

**LEGISLATIVE ASSEMBLY OF ALBERTA**head: **INTRODUCTION OF BILLS**Title: **Wednesday, May 10, 1978 2:30 p.m.****Bill 43**  
**The Summary Convictions Act, 1978**

[The House met at 2:30 p.m.]

**PRAYERS**

[Mr. Speaker in the Chair]

MR. SPEAKER: I would ask hon. members to observe a moment of silence as a tribute and a gesture of respect to the late Signor Aldo Moro, who suffered violence and death for one simple reason: he was a parliamentarian and an outstanding public servant of his country.

head: **INTRODUCTION OF VISITORS**

MR. HYNDMAN: Mr. Speaker, today it's my special pleasure to introduce to you and to members of the Assembly a distinguished gentleman seated in your gallery. He is the Australian High Commissioner to Canada, His Excellency John Edmond Ryan. With some three decades of world-wide experience as a diplomat, he is making his first visit to Alberta since his appointment some six months ago as Australian High Commissioner to Canada. He will be calling on the Premier tomorrow. He's been visiting ministers and officials today, and visiting the president and officials of the Commonwealth Games Foundation, bearing in mind the fact that Australia will be very well represented in August this year. I would ask at this time that His Excellency stand and receive the welcome of the Alberta Legislative Assembly.

head: **PRESENTING REPORTS BY  
STANDING AND SELECT COMMITTEES**

MR. HORSMAN: Mr. Speaker, as chairman of the Private Bills Committee I hereby report that the Standing Committee on Private Bills has had under consideration the undermentioned private bills and begs to report the same with the recommendation that they be proceeded with: Bill Pr. 2, An Act to Amend An Act to Incorporate the Society of Industrial Accountants of Alberta, sponsored by Mr. Young; Bill Pr. 4, An Act to Incorporate St. Joseph's Hospital, Radway, sponsored by Mr. Topolnisky; Bill Pr. 6, An Act to Incorporate First Western Trust Company, sponsored by Mr. Ghitter.

The Standing Committee on Private Bills has had under consideration the undermentioned private bills and begs to report the same with the recommendation that they proceed, with amendments: Bill Pr. 1, An Act to Amend The Alberta Wheat Pool Act, 1970, sponsored by Mr. Doan; Bill Pr. 3, An Act to Incorporate Concordia College, sponsored by Mr. King; Bill Pr. 5, an Act Respecting The Royal Trust Company and Royal Trust Corporation of Canada, sponsored by Mr. Young.

MR. FOSTER: Mr. Speaker, I beg leave to introduce Bill 43, The Summary Convictions Act, 1978. This bill is based on the recommendations of the Kirby Board of Review with respect to the removal of warrants of committal in default of payment of fines, alternative forms of handling traffic and other provincial offences outside the criminal context, and alternative methods of enforcing municipal by-laws.

This bill, Mr. Speaker, is a rewrite of The Summary Convictions Act and will amend the following legislation: The Motor Vehicle Administration Act, The Highway Traffic Act, The Off-highway Vehicle Act, The Motor Transport Act, and The Municipal Government Act.

The bill provides for essentially four major factors. First of all, it's a speedy handling of several hundred thousand traffic and other offences in the provincial court. Secondly, it will provide for a marked reduction in the time spent by the public in getting into and out of the court system. Thirdly, it provides for a civil recovery process of fines. Finally, it will abolish jail as the only alternative to non-payment of fines in minor matters.

[Leave granted; Bill 43 read a first time]

**Bill 42**  
**The Election Amendment Act, 1978**

MR. PURDY: Mr. Speaker, I beg leave to introduce Bill 42, The Election Amendment Act, 1978. There are a number of important amendments in Bill 42. One amendment decreases the rules of residency for voting in provincial elections from 12 to 6 months.

Hon. members are aware that in 1977 the Legislature passed a new procedure for general enumeration. The month of October was designated for the court of revision. Another amendment will reduce the court of revision from the full month of October to the second and third full weeks of October, and allow for evening sittings. The returning officer also has the power to hold extra sittings if they feel there is a large turnout for the court of revision.

[Leave granted; Bill 42 read a first time]

**Bill 44**  
**The Alberta Historical Resources  
Amendment Act, 1978**

MR. WOLSTENHOLME: Mr. Speaker, I beg leave to introduce Bill 44, The Alberta Historical Resources Amendment Act, 1978. This bill is intended to improve the efficiency and effectiveness of research and management of Alberta's historical resources.

In recent years this province has taken the lead in historical resource matters, in all of Canada and indeed internationally, through its enlightened legislation and implementation of numerous programs as a result of the legislation. Great strides have been made in establishing systems and procedures to provide protective measures for historical resources through the most efficient and equitable mechanisms

possible. The intention of maintaining this lead is the reason for introducing this amendment act at this time.

As a result of numerous requests from local governments and other interested parties, amendments are being requested which would permit greater flexibility in procedures to ensure preservation of valuable historic resources. Specifically, the bill will provide for the designation of areas of provincial historic significance as protected localities. In addition, municipalities will be enabled to protect historic resources of local significance by designating these as municipal historic resources and municipal historic areas.

Thank you.

[Leave granted; Bill 44 read a first time]

MR. HYNDMAN: Mr. Speaker, I move the following two bills be placed on the Order Paper under Government Bills and Orders: Bill 42, The Election Amendment Act, 1978; and Bill 44, The Alberta Historical Resources Amendment Act, 1978.

[Motion carried]

#### head: **TABLING RETURNS AND REPORTS**

MR. LEITCH: Mr. Speaker, I wish to table the financial statements required by Section 10 of The Co-operative Marketing Associations Guarantee Act, and the annual report of the Public Service Commissioner.

DR. HORNER: Mr. Speaker, I'd like to table a copy of the school bus supervisors' seminar that we've been holding throughout the province — a copy will be available for every MLA — and to draw to the attention of MLAs and the public generally that the law relative to cars passing school buses with lights flashing will be enforced to the strictest possible limit.

MR. GETTY: Mr. Speaker, I'd like to table the financial statements of The Natural Gas Pricing Agreement Act fund for the year ended December 31, 1977.

DR. HOHOL: Mr. Speaker, I should like to table the response to Motion for a Return 123.

#### head: **INTRODUCTION OF SPECIAL GUESTS**

MR. MINIELY: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of this Assembly, 100 students from Victoria Composite high school in the constituency of Edmonton Centre. They are accompanied by their teachers Mr. Scragg, Mr. Mock, Mrs. Undershute, and Mrs. Melnychuk. Fifty students are seated in the members gallery, and 50 in the public gallery. I would ask that they stand and be acknowledged by the Assembly.

MR. PURDY: Mr. Speaker, it's my pleasure today to introduce to you and to the members of the Assembly 13 ladies from the Wabamun Women's Institute. The institute is a very active group of ladies. They have done a lot to enhance the community where I reside.

I would ask the ladies to rise and receive the welcome of this Assembly.

#### head: **ORAL QUESTION PERIOD**

MR. CLARK: Mr. Speaker, we have no questions today. We're anxious to get on to the estimates of the Department of Hospitals and Medical Care.

#### **Alfalfa Co-op**

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Consumer and Corporate Affairs. It relates to certain documents filed in evidence in a lawsuit initiated by members of the Wanapel alfalfa co-op. Without commenting on the case itself, which is before the courts, can the minister advise the Assembly what investigation the department has launched concerning the written allegation by Mr. Venner, formerly of the ADC, that the co-op activities branch had misled the co-op people?

MR. HARLE: Mr. Speaker, I'm unaware of the allegation.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Consumer and Corporate Affairs. A bit of background: on June 21, 1976, the minister wrote to the ADC advising of cabinet instructions that the Agricultural Development Corporation was to consider the funds advanced by way of the co-op activities branch to be equity for purposes of further borrowing from the ADC.

Again, without commenting on the case itself, can the minister advise the Assembly what steps the government has taken, either the Minister of Consumer and Corporate Affairs or the Minister of Agriculture, concerning the refusal of the Agricultural Development Corporation to accept the minister's instruction of June 21 with respect to this equity question?

MR. MOORE: Mr. Speaker, might I say that the matter the hon. member is raising is presently before the courts, this week in fact. The questions the hon. member raises are being asked there. I'm not at all sure the suggestions of the hon. member of what did or did not occur are correct. It would be my view that until the court proceedings have been concluded it's inappropriate to be answering questions or asking them in this Assembly.

MR. NOTLEY: Mr. Speaker, on a point of order. It is certainly my understanding that if the questions were to impinge upon a court case they would be out of order. However, the questions I have presented to both hon. gentlemen don't relate at all to the issue at dispute in the present court case, but rather to correspondence which has been tabled and is not in dispute. My questions relate to what steps the hon. gentlemen have taken in the normal pursuit of their administrative duties.

DR. HORNER: Mr. Speaker, on the point of order. I think my colleague the Minister of Agriculture is absolutely correct in this matter, having some knowledge, as has the hon. member asking the question.

The hon. member in fact may also have to be a witness at that particular court proceeding. I would suggest the line of questioning would be entirely inappropriate.

MR. SPEAKER: Further to the point of order, I should say incidentally that I was scarcely able to hear the hon. member's first question and only part of the second one. I don't know the reason for the interference.

While it may well be that, as the hon. member alleges, the questions may not relate in an improper way to the proceedings which are now sub judice, it may very well be that the answers would, and certainly the hon. minister must be a judge of that.

MR. NOTLEY: Mr. Speaker, if I can just clarify your ruling, I take it that the question would be in order. As to whether or not the ministers want to answer, they have to take into account whether they feel their answers would be sub judice. Is that essentially your ruling?

DR. HORNER: Mr. Speaker, on the point of order. Surely the hon. gentleman should appreciate that he is involved in the particular court case going on.

MR. NOTLEY: Mr. Speaker, on the point of order. It is not by any means certain who is involved. Whether the hon. gentleman across the way is involved, whether I'm involved, whether the hon. ministers of whom I asked the questions are involved, is quite irrelevant to the issue. The question I posed related to correspondence not in dispute and not subject to adjudication at this time. My reason for raising the question was to find out what steps the ministers took, if any.

If they don't wish to answer the question, that's fine. However, it seems to me that the questions are clearly related to correspondence not in dispute at the present time.

MR. SPEAKER: With great respect to the hon. member, although he appears to be certain that certain things will not happen, I can't see how there can be any basis for that certainty. It's impossible to predict, with regard to any proceeding, what course it's going to take or how far the cross-examination or examination will lead. Whether the hon. ministers were willing to answer the question or not, I would certainly have to respect the possibility that the answers might be improper under the circumstances until these proceedings have concluded. Therefore I must stay with my original opinion that the questions may not be put.

#### **Irrigation Works — Access**

DR. WALKER: Mr. Speaker, my question is to the hon. Minister of the Environment. It is my understanding that the Peigan Indian band at Brocket is requesting remuneration for right of access to the Lethbridge Northern Irrigation District intake and flume on the Oldman River. Does the minister's department have any legal right of way to reach these structures across the reserve?

MR. RUSSELL: Yes, we do, Mr. Speaker. Our structure is located on an easement from the take-off point

to the boundary of the reserve. If for some reason we are refused access across the reserve, it's still possible to control the structure by staying within our own easement.

DR. WALKER: Mr. Speaker, in other words you can get in at the moment without going across reserve property?

MR. RUSSELL: That's correct, Mr. Speaker. It's not the easiest way in, but it can be done.

DR. WALKER: A supplementary to the minister. Is the government prepared to pay the \$1 million, or \$2 per acre-foot of irrigated land, requested by the Indians for such access?

MR. RUSSELL: Mr. Speaker, in my understanding of the grievances being brought forward, I think the problem more properly lies with the federal Department of Indian Affairs and Northern Development, and we've so notified the band council. Certainly, recognition of that kind of compensation is not one we're willing to accept at this time.

DR. WALKER: A final supplementary on the subject. Is it correct that the RCMP have approved the closure of access roads across the reserve to the structures?

MR. RUSSELL: Mr. Speaker, I don't believe that would be a good interpretation to put on it. Department personnel have been going across the reserve from the highway to the easement wherein our structures are located by means of a permit issued by the band council. So there's no road to be travelled or closed. The permit has been withdrawn.

#### **Airport Construction**

MR. GOGO: Thank you, Mr. Speaker. I'd like to ask a question of the hon. Minister of Transportation. It concerns construction of the Lethbridge airport terminal building; several have raised this in the constituency. Was the normal procedure followed in the tendering for that airport development?

DR. HORNER: Yes, Mr. Speaker, but perhaps a little more explanation is required. Having regard to the complicated contract that is in place between the federal and provincial governments relative to the construction of the terminal, it was decided by both governments to have a competition for a construction manager. That was done by invitational tender to a variety of firms, which I'm quite willing to list. The substantially lowest tenderer to become construction manager was Poole Construction.

I should also like to point out that one of the constraints on the construction manager or their firm is that they cannot then bid themselves on the tendering process. If you like, they will be directly the construction managers under my senior staff. All other tendering on the airport for the various components will be done in the normal way. The initial tenders for the ramps have gone out and are in now. They are in the process of selection. It might be of interest to note that the two area firms plus one Edmonton firm have bid on the first stage of the ramps. That tender will be awarded very shortly;

But I appreciate the question, because I think it's important that everything done there is above board, and all the contracts and whatnot will be public documents.

MR. GOGO: Mr. Speaker, a supplementary to the hon. minister. This is very important to local contractors. Could the minister advise that the normal bid depository system of the Lethbridge Construction Association would be used?

DR. HORNER: Mr. Speaker, I would expect so. I will ensure that that in fact happens so that naturally the local contractors, hopefully, will have the capacity to be successful in the bidding. But that doesn't necessarily follow.

DR. WALKER: A supplementary to the minister. Could the minister give any suggestion as to the completion date of this airport terminal?

DR. HORNER: Mr. Speaker, it's always dangerous to give target completion dates on these projects. But we're hopeful that through the fiscal year we can have the terminals at both Lethbridge and Grande Prairie completed. I might add that there has been some delay relative to Red Deer; that is not of our making but the federal government's.

#### Fishing Regulations

MR. SHABEN: Mr. Speaker, a question to the Minister of Recreation, Parks and Wildlife, concerning 1978 regulations for possession limits of walleye in Fawcett Lake, one of the finest sport-fishing lakes in northern Alberta. Concern has been expressed by the citizens in the area and a request made that this reduction in possession limits be reviewed by the minister with a view that the minister consider retaining last year's possession limits. I'd like to ask the minister if he's made this review and agreed to the representations of the citizens of Smith.

MR. ADAIR: Mr. Speaker, I have a representation through the local MLA and a member from the fishing resort relative to why we reduced the daily take and possession limit on the lake from 10 and 20 to 5 and 10. It basically resulted from the number of younger fish being taken. As a result of the presentations made to me, I have asked the department to review that with me and to come forth with some recommendations as to whether we should change it.

I think one of the points I should also make is the fact that a comment was made by one of the gentlemen up there that if we were doing it for one lake, why not for all the lakes. I should point out that the problem doesn't rest with all the lakes. It's that one particular lake which happens to be probably one of the finest walleye fisheries in the province of Alberta, and we're concerned with keeping it in that particular capacity.

MR. SHABEN: Mr. Speaker, a supplementary question. I understand the regulations do not apply to the streams that feed into Fawcett Lake. I'd like to know from the minister if it is possible to enforce the limits where the streams do not have the same sort of limits as the lake.

MR. ADAIR: That's a good point, Mr. Speaker, and I'm not sure. I'll have to do some checking on the streams leading into Fawcett Lake. I will do that and get back to the hon. member.

#### Dam Construction and Repair

MR. HORSMAN: Mr. Speaker, my question is for the Minister of the Environment. I wonder if the minister is in a position to advise the Assembly as to the outcome of his meeting with the board of directors of the Eastern Irrigation District, with specific reference to the question of the rehabilitation of the Bassano Dam?

MR. RUSSELL: Mr. Speaker, I'm happy to respond that the problem which has been before us in excess of three years was resolved. This morning we reached agreement with the board of the EID to proceed with the rehabilitation of the Bassano weir as quickly as possible.

MR. HORSMAN: Mr. Speaker, a supplementary. I wonder if the minister could advise the Assembly whether the board of the Eastern Irrigation District is now satisfied with this procedure as opposed to its request with respect to the proposed dam at Eyremore.

MR. RUSSELL: Mr. Speaker, I think our discussions were useful in that we recognize that the only purpose in proceeding with the major proposed Eyremore Dam on the Bow River would have been primarily for the purpose of substantially expanding irrigated land within the district itself. That's part of a more major ongoing policy decision which affects not only that district but others as well. I think the board recognized that and, I'm happy to say, have agreed to consider that as a decision which would be reviewed again perhaps at a later date.

In the meantime, we're going to work out the most expeditious way of proceeding with the rehabilitation of the Bassano weir. This is the last piece of the jigsaw to fall into place, Mr. Speaker, with respect to the transfer of the headworks themselves, the federal/provincial agreement insofar as funding is concerned, and it's the last piece as a result of the work of my predecessor in the office of Minister of the Environment.

MR. MANDEVILLE: A supplementary question to the minister, Mr. Speaker. Could the minister indicate whether the province will be taking over the headworks on the Bow River; that is, the Bassano Dam?

MR. RUSSELL: Yes, Mr. Speaker. We established a task force this morning to work out the details of the agreement. But an important part of the agreement will be the transfer of the title of the headworks, once they're defined, and the development of an operating agreement whereby the province will assume all operating and maintenance costs.

#### Oil Sands Development

MR. STROMBERG: Mr. Speaker, I wonder if the Minister of Energy and Natural Resources could tell me if his department has made any studies regarding

whether additional equity should be acquired in the Syncrude plant, or whether such funds would be better directed to partaking in a third tar sands plant.

MR. GETTY: No, Mr. Speaker.

#### Highway Widening

MR. YURKO: Mr. Speaker, I would like to direct a question to the Minister of Transportation. Has he had any discussions with the federal government with respect to the use of heritage savings trust funds for twinning the Trans-Canada Highway through Banff National Park?

DR. HORNER: The question of twinning the highway through Banff National Park, and indeed through Jasper National Park, is one which I think is negotiable. I hope my hon. friend will take a breath of fresh air to Ottawa with him that in fact those transportation corridors belong to the province of Alberta, that there should be a bulge in the transportation corridors to look after the townsites, and that if they're willing to cede those transportation corridors and townsites to the province of Alberta we'll look after the road work within the corridors.

MR. MANDEVILLE: A supplementary question to the hon. Deputy Premier, Mr. Speaker. Could the minister indicate whether there will be any extension of the four lanes on Highway No. 1 between Calgary and the Saskatchewan border?

DR. HORNER: Well, that would be an ongoing program, Mr. Speaker. In my view the four-laning should take place at the population centres and gradually be brought together, rather than just an extension from the city. That's a slight change in policy, but that's the way we'll be looking at it. We're now doing a great deal of work in the city of Medicine Hat now relative to that matter. We will be looking at the Brooks area next, and gradually bringing the four lanes together. But I think the real requirement at the moment is four-laning adjacent to the population centres.

MR. GOGO: A supplementary, Mr. Speaker, to the Minister of Transportation, supplementary to that of the hon. member from Edmonton East. Do the federal authorities now maintain the highways within the federal park system on their own or on lease agreement with the provincial government?

DR. HORNER: Mr. Speaker, members should be aware that those are federal roads. They build them and maintain them within the national parks system.

MR. GOGO: A final supplementary, Mr. Speaker. Then those Albertans having complaints about the highway conditions within federal jurisdictions should contact their federal members, such as the member from Edmonton East?

MR. SPEAKER: I'm sure the hon. member's advice has been duly noted.

#### Flour Mills — Wheat Contracts

MR. MOORE: Mr. Speaker, yesterday the hon. Member for Cypress asked me a question with regard to the acreage contracts for the production of soft white spring wheat in the irrigated area of southern Alberta.

I've not yet had an opportunity to directly contact officials of the major company involved, Robin Hood Multifoods Limited. But I'm given to understand that that company has an excess of soft white spring wheat from last year's purchases, largely due to their shutdown of their Quebec plants because of work stoppages. I'm also given to understand, Mr. Speaker, that some six or seven companies are still involved in signing acreage contracts for 1978 for the production of soft white spring wheat in southern Alberta.

However, Mr. Speaker, I will be in contact with officials of the company as soon as possible and will inform the member further on the matter.

#### ORDERS OF THE DAY

##### head: **GOVERNMENT MOTIONS** (Committee of Supply)

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will come to order.

##### Department of Hospitals and Medical Care

MR. MINIÉLY: Mr. Chairman, just as the House assembled, I sent to the hon. members of the opposition a copy of a memorandum to me from the Deputy Minister of Hospitals, Mr. Chatfield. I would like to say that I would not like it to be considered a precedent. As you know, memorandums are not normally tabled in the Assembly.

In the late hour of discussion last night, at about 10:45, the hon. Member for Little Bow and the Leader of the Opposition and I were exchanging information back and forth, very complicated information which I'm sure would be difficult to interpret for people who are not professionally trained in the financial and accounting field. The purpose of the memorandum is for the department to clarify the documents which were provided to the hon. Member for Little Bow earlier, and the past and present policy the department operates under.

I think the operative paragraph relative to the future is on the second page, which I would like to read into the record:

After three years of hospital restraint in this Province, and because we have not as yet called in surpluses from the 1976 calendar year or from fiscal 1977-78 (15 months), I wish to have my staff examine with Treasury a variety of funding alternatives before taking [historical] action. These alternatives will consider both the current deficit and surplus positions of hospitals throughout the Province as at the end of fiscal 1977-78.

We have not as yet reached any final conclu-

sions on this matter and I will be making . . . This is the deputy minister.

. . . I will be making appropriate recommendations to you as quickly as is feasible.

I would like to say to all hon. members that it is important we realize that both the appeals and this matter be dealt with in approximately the same time frame. I've said in the House that around the end of May to the first week of June we would intend to have disposed of both matters.

MR. R. SPEAKER: Mr. Chairman, to the minister. I believe the matter was just clarified. The minister has just indicated there is a possibility that any 1977-78 deficits the hospitals have will be picked up by the government under a possible plan that will evolve within the next two or three weeks. Is that an accurate statement?

MR. MINIELY: Mr. Chairman, I don't want to leave . . . I would like to quote the memorandum so that hospitals and nursing homes throughout the province understand exactly what we're saying. Let me say again:

The present policy is that the Department will not fund deficits incurred in 1976 or 1977/8. In keeping with the restraint programs, this policy has been stated to hospital boards in the Province via budget letters and public statements in both of these periods and again in 1978/9. Similarly, the historical policy has and continues to be that the Department will re-capture surpluses which are turned over to general revenues of the Province.

After three years of hospital restraint in this Province, and because we have not as yet called in surpluses from the 1976 calendar year or from fiscal 1977-78 [which is a 15-month period], I wish to have my staff examine with Treasury a variety of funding alternatives before taking this action. These alternatives will consider both the current deficit and surplus positions of hospitals throughout the Province as at the end of fiscal 1977-78.

We have not as yet reached any final conclusions on this matter and I will be making appropriate recommendations to you as quickly as is feasible.

Clearly, Mr. Chairman, until the deputy minister provides me with a full analysis and has had audited financial statements on all of them, anything by the hon. Member for Little Bow is speculation.

MR. R. SPEAKER: I want to make it clear for the minister. It just isn't clear. Some directive must have come from your office or the political system of this government, or from cabinet level, saying that it is time we reviewed the deficits and surpluses of 1977-78 and that the current policy you outlined, that deficits would not be picked up — and that's been in since 1975 — that surpluses could be recaptured . . . My understanding is that no surpluses to this date, since 1975, have been recaptured, that surpluses have been left with the hospital boards to . . . [interjections] Well, '76, '77, '78. [interjections] Right.

They have been left there to bring into the current revenue of the next year, if that is correct. But at this point in time the government is saying, and the minis-

ter has indicated to the staff, that it is time to review it, and discussions must take place with Treasury to review and possibly pick up the 1977-78 deficits. That's the stage you're in at the present time. Is that the directive you've given to the staff? Or are they doing something on their own?

MR. MINIELY: Mr. Chatfield, the Deputy Minister of Hospitals, assumed his responsibilities in January. He examined this and in fact recommended to me that he would like to have all the audited deficits and surpluses reviewed by the department, that he would like to talk to Treasury and then make a recommendation to me on a policy with respect to the existing surpluses and deficits as indicated in the memorandum. It is Mr. Chatfield's wish to review this entire area and make a final recommendation to me. I will await that recommendation along with his recommendations on the appeals approximately within the same time period.

MR. R. SPEAKER: Mr. Chairman, the purpose of the discussion with Treasury is very unclear to me. The only reason you can have the discussion with Treasury is either that you're going to get more money to put into this vote to meet the deficits of 1977-78, or that you're going to say . . . Well, I don't know what the other purpose would be. What is the purpose of talking to Treasury, unless you're going to ask them for more money?

MR. MINIELY: Mr. Chairman, with the greatest of respect to the hon. Member for Little Bow, any time a department alters even its own particular manner of spending its own vote, or alters historical spending procedure within the department, it's routine procedure that we discuss these matters with Treasury.

MR. R. SPEAKER: Could the minister elaborate on what he means by changing procedures? What kinds of procedures have to be changed? This is a departmental policy or government policy that deficits will not be picked up, that surpluses can be collected or applied. The discretion to apply them to the next fiscal year has been in the department. What's the purpose of discussion? What mechanics have to be changed? I just can't understand that at all.

MR. MINIELY: Mr. Chairman, obviously I have to await the report and recommendations of the Deputy Minister of Hospitals on that matter.

MR. R. SPEAKER: Mr. Chairman, I don't understand why the minister isn't running the department and giving direction in this thing.

DR. BUCK: That's what we got rid of the commission for.

MR. R. SPEAKER: That's what we got rid of the commission for.

The minister is supposed to give some direction. I believe the deputy minister chosen is doing a good job across the province. I've had good reports about his work. But just the same, when he is a man who has been hired in a chief position, even under those circumstances terms of reference must be established. Have you indicated at this point in time that the

deficits should be picked up in '77-78? If you as a minister haven't indicated that as a policy or a tentative policy to be reviewed, I don't know why he's going to Treasury.

MR. MINIELY: I don't understand the lack of understanding, if you like, of the hon. Member for Little Bow. It's natural procedure that policy areas are reviewed at times, particularly with the new deputy minister, who's only assumed his responsibilities now for three to four months. He is saying to me: Mr. Minister, I would like an opportunity, while we're reviewing the appeals in the hospitals, to assess our historical policy in this area; and at the same time as I make a recommendation on the appeals, I would like to make a recommendation to you on the handling of surpluses and deficits that have accumulated in the system over that period.

I think that's perfectly understandable. I believe as the minister I should give any deputy minister that opportunity to do so, as long as we meet the time frame of final budget determination for hospitals, because that's the issue. We're committed to saying that time frame will be met at the end of May or beginning of June.

MR. R. SPEAKER: Mr. Chairman, the question very directly: has the minister an intent at this time to consider recommending to cabinet picking up the '77-78 deficits of hospitals in this province? If so, that would mean that this kind of review — whoever the deputy minister wishes to talk to, to get information is possible. But has the minister made a decision to review the deficits? Or is this, of the first paragraph, still the hard policy of the government at the present time?

MR. MINIELY: Mr. Chairman, the policy as it sits now is the historical policy, pending review and recommendations by the deputy minister: I have not, as the minister, indicated any change in historical policy until I receive the report and recommendations from the deputy minister.

MR. McCRAE: Mr. Chairman, I want to offer a few comments on the estimates of the hon. minister, based on my own experience. We've read, heard, and seen a lot of controversy about the hospital situation in Calgary, and we all know and recognize that here in Alberta we're spending the highest number of dollars per capita of anywhere in Canada. Certainly I think we'd all concede that we have the best hospital care system in Canada, probably anywhere in the world — probably also the most expensive.

We hear a lot of concerns in the Calgary area. I refer now to the comments of the Member for Little Bow the other evening about having a feeling that certain administrators and boards of governors were frightened or afraid to speak out on hospital care needs on their budget, because of a concern that they might be cut back. I would certainly make the assumption that he was not referring to the situation in the Calgary area, because there's been no shortage of comment in the printed or other media. It's almost a daily occurrence to hear from one administrator or another, or a member of a board of governors, as to problems down there. Wherever your feelings came from, hon. member, I know it was not from our area

of the province; that is, Calgary.

First of all, Mr. Chairman, I'd like to review the situation in Calgary. I as an MLA from that area and as a member of Executive Council, having heard the concerns expressed by many people, have taken the opportunity of visiting all the hospitals. I've gone to Foothills and have really been proud of the type of service they're offering there. I've gone to the General Hospital and seen the very fine services there. I've gone through the new psychiatric wing with all the high-cost equipment. Really that's another marvellous hospital care facility coming on stream. I've gone to Holy Cross and been impressed by the facilities they have there: the cardiac, specialized heart care treatment, and the general treatment given there. Also to Rockyview.

I've been to Fanning and the recent opening there, the new 300-bed extended care facility with a capability of further home-care provision for between 400 and 700 outpatients. I've also been to the Bethany extended care hospital, which opened recently, another 100-bed facility. We've heard the hon. minister talk about the plans and how they are progressing for an expansion at the Rockyview site. Additionally, I've been involved in the Alberta Children's Hospital expansion. That's a 128-bed facility if my recollection is correct, a \$25 million-plus area of hospital care expansion. So it isn't as if we're out of facilities there. I think it's a question of how we're utilizing them.

We do have an area of rapid growth. We saw the news headlines last week that we are growing by up to 1,500 a month, a population growth of about 3.7 per cent per annum, plus we know that we get referrals from the placement or catchment area surrounding Calgary. So there are extreme pressures there.

As to whether we're getting a sufficient standard of care, recognizing that we're spending more per capita than anywhere in the world, that we do have a fine hospital system, I think it's incumbent on all members of this House to give the minister support in getting to the bottom of the cost question. We've all agreed that restraints were necessary. We imposed the 11 per cent restraint program, which was followed by federal government action two years back. The next year it was a 10 per cent increase. This year we're at a 6.5 per cent increase for hospitals.

Also we all know there is an appeal procedure, and approximately 30 of the 128 hospitals have appealed their budgets for this year. The minister has told us that in the next two, three, four weeks all the appeals will be in; they will be assessed; and on the merits of the appeals themselves, based on their substantiation or otherwise, additional moneys could be made available.

There was a quarrel whether the amount in the budget was accurate or sufficient. I think that's a red herring. The minister said quite clearly that the present budget will be it, unless the individual hospitals can substantiate an extra need. And I'm convinced that if they do prove an extra need, the extra money will be there.

Over and above that, we've heard the minister say that new programs and equipment that are approved and necessary will have additional financing. So really I don't think it's proper for hospitals to be talking publicly about closing down facilities until the appeal procedure has been gone through, and it has been

determined whether or not extra funding is needed and whether that extra funding will be available.

I know that hospital care has to be a soft spot, a thing that concerns us all, particularly when there is no cost to us. We as MLAs all get calls in the night, on weekends, about situations where friends or acquaintances of friends supposedly cannot get into hospitals. I get dozens of these calls every week, several letters a week. On checking, I find that in all cases where there's been an emergency, or where the health of the individual involved would have deteriorated had he not been given care, in fact that person was given care immediately. I've made calls to hospitals, to doctors, and I've found in each case the person has been admitted as soon as necessary.

There are cases of elective, non-emergency surgery where there is a waiting period. There has always been a waiting period. My review of the situation indicates that when the few members over there were a part of the pre-'71 government, the waiting lists were about as long as they are now.

I suspect part of the problem is that we are doing some of our business through the media rather than over the board table, as perhaps it should be. I'm talking about the department vis-a-vis the hospital administration. That fans a lot of furor in the public. It gets reported and everybody gets pretty excited.

But as I've said, any of the complaints to me that I have checked out have turned out to be non-problem areas. As there always has been, there is a delay in the non-emergency situation. But anything that requires immediate attention gets it.

I've talked of the capital expansion presently going on in the Calgary area, plus the future plans for bringing on the beds that are not open now in the major hospitals, the new Rockyview expansion, and the improvements in the Alberta children's hospital. All those impress me and indicate that we do have a standard of health care that is second to none in the world.

I can appreciate the attitude of the members opposite, wanting to find an issue to cause a fuss about, perhaps to go to the polls in the next 12, 15, 24 months. I'd admit that the pickings are pretty small. So when they come on something like this, they'd better try to create a fuss because it is a matter of great concern, [interjections] I'd be pleased to have your question later. I can't quite hear you now. Thank you.

As I've said, there is an appeal procedure, and pending the result of the appeal, I think it's inappropriate for hospitals to be talking about or closing down any of their programs.

With that, Mr. Chairman, I would like to ask a question of the hon. minister, and submit a suggestion to him. It relates to this: we've talked in terms of capital construction in the hospital area, of trying to standardize a basic hospital building. We've talked about the education system and the type of construction we've permitted there, supported by the government. Anything beyond that base system must be supported by the local area. So we've talked about applying the education capital construction system to the hospital system. I relate back to my own experience in the private sector. What we did in a large company there about every five or six years was run an outside survey team through the corporation to try to weed out surplus or set a standardized

system for the corporation.

We've talked about standardizing the capital procedures. I wonder if it really isn't time to look at bringing in an outside team to assess the standard of care in each of our hospitals, and set a standardized pattern or level for hospital care in each of the hospitals. It strikes me that rather than having the department debating with the individual administrations and boards of governors, it might be more appropriate to have a so-called management crew, with knowledge based upon experiences here and elsewhere, come in and assess each hospital and say, this is an appropriate level of care for this particular hospital. I think it would give us something to measure each hospital by, and would be helpful to both your department and the hospitals themselves.

As I've said, I think this is a very complex area. We are spending so many dollars here that I think it behooves all of us to get behind the minister and try to determine the level of support needed, and get on with continuing to bring the people of Alberta the highest, best level of hospital medical care anywhere in the world at reasonable costs.

MR. NOTLEY: Mr. Chairman, certainly we're all very impressed with the eloquent testimony of the hon. minister in charge of Calgary that we have the finest hospital system in all the country, and indeed the world. That's certainly very, very pleasant news. Mind you, there is just a touch of complacency in that speech. On Monday we heard that complacency was a bad thing. So I would refer the hon. minister from Calgary to the Premier's speech on Monday, with particular reference to assuming that all is well and we can afford to coast along.

Mr. Chairman, I didn't really rise to respond to the hon. Member for Calgary Foothills, but to ask some questions of the minister with respect to this whole question of deficits and surpluses. As I understand it, we have a policy which, quite frankly, at least from the conversations I've had with hospital administrators, has not been definite on either surpluses or deficits. It's my understanding from talking to at least several administrators that there's been an unwritten rule that deficits would be assumed.

It's also my understanding that surpluses have been taken. For example, I know the board of one of the hospitals in my constituency is more than a little annoyed that the surplus was taken. I believe it was the surplus from 1975, not 1976. But the surplus was taken. On the other hand, there are other hospitals where apparently the surplus has been retained, or at least where there's some ambiguity on the question of what happens to the surplus, whether it's taken back into the department or not.

I don't blame the minister for asking the deputy minister to review the situation. I quite frankly think that's a very sensible thing to do. What strikes me as a little disturbing is that after five years of this sort of budgeting approach — I well recall the debate we had in the Legislature in 1973 when Mr. Crawford was the Minister of Health and Social Development: We got into this very question: what are we going to do with the surpluses and the deficits? Who's going to pick up the deficits? How are we going to make the total program budgeting system work? At least as I read the information I get from talking to various hospital administrators, there is still some very real



uncertainty on exactly what the policy is.

Mr. Chairman, I think there's also some uncertainty on just how we're going to handle a situation, for example, where a surplus has occurred. Let me use a hypothetical case without referring to a specific hospital. Suppose we have a hospital that had a projected budget of \$1 million in 1975. They spent \$950,000 of that budget and had a \$50,000 surplus. I gather that in at least one or two cases the budget for the coming year was not based on that \$1 million but on the \$950,000. Therefore the increase wasn't on the former budget, streamlined by the efficiency of the board and the administration; it was based on the former budget less the surplus. Now that was the case as far as some hospitals are concerned.

It's also my understanding, Mr. Minister, that that was not the case as far as all hospitals are concerned. That again is the problem I think we're getting into. Do we have an even-handed policy? Quite frankly, I'll tell you that I think we should allow hospital boards to keep the surpluses. But I think whatever policy we have, it has to be across the board, applying equally to everybody. It disturbs me when I hear different evaluations from different administrators as to just what the policy has been. You know, I have a great deal of respect for Mr. Chatfield, and I personally think that if anybody can pull together the various strains of action, as opposed to policy, it'll probably be that particular gentleman. But at the very least there does seem to be some ambiguity in what the government's historical approach has been.

So the first question I put to the minister is: are we in fact going to be penalizing hospitals that have accumulated a surplus, not only in terms of taking that surplus, but more important, in terms of allocating the budget for the coming year? It seems to me we're then placing the incentive in the system on spending as much money as possible. If you're coming to the end of the budgetary year and a hospital administrator has a good eye for what the expenditures are and you say, "Aha, we've got \$30,000 left in the budget, the department's going to come and get its big hands on it, and not only that, it's going to affect next year's budget", the board and the hospital administrator are going to try to find ways of spending that money. I would be very surprised if they didn't. I'm sure most departments in government do it all the time. If they find they're coming to the end of the appropriation year, they suddenly find ways of spending the appropriation before the end of the year. It would seem to me that's an important question.

I'd just like to say a word or two on this business of the deficits and the surpluses. I'd be very interested in the recommendations Mr. Chatfield makes. Not being an expert in the area, but having had some opportunity to talk to various hospital people across the province for the last several years, I would just say that I believe there is very real merit in allowing the hospitals to keep the surpluses. If they can work out a surplus of \$25,000 or \$30,000, that's a little nest egg. It seems to me that is a built-in incentive on the part of the administration of the hospital board to undertake reasonable steps to ensure that that operation runs as efficiently as possible, given their mandate of providing high-quality care.

So quite frankly I would be a little alarmed at a policy which would automatically recall surpluses. In fairness to this debate, I realize that at least in theory

the surpluses have been callable. But I don't believe that has been the case in actual practice, at least from the information I've received. Or at least there is a good deal of uncertainty about it.

Mr. Chairman, the other point I'd like to make to the minister: I'd like to have some outline by the minister on the situation that exists in new hospitals; that is, hospitals that have moved from older premises to new premises. I understand that part of the reason the Grande Prairie projected deficit this year is about \$650,000 is that they anticipate that when they move into their new hospital they're going to have to gear up for that. They don't just lurch into a new hospital; that gearing up takes some time. At least part of the appeal you'll be getting from Grande Prairie will be based on gearing up for the new hospital.

In the case of the Fairview Hospital, a year ago we had an older institution. We now have a much larger, much better institution, and the people of that community feel very good about it. But, Mr. Minister, some of the costs are substantially higher. A year ago the utility costs in the Fairview Hospital were \$1,500 a month. Because we now have a larger, better facility, the utility costs are between \$4,500 and \$5,000 a month. But in determining the budget for this year, unfortunately the department has taken 6.5 per cent on last year's budget and projected that for the current year, even though we've moved into a new facility.

You're getting an appeal from the Fairview board. I suspect you're going to get an appeal from the High Prairie board as well; they too are moving into a new hospital.

However, Mr. Minister, my point to you is that surely this is the sort of thing we should be building in. Surely we have some sort of guidelines when we decide how funds are going to be allocated, and don't just simply say, all right, 6.5 per cent on last year's budget. Surely there should be some way of recognizing that as we move into these larger, better facilities there will be an increase. Surely much of the information as to the increase that will occur will be part of the whole process that goes into planning the facilities.

When we plan a substantial capital investment, I can't imagine that we are not going to have a very good idea of what the increased operating cost of that new facility will be, compared to the old one. So those are some specific questions I would put to the minister.

MR. CHAIRMAN: Mr. Minister, do you wish to make any comments on this?

MR. MINIELY: I'd like to run through the votes, get all the questions, and answer them at the end.

MR. R. SPEAKER: Mr. Chairman, I have a series of questions I want to ask on specific types of items. I'd like to ask the question and have a response from the minister, so that the thing can maintain some kind of organization. Otherwise you're asking four or five questions and then trying to pick up loose ends. I don't think that's a very co-ordinated approach.

MR. NOTLEY: Can we have the responses?

MR. CHAIRMAN: It's up to the minister.

MR. MINIELY: Mr. Chairman, a lot of questions are duplicated. The hon. Member for Spirit River-Fairview duplicated questions of the hon. Member for Little Bow. I think I'm happy to answer all questions, but it would be more efficient if we heard the questions and I then dealt with all of them.

MR. CHAIRMAN: Fine.

MR. R. SPEAKER: Mr. Chairman, I just don't agree to that approach. I feel there are certain specific things I want to ask, and the committee is open to do that. That's the way we're going to handle it as far as I'm concerned.

AN HON. MEMBER: Ask them.

MR. R. SPEAKER: I'm going to. I'm not going to ask them all, though.

MR. CHAIRMAN: You have the opportunity to ask your questions. When the minister has completed his answers to those who have spoken, if you have further questions to ask, that is permissible.

MR. R. SPEAKER: Thank you, Mr. Chairman.

The question I would like to raise is back to the letter that was presented to us. In the policy decision that's going to be made with regard to current deficits — the question is very clear — the minister has some intent. First of all, did the minister ask the deputy minister to review the '77-78 deficits? Number two, is money available in the budget to take care of those deficits if a decision is made to look after them? If so, where would the money come from?

MR. CHAIRMAN: Are there no further questions? Mr. Minister.

MR. MINIELY: I was just writing notes. Would you repeat your last question?

MR. R. SPEAKER: Mr. Chairman, the second part of the question was: if the minister has intent, in the planning process, to take care of the '77-78 deficits, where would money come from to look after the deficits? Would it be by special warrant or would it come out of the \$2,599,000 available in the budget?

MR. MINIELY: Are there any other questions?

MR. CHAIRMAN: Any further questions to the minister? Mr. Minister.

MR. MINIELY: Mr. Chairman, first of all I want to respond to the hon. Member for Calgary Foothills. I think he makes an excellent suggestion, relative to a group that would be independent from a hospital taking a look at two aspects. One would be internal financial operations of a hospital and the efficiency of the use of budgetary funds in a hospital. In that connection there have been some interesting articles I've read, and applications in the United States. In hospitals in the United States the audit committee concept is becoming very successful.

We had a pilot project study of a hospital, done by a

firm in Edmonton. One of their recommendations was that we consider implementing audit committees in a hospital. It would be like an internal audit committee that reports directly to the board. In other words, they're not subject or responsible to the administration. They would report directly to the board on the efficiency of operation of the hospital.

Perhaps there are applications. Standards of care and quality of care require very careful judgment. I know of no jurisdiction in the world that has developed a formula that can measure quality of care. It's a very judgmental factor that tends to rely on the judgments or even individual remarks of members of the medical profession. One of the problems in health care is the mere fact that it's difficult to judge something; it's really an individual professional medical judgment.

Nevertheless we believe, from the three years of study we've done, that it is going to be increasingly important to develop criteria to evaluate the effectiveness of health care and health care programs. It's going to present a challenge to a lot of professionals to develop that. But I think your suggestion is an excellent one and one of the key things we're going to have to deal with in the longer term.

The hon. Member for Spirit River-Fairview asked a lot of questions, first of all I think about historical surpluses and deficits. I have to say that this is accurate according to the advice I have. Has the hon. member left the House? I'll give the answer anyway, Mr. Chairman. It will be in *Hansard*, and he can read it there.

The historical manner of treating surpluses and deficits is as indicated in the memorandum I've provided the hon. member. That's the historical method. I think I've said it two or three times now, and it's not necessary for me to say it again.

What are we going to do? I've said twice now that when I have a recommendation from the deputy minister, at the time we make decisions on the appeals I'll be definitive about what we're going to do. Until that time I can't be more definitive.

Some of his comments on individual circumstances — that's true, because part of it is that I think the hon. members don't appreciate that deficits and surpluses are words we tend to throw around. I made statements yesterday that there are approved and unapproved deficits, and I'll repeat them again. If it's a program that's been approved by the government in funding and they run into a deficit, we may look on that totally differently than we look on a deficit strictly on an unapproved program. We have to rely on audited statements, not unaudited ones. Sometimes we have to look at a hospital's approved program in mid-year, and we might make an adjustment to a given hospital, because an approved program halfway through the year is obviously going to cost more money and we don't want the hospital to reduce the program. So I think those kinds of adjustments and flexibility have to be there. Nevertheless the general policy is as stated in the memo.

I think the hon. Member for Spirit River-Fairview made an inaccurate statement. Two years ago we indicated to the hospital community in Alberta that they had done an outstanding job in restraint. And while I haven't said it very often in the House, Mr. Chairman, I think for a couple of years the hospital community in this province has probably done the

best job of any province in Canada in combining a maintaining of quality of care with responsible control of cost increases. They're to be complimented for that.

For that reason, approximately a year to a year and a half ago we decided we would not reduce the base upon which the percentage increase was calculated. If a hospital was given a budget of \$1 million, spent \$900,000, and had an actual \$100,000 surplus at the end of the year, our historical system called for both the base to be reduced in calculating the next year's budget and the recall of the \$100,000 surplus. We altered that approximately a year ago, in the last fiscal year, and at that time said: we will not reduce your base; if we gave you a \$1 million budget last year, depending on the year we're talking about the 6.5 per cent or 7 per cent will be calculated on the actual budget we granted you last year whether you spent that budget or not..

Grande Prairie: certainly we'll take the time to examine a hospital that's planning a major new facility, including their operating budget for the existing facility. Basically the increased costs should be solely the result of planning, and in some cases we've provided additional planning funds where perhaps that amount has been underbudgeted. I refer all hon. members to the document I filed in opening remarks on the estimates with respect to the last question of the hon. Member for Spirit River-Fairview. Surely we look at operating costs when we build new facilities. Certainly it's essential that we do that, and that's outlined in the documents I tabled, the discussion paper of the new Department of Hospitals and Medical Care on hospital construction cost control and the kinds of things we will be doing. We must know what operating costs are going to be, because in effect if we spend \$100 million on capital facilities within two and a half years, by rule of thumb we'll increase our operating budget by the same \$100 million. That's why it's so important to control these costs.

The hon. Member for Little Bow: did I ask the deputy minister to review same? The deputy minister, in connection with assessing the entire department, came to me and said that he thought he would like to review this and make recommendations to me. I said, by all means do so and give me your recommendations. Is there money? There's \$2.6 million in the budget, and there are some other funds in the budget. Basically, Mr. Chairman, again until the recommendations are forthcoming from the deputy minister, I can't answer that question except to say that we have certain uncommitted amounts of money in the budget in addition to the amount there for appeals. There are other funds in the budget which are uncommitted at the present time. I think I'll get that figure down from the gallery in terms of the total ... I can do that when we get to the vote. I have the information in the vote.

MR. R. SPEAKER: Mr. Chairman, during the course of discussion of hospitals the minister has made comments with regard to hospitals across the province and used words such as frills, Cadillac, and Chevrolet. Last evening in the Assembly he said, and I quote from Hansard [blues]: "We believe some things are done in hospitals that we would all question in this House within an overall system of priorities." I'd like to challenge the minister to indicate what some of

those items are that could be challenged. What hospital boards across the province are overspending? Name some of them. Where are these Cadillac facilities the minister is talking about? So we know what we're talking about, what does the minister feel is just too elaborate a facility here in the province when he makes comments like that?

MR. MINIELY: Well, Mr. Chairman, I'm certainly not going to point fingers at an individual hospital or hospital board in this province. I tabled a document in the House which showed the trend in costs that was confirmed in two different ways. I think the trend in costs was obvious. I think what was happening, in fairness to hospital boards throughout this province, is that in fact we did need to establish guidelines and parameters. That's why we've reorganized the department. One of the key reasons in reorganizing the department was to set up and strengthen the whole construction cost control area.

Mr. Chatfield's real challenge now is to recruit talented people to work with him in the new department to ensure that we spend money more effectively. I think the fact that the document was tabled in the House is obvious. And in fairness, what health care planners throughout the world have tended to do is accept trends that weren't established in Alberta but elsewhere, and say that it was done elsewhere. That's a natural thing, the trap most provinces have gotten themselves into.

I can assure you, Mr. Chairman, that if I wanted to finger an individual hospital board, the hon. member knows very well too that that could be done. We know of facilities where there's been too much space, et cetera. But I'm not prepared to do that. I think we had a general problem throughout the province. I think we had to act on it. I think it will result in more efficient expenditure, a more efficient facility, and that's what we're doing and what our objective is. We have to remember that in the final analysis quality health care isn't the facility; it's the well-trained people who work in a facility.

MR. R. SPEAKER: Mr. Chairman, the minister stands up and says there are hospitals that are overspending. Is it the minister's concept that any hospital that has a deficit is overspending and mismanaging? Is that what he says across the province? There are examples, I think. Hospital boards I've talked to have said, the minister doesn't tell us what to do. One hospital board executive director I talked to this morning said: if the minister can tell you in the House where we're overspending, tell him to raise it in the House; put him on the spot that we're getting tired of hearing that we're overspending, we're irresponsible, we're not doing our job. If the minister has some good ideas about better hospital facilities and how to cut back on services when we have a deficit, raise it and say how it's done. I told them this morning, the minister indicated last night that you can't cut back on beds, but you have to cut back on services. They said, what do we cut back on now, the food? Is this what the minister's bringing the hospitals to?

I think it's incumbent upon the minister, if he's going to make the statements any more, to stand up in the House and state some of those things. If he can't stand up and give some examples, we'd better not hear about frills and Cadillacs and making state-

ments in Hansard that there are items we can "question in this House". Well, let's find out what those questions are. The minister either should say that or keep quiet, because it's irresponsible management when statements can't be made then followed up.

MR. MINIELY: Mr. Chairman, on a province-wide basis, with my responsibility in the biggest area of expenditure, I feel the hon. Member for Little Bow can read by documented reports in this House as well as I that something is going beyond what would be reasonable in the province in any general kind of way. I think my responsibility as a minister was to recommend to my colleagues that we slow it down, assess it, and try to ensure that we spend our funds more effectively — which I did.

When I travel throughout the province, certainly I'm going to describe that in terms of too much space, and frills in some cases. We're not there to build Cadillacs. We're there to build a good-quality facility, but the money should be put into staffing and people in the facility, not just the beauty of the exterior.

Having done that, and assessed and documented it in the House, for the hon. Member for Little Bow to say that I should finger people in Alberta, specifically and individually, who are trying to do a good job in the hospital system — because it's a combination of factors, it's not one single group — with greatest respect, I think it's he who's acting irresponsibly, Mr. Chairman.

MR. R. SPEAKER: Mr. Chairman, to the minister. The whole thing is that it's very frustrating at the local level for boards that are appointed, executive directors who are attempting to do their job. The hon. Member for Spirit River-Fairview raised the situation with regard to how surpluses and deficits are handled. They are handled in different ways in different situations. The people out there don't know what to do. They're saying, is it accurate or good to have a surplus? If we have a surplus, we're going to be penalized; it's better for us to move to a deficit budgeting position. That's what this minister is doing by the kinds of statements he's making. He's moving them all to a deficit budgeting position.

To the minister: what kind of operating guidelines do you want to have in this hospital? I've noted and reviewed the capital guidelines. I talked to a couple of hospital boards that received them yesterday. They're saying it's just more centralized control. What kind of operating guidelines is the minister making available to the hospitals, when he's putting the clamps on at the present time in making these general statements about all hospitals? I think it's unfortunate that some of them sit like they do and say: are we responsible when we have a surplus? Maybe it looks like we have money sitting around that we're not using. Is it irresponsible when we have a deficit? We don't know.

I think that's the kind of environment the minister is creating in the health field at the present time, because of his inconsistency. One time he's saying it's great. The next time he's saying they are overspending, they're building facilities that are too wild-eyed or operating too elaborately. Mr. Chairman, I don't think we can accept that kind of inconsistency in leadership.

#### Vote 1 — Departmental Support Services

MR. R. SPEAKER: Mr. Chairman, there were some other questions in general that I might have had, but I think it's of no value going any further with regard to those questions. Under Vote 1 is the minister's salary. This is where we're supposed to make available to the people of Alberta a service, some leadership, some kind of consideration that gives trust and confidence to local boards; that gives leadership to a deputy minister and high-paid personnel who sit in this gallery. This is the vote that pays for a minister, a man who has been elected and given to government to do just that.

Mr. Chairman, I don't think we can sit here and allow that expenditure to go unquestioned. Because with that expenditure a man has been placed in a responsible position in an attempt to give leadership in this province, in an attempt to respond to the needs of the people of Alberta. Well, we're just not convinced that is happening.

Today I've raised questions about inconsistency, unclearness from the minister; unclear directions to the deputy minister as to what's supposed to happen; unclear direction to the cabinet, back to the minister, back through the department, back down to the hospitals of this province. It hasn't happened, Mr. Chairman.

As pointed out in questioning a few moments ago, we feel that surpluses are handled inconsistently. There's no clear policy with regard to surpluses. Hospitals are bringing in their '78-79 budgets; some 30 of their '77-78 budgets have deficits. They don't know whether they're going to get money. We don't know where the money is in the budget. The minister doesn't know where it is. It's not clear. He's inconsistent as to the delivery of his responsibility through to the hospital boards. How can we accept that, Mr. Chairman?

We look at the program budgeting procedures which are supposed to be the hallmark of this government. Very consistently through departments the government is able to use the forecast expenditure of that particular department to determine the '78-79 budget. But are the hospital boards allowed to go through that procedure? Mr. Chairman, they are not. They are penalized because of surpluses, and deficits are not considered at all. At this point in time we have no firm commitment from the minister that he's going to consider those deficits. None at all. He doesn't know what he's going to do with them. No definite position at all. Mr. Chairman, that's unclear.

The minister says, I'm going to talk about frills. I raised it in the House. He can't name any specifics. He's talking about frills. He can't tell what hospitals he's aiming at. He keeps making generalizations across the province. Hospital executive directors, administrators, and board members are fed up with the whole situation. They say "wind" where they place their hope in the deputy minister.

A year ago in this Assembly we passed a bill to form the new Department of Hospitals and Medical Care which was supposed to put the minister in a leadership position. Mr. Chairman, that leadership is not coming forward. We gave him the responsibility. He has transferred it to the deputy minister and other high-cost advisers he has placed around him in his office. He has described them as personal friends

who are knowledgeable. We're paying \$6,000 a month to keep them around.

You talk to hospital executive directors and boards who have sat at some of the meetings, and they are not that impressed with spending that kind of money. I had that information as early as this morning. Mr. Chairman, to me that's not responsible leadership. The direction from the minister is unclear; it's inconsistent, leading to frustration and total chaos in the health care system. I think that's not good enough for the millions and millions of dollars we as elected representatives are going to vote on and that are going to be placed on the mantle of responsibility of the taxpayers of this province. Mr. Chairman, that's not good enough.

We've had bad judgment illustrated by this minister, very bad judgment. Last evening our discussion with regard to the amount of money being made available to pick up possible deficits — here we learn today we might pick up '77-78 deficits. We find in preliminary information made available to me that these deficits will be somewhere between \$15 million and \$17 million. In some of the projections I've made, the minimum would be \$13 million coming from these appeal cases listed on the form given to us by the minister last evening. Well, Mr. Chairman, if the minister can only place that amount in the budget and project any capability of dealing with last year's deficit as he's making some assumption he might do, plus dealing with the '78-79 deficits that is just not responsible budgeting, and a bad judgment on his part. There have been three years when this type of planning could have gone on.

DR. HORNER: [inaudible] . . . good judgment on your part.

MR. R. SPEAKER: Three years. Well, you've had six years to do something, hon. Deputy Premier.

MR. CLARK: Seven years.

MR. R. SPEAKER: Seven years to do something.

MR. CLARK: And a darn sight more money too.

MR. R. SPEAKER: Now we are at this stage. I'm not reviewing history. At that time we had a budget we could hardly balance. Now we have a surplus of \$4 billion to \$5 billion sitting around, and we're talking about a little few millions of dollars we're squeezing out of the health care system. Bad judgment.

Secondly, the objective this minister outlined to us last evening. I questioned him very straightforwardly and said, are you going to cause any cutback on beds in this province? We are not going to cut back on beds. There will only be a cutback on services.

I phoned four or five of the hospitals, because they all like to talk. I couldn't get them off the phone. They wanted to fill my ear. Every one of them wanted to talk at least half an hour. I finally had to say, look, that's all I have time to take today; I'll be back to you and get some more. They said to me, it's nice to hear we're not going to cut back on beds. But if we have to cut back, with the deficit that faces us, what do we cut back? Food? Nobody's going to stand for us cutting back on food. Staff? Is that what we cut back on? We can't do anything with our programs. Cer-

tainly no new programs can be introduced, because the minister said very directly, no new health care programs in the hospitals in this province. Are they going to wash the sheets only once a week? I understand that was one of the directives given in Manitoba.

Is that the kind of flexibility in local hospital decisions that are going to be made? Well, that's the kind of responsibility being placed on them by this minister, in this case of bad judgment, [interjections] Mr. Chairman, not only that. When we look at the priority in this objective, we're cutting back on outpatient care, maybe, and preventive care in the community. What alternatives are there? They have to go somewhere. We're just backing up to a maintenance bed type of program in the hospital care of this province. Mr. Chairman, that's bad judgment under the circumstances of finance available to us here in the province of Alberta. Bad judgment.

Again, when we look at the pressures being placed on hospital boards across this province, they're not being worked with or consulted, so that a position of self-determination is being raised. But there's a position whereby the hospital boards of this province are becoming more subservient to the minister, his staff, and this Conservative government. Bill 41 is one of the best indications. The phone was really ringing about that one in our offices this morning.

Secondly, no new programs can be planned by hospital boards any more. That's in a directive in a letter. I can table that if anybody wants it. Flexibility of decisions in the service area only; I've already said that. You can't touch the beds. You can't plan to upgrade facilities in the province any more, because you have to get approval and the big hand of government sits right on top of you. That's the kind of bad judgment that is affecting our hospital system at the present time. Mr. Chairman, that's just not good enough for the thousands of dollars we're going to pay one man, hopefully to lead this system with some kind of order and proper objective that needs to be carried out to meet the health care needs in our hospitals across this province.

Bad judgment in the consultation process between the minister and the boards. The minister walked through the Drayton Valley Hospital not too long ago. Out in Drayton Valley they want a hospital and nursing home beds. They need them. They are a growing community. They were small a few years ago, but they're up to 25,000 in population; 98 per cent of their occupancy rate at the present time. Tough to get a bed.

But the minister was able to walk through the hospital — he's just an accountant, not a hospital professional — but he walked through. This is what the fellows told me when I was out there last week. He walked through and was able to look at the hospital. He said, gee, this is a nice building, good building, maybe we'll build you a nursing home. Made a judgment on the spot. The fellow said, what expertise did he have to make that kind of judgment? We should have discussed the thing a little further.

I know other situations where he did that. Back in '75-76 when he was through southern Alberta on a tour, he was going to build hospitals, or help us renovate Vulcan, build High River, do some things with the psychiatric unit in Lethbridge; Wainwright, Cardston. Man, we all felt great as MLAs down in the

south after that.

He said we could phone any time. He told the board chairmen. He didn't tell the opposition MLAs this, of course. The chairmen can phone the minister any time, and we can get these things on road. That was the last time we heard those kinds of commitments. It was a bad judgment on the part of the minister. Certainly it was just bad judgment and an error. Maybe we could say it's misleading. But certainly I was interpreting it to progress.

In a fine speech the hon. Member for Wainwright, very sincere in representing his constituency, interpreted some of those comments the very same way I did at that point in time. We just haven't seen the results. There has been delay in planning, bad judgment, and now bad leadership illustrated to this point in time when we're in the bind.

When we're in difficulty like this, the process of consultation and the working relationship between hospital boards and government should never be higher. But what is happening? The judgment is to hire 20 more people on staff to put their finger on the local hospital board, because they don't have enough courage to admit that local hospital boards have men and women sitting on them who can take on the responsibility.

I didn't phone the Innisfail Hospital, but someone in good authority told me today about the Innisfail Hospital. When the restraint program went on, they took their responsibility like good rural people do. They moved from a position of just about balancing the budget to a surplus position at the beginning of the restraint program. They did what they were told, and they did it on their own. But at the end of the year they found that the government was going to take away their surplus, and that they weren't going to give them any credit for that kind of incentive, restraint and co-operation with the government. They changed their attitude about that time. There was a change in the attitude of staff and everybody.

Well, Mr. Chairman, that's just one illustration. I'm sure there are other illustrations across the province. But it's bad judgment on the part of this minister in the administration of the affairs of hospitals and health care.

Bad judgment in centralizing control. I think the most unfortunate thing going on at the present time is that this government and minister feel that the only ones who can make a good decision are people who sit here in Edmonton, and that local hospital boards can't decide what are priorities, what's most important, and what is best. If the government could trust them and give them responsibility and some terms of reference, they would make all these decisions with an air of co-operation and consultation that would be very healthy in the hospital system. But that doesn't exist, Mr. Chairman. In no way does that exist.

We look at the capital program and bad judgment. I've already talked about that, where areas were promised: capital expansion, capital renovation. It just didn't come from the minister. We didn't have a no; we didn't have a yes.

The most frustrating moment I've ever had was in that situation when I was attempting, with all the openness I could, to co-operate with the hon. member from High River and the High River hospital board. With every effort I said, we just can't deal with this thing on a political basis. Hon. member, I want you to

carry the ball, and if you need some support I'll help you. But I don't want to see this become political, because it's so important in that growing community of High River that we get the new hospital built and get the nursing home beds available.

Well, Mr. Chairman, there was a series of bad judgments, a series of situations of distrust; no letters, no direction, just nothing. I got so fed up in the end that I said, somebody has to move this thing so we can at least help those people down there. I had to go to the Premier's office. When you have to deal with a minister, I think that's the ultimate to get to talk to him and phone him. Fortunately, at that point in time there was a little bit of nudging, and things got moving. But we're still in the planning stages, and no definite decisions, no definite plans.

So, Mr. Chairman, I think there's no way we can accept Vote 1, and even accept the payment to any minister of moneys when we're not getting even a dollar's worth for the type of work being done. If you could take a negative value, maybe the hon. member should pay some money back into the system for the opportunity to sit in that chair. But we can't do that kind of thing under the rules. The best we can do . . .

I want to move that motion at this time, because I think we must do something to symbolize that we are not getting good leadership, in this province, that we're not having direction, that we are not spending any of the minister's money wisely with the kind of leadership we're getting. I don't think we can in any way accept that in this Assembly. If we as members of the opposition let this pass under the present circumstances and allow the minister to continue that responsibility, thinking he's doing a great job, we would do a terrible disfavor to the people of Alberta.

On that basis, Mr. Chairman, I'd like to move under Vote 1.1.1 that it be amended to read, "Minister's Salary, \$1".

MR. CHAIRMAN: The Chair will require a copy of that amendment.

MR. CLARK: Mr. Chairman, just a very brief comment in addition to the comments made so straightforwardly and directly by my colleague the Member for Little Bow. I'd like to deal very briefly with just one particular area, and this is the question of, really, a breach of faith with a large number of communities in this province as to commitments made by this minister and this government for capital construction programs.

Many times in this Assembly I've raised the question of the Grande Prairie hospital situation, a hospital that was promised in '75. The people were told the money was in the budget in '75. From '75 to '78, surely we can expect a minister to work out arrangements with the hospital board so that a regional health centre could move ahead in that area. We've heard members of this Assembly, and I give them credit. The Member for Wainwright spoke pretty forcibly and very directly last night about extended care facilities in his community. We heard the Member for Vegreville talk last night about the commitments made as far as Mundare was concerned. My colleague has raised the High River situation. Earlier this year I was in Cardston; they were told, yes, they could go ahead and start to plan.

But it's got to the point now where going ahead and

starting to plan really means not a bloody thing, because the end result is, when is the tender called? When is the tender called? We've had a complete breakdown in that whole process, especially as far as rural Alberta is concerned.

While this freeze has been on in rural Alberta — the same department, the same minister — we've seen the costs of the Southern Alberta Cancer Centre go from \$35 million to something like \$70 million. And, Mr. Chairman, you were chairman of the committee last year, and the minister didn't even know what was going on when it was being reviewed by the Heritage Savings Trust Fund Committee. That's part of the frustration my colleague has. That's why he's moving the motion that has to be moved this afternoon.

Then we talk about the Health Sciences Centre here in Edmonton. It's increased from between \$80 million and \$90 million to \$110 million. Those increases in both facilities went ahead while the freeze was on the construction of rural hospitals across this province. It's very hard, very hard for rural hospital members to understand why a freeze was imposed on rural hospital construction when in fact we see almost a doubling of the Southern Alberta Cancer Centre costs, without any explanation, without the minister's even being able to explain it to the committee until the committee met a week later.

Mr. Chairman, just recently we've had the minister trot across the province and again make a number of commitments to a variety of communities: Lac La Biche, Viking, Vermilion. I was out to Vermilion this summer, and hon. members should read the consultant's report about conditions in the Vermilion hospital. Not long ago the minister was back out there and said, you can start to plan. The real question is: when are the tenders going to be called? Because getting approval from this minister, saying you can start to plan, doesn't mean anything, simply doesn't mean anything.

Just in conclusion, perhaps the most frustrating part of hospital boards' problems in dealing with new construction is — and that's what I want to confine my remarks to — that they can't get an indication of what programs they're expected to carry on from the minister and his department. That's why this process breaks down.

So, Mr. Chairman, when you look at the situation as it is, it isn't a matter of being against the Southern Alberta Cancer Centre's going ahead. Sure, it's got to go ahead, and the Health Sciences Centre in Edmonton. But why have we had two standards — one for heritage fund projects, and one basically for rural hospital construction across the province — in the same department, with the same minister, the same people looking after it? We've just had no justification at all, none whatsoever.

I could use Lethbridge as another example. The city of Lethbridge and the Lethbridge hospitals have been fighting, I think for at least 10 years, to try to get some additional psychiatric beds. Last week the minister said, well, we're still going through the planning process; we're still trying to work out arrangements; I can't give you any commitment when the tenders will go ahead. That's the story that virtually every board in Alberta gets from this minister. That simply isn't leadership. That simply isn't good enough, Mr. Chairman.

MR. BATIUK: Since the Leader of the Opposition mentioned the Mundare hospital, and as I mentioned it yesterday, it is very interesting to note how he stands in his place and mentions how Drayton Valley needs a hospital, how Vermilion needs a hospital, how Mundare needs a hospital, how Grande Prairie needs a hospital. Did the need come on all of a sudden? Mr. Chairman, I think this is the result of the hibernation of the Social Credit Party for that many years. Now we have a big job of catching up. I must say that I really give credit to the first Social Credit Premier who instituted a debt adjustment board. But the fact is that they rode on it for 36 years, and that's the problem we have today.

MR. CLARK: Mr. Chairman, I just want to respond to the Member for Vegreville very directly. The Social Credit government of the past had all sorts of faults. Fair ball. But it's about time this government stopped blaming all the health care problems of Alberta on a government that was thrown out by the people in 1971. This is the very government that, in their own budget in 1976, said they were going to spend \$50 million a year on hospitals in rural Alberta. And they have not done that.

[Mr. Chairman declared the motion on the amendment lost. Several members rose calling for a division. The division bell was rung]

[Three minutes having elapsed, the House divided]

For the motion:

Buck	Mandeville	R. Speaker
Clark	Notley	

Against the motion:

Adair	Harle	Miniely
Ashton	Hohol	Moore
Backus	Horner	Musgreave
Batiuk	Horsman	Planche
Bogle	Hunley	Purdy
Bradley	Hyland	Russell
Butler	Hyndman	Schmid
Chambers	Jamison	Schmidt
Chichak	Johnston	Shaben
Crawford	Kidd	Stromberg
Diachuk	King	Tesolin
Doan	Koziak	Thompson
Dowling	Kroeger	Topolnisky
Farran	Kushner	Warrack
Foster	Leitch	Webber
Getty	Little	Wolstenholme
Ghitter	McCrae	Young
Gogo	Miller	

Totals:	Ayes - 5	Noes - 53
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Agreed to:

1.1.1 — Minister's Office	\$252,000
1.1.2 — Finance and Accounting	\$1,911,840
1.1.3 — Personnel	\$174,190
1.1.4 — Administrative Support	\$3,208,600
Total 1.1 — Central Support	\$5,546,630
1.2.1 — Deputy Minister — Hospitals	\$418,400
1.2.2 — Systems and Research	\$725,100
1.2.3 — Design and Construction	\$287,400
1.2.4 — Standards and Field Services	\$528,800

Total 1.2 — Support Services — Hospitals	\$1,959,700
1.3.1 — Deputy Minister — Health Care Insurance	\$201,515
1.3.2 — Claims and Assessment	\$1,930,371
1.3.3 — Registration and Enrolment	\$3,213,564
1.3.4 — Systems and Research	\$4,265,920
1.3.5 — Economics	\$146,600
Total 1.3 — Support Services — Health Care Insurance	\$9,757,970
Total Vote 1 — Departmental Support Services	\$17,264,300
Total Vote 1 — Capital	\$110,500

2.0.1 — Basic Health Services:	
Expenditures	\$219,225,000
Revenues	\$144,840,000
Budgetary Requirement — Basic Health Services	\$74,385,000
2.0.2 — Optional Health Services:	
Expenditures	\$26,108,000
Revenues	\$3,921,000
Budgetary Requirement — Optional Health Services	\$22,187,000
2.0.3 — Extended Health Benefits	\$8,984,000
2.0.4 — Out-of province Hospital Costs	\$8,182,000
Total Vote 2 — Health Care Insurance	\$113,738,000

Vote 3 — Financial Assistance for Active Care:	
3.1 — Program Support	\$40,808,000
3.2 — Major Medical Referral and Research Centres	\$84,778,380
3.3 — Major Urban Medical and Referral Centres	\$145,618,407
3.4 — Other Referral Centres	\$34,465,868
3.5 — Specialized Health Care	\$31,590,063
3.6 — Community-based Hospital Care	\$94,697,282

DR. BUCK: Mr. Chairman, one short question to the minister. Can the minister indicate the situation at the Cold Lake hospital, in light of the fact that there will most likely be quite an influx of population there?

MR. MINIELY: Mr. Chairman, let me take a couple of minutes to find my hospital status report. While I'm looking for the specific stage of planning they are at, I can say that with the speculation of growth in Cold Lake we certainly had to reassess the need for expansion of the John Neil Hospital in Cold Lake to meet potential population growth. Of course that sometimes means we have to take longer. To try to pin down the amount of increased service demand and requirements there requires careful analysis. We will co-ordinate that with the Department of Municipal Affairs in terms of their projections of population growth as a result of any industrial expansion there, and of course with my colleague the Minister of Energy and Natural Resources because of the heavy oil deposits.

Document 5: the specific stage of planning at Cold Lake is that they are in the process of appointing a consultant to examine the entire matter of population growth and the expanded services they will require. So it's being done, but it's at a preliminary consultant stage in developing a program.

DR. BUCK: Mr. Chairman, does the minister have the information available as to what is happening in the Fort Vermilion area as to the inadequate facilities there, plus Fox Creek and High Level? These are three areas of concern I also have.

MR. MINIELY: For Fox Creek, of course, we have in-house design. Preliminary drawings and specifications have been completed. High Level: that's a brand new facility. Are you sure you have the right one? Which one did you say?

DR. BUCK: I said Fort Vermilion, Fox Creek . . .

MR. MINIELY: And there was another one.

DR. BUCK: Yes. The problem wasn't the physical facility, but the problem in just about all the northern areas of getting medical staff into that. But I'll ask that question on a further vote.

MR. MINIELY: I think I might need to have a note come from the deputy minister on Fort Vermilion. I don't see it on my list. It's coming right down.

Agreed to:  
Total Vote 3 — Financial Assistance for Active Care \$431,958,000

4.1 — Program Support	\$1,742,000
4.2 — Long-term Chronic Care	\$44,268,689
4.3 — Specialized Long-term Chronic Care	\$12,890,000
Total Vote 4 — Financial Assistance for Long-term Chronic Care	\$58,900,689

5.1 — Private Nursing Homes	\$21,762,960
5.2 — District Nursing Homes	\$13,057,122
5.3 — Voluntary Nursing Homes	\$8,070,770
Total Vote 5 — Financial Assistance for Supervised Personal Care	\$42,890,852

6.1 — Financial Assistance — Debenture Repayment	\$27,660,594
6.2 — Financial Assistance — Furnishings	\$4,019,000
6.3 — Financial Assistance — Planning	\$900,000
6.4 — Financial Assistance — Outright Construction	\$3,707,000

MR. MANDEVILLE: Mr. Chairman, when an area gets a new hospital facility I'd like the minister to indicate the policy of the government or his department in disposing of the facility that's in the area. I'm thinking of the hospital in Brooks. Has the government or your department any plans for using that facility in the future when the new hospital is opened?

MR. MINIELY: Historically, that's been pretty difficult. Each situation has had to be looked at on its own merits as far as the use of a facility is concerned. I would draw to the hon. member's attention, though, that that's an area as well that is included in the document filed in the House on developing a new, longer term policy for the construction and replacement of hospital facilities throughout the province, in the discussion paper we're distributing to hospitals and nursing homes throughout Alberta.



In the specific case of Brooks, I'll have to get another fast note. If we hold the vote open for a couple of minutes, Mr. Chairman, my department can probably advise me of their intentions for the specific building referred to.

MR. MANDEVILLE: Mr. Chairman, it won't be necessary to hold the vote open. I can get the information from the minister, if you just want to carry on.

DR. BUCK: Mr. Chairman, while we're waiting for the minister to get his information, I'd like him to inform us on one or two broad issues. I could wait for the other vote, but I think the minister can supply the information now.

Can the minister indicate what action has been taken in response to some of the findings of the pilot project to determine the cost-effectiveness of the operations of the Edmonton General Hospital? In light of the fact that this is a pilot project, can the minister indicate if we're going to look at extending this project to other hospitals?

MR. MINIELY: Mr. Chairman, the department is assessing the report on that done by Thorne Riddell chartered accountants in Edmonton. I said there are some excellent things worthy of merit and thought, in terms of improving and strengthening our financial monitoring system, and some ideas with respect to audit committees. The department is currently assessing the recommendations in the report, and will be providing me with a full and detailed response to them. At that time I will be able to be more definitive as to what parts we might implement more permanently, if at all, in our hospital system.

DR. BUCK: A question to the minister. Will that be the only pilot project? Will you re-evaluate it, and see if we have to do that possibly in Calgary and the southern part of the province?

MR. MINIELY: We haven't decided yet whether we will extend it or not. That will be a further consideration.

Mr. Chairman, the kind of information the hon. Member for Clover Bar asked for earlier on the Fort Vermilion hospital is in the department as well. I'd certainly undertake to give it to him at the earliest opportunity and not hold the vote open, to finish the votes.

MR. NOTLEY: I may have been out, Mr. Minister. But while we are on financial assistance for capital construction: we did get into a peripheral discussion of this the other day, but I wanted some additional information. When we discussed it in question period a few weeks back, I recall it was suggested it could come up in estimates.

What will the specific set of policy guidelines be, now that we have lifted the freeze, until the new guidelines come into effect? As I recall from the question period six or seven weeks ago, the minister indicated historical experience. What does that in fact entail? Have we set some sort of ballpark square footage figures? What are we looking at, not in terms of the long-term policy, which was indicated for the fall or early next year, but on lifting the freeze on those projects which will now be going ahead?

MR. MINIELY: Well, Mr. Chairman, every policy, even the final one, will set more definitive general guidelines, perhaps for the first time. But recognizing that, a certain amount of flexibility to meet local needs and conditions has to be provided for, even in a long-term policy.

Now what I've said, and perhaps haven't made as clear as I should, is that in the meantime the projects that are going ahead, until we have developed some broad guidelines and parameters that would apply with room for flexibility to meet local conditions . . . To put it a different way, perhaps, we have historical experience that has built up over a period of years. For instance, we know square footage was getting too much. So in looking at projects between now and the finalization of the policy, the department's final decision on policy will be that we'll look in an interim way at each project, specifically based on the experience of discussion and consultation with the hospital and nursing home community prior to the end of 1978. And the department will look at square footage with a much more jaundiced eye than had been the case, based on our experience building up to the calling of the holding pattern.

MR. NOTLEY: Let me just pursue that. I would take it that what the minister means by "historical experience" is the experience we would have to use as a yardstick leading up to the holding pattern. Unless we're going to look at those special projects that were looked at separately last year, we don't have much experience, because we're now releasing those projects. Assuming that we're talking about historical experience, would we not be talking about the experience prior to the holding pattern, which I understand was one of the reasons the government decided to announce the holding pattern last year?

MR. MINIELY: Clearly, until the policy is finalized and laid before the House, the hospital and nursing home community, and the citizens of Alberta — which is my commitment prior to the end of 1978, after we've completed the consultation process — we have to look at each case on its individual merits. We're going to take a very close look at square footage as a result of the build-up that happened to the time of the holding pattern.

But clearly we have to *ad hoc* between now and the finalization of longer term policies.

MR. NOTLEY: So in fact what we are essentially doing is playing it by ear. It'll be an *ad hoc* approach, and the historical experience will not be really a guide other than a bit of a stop sign that the minister can have flashed on, a red flag. But it's not going to be a guide. What will be a guide, I take it, will be either general rules that you're going to follow with respect to square footage; also, some of the much-talked-about public discussions with respect to ancillary services — that is, in the capital construction, all the way from the vestibule as you come into the hospital, to whatever paintings are on the wall. That's the kind of thing. Has there been any sort of assessment, or are you looking again strictly on a project-by-project basis for that admittedly smaller part? But it's certainly there and is the kind of thing singled out by many of the people who have criticized some of the

hospital projects where the square footage costs have risen.

MR. MINIELY: Mr. Chairman, I'll repeat that we have to look at all of that on an individual basis until the broad provincial guidelines, standards, and parameters are finalized. I've heard the co-ordinator of functional programming in the department, Mr. Kohut, who was co-author, along with Mr. Stoodley, of the recommendations leading up to the new system, recommendations that we hope to put into place. As an example, prior to the holding pattern we were getting square footage requests that were going as high as 1,200 square feet per bed. That was simply too much.

In sitting down with the hospitals that are proceeding between now and then, hospitals and their architects and engineers are going to give very strong justification why it should go beyond 900 square feet per bed for example. I've heard that stated. That's going to have to be looked at on an individual basis.

Agreed to:

Total Vote 6 — Financial Assistance for Capital Construction	\$36,286,594
Total Vote 6 — Capital	\$8,626,000

Capital Estimates:

1.0 — Departmental Support Services	\$110,500
6.0 — Financial Assistance for Capital Construction	\$8,626,000
Total Capital Estimates	\$8,736,500

DR. BUCK: Mr. Chairman, before we take the final vote, I'd like to ask the minister several questions on one or two areas. In the area of doctors' payments from the Alberta Health Care Commission, I believe the minister has indicated, but I would like him to indicate in the Legislature, that he or the government is indicating to doctors that they cannot extra-bill. I'd like to know the minister's or the government's position on extra billing.

MR. MINIELY: I indicated to the medical profession that for extra billing, which is an amount beyond what medicare will pay for a given service, under our legislation the patient has to be advised in advance. Otherwise it's illegal to extra-bill. But if the doctor advises the patient in advance, extra billing is something I've indicated I would not legislate against, as long as it's been exercised responsibly on a province-wide basis. I've also said that if extra billing — as opposed to direct billing of patients, which is a different issue — were done in an extensive or broad way, I would have no alternative but to recommend to my colleagues and would legislate against it.

DR. BUCK: Mr. Chairman, that certainly leaves it wide open for the minister. What does the minister mean by excessive? Does it mean when the average income of the doctors goes up to \$100,000 per year, or what? And what consultation has the minister had with the College of Physicians and Surgeons or their representative branches on the problem that is occurring with the medical profession? I'm not particularly going to bat for the medical profession, but I think it's only right for us as legislators to know the govern-

ment's position. When does the big hand come down and say, no, you cannot extra-bill?

MR. MINIELY: Mr. Chairman, I'm sure it will be obvious to all of us when it's necessary to do that.

DR. BUCK: Mr. Chairman, that's just not good enough. There have to be better parameters than "we will all know". What negotiations has the minister had with the medical profession to indicate when the profession is in danger of legislation being brought in?

Mr. Chairman, in light of the fact that more medical doctors have left Alberta this year than last year, can the minister bring us up to date on this situation?

MR. MINIELY: My advice from Roy le Riche, the registrar of the College of Physicians and Surgeons, is that that has to be put in context. There's migration of doctors into Alberta as well. The most recent report I have from the college on the issue of doctors leaving Alberta is that while some are doing so, it is reported out of proportion to what the situation really is. The College of Physicians and Surgeons has indicated, as an example, that many medical scientists throughout the world who are expressing interest in coming to Alberta as a result of the development of medical research plans and applied research in heart disease and cancer. So from all reports I have, I think the problem is not of proportions for concern at this stage in Alberta.

DR. BUCK: Mr. Chairman, another question to the hon. minister has to do with the northern health and social services project, which was evaluated in 1976. Can the minister indicate what recommendations have come out of that project as it relates to getting doctors into the northern areas?

MR. MINIELY: Would you repeat that question?

DR. BUCK: Yes, Mr. Chairman. Can the minister indicate what evaluation has taken place on the northern health and social services project, and what recommendations have been accepted and put into place to encourage medical doctors to go into the northern areas?

MR. MINIELY: We do not have a final evaluation of the northern health and social services project in High Level. But the department, along with my colleague the Minister of Social Services and Community Health, will certainly be doing so. What was the second question?

DR. BUCK: That was basically it. The government's evaluation is going on; what is coming out of that evaluation as to getting doctors into the northern areas? That's basically the problem.

MR. MINIELY: Doctors in the northern areas: we're looking at — and it's just in the embryo stage — the success of the program Ontario has had in remote areas. Mr. Chatfield and Dr. MacLeod are looking at that program. Our preliminary reports are that it has had some success and it's worthy of consideration to encourage doctors into northern areas.

Also, the Rural Health Care Facilities Committee,

chaired by the hon. member Dr. Backus, and the Economics of Health Care Committee, chaired by the hon. member Mr. Gogo, are looking at longer term policy that maybe can encourage, through the way we pay doctors and the kinds of facilities we build in rural Alberta, to meet more appropriately the needs of individual physicians in smaller rural communities. We've tended to be tied to historical ideas.

There is some hope, talking to deans of medicine and others, that recommendations of these two committees may have some impact on allowing physicians more economic well-being in smaller rural communities, without forcing the need for hospitalizing patients in order to make it economically rewarding. Those are important questions that are being looked at.

DR. BUCK: Along that line, Mr. Minister, I think you just touched on it lightly. Has any consideration been given to the fee differential for medical doctors who are, say, 100 miles outside the major population centres? Has any study been done to find out if this would be a sufficient incentive bonus? I know that in some of the projects carried out in northern Ontario which related to dentistry, they were guaranteed a salary. But many times when I've looked at this problem myself, it seems that if there were a fee differential that would be quite an incentive.

I know the late Dr. Bouvier had mentioned that it seemed a medical doctor in an outlying area could make as much money as one in a large centre only because his office overhead at one time was considerably lower than in the major centres. But now that office overhead situation has certainly changed, and the costs out in the rural areas are becoming comparable to what they are in the major centres. I would just like the minister to have his department give consideration to or evaluate the situation of a fee differential.

MR. MINIELY: Mr. Chairman, that is part of the terms of reference of the committee being chaired by the hon. member Mr. Gogo.

Agreed to:  
Department Total \$701,038,435

MR. MINIELY: Mr. Chairman, I move the estimates be reported.

[Motion carried]

### Special Warrants

Agreed to:

#### Advanced Education and Manpower

2 — Assistance to Higher and Further Educational Institutions:  
Provides funding to operate accounts through the general revenue fund, previously operated as trust accounts \$1,969,207  
Provides funds for extended practicum \$1,375,000  
Provides operating funds for federally funded programs in addition to those budgeted \$804,512  
To provide additional funding to the

University of Calgary in support of the expansion of McMahon Stadium \$2,000,000  
Total Vote 2 \$6,148,719

4 — Manpower Development:  
Summer temporary employment program \$4,000,000  
Priority employment program \$1,800,000  
Total Vote 4 \$5,800,000

Department Total \$11,948,719

#### Agriculture

1 — Departmental Support Services:  
Grants to the Edmonton Exhibition Association and the Calgary Stampede Board \$1,200,000  
Total Vote 1 \$1,200,000

2 — Production Assistance:  
To assist farmers in drought-affected areas of Alberta in transporting feed from other areas to meet winter feeding requirements \$500,000  
Total Vote 2 \$500,000

4 — Rural Development Assistance:  
Implementation of an emergency pumping program to provide livestock water supply in drought areas \$200,000  
Total Vote 4 \$200,000

Department Total \$1,900,000

#### Attorney General

5 — Legal Aid and Compensation:  
Payment of the backlog of outstanding certificates issued by the Legal Aid Society of Alberta \$240,000  
Total Vote 5 \$240,000

#### Consumer and Corporate Affairs

5 — Rent Regulation Measures:  
Grant to the Association of Members and Staff of the Alberta Landlord and Tenant Advisory Board \$16,700  
Rent decontrol program \$582,169  
Total Vote 5 \$598,869

#### Culture

2 — Cultural Development:  
Supplementary funding for the performing arts program \$177,302  
Funds required for library services branch, increase in population and new libraries established \$87,500  
Supplementary funding of visual arts program \$26,285  
Total Vote 2 \$291,087

3 — Historic Resources Development:  
Funds required for the continued operation of the Glenbow-Alberta

Institute	\$1,177,800	3 — Land Conservation:	
Alberta contribution to the John G. Diefenbaker Centre, the Old Strathcona Foundation, and the Discovery Train, originally known as the Unity Train	\$356,600	To purchase shares of West Indian Airlines Ltd. to acquire the company's only assets being 100 acres of land within Fish Creek Provincial Park	\$1,700,000
To meet the current need of the grants program authorized under Alberta regulations 254/74 and 330/76	\$70,000	Purchase of land in the Fort McMurray restricted development area	\$1,450,000
Purchase of the Stewart Cameron collection of cartoons and supporting documentary items	\$60,000	Purchase of land in Edmonton, Calgary, and Sherwood Park restricted development areas, and lands for other government programs	\$4,500,000
Total Vote 3	\$1,664,400	Total Vote 3	\$7,650,000
4 — International Assistance:		4 — Water Resources Management:	
To provide funds to match amounts raised in Alberta for international assistance by non-government organizations	\$1,000,000	Required for the Red Deer regional water system due to additional costs arising from inflation, material delivery delay, and weather conditions	\$1,000,000
Total Vote 4	\$1,000,000	Required for emergency water well program	\$250,000
Department Total	\$2,955,487	Required to support the government-announced policy of developing emergency groundwater supplies for rural communities due to drought conditions	\$300,000
<b>Education</b>		Required to cover certain costs regarding minor improvements to irrigation headwork systems	\$162,500
3 — Regular Education Services:		Total Vote 4	\$1,712,500
Initiation of the learning resources projects that have been approved as an Alberta heritage savings trust fund, capital projects division, project	\$378,400	5 — Environmental Research:	
Total Vote 3	\$378,400	To cover expenditures committed for the Peace-Athabasca delta gold-eye studies on behalf of Environment Canada	\$99,919.86
<b>Energy and Natural Resources</b>		To recover from general revenue federal government payments for support services and cost-shared programs	\$660,000
1 — Departmental Support Services:		Total Vote 5	\$759,919.86
Required to undertake projects approved under the energy resources research fund	\$3,833,000	Department Total	\$10,494,160.86
Total Vote 1	\$3,833,000	<b>Executive Council</b>	
3 — Minerals Management:		3 — Support to Native Organizations:	
To support the unexpected large increase in geophysical work in the province	\$7,100,000	Assistance to the 1977 Calgary Exhibition and Stampede Flare Square "Tribute to Native People"	\$60,000
Total Vote 3	\$7,100,000	To provide financial assistance to CMC Co-operative Limited (Fort Chipewyan) for renovations and additions to their store	\$150,000
4 — Forest Resources Management:		Conditional grant to new town of Fort McMurray to purchase lots and trailers for the purpose of residential relocations based on social need	\$325,000
To provide funds for an upgrading program for firefighter holding camps	\$405,000	Total Vote 3	\$535,000
Total Vote 4	\$405,000	7 — Disaster Preparedness and Emergency Response:	
5 — Public Lands Management:		Compensation for damages and losses resulting from the flood in the Fort McMurray area	\$1,500,000
Purchase of improvement to certain grazing land to be used in conjunction with the provincial grazing reserve being established on previously leased land	\$146,445	Total Vote 7	\$1,500,000
Total Vote 5	\$146,445	8 — Public Service Employee Relations Board:	
Department Total	\$11,484,445	Provide funds for the administration of the Public Service Employee Relations	
<b>Environment</b>			
2 — Pollution Prevention and Control:			
Balance of compensation to Procter & Gamble for pollution control costs	\$371,741		
Total Vote 2	\$371,741		

Board for the balance of the 1977-78

fiscal year	\$121,550
Total Vote 8	\$121,550

Department Total	\$2,156,550
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MR. HYNDMAN: Mr. Chairman, seeing that there is a limited degree of interest in debating all these items, to speed the matter up it might be useful to have you as chairman simply call the total vote in respect of each department, without going through the details of each one, if the committee agrees.

HON. MEMBERS: Agreed.

Agreed to:

#### Federal and Intergovernmental Affairs

Total Vote 1 — Intergovernment Co-ordination and Research	\$610,595
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#### Hospitals and Medical Care

Department Total	\$6,417,000
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#### Housing and Public Works

Total Vote 1 — Department Support Services	\$150,000
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#### Legislation

Total Vote 1 — Support to the Legislative Assembly	\$522,696.88
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#### Recreation, Parks and Wildlife

Total Vote 2 — Recreation Development	\$8,371,000
Total Vote 4 — Fish and Wildlife Conservation	\$465,000
Department Total	\$8,836,000

#### Social Services and Community Health

Total Vote 4 — Preventive and Specialized Social Services	\$641,730
Total Vote 5 — Services for the Handicapped	\$900,000
Total Vote 7 — Preventive and Community Health Services	[ \$378,000 ]
Department Total	\$1,919,730

#### Solicitor General

Total Vote 1 — Departmental Support Services	\$180,000
Total Vote 2 — Correctional Services	\$452,000
Total Vote 3 — Law Enforcement	\$28,823
Total Vote 4 — Motor Vehicle Registration and Driver Licensing	\$263,000
Department Total	\$923,823

#### Transportation

Total Vote 2 — Construction and Improvement of Highway Systems	\$22,905,000
Total Vote 4 — Construction and Improvement of Airport Facilities	\$681,556
Total Vote 5 — Operation and Maintenance of Transportation Systems	\$1,200,000
Total Vote 7 — Urban Transportation Assistance	\$15,000,000
Department Total	\$39,786,556

#### Treasury

Total Vote 3 — Revenue Collections and Rebates	\$600,000
Total Vote 6 — Personnel Administration	\$137,792
Total Vote 7 — Public Service Pension Administration	\$4,193,000
Department Total	\$4,930,792

#### Utilities and Telephones

Total Vote 2 — Utilities Development	\$1,000,000
TOTAL SPECIAL WARRANTS	\$107,253,823.74

MR. LEITCH: Mr. Chairman, I move that the supplementary estimates of expenditure be reported.

[Motion carried]

MR. HYNDMAN: Mr. Chairman, I move the Committee of Supply rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of Supply has had under consideration the following resolutions and reports the same:

Resolved that for the fiscal year ending March 31, 1979, amounts not exceeding the following sums be granted to Her Majesty for the Department of Hospitals and Medical Care: \$17,264,300 for departmental support services, \$113,738,000 for health care insurance, \$431,958,000 for financial assistance for active care, \$58,900,689 for financial assistance for long-term chronic care, \$42,890,852 for financial assistance for supervised personal care, \$36,286,594 for financial assistance for capital construction.

Resolved that for the fiscal year ending March 31, 1979, amounts not exceeding the following sums be granted to Her Majesty for the following departments:

Advanced Education and Manpower: \$6,148,719 for assistance to higher and further educational institutions, \$5,800,000 for manpower development; Agriculture: \$1,200,000 for departmental support services, \$500,000 for production assistance, \$200,000 for rural development assistance; Attorney General: \$240,000 for legal aid and compensation; Consumer and Corporate Affairs: \$598,869 for rent regulation measures; Culture: \$291,087 for cultural development, \$1,664,400 for historic resources development,

\$1,000,000 for international assistance; Education, \$378,400 for regular education services; Energy and Natural Resources: \$3,833,000 for departmental support services, \$7,100,000 for minerals management, \$405,000 for forest resources management, \$146,445 for public lands management; Environment: \$371,741 for pollution prevention and control, \$7,650,000 for land conservation, \$1,712,500 for water resources management, \$759,919.86 for environmental research; Executive Council: \$535,000 for support to native organizations, \$1,500,000 for disaster preparedness and emergency response, \$121,550 for Public Service Employee Relations Board; Federal and Intergovernmental Affairs: [\$610,595] for intergovernmental co-ordination and research; Hospitals and Medical Care: \$100,000 for Alberta Hospital Services Commission administration, \$6,317,000 for financial assistance for supervised personal care; Housing and Public Works: \$150,000 for departmental support services; Legislative Assembly: \$522,696.88 for support to the Legislative Assembly; Recreation, Parks and Wildlife: \$8,371,000 for recreation development, \$465,000 for fish and wildlife conservation; Social Services and Community Health: \$641,730 for preventive and specialized social services, \$900,000 for services for the handicapped, \$378,000 for preventive and community health services; Solicitor General: \$180,000 for departmental support services, \$452,000 for correctional services, \$28,823 for law enforcement, \$263,000 for motor vehicle registration and driver licensing; Transportation: \$22,905,000 for construction and improvement of highway systems, \$681,556 for construction and improvement of airport facilities, \$1,200,000 for operation and maintenance of transportation systems, \$15,000,000 for urban transportation assistance; Treasury: \$600,000 for revenue collections and rebates, \$137,792 for personnel administration, \$4,193,000 for Public Service Pension Administration; Utilities and Telephones: \$1,000,000 for utilities development.

That completes the estimates, Mr. Speaker.

MR. SPEAKER: Having heard the report, do you all agree?

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**  
(Second Reading)

**Bill 39**  
**The Mines and Minerals**  
**Amendment Act, 1978**

MR. GETTY: Mr. Speaker, I move second reading of

Bill No. 39, The Mines and Minerals Amendment Act, 1978. As I mentioned in introducing the bill recently, Bill No. 39 completes the overhaul of The Mines and Minerals Act which was commenced at the spring 1976 session.

The main principles in the bill involve amendments to the bituminous and oil sands legislation to make the definition clear and to provide that only one lease will be required for oil sands development; a revised section on mineral exploration, which really involves geophysical activities, to provide better control and co-ordination with other legislation; and a variety of miscellaneous amendments to different sections of the act which, it has become clear, require amending as a result of two years of operation under the major amendments which we passed in the spring of 1976.

I'd be pleased to answer in committee any questions regarding the bill. I request the House to approve second reading of the bill.

[Motion carried; Bill 39 read a second time]

MR. HYNDMAN: Mr. Speaker, with the unanimous leave of the Assembly already secured, tomorrow we would proceed on Orders of the Day to Government Motion No. 14, on the goals of basic education. It's expected that will take up tomorrow afternoon.

On Friday we will proceed to second readings on the Order Paper, beginning with Bill No. 20, The Matrimonial Property Act.

I move we call it 5:30.

DR. BUCK: Mr. Speaker, is the House Leader saying there will not be a sitting tomorrow night?

MR. HYNDMAN: That's correct, Mr. Speaker. The government does not intend to call a night sitting tomorrow.

[Motion carried]

[At 5:26 p.m., pursuant to Standing Order 5, the House adjourned to Thursday at 2:30 p.m.]