it was not during the period of office of this government. How it was dealt with I do not know or who dealt with it I do not know. The only application that came to my attention was the one from Mr. Gibson and the other gentleman. That one was, if I'm not mistaken, originally by way of a letter expressing an idea as to what might be done for people over 45. Meetings were then arranged between officials and the applicants. I, myself, never met the applicants. I got a recommendation from the department as to whether or not to proceed with the idea and discussed it with the Chief Deputy Minister. I might say that he wasn't as enthusiastic about it as I became when I saw it, and it's one of those occasions where the political arm has

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over-run the expertise of the administration. By all appearances I was right -- the program began to work quite satisfactorily after that -- in due course after receiving the recommendation of the officials the Cabinet approved the grant.

MR. TAYLOR:

I just have one or two other questions, Mr. Chairman. Is there a written agreement with these gentlemen, are the accounts audited, and what control is there to show how this money is spent on the work that they allege they do and so on? What control is there on it, and particularly is there a written agreement between the department and the gentlemen?

MR. CRAWFORD:

Mr. Chairman, I believe there is no written agreement. The manner of controlling and auditing the expenditure is that a proposed budget is submitted and worked over by the department with the people who wanted the grant in that case and an amount is approved. Then the grant itself, when made, has to be supported by evidence that the expenditures were made for the matters for which they were approved, and necessary evidence of the true expenditure has to be produced to the department.

MR. TAYLOR:

A careful check is made of the evidence that comes in from the party?

MR. CRAWFORD:

I'm making that assumption, Mr. Chairman. I'll get some further information on the procedure for the House.

MR. MINIELY:

Mr. Chairman, I just wonder if I might add to the hon. minister's comments. One of the things through Treasury that I have requested is that the whole area of grants be examined, particularly in view of procedures of ensuring that it doesn't just apply in the hon. minister's department, but that in all departments a proper procedure is utilized with respect to the request for audited financial statements. In most cases I emphasize the word 'audited', because anyone can draw up a bunch of figures -- and these are properly filed annually before grants are finally approved.

I must say that in the past, in most cases, that appears to have been done. But there are certain areas, which have concerned us in the Treasury Department, where it has not been pursued as well as it should be pursued in terms of the requirements upon organizations to file proper financial statements audited with the departments.

Appropriation 2504 total agreed to \$ 260,980

Appropriation 2505 Research and Planning

MR. HENDERSON:

I would like to make a couple of comments at this particular time on the question of research and planning as it relates to a policy on medical education and manpower training.

I am sure the hon. minister is probably aware by now that Alberta is really on a per capita basis, very heavily committed in all areas of medical education. With the development of a second medical school in Calgary on a per capita basis we're 25 per cent or

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30 per cent above the national average -- I don't remember the exact figure now and I find I haven't got the reference material, I left it for the new minister. I think we are about on a par with Quebec which is on a per capita basis -- something like 40 per cent above the national average as far as the number of doctors, for example, that there are in training in the province.

I think, also, if the hon. minister examines the question of training of psychologists, physiotherapists, and so forth -- allied health people if you want to call them this -- that a similar situation exists particularly when one uses the Alberta contribution relative to western Canada. And in a very brief way of expressing it, I think it is basically the taxpayers of Alberta who are carrying the cost of educating health personnel for the Province of British Columbia. If you look at the statistics this is what is happening -- we have, by far, greater enrolments on a per capita basis in most of these critical areas of health training, as far as training of manpower is concerned. And they migrate to B.C. when they graduate.

It certainly is my view that the question -- at least of medical education as it relates to doctors -- is one area in which I believe very strongly the federal government has to become more deeply involved financially, because there is a tremendous cost related to these programs. I suggest, also, that if there isn't a greater degree of involvement on the part of the federal government in the training of medical manpower -- I personally would fear that we're going to see developments in the province of Alberta just because of the financial pressures on the university system in general, and on the public purse in general as well. I fear ten years from now we could end up with two rather second-rate medical schools in the province, rather than having one excellent medical school. We could end up with two which, as I say, would be somewhat second-rate, largely because of the heavy commitment that the government in the past has undertaken in this area.

I wrote some strongly worded letters to the Minister of Health in the federal government on this particular subject in the last couple of years and I suggested in the best language I could without going beyond the bounds of, I won't use the word 'protocol', because I'm not too well acquainted with it, but propriety, might be a better word that the federal government has got to assume a greater degree of responsibility because in this area, we're dealing with basically, services where the policies and programs, as long as we have cost-shared programs, are dictated in Ottawa. We're also dealing with a classification of people which simply isn't related to the provincial demand, it's a national demand. When we look at the question of medical education, specifically doctors, we're training doctors for Canada, and Alberta is training more than its share of medical practitioners for Canada, and I'm not convinced in my mind it's a tax burden that the taxpayers of this province should be called upon to bear. I'd even go so far as to suggest on the part of federal involvement that we may see the day, if we can't get out of some of these other agreements and get a better understanding on financing with Ottawa on all areas of financing as far as the federal-provincial relationship is concerned that it may, in fact, be necessary or desirable to remove the medical faculties within our universities from the infra-structure that exists within the university administration, strictly in the view of being able to identify it as the item for a greater degree of financial participation from the federal government. The federal government made great fellows out of themselves, coming up with their big thrust program to put several millions of dollars into medical education programs across Canada, and out of this the substantial portion of the costs of the new Medical School in Calgary are being paid. And in actual fact the contribution of the federal government in a capital sense is absolutely peanuts as compared to the ongoing costs of operating those facilities.

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So I would simply close by saying, Mr. Chairman, that I think there is a very growing and critical need for a very clear statement of policy relative to the training of manpower in the total field of health services but particularly to the training of physicians, and it's one I think that isn't made and planned in advance. As I said earlier, in my view the results could be somewhat detrimental to the calibre of the two medical schools that we now have in Alberta, and I'd certainly like to ask the hon. minister to take the matter under advisement, even if he doesn't care to comment on it at this point in time.

MR. CHAIRMAN:

I think we will have the hon. minister comment on that on Monday then.

MR. HYNDMAN:

Mr. Chairman, I move that the committee rise and report progress and ask leave to sit again.

MR. CHAIRMAN:

Is it agreed?

HON. MEMBERS:

Agreed.

[Mr. Diachuk left the Chair.]

* * * * *

[Mr. Speaker in the Chair 5:29 p.m.]

MR. DIACHUK:

Mr. Speaker, the Committee of Supply has considered certain estimates, reports progress, and begs leave to sit again.

MR. SPEAKER:

Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The House stands adjourned until Monday afternoon at 2:30 o'clock.

[The House rose at 5:30 p.m.]

