

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Wednesday, May 6, 1987 2:30 p.m.**

Date: 87/05/06

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

[Mr. Speaker in the Chair]

**PRAYERS**

MR. SPEAKER: Let us pray.

We give thanks to God for the rich heritage of this province as found in our people.

We pray that native-born Albertans and those who have come from other places may continue to work together to preserve and enlarge the precious heritage called Alberta.

Amen.

**head: TABLING RETURNS AND REPORTS**

DR. WEBBER: Mr. Speaker, I'd like to table a response to Motion for a Return 170.

MR. RUSSELL: Mr. Speaker, I'd like to table the response to Question 146.

MR. JOHNSTON: Mr. Speaker, I'd like to file with the Assembly copies of a news release regarding Alberta capital bonds, which I announced this morning, together with a fact sheet showing the terms of those bond issues.

MR. ANDERSON: Mr. Speaker, I'm pleased to table an announcement between the Alberta Historical Resources Foundation and Heritage Canada for an Alberta mainstreet program.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. PENGELLY: Mr. Speaker, it's my pleasure to introduce to you and through you to members of the Assembly, 18 students from the Huxley school in the Innisfail constituency. They are accompanied by two teachers, Mrs. Christie and Mrs. Watson, and two parents, Mrs. Culver and Mrs. Laurie Painter, who is also the bus driver. They are seated in the public gallery, and I would ask them to rise and receive the warm welcome of the House.

MR. SPEAKER: Minister of Public Works, Supply and Services, Member for Bonnyville.

MR. ISLEY: Thank you, Mr. Speaker. As you can see, I'm excited about introducing some friends to the Assembly. It doesn't happen very often. It's my extreme pleasure today to introduce to you and to members of the Legislature, a number of students from our neighbouring province of Saskatchewan. Seated in both the members' and public galleries are 122 grades 5 and 6 students from the Jubilee school, Meadow Lake, Saskatchewan, located in the Meadow Lake constituency, which is represented in the Saskatchewan Legislature by my good friend George McLeod.

Just as a quick aside it's my understanding that we have another connection with Meadow Lake, Saskatchewan, in that the grandmother of our Sergeant-at-Arms was born and raised in Meadow Lake, Saskatchewan. I'm sure there are times some of us kind of hope that she would have kept all her siblings and their siblings at home, and I will be talking to the principal to see how much room there is on the buses.

These 122 students are accompanied today by 10 teachers: Mr. E. Arraf, Mr. Bill Meger, Mr. Don Bryant, Mr. Dale Holtby, Mr. Ed Taylor, Mr. Graham Scott, Mr. Jim Berezowsky, Mrs. Susan Paley, Mrs. Lorna Grismer, Miss Sandra Senga, and one parent Mrs. Jane Pike. I would ask the students, the teachers, and the parent to stand and receive your warm welcome.

Thank you.

MR. ANDERSON: Mr. Speaker, it's my pleasure today to introduce to you and to members of the Assembly, six leaders of ethnocultural organizations in the city of Edmonton. They are seated in the members' gallery, and they are: Mr. Oscar Freude, secretary of the Canadian Hispanic Congress Edmonton Chapter; Dr. Jayczay, the president of the Hungarian Cultural Society of Edmonton; Dr. Mohammad Naqi, president of the Pakistan Association of Alberta in Edmonton; Mr. Randall Hiel, president of the Heritage Agricultural Society; Mr. Lak Fernando, president of the Sri Lanka-Canada Friendship Association of Edmonton and District; and Dr. Garcia, president of the Edmonton Spanish Centre Cultural Society.

I'd ask for them to rise and to receive the warm welcome and the thanks of the Assembly for their contribution.

**head: ORAL QUESTION PERIOD****Workers' Compensation**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Community and Occupational Health. On November 12, 1986, the minister wrote a letter to the chairman of the Workers' Compensation Board. This letter is really a directive from the minister. It orders the WCB to change its policies and procedures to reduce the cost per claim and the average compensation days per claim. In other words, injured workers are going to pay the cost of this reduced spending, and it's going to be done on a strictly dictatorial basis by this minister. Already hundreds of people have been cut off with virtually no notice at all from workers' compensation.

My question to the minister: how can he justify this high-handed approach, and is he aware of the hardship that has already been placed on injured workers in this province?

MR. DINNING: Mr. Speaker, I appreciate the efforts of the hon. member to inform all Albertans about the important work the Workers' Compensation Board does. As minister responsible for policy-setting within the Workers' Compensation Board, I did in fact write to the board to express my concern on behalf of all of my government colleagues about the trend I was seeing and that was concerning us with respect to cost of claims at the board.

Clearly, Mr. Speaker, as I've said in this Assembly so many times, this is an insurance corporation that cares, an insurance corporation with a heart, but it is not a social service agency. Injured workers will be paid on the basis of what they are entitled to, not just on their needs but what they're entitled to.

MR. MARTIN: Mr. Speaker, a supplementary question to the minister. We must remember that injured workers receive compensation benefits. It is their right because they've given up their right to sue employers in personal injury cases. And this only remains fair if the government stays out of it, if there's no political interference.

My question is: if the minister is worried about cost, why doesn't he concentrate on reducing the number of accidents that are occurring? This will reduce the cost. And I notice his own department has been cut in occupational health and safety services by 10.9 percent. Why just blame the injured workers for this?

MR. DINNING: Well, Mr. Speaker, what we're trying to do in this government is ask all employers and employees to share in the responsibility for a safe workplace. And that's been our approach through our performance-based regulations and law under the Occupational Health and Safety Act, as well as with this new experience-rating system within the Workers' Compensation Board so that employers and employees can see, on the basis of their assessments, just how successful they are at keeping down accidents and fatalities on the job.

MR. MARTIN: A supplementary question. The only thing the minister has done is cut off injured workers, Mr. Speaker, some of them without any notice at all.

The minister states in the letter, and he referred to it again, that the board is an insurance corporation; it's not a replacement for the social services department. Does this mean that the board is supposed to show less concern for the well-being of injured workers and their families and be more concerned about the cost-cutting image of this government?

MR. DINNING: The board, Mr. Speaker, is to pay to those workers who are injured on the job that which they are entitled to. No more and certainly no less.

MR. MARTIN: Mr. Speaker, I would suggest to the minister, when he makes an arbitrary ruling, that they're not getting what they deserve. They've been cut off with no reason at all. I notice that the minister also directs the board to hire a consultant, Stevenson Kellogg Ernst & Whinney -- I suppose good Tories, because they are chosen politically by this minister. I didn't see any open competition.

Will the minister advise whether the cost of this consultant was chosen by the minister to be paid by WCB funds? If so, I would say this is a gross injustice, because this is supposed to be for the care and rehabilitation of injured workers. Who pays for this, and how much is it costing?

MR. DINNING: Mr. Speaker, in our efforts at the board and within this government to manage the affairs of the board that much better and improve their operations, I instructed the chairman of the board to hire the services of Stevenson Kellogg Ernst & Whinney to prepare a directional plan as to an improved mandate and objective of the corporation and any recommendations that need to be made to make sure the organization operates in a far more effective manner.

MRS. HEWES: Mr. Speaker, surely the minister understands that this board, the WCB, was established to be autonomous. Will he now agree, finally, to set up an objective review committee for the WCB to determine, among other things, if com-

pensation is appropriate or not?

MR. DINNING: Mr. Speaker, at this time, as we have said, it is not our intention to recommend to the Assembly that we establish a select committee. Instead, we are going to proceed with this consultant's report and assess its recommendations and any action that needs to be taken following receipt of its report.

DR. BUCK: Mr. Speaker, to the hon. minister. In light of the fact that the petroleum industry has been having some ups and downs and quite often relatively untrained workers are in the field at this time -- it's one of the things we've been told by the industry -- can the minister indicate if there has been an appreciable increase in the accident rate in the energy-related section because of these relatively inexperienced people, because the experienced ones have gone to other countries?

MR. DINNING: Mr. Speaker, I reported in the Assembly some weeks ago about the efforts that were undertaken by our occupational health and safety inspectors during that high period of activity in the oil patch in November, December, and January. In fact, we did a major blitz of inspections of some 280 service and drilling rigs during that time and in fact found that workers on the rigs were reasonably well trained. There wasn't a concern there, not as much as we would have expected, and the green hands that we expected to see were not there in as many numbers as we might have expected and were reasonably well trained as well. By and large, regulations were being followed, and safety was a priority amongst those workers.

If I may, Mr. Speaker, I should add that I've had the opportunity to meet with representatives of the Independent Petroleum Association, Petroleum Services Association, the oil well drillers and contractors, and expressed to them my and our government's very deep concern about safety in the patch. In fact, what we were trying to do was to make sure that safety was a responsibility not only of the owners of the lease and the workers on the lease but all people in the patch. And I will be working with my colleague, the Minister of Energy, and all members of the oil industry in the days ahead to try to ensure that the patch is a safe place to work.

MR. SPEAKER: Supplementary, Calgary Fish Creek.

MR. PAYNE: Thank you, Mr. Speaker, to the minister. In the terms of reference to be developed for Stevenson Kellogg Ernst & Whinney, will there be an opportunity for employers and/or employees to formally make input and observations on the operations of the Workers' Compensation Board?

MR. DINNING: Yes, Mr. Speaker, I can answer that on two parts. One is that we have instructed the officials within the board, working with the consultants, to consult with all constituents of the Workers' Compensation Board, including the likes of the Alberta Federation of Labour, the Canadian Petroleum Association, and other representative groups with whom the board operates and is in touch with.

On a more informal basis the Member for Calgary Fish Creek raises a very good point in that we will continue to be available to discuss with individuals and representative groups to ensure that their concerns, their views, are a part of this review of the mandate and objectives of the board. I will continue to receive and appreciate receiving all suggestions from my colleagues in the Assembly.

MR. SPEAKER: Second main question. Leader of the Opposition.

MR. MARTIN: Yes, Mr. Speaker, I'd like to designate my second question to the Member for Edmonton Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. I too would like to direct my series of questions to the Minister of Community and Occupational Health. I'd like to ask the minister a series of questions that relate to an injured worker, Mr. Edvina Vieira, who was injured on October 30, 1985, in a compensable motor vehicle accident. Mr. Vieira suffered multiple injuries and has been unable to return to work. This injured worker received a letter on January 14 . . .

SOME HON. MEMBERS: Order.

MR. SPEAKER: Hon. member, the specifics of dealing with an individual case is rather foreign to the usage of this Chamber. I invite concerns about motions for a return and other forms of correspondence. If the member could care now to extrapolate from this into a general question, we'll continue, please.

MR. SIGURDSON: Yes, thank you, Mr. Speaker. It does relate with policy on the Workers' Compensation Board, and the minister has been sent a letter on this particular worker.

This injured worker received a letter dated January 14 of this year from the board stating that he would be cut off due to no organic physical disability as a result of this accident, and his benefits would therefore cease on February 1 of this year. Is it the policy of the Workers' Compensation Board to give injured workers but two weeks' notice for cessation of their benefits?

MR. DINNING: Well, Mr. Speaker, as you can well imagine, I'm not familiar with the details of this individual's record. But I appreciate the question from the hon. member. I'd be happy to take it as notice and look into the specifics of it.

But as to the general nature of the question, Mr. Speaker, I should first of all tell the hon. member that the Workers' Compensation Board is in fact an autonomous body that must make, on the basis of law and regulations agreed to by this Legislature and on the basis of policy direction from the government, decisions on individual cases on a case-by-case basis. We have within the board, I believe, a very fair and proper method by which all individuals' concerns are looked at on a case-by-case basis, a thorough if not exhaustive appeal process that allows injured workers or employers to have their concern, their case, heard by a higher body. We do our best to make sure that all . . .

MR. SPEAKER: Supplementary question please, Edmonton Belmont.

MR. SIGURDSON: Thank you, Mr. Speaker. It certainly is an exhaustive appeal process, because this worker, due to bureaucratic foul-up, filed his . . .

MR. SPEAKER: Please, hon. member.

MR. SIGURDSON: Well, I must try and outline somewhat. He filed his second appeal on April 13 and was advised 10 days later that the hearing before the Claims Service Review Committee would take place July 13. To the minister. Is three

months a typical waiting period for injured workers who dispute the termination of their benefits?

MR. DINNING: Mr. Speaker, it is in fact very unfortunate that some claims are found to take that long to be heard by the appeal process.

MR. SIGURDSON: A supplementary question then, Mr. Speaker. On the appeal process for injured Albertans, is it the policy of this government to direct those injured Albertans to either the Department of Social Services or indeed to liquidate personal assets in order that they might maintain themselves whilst they wait their appeal?

MR. DINNING: Mr. Speaker, if those people are entitled to benefits under the Workers' Compensation Act, they will receive them. If that is not sufficient to meet their needs, then we will assist them in their dealings with either the Unemployment Insurance Commission or the Department of Social Services.

MR. SIGURDSON: A final supplementary then, Mr. Speaker, to the minister. Can he confirm information that I received that effective January 1 of this year, certain employees of the Workers' Compensation Board have reviewed all active claims for the purpose of eliminating as many of those claims as possible? Can the minister confirm that?

MR. DINNING: Mr. Speaker, I can confirm that the Workers' Compensation Board mandate and direction from this government is to pay to injured workers that which they are entitled to under the law and under the regulations.

MR. CHUMIR: To the minister. In the same vein of the tightening of screws on workers, I'm advised that some staff in Edmonton have been denying workers access to their files, and in Calgary the rule being applied in many cases is no access unless you've filed an appeal. Why is this taking place, and is this pursuant to the instructions of the minister or his department as well?

MR. DINNING: Mr. Speaker, if the member has an individual concern which I'm not familiar with, I'd be happy to hear from the hon. member and follow up on that specific concern.

MR. SPEAKER: Red Deer South, supplementary.

MR. OLDRING: Thank you, Mr. Speaker. A supplementary to the minister. First of all, I appreciate that he is having the Workers' Compensation Board process reviewed, but could he indicate to this House the number of applications that are processed to the number of claims that are processed each year and what percentage of those claims are processed without appeal?

MR. DINNING: Mr. Speaker, the numbers I'm familiar with are some 65,000 claims in the past year, and my best estimate is that some 61,000 of those go through without appeal.

### Grain Subsidies

MR. TAYLOR: Mr. Speaker, before the minister in charge of workers' compensation applies for damages due to political injury, I'll direct my attention this time to the Minister of Agriculture.

Mr. Speaker, on April 30 it was announced that an additional \$64 million subsidy will be provided by the federal government for farmers to cushion the 40 percent jump in grain freight costs, but it will be paid to the railways. Since the Minister of Agriculture has stated his intent, which was no specific plans and just a bit of arm waving to provide payments directly to the producers, what has the minister done to ensure that the subsidy would be paid to the producers of this province in the future?

MR. ELZINGA: Mr. Speaker, in response to the hon. Member for Westlock-Sturgeon, and I'm sure the hon. Minister of Economic Development and Trade under whom transportation falls would like to supplement my answer, we are delighted that the federal government saw fit to offset these increased costs for our farming population at this very difficult period of time. In addition to that, I am curious as to whether the hon. Member for Westlock-Sturgeon is endorsing our proposal whereby the Crow benefit goes directly to the farmer rather than to the railways.

MR. TAYLOR: Mr. Speaker, I'm glad he asked that question because I'm very interested. Could the minister outline in any form of detail how he will pay subsidies to the farmers? Who gets it? When? Where? How often? Lump sum?

MR. ELZINGA: Mr. Speaker, let me indicate -- and I'm going to ask the hon. Minister of Economic Development and Trade to supplement this -- but as the hon. member is aware, we have in this province the feed grain market adjustment program which expires at the end of June. Beginning July 1 we have our Crow offset, which is a fine example as to how we could implement a method of payment to the farmer as it relates to the Crow benefit.

MR. SHABEN: Mr. Speaker, I'm pleased that this question has been raised in the House. It deals with certain elements of federal legislation, the Western Grain Transportation Act, where each year prior to April 30 a determination needs to be made with respect to rates for grain. It's a complicated formula to determine those rates, a part of it being an estimate of the volume of grain that will move in the upcoming grain year divided by the total amount of Crow benefit that is available to determine and then subtracted from the actual cost of moving grain.

The federal government saw fit to provide a subsidy. That really points up, Mr. Speaker, the importance of the Alberta government position that's been often stated and well known, that the producer should receive the Crow benefit because as a result of this subsidy, our users of feed grains in Alberta are impacted negatively or, in other words, don't receive the same benefit.

Now, with respect to the member's question about how that benefit could be paid to the producer, we have a task force involving a number of MLAs of the government caucus and the former minister of economic development, working closely with myself and the Minister of Agriculture to develop that process, bearing in mind that Gilson, Hall, and the GTA all recommended that the producer receive the Crow benefit.

MR. TAYLOR: Mr. Speaker, well, this is interesting. We now have a task force that's wandering around. Next we'll be hearing Stevenson Kellogg will be hired there too, telling them what to do. In other words, you don't know how you would put the subsidy out there.

Mr. Speaker, could the Minister of Agriculture then tell the

House, since the effects of Mr. Planche and his associates have failed in convincing the federal government to consider a producer payment, whether he's still considering keeping the exorbitant fee at which they are retained?

MR. SHABEN: Mr. Speaker, the majority of Alberta producers support payment directly to the producer of the Crow benefit, as opposed to the payment going to the railways. There are obviously a couple of difficulties attached to it, and one is that it requires amendments to federal legislation in order to achieve this end. I mentioned that a very important aspect is that the three major studies that have been undertaken on this, including Gilson, Hall, and most recently the Grain Transportation Agency, all recommended payment to the producer. In the GTA report there were some suggestions as to how it might be done. We believe those can be modified. There is a difficulty or some challenges with respect to dilution and some other aspects that are being dealt with, and in due course we will develop and advise the members of the Assembly how we propose that should be done.

MR. TAYLOR: Mr. Speaker, it's very evident they have no idea that they'll get any money from the federal government. It's just a ploy or a shell game to try to convince the farmers that they're going to distribute federal gold amongst them.

In view of the fact that there's no money being transferred from the federal government directly to the province to distribute to the farmers and in view of the fact that the Planche lobby is ineffective and in view of the fact that even the government has no plan on how to distribute . . .

MR. SPEAKER: In view of the fact that this is a supplementary question, please . . .

MR. TAYLOR: Mr. Speaker, can they at least now cancel that patronage job given to Mr. Planche until you come up with some idea as to how you're going to distribute the money that you appear you're not going to get anyhow?

ANHON. MEMBER: Louder, louder.

ANHON. MEMBER: Speak up, Nick. We can't hear you.

MR. TAYLOR: They were tuned into CKUA, so I had to speak louder.

MR. SHABEN: Mr. Speaker, I don't know whether that will help you or not.

First of all, I think it's important to clarify that Mr. Planche, who has been retained by the government, is not a lobbyist. He is not a lobbyist; he is working with us to develop and fine-tune a process by which the Crow benefit, which is an existing sum of money of some \$600 million-plus, about 30 to 35 percent of which benefits Albertans, but indirectly by way of payments to the railways. Now, this government has always had the view that value adding our own products at home is a key part of our industrial strategy, and if we continue to pay the Crow benefit to the railways, Mr. Speaker, it's a disincentive to causing value adding of our agricultural products here in Alberta. If the hon. member is not in favour of more ag processing, more meat packing, and more food development in Alberta, why doesn't he say so?

MR. SPEAKER: Supplementary information, Agriculture, briefly, followed by Vegreville.

MR. ELZINGA: Very briefly, Mr. Speaker. It relates to the questions put by the hon. Member for Westlock-Sturgeon. It's interesting to note, too, that both Unifarm and the Alberta Wheat Pool did endorse the payment of these moneys to the farmers, recognizing the difficulties they are facing. If the hon. member is opposed to it, I wish he would say so.

MR. FOX: There are times, Mr. Speaker, when it's indeed difficult to find a question to supplement, but . . .

To the Minister of Agriculture. In terms of the Peter Principle, I'm wondering if he will table before this Assembly an agenda for this committee so that we know what the backbenchers on the committee are going to do and how much they're going to be paid.

MR. ELZINGA: Mr. Speaker, as the hon. member is aware, we've traditionally been very forthcoming with all information. We're very happy to respond in a very positive way to anything that he would like, as I've done in the past, and I look forward to sitting down with him in the future to see if we can't accommodate him.

#### **Prime Minister's Western Tour**

MR. R. SPEAKER: Mr. Speaker, my question is to the Premier. The Prime Minister is in Alberta today, and my . . .

AN HON. MEMBER: Oh no.

MR. R. SPEAKER: That's what I thought too.

My understanding is that he does not intend to visit Edmonton or Calgary. Could the Premier indicate whether the Prime Minister will be speaking with any of the ministers or the Premier with regards to some very critical issues, such as agriculture and certainly the resource industry in this province, on this tour of Alberta?

MR. GETTY: Mr. Speaker, I'm sure the hon. leader of the Representative Party recognizes that I've had a great number of opportunities to meet with and discuss many items with the Prime Minister over the last few months. I would say probably five or six times last week, not including the Thursday meeting at Meech Lake and as late again as Monday of this week . . .

MR. FOX: Did his horse win? [laughter]

MR. GETTY: . . . at which time we were able to . . . Sometimes my own sense of humour -- it makes me appreciate that comment. But at which time I've had plenty of opportunity to discuss with him matters in the resource area and agriculture. I felt, frankly, that while it was their decision, meeting with individual Albertans as much as possible in their homes and communities would be an excellent way for the Prime Minister to get additional input on problems and concerns and opinions in Alberta.

MR. R. SPEAKER: A supplementary question. Could the Premier indicate in terms of those five or six meetings and even the Meech conference whether the subject of the western diversification package was discussed and whether there's a potential

for an announcement during this trip, or will that announcement be forthcoming rather soon?

MR. GETTY: The answers to those questions are "Yes, no, and yes." [interjections]

MR. R. SPEAKER: My turn. Mr. Speaker, a supplementary to the Premier. In terms of the Prime Minister's visit to Alberta, is there any indication that there will be a prime announcement with regards to agriculture and some of the deficiencies that agriculture is presently facing?

MR. GETTY: Mr. Speaker, there was nothing in the discussions that I had with the Prime Minister that would lead me to the belief that there was a major announcement to be made in the course of his visit here, but he's Prime Minister of Canada, and I'm sure he has judgments to make himself and may decide to do something. I can't comment on that.

MR. MARTIN: Mr. Speaker, to the Premier. We might point out to Mr. Mulroney that there's a huge part of the province north of Red Deer. But specifically, was there an invitation given to the Prime Minister to either meet with the government or the Legislature while he was in Alberta?

MR. GETTY: Mr. Speaker, in the course of my discussions with the Prime Minister I'm sure we talked about a variety of meetings that might be helpful. I did not suggest meeting with the Legislature.

MR. MITCHELL: Mr. Speaker, to the Premier. Is the Premier expecting to get an update from the Prime Minister on the progress of the much-touted, long-awaited western diversification program from Ottawa?

MR. GETTY: That was asked by the leader of the Representative Party, Mr. Speaker. However, that matter is being discussed on a daily basis between ourselves and the federal government, particularly with the Deputy Prime Minister, who has been given overall responsibility for that initiative, and various ministers of our government.

MR. SPEAKER: Red Deer North, followed by the Member for Edmonton Mill Woods.

#### **Cost-Effectiveness Initiatives**

MR. DAY: Thank you, Mr. Speaker. To the Provincial Treasurer. Over the last year many small businessmen and women have had to cut back their expenses anywhere from 25 to 50 to 60 percent or more, obviously far in excess of government cutbacks. Many of these people have been doing what they can to stay viable in order to take advantage of the return to economic growth, and they're asking about continued examples of government restraint regarding our own day-to-day operations. Does the Provincial Treasurer have guidelines or initiatives in place for ministers and their departments which will continue to promote cost-effectiveness and efficiency in our day-to-day operations?

MR. JOHNSTON: Of course, all members are now familiar with the changed procedures which the government has put in place going back to November 1986, wherein in fact we did put

in place a plan which essentially follows the suggestions from the Member for Red Deer North; that is, a reduction in the size of government spending, a tightening and careful consideration of the new expenditure priorities, and attempting to bring efficiency to the way in which this government operates. Since the fall of 1986, November 1986, through to the budget date, Mr. Speaker, I think we have talked widely as members of government about that need, about that as a priority, and I think finally we've reflected that to a very good extent in the budget itself.

Now, I wouldn't argue that we've gone as far as the member has suggested, but in fact the reduction in program expenditures this year of over 6 percent, I think, is a significant adjustment and follows the thesis as outlined by the Member for Red Deer North.

MR. DAY: Has the minister considered incentive plans like those in the private sector for government employees whose suggestions on cost cutting could actually lead to substantial savings?

MR. JOHNSTON: Mr. Speaker, we have had discussions of that order over the past few months. Those discussions to some extent are a little more difficult to implement, but I should note that we do in fact encourage creativity and changes in the way in which our governments operate -- the systems side in particular -- and I think there is a merit process within government that rewards those managers who are more effective than others. That merit system is well known and in fact has operated, I think, very successfully over the past few years.

However, Mr. Speaker, in considering the increase in fees which is now taking place across the range of government programs, there have been suggestions to us that, first of all, we should operate on the basis of cost recovery so that the citizens of Alberta are paying for roughly the kinds of services that they're getting in terms of the fees they pay. Moreover, there have been suggestions that we could reward in some fashion those managers who find ways to more efficiently manage the resources that are available to them.

If the member has some suggestions, Mr. Speaker, I'd certainly appreciate it. Or if any member has a suggestion as to how we can improve the efficiency of government, I would certainly appreciate that suggestion, because I think all members of the Assembly are attempting to encourage just that end.

MR. DAY: A final supplementary, Mr. Speaker. Is the minister asking his fellow ministers to increase the use of sunset provisions in their various programs, which would cause all government programs to come under increased scrutiny for effectiveness on a regular basis?

MR. JOHNSTON: Well, Mr. Speaker, I'm one who agrees with what I refer to as program review, which in fact allows us to look at a variety of programs which have been in place for some time, and I think that during a period of restraint or a period when in fact our revalues are down, it is incumbent upon managers to look and review these programs on a routine basis. We did a certain amount of that over the past budget process. The socialists across the way of course criticized us for some of those adjustments, but I think it is incumbent upon government to deal with the downsizing of government to make government more efficient and to review clearly those programs which have been with us some time. We are now in the process of program review, and I think all ministers have that specific respon-

sibility and certainly share that goal.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer, and it's with regards to the term used of "cost recovery." I understand the government has implemented in the areas of corporate registry services and property registrations a user's fee, and the projected possibility of this in time is that there will be a profit made in those areas, more than cost recovery. My concern to the Provincial Treasurer is that that causes an undue burden on some of the private-sector people, small businesses, in the province. Is the minister prepared to review that matter and maintain the cost-recovery concept rather than a profit-making concept?

MR. JOHNSTON: Mr. Speaker, I know from my term in this office that the Member for Little Bow essentially shares a view that cost recovery is probably a good principle to have in our budget process, and I don't think there's any disagreement between he or I or the government and him with respect to that view. But it is not the government's intention to charge more than cost recovery, and if in fact there are so-called profits being generated by those charges, we would review those during the next budget period.

MR. TAYLOR: Mr. Speaker, this is a supplementary to the Treasurer and possibly to the Premier. In the line of being able to cut government costs without affecting efficiency and delivery to the taxpayers, are the Treasurer and the Premier thinking of giving any instructions to the government members on the Members' Services Committee to support opposition motions to cut salaries and indemnities, expense allowances, by 10 percent?

MR. GETTY: Mr. Speaker, I guess the hon. members should make the case in the House or in the committee as to whether or not there is an unfairness in the compensation to members of the Assembly.

MR. McEACHERN: Mr. Speaker, I have a specific example of a fee increase. It's for the licensing of mutual fund salesmen, from \$50 to \$300. Would the Treasurer assure us that that is merely a cost-recovery fee and not a fee in lieu of taxes or a money-making scheme in lieu of taxes?

MR. JOHNSTON: Of course, I don't think the member expects me to have either at quick reference or in front of me a detailed list of all those fees which have been changed over the past few weeks by a variety of ministers, Mr. Speaker. But I can give the assurance to the Assembly and to the member that as I've said to the Member for Little Bow, it's not our intention to generate profits from these fees but to essentially recover the costs, which have been fairly large in most cases, of those services provided by the users of the system.

### Telephone Services

MR. GIBEAULT: Mr. Speaker, my question is to the minister of Technology, Research and Telecommunications. On April 30, during his budget estimates the minister spoke sympathetically about the concept of local measured service, whereby subscribers would pay for each and every local telephone call they make. My question to the minister is: can he advise the House whether it is his government's policy to have AGT, Alberta Government Telephones, maintain the present practice of pro-

viding affordable telephone service for average Albertans? Or is it his intention to introduce local measured service as a favour to his government's big business friends?

MR. YOUNG: Mr. Speaker, the commentary during the estimates arose, as I recollect, out of a discussion of balancing high users and the costs they impose upon the telephone system because they tie it up for extended periods of time. In that light I indicated that one of the possible solutions is local measured service.

Mr. Speaker, I want to assure all members and all Albertans that the government is committed to an affordable, economic, and high-quality telephone service. In order to achieve that, it is important that in the future we have some means of assuring that those firms -- or for that matter those individuals, but I think primarily firms -- would have to pay if they tied up a circuit for a long, long period of time, because that imposes a very high cost in terms of adding capacity to the system. And that was the background for those particular comments.

MR. GIBEAULT: A supplementary question, Mr. Speaker. What we're talking about is the kind of service that is in place now in the U.K., New York, Massachusetts, and other jurisdictions, which charges for every local call that an individual subscriber or small business makes. And I would ask the minister: has his department or AGT made any studies of the impact that local measured service would have in Alberta, in particular the kind of impact it would have on schools, senior citizens, hospitals, voluntary organizations, small businesses, and average Alberta families?

MR. SPEAKER: That's certainly enough examples, hon. member. Minister.

MR. YOUNG: Thank you, Mr. Speaker. In connection with local measured service and the question about whether studies have been made within Alberta or by Alberta agencies, the response is: not to my knowledge.

However, for the information of the hon. member, there is, as I am advised, a fair bit of information based upon studies by others of those systems that were referred to, and I am told that there are some indications that about 60 percent of telephone subscribers actually wind up paying less. That is because they use the telephone rather infrequently and therefore their calls -- and that's for the individual subscriber, what I will call the usual use for a homeowner -- actually costs less. So that is at some variance with the premise the hon. member used in his first question.

MR. GIBEAULT: Mr. Speaker, there are many groups, including the Consumers' Association of Canada, the Canadian Federation of Independent Business, and many others who have very deep concerns and opposition to the concept of local measured service. My question would be: will the minister commit himself today to hold comprehensive provincewide public hearings before any introduction of local measured service in Alberta?

MR. YOUNG: Mr. Speaker, I would be sure that there would be very extensive review and consultation before such a concept was considered in a serious way. I would also want to assure that any system produced for the normal usage of the telephone a rate that was no higher and perhaps lower. I would suggest

that that is the objective of the groups the hon. member makes reference to, and that can be possible through local measured service, as I understand it. So one shouldn't equate higher telephone rates in total with local measured service. The two are not necessarily compatible in any sense.

MR. GIBEAULT: A supplementary to the minister. The real reason and the driving force for local measured service is the large corporate users of long-distance service. My question to the minister is: has he done any study to determine what additional corporate contributions might be received by the Conservative Party as a result of local measured service being introduced here?

MR. SPEAKER: The Chair recognizes Edmonton Meadowlark.

### **Economic Diversification**

MR. MITCHELL: Thank you, Mr. Speaker. Yesterday we established that the government's commitment to economic diversification is at best weak, as is evidenced by only a 1 percent commitment in this budget to that important objective. It was also clear, I think, that the minister of economic development has allowed his department to become top heavy in administration and is in fact now taking money away from important and successful business programs that support industrial development and diversification in this province. [interjection] I have two sentences.

Could the minister please explain how it is that on the one hand he can cut \$2 million from the important exporters' assistance program, which by his own admission has resulted in \$50 million in increased business to Alberta, and on the other hand can find \$500,000 to support the patronage appointment in the area of trade and tourism development?

MR. SHABEN: Mr. Speaker, I think I provided the hon. member with the answer yesterday, and if he'd refer to the document that was filed with respect to the export services support program, that was a sunset program with a capped amount of funds of \$7 million, and the reason for the reduction in the current year is because that cap is going to be reached. Now, I also indicated in my response yesterday that it will be reviewed by the government at that time.

Mr. Speaker, I was reviewing today a recent StatsCan report on job creation in Canada. The statistics covered the period 1978 to 1984 for all of Canada, the net new jobs created in Canada. The total number for Canada was 814,000, of which 130,000 were created in Alberta, the second highest in Canada, three years of which were years when the province was experiencing deep difficulties as a result of low oil prices. That's an example of the kinds of things that are happening in Alberta in terms of job creation by the private sector, supported by the government.

MR. SPEAKER: The time for question period has expired. Might we have unanimous consent to finish this series of questions.

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Edmonton Meadowlark.

MR. MITCHELL: Mr. Speaker, a supplementary to the minis-

ter. Since the minister continues to resort to this argument that there's a sunset clause on this particular program and that he has to review it yet, why is it that he is able to admit that there are \$50 million of successful new business deals as a result of that program? Is he saying that he hasn't got enough power in cabinet to get that sunset clause lifted on a program that is clearly working?

MR. SHABEN: Mr. Speaker, it wouldn't be appropriate to review it until we've run out of funds. We still have funds to respond to requests from the private sector.

MR. MITCHELL: You just cut \$2 million from the program. It seems to me that that's a significant difference.

MR. SPEAKER: The question, hon. member.

MR. MITCHELL: Thank you, Mr. Speaker. Can the minister please confirm for the House that his department stopped accepting applications on November 1 under the market development assistance program -- that's halfway through the year -- because it ran out of money, despite the fact that there was tremendous private-sector demand for that program?

MR. SHABEN: Mr. Speaker, that is one of our really outstanding programs, the market development assistance program, and the demand for it is quite high. What we do is refer. There's a similar federal program that is available, and we refer exporters to the federal program and then we respond subsequent to that and supplement it. There are still funds available in the current year's budget. The amount budgeted is \$750,000, which is the same as what was budgeted last year -- no reduction in the amount of funds available; an important program and remains intact from the previous year.

MR. MITCHELL: The point is, Mr. Speaker, that while there isn't a reduction, there wasn't enough last year. It's very likely there won't be enough this year. Why would the minister not increase the funding to that program to meet the clear demand for that program when on the other hand he can find enough money to hire Hugh Planche to a patronage position and he can still find enough money to send public servants to trade shows in Toronto when he can't send private-sector entrepreneurs to those trade shows, a trade show as recent as March of this year?

MR. SHABEN: Mr. Speaker, perhaps the hon. member should talk to his leader to determine which priorities his party has, whether or not it is important that the Crow benefit be paid to the farmers. Maybe you should have a little chat with your leader. We believe it's an important initiative, and we need to apply every effort we can to achieve that end.

Mr. Speaker, in the course of budgeting for the department -- and there was extensive discussion on this yesterday -- there was a great deal of care and attention to the various program elements that exist within the department. We believe that the focus is appropriate, that we have a strong capability to support the private sector, and that we will continue to do that.

The hon. member made reference to our trade initiatives, and it's tremendously important that we continue our trade initiatives. We have established the office for a commissioner for trade and tourism; that improves the opportunities for exporters to access markets. Also, we have added to our program capability an ability to respond to a specific request from the private

sector, through vote 6. These are all important initiatives that are added to those that were already in place in the department.

MR. SPEAKER: Supplementary, Edmonton Highlands.

MS BARRETT: Thanks, Mr. Speaker. I wonder if the economic development minister will agree to consult with his colleague the Minister of Career Development and Employment in order to convince him that that \$100,000 windfall that can now go to any single employer ought not go unless it is specifically targeted to those industries which constitute emerging businesses which will promote the real diversification of Alberta.

MR. SHABEN: Mr. Speaker, the minister of career development and I do discuss the very important matters related to job creation on a regular basis and will continue to do so. We work very closely together in terms of those initiatives that can be matched in terms of the private sector and the public sector to encourage job creation, because we do recognize that the majority of new jobs that are permanent jobs are created by the private sector and are created by small business, as evidenced by the latest Statistics Canada report.

MR. SPEAKER: Time for question period has expired.

## ORDERS OF THE DAY

### head: COMMITTEE OF SUPPLY

[Mr. Gogo in the Chair]

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

### Department of Hospitals and Medical Care

MR. CHAIRMAN: Members of the committee, the department before the committee today is the Department of Hospitals and Medical Care, on the government estimates booklet page 219. Authority for those programs are to be found beginning on page 222. It's customary for the minister to make opening comments to the committee. The minister is the Hon. Marvin Moore.

Mr. Minister, would you have any comments to the committee in presenting your estimates?

MR. M. MOORE: Mr. Chairman, thank you very much. I'd like first of all to begin with an overview of what I believe to be the best health care system in Canada, without any doubt, and one which can stay the best health care system in Canada if we make the appropriate moves now with respect to the cost of that health care system and the manner in which it's operated. If one compares the quality and the number of acute care beds in this province, compares the locations and services provided by the 127 active treatment hospitals in this province and the scores of nursing homes and auxiliary hospitals; if one compares the long-term care provided in Alberta to our senior citizens, both with respect to the department I am responsible for and the Department of Community and Occupational Health; if one compares the health care insurance plan and all the coverages that are provided by that plan, there is no question, Mr. Chairman, that the people of Alberta have built over the last 15 years the finest health care system that exists anywhere in Canada.

The problem, Mr. Chairman, is not whether or not we have



the best health care system in the country. The problem is how we maintain that system over the years to come. Over the course of the last five years there's been an escalation in the total costs of the budget of the Department of Hospitals and Medical Care and those health components of other government departments that has increased at the rate of 15 percent each year. That increase in expenditures is at least 10 percent above inflation and population growth. If you project that increase to the year 2000 and all other operations of the government of Alberta run at an increase at the rate of inflation but Hospitals and Medical Care run at 10 percent above inflation, by the year 2000, 60 percent of the budget authorized by this Legislature will go to health care rather than the current roughly 30 percent. I think that's a pretty sobering thought for everyone in this Assembly to consider. While it may well be that only a handful of people here today will be here in the year 2000 and we won't have to answer for having mortgaged the future of our children and our grandchildren, I think we need to think very strongly today about the real problem our successors will have if we don't find a way to contain the escalating costs in the health care system: close to \$3 billion in the 1987-88 fiscal year, the one under consideration for health care.

Mr. Chairman, the year previous to my election to this Assembly and well after the hon. Member for Little Bow was elected, in 1970, we had the first budget in this province for the entire government that surpassed \$1 billion -- in 1970, not very many years ago, the first budget to pass \$1 billion. And today we're looking at three times that amount just in health care alone: \$1,300 for every man, woman, and child. Our objective is to have and continue to have the very best health care system in Canada, to continue where we can to improve that system, and to do so over the longer term with funds that are no greater than an increase that's equal to inflation plus population growth. I'm firmly convinced we can find ways to continue to spend 30 percent of our budget on the health care of Albertans, but I don't believe we can go much higher.

I'd like briefly today, Mr. Chairman, to overview an overall plan that is designed to contain that budget in that area and still provide even better services in the future than we have today. I'd like to deal with them in four different areas: first of all, acute care hospital services and those services related to the acute care hospital system; extended care services for seniors, nursing homes, auxiliary hospitals, and touch very briefly on those areas outside my immediate jurisdiction in terms of home care and day hospitals and day treatment programs which, of course, in institutions are the responsibility of Hospitals and Medical Care; touch thirdly on ambulance services and, finally, on the health care insurance plan and all matters related to that plan.

First of all, on the acute care hospitals, we have in this province, Mr. Chairman, a total of 127 active-treatment acute care hospitals. I wanted to review briefly for members the cost of operating those hospitals. We have some 14 of those facilities that have under 24 acute care beds. They operate for 1.1 percent of the total budget, and they cost an average in 1986 of \$352 a day in operating costs. That's 14 hospitals under 24 beds costing \$352 each a day to operate. We then have 58 hospitals across Alberta with from 25 to 49 beds that cost an average of \$295 a day to operate. Then we have from 50- to 100-bed hospitals, 30 in number, that cost \$347 a day to operate. Then 100- to 300-bed hospitals -- there are 11 in Alberta -- and 11 hospitals over 300 cost over \$400 a day to operate. The 22 largest hospitals in Alberta take 79 percent of the operating budget

of the Department of Hospitals and Medical Care. The 14 smallest, under 25-bed hospitals take 1.1 percent. The lowest cost operating hospitals on a per patient day basis in Alberta are the 25- to 50-bed hospitals that operate for \$295 a day. Perhaps, Mr. Chairman, that's because they operate on the basis of providing services that aren't high tech in the nature of some of the larger hospitals. But perhaps it's also because they operate on the basis of a pretty scaled down administrative operation. Oftentimes the director of nursing works a shift. That in itself might account for the fact that some of the most efficient hospitals in this province are 25 to 50 beds, located in rural communities.

I wanted to relate that, Mr. Chairman, and just say in conclusion on the question of the number and type of hospitals in this province that the lowest cost operating are those smaller hospitals throughout rural Alberta. So much for the stated position of the Official Opposition that we ought to close hospitals throughout rural Alberta. [interjections] That wasn't very well thought out when it was first considered and certainly . . .

REV. ROBERTS: Point of order, Mr. Chairman.

MR. CHAIRMAN: Order please, minister.

Are you raising a point of order? Which standing order are you raising?

REV. ROBERTS: I don't have a standing order, Mr. Chairman. I'm sorry.

MR. CHAIRMAN: The hon. minister of hospitals.

MR. M. MOORE: Mr. Chairman, every time the opposition is caught telling one story out in rural Alberta and another one in here, they tend to rise up to try to explain how to talk out of both sides of your mouth at the same time. Fortunately there are a great number of people in this province that read *Hansard* and know what goes on in here as well.

If we could move then to the number of acute care beds in Alberta. On an overall basis we do have more beds than most provinces in Canada, certainly more than British Columbia and Ontario, two comparable provinces in terms of population and economic activity. Ontario has 4.2 beds per 1,000, while British Columbia has just under 4 now. I announced last November at the annual meeting of the Alberta Hospital Association a new target of some 4 acute care beds per 1,000 in Alberta. We're hopeful that a number of measures we're taking will move us into that area. First of all, I wrote a letter to all hospital board chairmen across this province a short time ago, in February, and asked them to consider converting some existing acute care hospital beds to extended care hospital beds in their communities so that we would reduce the number of acute care beds, increase the occupancy rate in the remaining ones, and provide much-needed extended care beds in many of the communities across Alberta. We're hopeful that this can be an effective way to balance the need for extended care versus acute care beds.

In addition to that, Mr. Chairman, I've written to all hospital board chairmen again on a separate matter involving hospital operating costs. It outlined to them a different method during the coming fiscal year of treating surpluses in the hospital system. Previously, if they were able to find a way to bring about some savings of dollars, we often took back that money that was saved and didn't allow them to retain it. Now, generally speaking, with some exceptions, hospitals that find ways to cut costs

by savings in certain areas will not be asked to return those funds; that is, unless there's a complete elimination of a program or reduction of a program that throws the burden onto another institution.

In addition to that, in terms of numbers of hospital beds in Alberta, members are familiar with the agreement we reached with the Edmonton General hospital board relative to the operation of the Mill Woods hospital, again in early March. That agreement will see the Edmonton General hospital being largely utilized as an extended care facility, with the finest world-class geriatric facilities that exist, again, anywhere in western Canada certainly being at the Youville here in Edmonton. It will also see the Mill Woods hospital open at a full-service community hospital level, but the overall increase in active acute care beds which had been anticipated in Edmonton will not occur. In fact, there'll be some reduction with the opening of the Mill Woods hospital. And the conversion of some 288 beds to auxiliary beds and some 60 psychogeriatric beds at the Edmonton General hospital will be extremely helpful in alleviating situations where a great many people that now have been assessed for auxiliary hospital care or nursing home care are residing in active treatment hospitals in Edmonton.

To move very briefly to the situation in Calgary, again we've had extremely good co-operation with the Calgary district hospital group who were involved originally in the proposed operation of the Peter Lougheed hospital, extremely good co-operation as well with the Calgary General hospital and their board and management in reaching an agreement to open the Peter Lougheed hospital on the basis of one hospital on two sites with a minimum of duplication of programs that again will be extremely cost-effective in the overall in delivering acute care services and provide much-needed services for that part of the city of Calgary, the rural area to the north of it, and the city of Airdrie that will be served by the new Peter Lougheed hospital.

If I could move very quickly. I don't have time in my opening remarks, Mr. Chairman, to overview our capital construction program completely. Perhaps I could do so later, or on the capital estimates. To review very quickly, we've got new construction going on throughout the province on programs that were approved in past years. I might add that for the most part those facilities being constructed are not a major burden on our government's budget. The problem is the ongoing operating costs of those facilities. In every case I'm reviewing now with the hospital boards the operating costs of those hospitals when they open. I'm trying to find ways to make sure that they are not much greater than the current operating costs of their existing hospitals.

I might mention that in that regard I've had extremely good co-operation with most of them. I'll be going up in a couple of weeks with the hon. Member for Bonnyville to open the new Cold Lake hospital. We're opening that hospital at a level of acute care beds and extended care beds that will be about half of what was built but adequate to serve the needs of the community today. The board has co-operated there.

More recently I had several meetings with the MLA for Camrose and with that hospital board relative to putting to tender a hospital in that community. When it is completed it will have an operating cost that's not much greater than the current operating costs of the Camrose hospital, and they've been very co-operative in that regard.

Moving to other parts of the province, we still have a long way to go in Lethbridge in terms of convincing the regional hospital board there that there's a need to try to come to some ac-

commodation of the operating costs of the new regional hospital that's being built there. It's one of the finest facilities in the province, but needless to say, we have to rationalize the fact that there are two hospitals in Lethbridge: the St. Michael's hospital, which has served the community very adequately for many, many years, and the new regional hospital. There have to be again some assurances that we aren't utilizing funds unnecessarily there by a duplication of services. That's an ongoing discussion that will be held with those boards and with the two MLAs who represent the city of Lethbridge and others in the area.

I could move, Mr. Chairman, to the area of extended care. I think we've made enormous strides in this province and across Canada in recent years in terms of our attitudes toward care of senior citizens who need hospital care, nursing home care, or home care. The Hyde report on nursing homes in this province, which was done during the term of office of my predecessor the hon. member Mr. Russell, was implemented in part a few years ago and continues to be implemented by our department's directives and assistance to nursing homes and auxiliary hospitals. There are, however, still many new challenges ahead of us. I'm not convinced that we've progressed very far at all in Alberta or Canada in terms of our knowledge and concern even and desire to significantly improve the ways in which we treat and care for Alzheimer's patients or those with like problems. I'm told that they represent some 44 percent now of the people who are in nursing homes or auxiliary hospitals in this province. I think we need to do a great deal more over the next couple of years about finding out the best ways to look after those patients, and I'm certainly dedicated to trying to do that.

I think we need to move as well into more assistance for our seniors in the area of home care, of day treatment programs as opposed to day care programs and day hospital programs. Certainly there is a great deal of logic in providing treatment programs that don't involve keeping people 24 hours a day but rather involve them coming in and going back to their home.

One of the things we really have to be cautious of in this area, though, is that we don't put dollars into home care or day treatment programs that simply attract new clients rather than result in a situation where people who are in nursing homes or auxiliary hospitals now or might be there tomorrow are allowed to remain in their own homes because of these new programs. That's a real challenge every jurisdiction has when you move into new programs: trying to avoid their just being add-ons. Actually we have them as part of a program to ensure that our overall costs of 24-hour care are in fact reduced as the years go on in terms of the population we need to serve.

I implemented at the request of several MLAs and a lot of seniors a new bed-holding policy with respect to seniors who have to leave an auxiliary hospital for a period of time to go into an active treatment hospital. Many of them are quite upset if they return and find their bed is gone, so by way of a letter again to hospital board chairmen involved on March 25, we indicated to them that a new policy would require the bed to be held for up to 14 days if it was determined that the individual in fact would be returning.

Members are familiar with the increases in accommodation rates to individual patients that were implemented January 1. I am pleased to say that we still have the lowest rates of any province in Canada and that we've been able to help, I think, almost every senior who wrote to us in some way to ensure that they're not burdened in an unfair way with these new costs.

In addition to that, Mr. Chairman, I wanted to indicate that

the rates which we now pay in addition to the per diem rate paid by the patient to nursing homes throughout the province have been equalized for private nursing homes and public nursing homes. We pay \$39 per diem in all homes under 50 beds no matter who owns them, \$37.50 in homes with between 50 and 90 beds, and \$36 in homes with over 90 beds. That situation will remain, although we're looking at the possibility next year of implementing some flexibility in the whole system of providing remuneration to auxiliary hospitals and nursing homes based upon the level of care that is provided to each individual in that system. There's currently a pilot system going on in Calgary that will hopefully help us meet our objectives there. I might add that on May 4, just two or three days ago, Mr. Chairman, I wrote a letter to all private nursing home operators in Alberta, outlining the details of our program to provide them with some financial assistance to upgrade their existing nursing homes. Basically speaking, that financial assistance is in the form of supporting 75 percent of their capital costs -- after they have purchased their land and serviced their land, 75 percent of the capital costs of their rebuilding program. I'm hopeful that we will get some good applications for that program over the course of this year and it will get under way in a major way.

I'd like to conclude my remarks on the terms of long-term care with a reference to a committee I recently had the pleasure of appointing on long-term care for senior citizens. I found that I didn't have enough time to adequately deal with all of the issues that were coming forward in terms of long-term care of senior citizens, so I had the pleasure of appointing the M L A for Calgary Glenmore, Dianne Mirosh, as the chairman of a committee that will involve the M L A for Highwood, Harry Alger, who is also chairman of the senior citizens' advisory committee, together with Larry McDannold of Edmonton who has wide experience as chairman of district 24, the Long Term Care Association here in Edmonton, and Tom Biggs of Coronation, who is not only a member of the College of Physicians and Surgeons board but also was formerly president of the Alberta Health Unit Association and brings to that committee a lot of experience in the area of health unit operations. In addition to that, Susan Green, a senior policy adviser to myself, and Vivien Lai, a director of long-term care in our department, make up the balance of the committee. I'm looking forward to working with that committee and being able to tap the knowledge and the experience and the expertise of the M L A for Calgary Glenmore, which is more than anyone in this House has in terms of long-term care. It is something I'm extremely pleased about.

Mr. Chairman, if I could then move to ambulance services. I recently again appointed, on January 5, a minister's advisory committee on policy matters involving the M L A for Drumheller, Mr. Schumacher, and the M L A for Ponoka, Mr. Jonson, together with these members: Mr. Jim Cawsey of Drumheller, Adelaide Davis of Medicine Hat, Iris Evans of Sherwood Park, Gerry Hachey of Fahler, Ken Mark of Edmonton, Douglas Tien of Camrose, Sid Wallace of Calgary, Nomi Whalen of Calgary, together with Susan Green, again, as the minister's policy advisory committee.

The first thing I've asked that committee to do is to review the entire ambulance system throughout this province in terms of everything that's connected with ambulance operations, and that includes standards, the costs, how you control it, how you administer a system, both air ambulance, helicopter ambulance, ground ambulance. Everything in the system is going to be reviewed by Mr. Schumacher's committee. I expect a report by the end of this year. The committee, I was just advised yester-

day when I met with them, will be having public hearings throughout Alberta in June. Later in the summer they will be meeting with the interest groups; that's the Alberta Hospital Association, the ambulance operators, the Alberta Medical Association, those types of organizations here in Edmonton, to hear from them. So I expect by September, October they will be in a position to be sitting down and thinking about what kind of recommendations they might make. Again, I'm pleased to have the expertise of the hon. Member for Drumheller in chairing that committee.

Mr. Chairman, if I could then move finally to the Alberta health care insurance plan and the overall costs that are involved in that plan and just outline for members very briefly, if I can, what is proposed there. Members will note from the estimates book that the estimated expenditure for the Alberta health care insurance plan this year is \$878,294,000. Of that, \$694,568,000 is for basic health services. That amount is exactly the amount that was utilized last year, being the \$673,391 that was in fact in the estimates book plus an additional \$21 million provided by special warrant and more income from interest payments and contributions from the government of Canada.

The escalation rate at the present time is about 7 to 9 percent, so we have the challenge of reducing that amount by some \$40 million to \$50 million over the course of this coming year. I'd like to point out to members just a few of the ways in which I am hopeful we can make some progress in doing that.

First of all, I should indicate that in addition to the expenditures of \$878 million, there is a increase of some \$45 million in revenue because of the increase in health care insurance premiums. There has also been some change in the subsidy level, and I've asked that the pages distribute to everyone's desk -- and I think they have -- a brochure that says: "Do you qualify for premium subsidy or waiver?" I would indicate to hon. members of the Legislature that they ought to ask for more copies of that from my office if they need them for their constituents.

We will be moving in a number of areas here. Hopefully within the next few weeks I will have an opportunity to complete all of the negotiations with the various interest groups and be able to report to the Assembly on what we've been able to do with regard to the benefits provided to physiotherapists, chiropractors, and podiatrists in terms of the fee schedule which is paid by the Alberta health care insurance plan; to also indicate whether or not there are any physician services provided by doctors that might be deinsured, and to also hopefully come up with some solution to the problem of optometrists and ophthalmologists having different schedules for billing and the problem that creates, particularly for the optometrists.

I talked earlier about limiting billing numbers of doctors. That is something that needs to be discussed at some length with the Alberta Medical Association, my colleague the Minister of Advanced Education, with the faculties of medicine in this province and with the College of Physicians and Surgeons, because there is no question that in Canada we cannot continue to absorb the number of health care professionals coming into our system.

Those are just some of the things we're going to be doing with respect to the health care insurance plan. The patient signing the bill, the patient awareness program -- again, it involves a brochure that was handed out just a moment ago as part of the overall involvement too.

Mr. Chairman, if I could just conclude with these comments. In every area I have spoken about, I've had an extremely good amount of co-operation from people within the health care system. Hospitals right across the province, board members, ad-

ministrators, hospital workers, nurses, individual doctors, registered nursing assistants, the Alberta Hospital Association: all of them have been extremely professional and supportive in our efforts to reduce costs and still provide good service. Many of the professional groups -- optometrists, physiotherapists, podiatrists -- have co-operated extremely well. I should say we have had good co-operation from individual medical doctors in the entire hospital system. I'm hopeful that we might somehow over the course of the next few months persuade the Alberta Medical Association that they, too, need to join with us in ensuring that there are ways in which we can provide medical care in this province with less escalation in cost and still provide the care that is needed. I know that most of the members of that association support the government's objectives, and I am disappointed that I haven't been able to convince the president of that organization of that need.

I conclude, Mr. Chairman, by not only thanking those professional organizations and the people within the system throughout the province for their support and co-operation, but ask as well for the support and co-operation of all members of the Legislature for the budget estimates that are before us.

MR. CHAIRMAN: Hon. Member for Edmonton Centre.

REV. ROBERTS: Thank you, Mr. Chairman. I said last year when I was speaking on the budget of the Department of Hospitals and Medical Care that I felt rather like a little squeaking mouse in front of a lumbering elephant, or something like a thorn in the side of a fleshy department. This year I feel much more like a young David about to do battle with an aging Goliath, for the Philistine approach and the mean-minded fiscal preoccupation of this minister has rightfully provoked the concern of many critics in just one year. [interjection] Now, listen. I sat and listened, so would you, please?

In one year this minister has rightfully provoked, to the concern of many critics, the frustration of many of the wounded healers in the system and provoked the anger of those many Albertans who have written letters to our offices and to his own, and letters to the editor throughout the province -- average Albertans and their families.

I intend to topple this Goliath, as we in fact, Mr. Chairman, toppled six cabinet ministers about this time last year in the election. I intend to topple this Goliath with only three small stones, each stone being actually a word that begins with the letter "E." Now, in fact we've heard about the Triple E Senate. With due respect to the Premier and the Tory caucus, in my constituency the concerns of Senate reform are running about a hundred to one against any real concern, whereas concern about health care reform is running about one in three people who are concerned about that.

So my reform of the health care system along the lines of a triple E would go like this, Mr. Chairman: firstly, efficacy and looking at efficacy; secondly, efficiency; and thirdly, evaluation.

Efficacy means: are people really any better off after a particular medical intervention than they were before the intervention? How effective are the results of what we're trying to do? How are we going to measure what we're trying to do in terms of the outcomes of what the Department of Hospitals and Medical Care spends its \$2.6 billion on?

Efficiency: how well are we using the available resources? The question is: how well are we allocating them? How well are we managing the resources? Is it efficient?

Thirdly, Mr. Chairman, is the "E" for evaluation. How much

time do we take to reflect, to look at the past practices and mistakes and then to redirect, to improve, and to learn with both professional and public input?

This minister seems only to be able to talk in terms of beds, that the whole system is made up of beds. Well, I would challenge him that it's based on these three Es, and the people of Alberta, who want some public input into answering these three questions, for this department, its minister, and his budget fail miserably at this triple E of health care reform. Instead of any triple E reform, we get in fact the double whammy: increased taxes and premiums and decreased services for Albertans. It's just not fair in either the short term or the long term. The way the minister should have approached this crunch year would have been to put things on hold and then to consult with both public and professional people to decide priorities of his department, to look at the triple E in terms of the long term.

We don't need more money. And I was the first one, Mr. Chairman, who said last year at this time that we cannot ask the Committee of Supply for more money for this department. What we need is more and better allocation of the health care dollar. We need more allocation of the existing resources in a co-operative participation under a far more prudent, courageous, creative leadership at the government level. Instead, Mr. Chairman, we have this crisis colossus from Smoky Lake, this crisis mentality which is brought to a health care system that is in fact the most successful series of compromises anywhere, and with this crisis mentality we have many frustrated and confused Albertans.

It's easy to cry wolf, that the sky is falling in economic fiscal terms for health care, but in fact, Mr. Chairman, there's always been a crisis in health care. Everybody's always complained that it costs too much. There's always been a crisis in the British system or in the American system. There's a crisis before Justice Emmett Hall, there's a crisis after Justice Emmett Hall, and now we hear the minister saying there's a crisis in economic funding for the health care system in the province of Alberta in 1987.

In fact, Mr. Chairman, some have said that if there was no crisis in health care, that would itself be a crisis. There was an astute comment of one observer of the health care system in Alberta who said that "Going through a crisis stage is just a normal rite of passage for a new health care minister. Russell went through it too." Well, the real crisis is not in health care; the real crisis has been in world prices for resource commodities, in agriculture, in deregulation with the collapse of world oil prices. With a little diversification of the Alberta economy, the crises are in those economic factors, not in the health care system.

So don't blame Albertans and call them abusers and hypochondriacs. Don't blame the dedicated workers in the health care system by laying them off in record numbers and closing beds to which they serve. And don't blame us social democrats for enlightened human social programs when it's the selfishness and greed of you capitalists and the capitalist system which is cracking and crumbling under the weight of unfairness and dishonesty. And if there is any social evil that is more repugnant to me than any other, it is capitalists who get rich off people who are sick, weak, elderly, and vulnerable. Caring for profit is an oxymoron of the first order. What we urgently need is a triple E in health care reform, not the double whammies of this capitalist Conservative government minister.

And talk about crisis mentality. How many times, even today, we've heard the minister's button pressed, and the tape plays again and you hear, "Health care costs are rising at 15 per-

cent a year over the last five years . . . blah-blah-blah." Health care expenditures form 30 percent of the total provincial budget, or as we've heard so many times in question period, "If those limp, lazy, lily-livered socialists over there would ever let us know what they'd do, then we'd be a lot better off. This is the fifth, sixth, seventh time of asking." It began to feel as if I was in church again.

Well, I hope the minister is sitting comfortably with his cup of coffee, Mr. Chairman, because I have some information I'd like to present to the committee this afternoon. I do not know who is misleading whom, but somehow this minister is in complete contradiction with his predecessor of this department, the Hon. David Russell, vis-à-vis the rates of growth of this department.

In *Hansard* of April 26, 1985 -- just two years ago -- the Hon. David Russell said to the Committee of Supply:

If I go back over the last five years . . . and give the percentage increase of each year's budgets, here's how the figures go, starting from 1981 through 1985. [The] total department expenditures . . . In 1981 it was 31 percent. It went to 37 percent, then down to 10 percent, down to 8 percent, and this year, ['85], down to 2.4 percent rate of growth and increase.

Last year, I would remind you, Mr. Chairman, it was a .4 percent decrease. This year it is .9 percent decrease in the rate of growth of the overall expenditures of the operating of the department.

Then Mr. Russell goes on to say:

It would be interesting to pick . . . the same figures for the health care insurance plan over that five-year period.

In '81 it was 32 percent, then 51 percent, then down to 4 percent, down to 24 percent, and this year minus 1.4 percent. And then he says, Mr. Chairman -- just two years ago:

I think [this] shows that the kinds of figures we are dealing with in [these] votes . . . are [very] manageable figures for a provincial government.

Well, I don't know who, as I say, is misleading whom, Mr. Chairman, if just two years ago the minister was saying things were well under control, while we're hearing economists throughout Canada saying, "As a function of gross national product we're doing very well, thank you: 10 percent of GNP as opposed to the United States or others." I would even like to ask this minister, in terms of health expenditure, what percentage it is of gross provincial product. It seems to me to be far less than any other province. We're very well off, as we know, financially. What function of GPP is our health care expenditure?

Then the minister goes on to talk about 30 percent of the total: well, we just can't spend one-third of every dollar of this government on health care. Well, again with all due respect, Mr. Chairman, I refer the minister to my nomination for minister of health for the province, a Dr. Clarence Guenter, from the Foothills hospital in Calgary, who in the *Foothills Journal* says, and I quote:

Recently, the Alberta Government has emphasized with concern that health care costs Albertans 30 percent of the . . . provincial [total] . . . It was implied that acute care, occupational and community . . . mental health and chronic care should cost less than 30 percent. [But I would ask,] what should it cost? This province has no defense budget . . . And we know, of course, that Americans spend well over 30

percent of their expenditures on military equipment. This province has

no . . . prepaid food and housing, no universal public transportation. What proportion of the government budget should be committed to health care?

when we spend so much on alcohol and other things. He then goes on to say in very reasoned ways -- and a very cool reformer; not the alarmist approach this minister has been taking -- that there are five steps.

One would be to reduce the impact of short-term politics on the planning process. The second would be to regionalize services to avoid duplication. A third would be to improve government interdepartmental planning. The fourth would be to make a serious commitment to preventive medicine in the use of seat belts, for instance. A fifth would be to plan noninstitutional social alternatives for the elderly.

Well, Mr. Chairman, as I say, 30 percent -- to this doctor, a very responsible physician at the Foothills hospital, with some very salient points in terms of reform of the system.

Then the minister has said over and over again -- how he expects us in Oral Question Period to answer his questions, I'm not sure. But the way he's asked what our suggestions would be -- well, I know he's a busy man. We're all busy people, but if he'd only have taken time to look at our report of last November, to look at our alternative approaches to expenditures in the health care system and not smear and mislead the public of Alberta by saying that we advocate the closing of hospital beds, when in fact it is now this government and this policy of this minister to convert so many unoccupied beds in those hospitals. Why doesn't he leave them the way they are if they're so important to him in that way?

But rather, we have suggested a 10-point plan for the health care reform in this province, and for the minister's information -- I know he will take the good ideas and take credit for them and abuse us on the others. But we've said this over and over again, Mr. Chairman, these 10-point plans. Firstly, to have compulsory seat belt legislation, better motor vehicle safety altogether; secondly, a co-ordinated air and ground provincial ambulance and prehospital care: something we've been calling for for 10 years, Mr. Chairman. Finally, with seat belts, the government's getting around to this.

Thirdly, extensive post-hospital, outpatient, day hospital, ambulatory, and home care: better discharge planning of the hospitals. That's our third point. Fourth, better health promotion, illness prevention, community and self-care: taking the lead from the World Health Organization and their approach that is such an important emphasis that this government is lacking.

Fifth, active-treatment, geriatric assessment, treatment, and rehabilitation for our elderly. And how about a Youville of the south, Mr. Chairman? Sixth, we've advocated better reproductive care. Better sex education, birth control, family planning, and in-hospital midwifery programs could save hundreds of millions of dollars and improve programs for women giving birth.

Seventh -- and we know we're going to wrestle with this over the next few years -- a capping fee for service: that we have to provide more incentives to efficacious utilization of doctors' services and perhaps even looking at more salaried physicians in the system. Eighth, community health clinics: what about health maintenance organizations as in the United States, or health service organizations as in Saskatchewan and Ontario? A recent article of the AHA says it has departmental officials panning these as not being appropriate to Alberta. Very impor-

tant areas to look at.

Ninth, we advocate to regionalize, rationalize, co-ordinate hospital beds, services, and personnel. Tenth, as an Alberta New Democratic government we would take over community health and put it together with Hospitals and Medical Care and have one solid department of health for this province, and through it be able to co-ordinate much more effectively the home care programs vis-à-vis the institutional programs.

We would assess all of these in terms of a triple E, Mr. Chairman. As I said, the "E" would be efficacy, efficiency, and evaluation. We would revise and improve them with input from the grass roots. We would not come to the Committee of Supply and ask for more funds. Rather, we'd have more healthy services through better reallocation and creative management of the existing resources.

So instead of all this, Mr. Chairman, and all the positive things that could be going on, before us today for \$2.6 billion we get a meagre eight pages of budget details for how this government is spending its money. With it designated on this afternoon, we get only two hours of debate being squeezed in at the end of the budgetary debate. We get less information than ever, as votes have been moved around, and partial delineation of hospitals' spending last year has now been collapsed into lump sums. We need to send people to get reconciliation sheets for how the funding has been split up and sent all around and tried to be covered up in various ways.

The minister complains of patients going into doctors' offices not knowing the costs. How can he expect any legislator with any conscience to come into this Chamber and to expect to know the hows and the whys and the whats of hospital costs when all we get are these meagre pages of information at the eleventh hour? Now, I know we play charades in here, Mr. Chairman, from time to time, but this is more of a tragedy, given the lack of disclosure, debate, and accountability.

MR. DAY: A point of order, Mr. Chairman.

MR. CHAIRMAN: Order please, hon. member. Red Deer North.

MR. DAY: Thank you, Mr. Chairman I appreciate the latitude which the Chair traditionally allows . . .

MR. CHAIRMAN: Would you quote the standing order, please?

MR. DAY: I'll have to sit down and . . . Sorry. Citation 306, I believe it is.

MR. CHAIRMAN: While the Chair pursues that, Edmonton Centre.

MR. HERON: A point of order, Mr. Chairman.

REV. ROBERTS: I knew I was getting to them, Mr. Chairman. You'll have to . . .

MR. CHAIRMAN: Stony Plain.

MR. HERON: Yes, Mr. Chairman. I'd like to raise a point of order under Standing Order 62(2):

Speeches in committees of the whole Assembly must be strictly relevant to the item or section under

consideration.

We have listened to a mental midget version of David and Goliath, we've listened to a hideous analogy of the Triple E, and I know you have a very long list, Mr. Chairman. Perhaps we could get on with the estimates, and adhere to the Standing Orders.

MR. CHAIRMAN: Well, with respect Stony Plain, the Member for Edmonton Centre continues to relate to matters regarding health care, and the Chair is somewhat at a loss to see where that is in contravention of 62(2).

Edmonton Centre.

REV. ROBERTS: Thank you, Mr. Chairman. I was just saying it's hard to discuss a budget when you have so little details about it. I get the distinct impression that this Goliath over there is just trying to hide from better public disclosure of the department.

But if we look at vote 1, Mr. Chairman, the minister's office nicely restrained in terms of any increase. But I would even submit that the minister's office needs a few more dollars. I don't know how he is going to have -- with the staff over there -- enough to keep up with all the mail that's sent in. I know our office has been inundated with mail in terms of having to respond to people who are complaining about things that this minister is doing.

Moreover, funding for perhaps a public relations course for the minister after his rebuke from Al Dubensky, the arbitrator who rebuffed him in terms of his actions during the arbitration dispute, as well as in terms of having the Premier have to bring in amendments to departmental legislation -- with all that, it seems to me the minister's office needs some help.

As for the deputy minister -- a man I quite like; very affable, debatable, a man with a great deal of integrity -- I just hope that he, like his predecessor, is not going to go and make gold from the old Extendicare. I don't know how the good doctor does it in terms of his continuing relations with the Cross Cancer. I take it he's on contract or something. But rumours abound, and maybe the minister could put an end to these rumours that the minister is not in fact using his deputy minister or others in the department. In fact, he's wanting to do it all by himself.

As for the assistant deputy minister, Mr. Ken Moore, a good student of Dick Plain, as I recall, having left the department, I don't know if they've got a replacement yet, but they sure had better. I don't quite know why Ken Moore left either. But who is in charge of the mammoth area of hospital administration, the ADM for hospitals? What with new hospitals coming on stream, converting beds in existing hospitals, reviewing the whole system, and the minister has not followed up at all about his throne speech commitment to an entire review of the hospital system, who is in charge of the ADM for hospitals?

Now, for policy development, Mr. Chairman, I have a great apology to make here, because last year I criticized Don Junk and that area for going up 40 percent in terms of its increase, and now I see it's down from its 40 percent increase last year, down 8.8 percent this year. Now, I am sorry. If Mr. Junk is in the gallery, I didn't really mean by that little bit of criticism to have his department slashed so severely, but there you go.

Corporate development: no indication anywhere what this is about. Where it's coming from, where it's going to, what it in fact is intending to do. Even the reconciliation sheets don't show it, Mr. Chairman. I'd appreciate it, if this minister has any responsibility, accountability, if he'd explain to us what's going

on with corporate development.

For the overall department, many in the hospital system have told me that the department itself fails in any sense of what a triple E might be about. The hospital department itself has very little efficacy, very little efficiency, and does very little evaluation. What is their role, Mr. Minister? Every time we ask the questions in Oral Question Period, they say, "Well, it's not for the department to answer this; it's the local board, the local autonomy, the medical associations. It's not me; it's not my department." So should the minister just hire a bunch of accountants and PR people, or does he really have personnel in there who are helping him to establish priorities, directives, and incentives, provide more public participation, and can we please see the results of that from the department?

As for the health care insurance, vote 2, Mr. Chairman, I want to leave a number of these discussions. I'm sure they'll come up in the debate on Bill 14, that wonderful Bill that got the minister into so much trouble, and in terms also when public accounts come up. But we see they've moved both administrative votes to vote 2 from vote 1. They've also moved the whole office downtown. It's very hard to get a parking place for average folks who want to come in and look at their coverage.

Nonetheless, is the minister also advocating that we should just disband the whole administrative support for Alberta health care and hire the Rand commission? But certainly the Rand commission is this minister's point of departure for looking at health care insurance and the two-tier health system that they have in the United States.

And the variances in this estimate -- I wonder, when it came to priorities and planning or whoever it goes to up there, what the real variances were. Some of the votes here seem very unrealistically imposed, Mr. Chairman, particularly the basic health services. The \$65 million that the minister says he needs to cut from basic health services -- now, before the minister starts deinsuring and capping and cutting off access, why does he not reinstitute, as has been suggested several times, a utilization committee to see what the utilization has been and where the abuses are? Will he at least comply with the Auditor General's recommendations about better billing by the department? Could he revise the fee schedule? Both Malcolm Brown from the University of Calgary and Richard Kennedy said last Saturday, and I quote: "The fee schedule is a mess," and yet this department has done very little to revise the fee schedule's being such a mess.

Could he check the role of mediclinics, for instance, and the vast utilization of the health care dollar that they're taking, running all the way to the bank? How about investigating the use of private labs, the pathology and radiology in the sense that they're sending to Alberta health care insurance for their services done at a very expensive price?

He can certainly continue the public and professional education campaigns, but I guess the real point that we need -- and I have not seen it from this minister -- is where we can develop the healthy incentives to keep the utilization down, rather than just imposing these double whammies of increasing premiums and arbitrarily cutting off services. It's the incentives that we need to look at much more clearly.

The impact of the elderly is very clear, Mr. Chairman. The minister has alluded to that: the AHA report, the recent Economic Council of Canada report that eventually 50 percent of all health care services -- hospital and doctor-related services -- are going to be for the elderly. We need more geriatric specialists in this province, geriatricians who will teach, who will act as

consultants and who will keep elderly people out of hospital. Then endless additions to extended health benefits and Blue Cross nongroup plans I don't think are the way to go always with the health care needs of the elderly.

Drug prices. What is the minister doing about the catch-22 that he's now in about supporting the federal government in terms of patent protection and yet seeing that Blue Cross is going to have to pay more for increased drug prices? Blue Cross always wants to tell patients to please buy the generic, or in the hospital system itself. And I do submit that the minister has not responded to the Alberta Hospital Association's letter about transfer payments for the feds to pay for increased drug costs.

What about contributions from the federal government? I know it's a small share of the pie, but it seems to be increasing even more this year, and that's an interesting development.

Premiums. Certainly the minister in his good right-wing fashion has just increased the premiums, a very flat regressive tax, as we all know. Our policy in the New Democrats is that we're trying to formulate it but it would be around a medical surtax which would be a surtax geared to income, as they have in the province of Quebec. We'd need to do much more in terms of researching this out, but it seems to be a far better way to generate revenue and to have people appreciate their health care taxes. Much can be done with looking at efficacy, with looking at efficiencies, with looking at evaluation, and we need to be doing this in terms of health care insurance.

Now, in terms of vote 3, I know hon. members have a number of specifics they'd like to ask. But certainly vote 3 and the hospital budget itself -- more than half of the department's entire expenditures, \$1.5 billion, really fails the triple E tests. We really desperately need a hospital review, and, Mr. Chairman, on behalf of so many hundreds of thousands of Albertans out there, as well as the opposition parties and this government, may I please get on the record this one sentence: that hospitals in the province of Alberta are for Albertans who need acute care; hospitals are not for Conservative politicians who need to pander for votes. The 3 to 7 percent cuts are a real way to decide not to decide. It locks into power that already exists in the inequities in the system.

The minister himself has already stated that he thought all hospitals should look at their administrative costs. Everyone says that administrative costs is the real growth industry in the hospital sector, but with the 7 percent cuts, how much of the administrative fat has really been cut as opposed to the beds?

How efficacious is the whole health and hospital system? Is the patient really better off before or after he went into the hospital? Do all the tests, the surgery, the therapies, all the technology really improve the length of life, the quality of life? I'm told that one-third of all surgery is unnecessary. What investigation is the department doing to see just how efficacious what we're spending in hospitals really matters in terms of the outcomes, the health status? The Economic Council of Canada's report on productivity in hospital systems is a very important document. This province should look at the same thing. There are so many empires that are being built between hospitals and so many conflicts between hospital sectors, the institutional side and the community side.

What we really need is also a look at the ethics in hospital and medical care. What about in vitro fertilization? What about funding for palliative care? What is the efficacy of heart transplants and kidney transplants? What about biomedical research, all burgeoning in the hospital sector? These are all questions around the efficaciousness of what we're doing in

hospitals.

In terms of the efficiencies, Mr. Chairman, we really need to relook at the global funding system. This minister has talked over and over again about the cost per patient per day. What about the volume-driven funding pilot project at the Foothills, Drumheller, and Medicine Hat hospitals? Volume-driven funding is a much more, I think, efficient way of spending health care dollars in the hospitals. What about the patient classification system? Are we really efficiently using the health care bed for the sickest patient? What about hospitals who want to have everything for everybody, rather than to regionalize and specialize? And a great example, of course, here in the city of Edmonton is the over 400 pediatric beds we have around all the different hospitals in the city. Less than half are ever occupied. How much of a proper allocation of beds for pediatrics in the city is that, and who has been responsible for it? As well, hospitals are big employers, and it's efficient to have people working, Mr. Chairman, not to lay off nurses who are in fact the efficiency experts in the system, and to have more research and professional development for the nurses in the hospital system would be an important step.

For vote 4, for long-term care, we could spend hours and days on this vote alone, Mr. Chairman. I want to make five quick points. The \$4 a day, the 20 percent increase that this minister announced, is unconscionable -- done after session, done with no consultation, and done with the backlash of at least 10,000 people who signed these petitions. Yes, we have the lowest accommodation fee, but we also have the highest income per capita of any provincial jurisdiction. This province's revenue can afford to keep nursing home accommodation fees low. And the underhanded way that the minister has of bringing this in is just irresponsible. Even the director of the Senior Citizens Secretariat didn't know that by regulation the minister eliminated \$4 a day from the same amount going into the hospital. So in fact the operators get no more money whatsoever to improve food or nursing quality in the homes.

The continually underspent auxiliary hospital budget -- now, members who have been in this Assembly longer than I, how is it that the auxiliary hospital budget can be set and not spent when in fact we have the waiting list, we have the overcrowding that goes on in the long-term care system? We don't need more long-term care committees or interdepartmental committees. We need one new senior citizens' minister who is going to be responsible for co-ordinating all the programs for senior citizens, including long-term care. And I'm glad to have this minister's recent announcement about capital dollars for private nursing homes, because this is going to be the next biggest battle this minister is going to have to fight. I just warn him to look out for the repercussions from this, and not only from us but from the voluntary and private nursing homes as well.

So in conclusion, Mr. Chairman, this budget is not a charade but a tragic reallocation, a reflection of poor co-ordination, allocative inefficiency -- no assurance that funds are going to the right places for the right things. It's glaring in its lack of public input and its gross lack of departmental disclosure. The minister has decided not to decide what to do. We have no clear articulation of priorities, direction; no heart. All we have is the iron will of the fiscal neurotic who cuts indiscriminately across the board and who systematically raises the ire of hospital boards and editorial boards and average Alberta families.

Hospital and medical care in the province is not out of control; it's not in crisis. There are areas of real messes, there are fiscal pressures from outside, but there is not a need for more

money. There is a need for better reallocation of those dollars, and I suggest we do it through efficacy, efficiency, and evaluation. The times are calling for incentives to improve the system. The times are calling for health care reform. Furthermore, I beseech the minister to re-evaluate his own style and his own approach, to show more courage than confrontation, more creativity for the future rather than stepping back into the past, to improve the way public policy and health care budgets are developed. And, Mr. Chairman, it starts with all of us right here.

I quote from Victor Fuchs' book *Who Shall Live? Health Care Economics and Social Choice*:

By changing institutions and creating new programs we can afford to make medical care more accessible and to deliver it more efficiently, but the greatest potential for improving health lies in what we do and don't do for and to ourselves. The choice is ours.

The choice of my caucus colleagues, Mr. Chairman, and the New Democratic Official Opposition is to work together with all others in the health care system to critically and to caringly improve our health care for all people in the province of Alberta.

Thank you, Mr. Chairman.

MR. M. MOORE: Mr. Chairman, there were one or two constructive comments which I'll respond to later perhaps. Other than that, the staff of my office have asked to pass on to the hon. member their thanks for his comments about how hard they are working. And the NDP organization in Smoky River constituency will be pleased to know that the member has confirmed the suspicions that the Valleyview and McLennan hospitals are being built for political reasons.

MR. MUSGREAVE: Mr. Chairman, I was sorely tempted during the debate to respond and debate, but then I thought: the object of this committee is to try and find out, as best we can, what the minister is doing with the tax dollars of the people of the province. I think the best way I can do that is by asking him some questions.

First of all, though, I would like to tell the members of the committee that I did have seven years on the Calgary General hospital board, which was longer ago than I like to admit. But in the last six months I've had occasion to visit people in the Calgary General hospital, the Holy Cross hospital, and the Foothills hospital, and I have some concerns, Mr. Chairman, that I'd like the minister to consider, and I know it's all part of the general scheme of things.

First of all, as the Member for Edmonton Centre mentioned, there is the concern of administration. I still fail to understand why some hospitals in the major centres -- and all these remarks are directed to the major centres, to Calgary in particular -- still have to have offices within hospital buildings. I know some of them haven't, and I'd like to mention that there was a recent move of a hospital group from one office building to another. Unfortunately for them, within that office building were some oil companies that were suffering as a result of the downturn, and I can assure you that they were not amused when they saw this hospital group having the doors all painted new colours, the tiles in the lobby removed, the rugs removed, and all replaced with nice new shades of grey and pink. The oil companies had to get along with the mahogany doors and the gold floor tiles that were there in the building, and this building is less than five years old.

The other thing that I would like the minister to consider:



what about the ratio of administrative staff to hospital beds? Has this been looked at? When I was on the General hospital board, we had one administrator. I think now they have a president, and vice-presidents, and on and on and on it goes. And I think the same exists at the Foothills.

To give you a very small example of what I think is an attitude of the people in the system -- some of the people; not all of them -- is a glossy calendar in several colours put out by the General hospital board. I've had two of them now, and for the life of me, I can't see what they contribute to patient care.

Another example that is more costly. I understand that in the General the ratio of nursing assistants to nurses is 3 percent, yet a nursing assistant costs about 60 percent of what a registered nurse costs. I don't think you need somebody with a Bachelor of Science degree giving me a back rub or a bedpan or an intravenous. I think the system has gone first-class, gold-plated in every way they can. What concerns me is that heads of our hospitals in Calgary, some of them, are making substantially more money than is the chief commissioner of the city of Calgary, who's responsible for the entire city and responsible for thousands of employees.

AN HON. MEMBER: Or a deputy minister.

MR. MUSGREAVE: Or, as the hon. member said, a deputy minister. It strikes me as rather strange.

I hope that next year when the minister prepares his budget, he -- obviously, if we're going to achieve our objective of having a balanced budget in three years, that means there are going to be further cuts. We have all heard various boards and agencies say, "Well, yes, I can live with the cut this year, but I can't live with it next year." I think we've got to be honest and say, "You're going to have to live with it next year, unless the price of oil goes up and the agricultural community improves its economic basis." I would like to suggest that the minister would commit to instructing these boards that spending will be curtailed, but I emphasize: not at the expense of patient care.

Finally, Mr. Chairman, I have some other questions I'd like to leave with the minister. Could the minister advise as to what role he feels volunteers should play in our hospitals and nursing home systems? And does he have any idea as to which hospitals or nursing homes have a successful volunteer program and what effect it has on controlling costs? Secondly, does the minister feel that families have a role to play in utilization, and what role would that be, both as to doctors and the use of the hospitals?

Finally, could the minister consider a refund of premiums, or a portion thereof, for people who use the system very rarely? It's my understanding that there are only three provinces in Canada that charge premiums. What use do they serve to our system, if you think of the cost of collecting them? Is it justified? Could the minister advise just how much it contributes to the system?

MR. CHAIRMAN: Edmonton Highlands.

MS BARRETT: Thank you, Mr. Chairman. I'd also like to note that I think the hospitals minister is being considerably more gracious in his approach to the estimates today than have been other ministers.

MR. CHAIRMAN: Well, I hardly think that comment is in order, hon. member. If you wish . . . [interjection] Hon. member,

if you wish to make comments about other members of Executive Council, you would do it only in their estimates and not in this committee. Hon. Member for Edmonton Highlands.

MS BARRETT: Well, Mr. Chairman, I would like to address some concerns on behalf of rural Albertans with respect to hospitals and medical care. First of all, it seems to me that with the building spree that this government engaged in over the last 10 years, which did inflate by substantial amounts the annual budgetary requirements for the department -- What's happened is that we have facilities which we now, for a number of different reasons, cannot staff adequately and which as a result have several empty beds at any given time of the year. It seems to me then that the minister ought to be looking at perhaps redesigning the rural hospital system in such a way that some of those hospitals could be identified as regional hospitals, regional stations, in which surgery of various sorts would be available, and reallocate the other hospitals or redesignate them more properly to be first-aid stations or multi-use facilities within the whole concept of medicare; that is, permitting some of the rooms within those facilities to be available for day centres, respite care or, in the instance of a lack of either lodges or nursing homes in the vicinities, for long-term or auxiliary care.

I realize that administratively this is a fairly difficult thing to do. One has to get the hospital boards to agree to it, and it's not that easy to get the financial arrangements made, because the cost per bed changes according to the use of a hospital bed. In other words, an acute care hospital bed when unoccupied we know costs 95 percent of what it does when it's occupied. Auxiliary care beds and in fact nursing home beds cost less when they're occupied and considerably less when they're not occupied. It seems to me that if we go for some kind of rationalizing of what is now a fait accompli, that is an awful lot of little buildings which we shouldn't simply abandon but make more sense of them. The minister might find that he can actually save money in his overall budget. It means a different approach, and it is in my estimation worth a project at any level.

[Mr. Musgreave in the Chair]

Now, Mr. Chairman, it's also been a problem since the hospitals ministry permitted a private management company to take over the hospital in Athabasca -- financial information from that hospital has not been readily available. I think that it would be a good idea for the minister to make a report very soon on the experiment with that private management and also let Albertans know whether or not the management is still an overall management by the private for-profit company or whether it's been reduced to, in fact, a consultative role or what the status is. I think that at the same time it would be nice to have the commitment from the minister that it is obscene to have for-profit motives put in the care of the ill and the elderly, and make a clear commitment that the experiment will be abandoned. If he wants to tighten his budget, make it more sensible. I think there are other alternatives. It is not, I believe, a Canadian or Alberta value that money should be made off the ill fortune of other people, and I think this government owes us that commitment.

That commitment seems not to be forthcoming when it comes to the matter of the potential deinsuring of four categories within the medicare system itself. I notice a delay in any comments, or any further comments, from the minister. I hope that the public at large has been able to convince the minister that whether we pay a private insurer or whether we pay through our

taxes, the fact is that we're paying for the health care that we receive. The difference is that if we pay through the medicare system, we pay on the ability to pay. If we have to pay through either a private insurance system, the premiums over which we have no control, or if we have to pay individually to the individual service provider -- that is, the individual optometrist, chiropractor, physiotherapist, or podiatrist -- we pay on a very inequitable basis; that is, regardless of a person's income. The fee schedule of that individual service deliverer is not going to change. It is a direct erosion of the principles of medical care, and I wish for once and for all the minister would stand up and say: "Bill 14 is dead. It isn't going to receive second reading, and this government is committed to equitable, equal, fair access and portability for medicare."

Finally, it seems to me that the government needs to improve its commitment to the air ambulance system itself. We know from an event that took place just a week and a half ago that we have a crisis of bed closures in Alberta. It is affecting the delivery of needed services to people who require medical attention on an acute basis. That syndrome is resulting in the need for transferring patients between major centres within the province without an assurance that the air ambulance system will receive support, and adequate support, from the hospitals department. Then I think the minister owes it to Albertans to beef up the support for the hospitals as is; in other words, not impose that 3 percent cut.

The Member for Calgary McKnight made several good comments that I thought were very relevant. In the elements of waste that he identified, he did say that this government is attempting to achieve a balanced budget within three years. I think that the minister would be well advised to have a look at the effect of the layoffs within the entire hospitals system throughout the province and whether or not that in fact is going to actually help him achieve that balanced budget or not. I would estimate that layoffs in fact add to the rate of unemployment, which further erodes our tax base. If this government, as we've said many times, is absolutely determined to have a balanced budget within three years -- that is, by the next time it goes to the polls -- then surely it should have the same attitude about wrestling unemployment to the ground -- that is, no unemployment within that same time frame -- and look towards reaping the benefits of a similar policy. The hospitals minister could perhaps convince his cabinet colleagues to follow suit if he set the example by not permitting the layoffs within his own department.

MR. DEPUTY CHAIRMAN: The Member for Taber-Warner.

MR. BOGLE: Thank you, Mr. Chairman. The minister began his introductory remarks by reminding members of the Assembly that we have indeed the finest health care system in the land, and that needs to be echoed. When I hear the kinds of remarks made by members such as the Member for Edmonton Centre or the Member for Edmonton Highlands -- and the minister is the first to admit and acknowledge, as am I, that there's always room for improvement. It would be nice if we had a little more balance in the remarks being made by members from the opposition parties in terms of the system, which is indeed the finest and one that can continue to be the finest. But we have to find ways to ensure that we're living within our means, and those are the very things that the minister and this government are committed to.

I noted that the Member for Edmonton Centre said that what

we're really looking for is a reallocation of existing resources. Now, is the member suggesting that what we have to do in the department is find a way to move funds from the smaller rural hospitals to the larger hospitals? Is that what the member is suggesting? We've heard the Member for Edmonton Gold Bar suggest that many of our rural hospitals are only half full and that that's really where the problem lies and that if we just corrected that inequity, in some way we could solve the problems for our larger urban hospitals.

I think a couple of statistics bear repeating, statistics that were given to us by the minister today: the fact that of the total 124 active treatment hospitals in the province, the largest 22 consume nearly 80 percent of the total budget; the remaining 102 have just over 20 percent of the budget. That's something that none of us in this Assembly should lose sight of: the fact that the largest 22 hospitals in Alberta consume nearly 80 percent of the total budget and the remaining 102 have just over 20 percent of the budget. So let's not suggest that in some way we can rob Peter to pay Paul, that we can take away from the smaller hospitals, that currently have about 21 percent of the budget, to add more funds to the 22 largest hospitals that already consume nearly 80 percent of the budget.

I was also interested to hear the minister indicate that the hospitals, and there are 58 in total, that have between 25 beds and 49 beds have the lowest cost per bed in terms of operating expenditures, with costs under \$300 per patient-day. That's an interesting statistic, because many of the hospitals in rural Alberta are indeed between 25-bed and 49-bed operations. So we're hearing again that in terms of the actual cost of operating the facilities, the most efficient, from a cost point of view on a per patient-day bed, are those hospitals in that range.

I'm pleased to note that all three of the hospitals in the Taber-Warner constituency fall within that category. The Taber Health Care Complex, which has a total of 114 beds made up of active treatment, auxiliary, and nursing home, has indeed 44 active treatment beds. The Coaldale Community hospital has 25 beds, and the Border Counties hospital, which is located in Milk River, has 27 beds.

I was also interested to hear the minister indicate that the 14 smallest hospitals in Alberta, those with 24 beds or fewer, consume approximately 1.1 percent of the total budget. So again, when we hear the attacks on those small facilities in the more remote parts of rural Alberta, it's important to recognize how little of the total budget they actually receive.

I was also interested in a remark made by the hon. Member for Edmonton Centre when he complained that only eight pages of the estimates books are devoted to this department, a department that accounts for nearly 30 percent of the total budget. If that signifies the level of understanding the Official Opposition has, coming from the health care critic in that opposition, as to the need for local autonomy, then clearly the member should spend more time with his researchers, because we believe in local autonomy. There are boards that operate those hospitals. This government may provide the resources, but the decisions are made by elected or appointed boards across this province, so that the 124 hospitals in question operate the same as the school boards. I suppose the same criticism will be leveled at our Minister of Education: that she's not meddling in the affairs of the duly elected school boards in operating their budget.

I did want to indicate to the minister, from the constituency's point of view, a couple of matters that are currently under consideration. I mentioned earlier that Taber has a 114-bed facility. It's a facility that residents of Taber and community are indeed

very proud of; it is state of the art. I'm so pleased with the area for those who occupy the auxiliary and the nursing home portion, in that there's a large atrium, there are trees, it's bright and cheery, and the residents are happy. There's a lot of community input in the facility in terms of volunteerism and in trying to ensure that the residents are indeed comfortable and happy in that setting.

The board have applied for a reallocation of the beds. There are currently 20 auxiliary beds and 50 nursing home beds. While I certainly don't expect the minister to have this information at his fingertips, I'm merely making him aware of the fact that the board have been working with the department officials on a reallocation of 15 of the nursing home beds, with a request to have those reclassified as auxiliary beds, because they are indeed finding that there's much greater pressure and a much greater need for auxiliary beds than for nursing home beds in that particular district. Now, if that reallocation occurs, then there would indeed be an even split between auxiliary and nursing home beds at Taber, with 35 in each of those categories, and the remaining 44 active treatment beds staying as are.

In Coaldale, I'm extremely pleased with the initiatives taken by our minister. Coaldale hospital is operated by a private board, and in my view they've done an excellent job over the years in running and maintaining the facility. We currently have approved a new 25-bed active treatment hospital to replace the existing hospital. There will be no increase in beds in terms of the active treatment level. But the one thing that I am extremely appreciative of, and the personal intervention of the minister in resolving a concern that was raised, was with regard to the long-term care beds. We will have one pod on the prototypical plan that will be designated for long-term care under the auxiliary category, so there will be an additional 23 beds located in Coaldale on the auxiliary model. But I understand there will be some flexibility in that allocation so there could indeed be some nursing home patients, and I think that's being worked on at this time. Plans are moving along well. The scope definition has been signed, and the department officials, the architects for the hospital board, and the board are all working very hard on this project.

The only area of some concern is that there were suggestions coming from, I believe, a staff member -- possibly one or more board members from the Lethbridge Regional hospital -- that building this new facility in Coaldale was in some way wrong because of Coaldale's proximity to Lethbridge. I feel very strongly that we're not going to solve the operating cost problems in Lethbridge by attacking a hospital being built in a neighbouring community, particularly when we look at the fact that, as I said, we're staying with the same number of active treatment beds in Coaldale. Yes indeed, we are adding 23 auxiliary long-term care beds, but even the regional hospital has identified a need for some 100 beds through the whole region. With the allocation of 23 beds in Coaldale, then we're certainly addressing part of that need, and it's important that residents, wherever possible and practical, be accommodated in their home communities and not be forced to go into a larger centre.

I want to conclude my remarks by sharing with the minister and with the Assembly what I consider to be a very innovative plan that's being approached by the Border Counties hospital. As I mentioned earlier, Border Counties is a 27-bed facility. For some time that was one of the hospitals that could have been alluded to by the hon. Member for Edmonton Gold Bar, in that their occupancy rate was low. There was a period of time when there was no doctor there at all. I'm pleased today that there are

four doctors operating out of that hospital, three on a full-time basis and one on a part-time basis, and we've seen the occupancy in the hospital -- in fact, when I was in about a week and a half ago visiting an elderly gentleman, the hospital was completely full, so the hospital is running at full capacity on the active treatment side.

Border Counties hospital board have been seeking a nursing home, and they've made application at different points in time. I've advised them that because of the size of the district that the hospital serves, they would obviously have to wait their turn, and they've done that. They also recognize that in the particular economic times we're in, it's unlikely that they're going to have a new freestanding facility. Therefore, with a lot of foresight and imagination by the board chairman and the board members, they've looked at the former nurses' residence, which is attached to the actual hospital, which was being used as a partial storage area, and in addition, the boardroom was located in what was once the nurses' lounge area. But they've now looked at that with the idea of renovating the facility, and in what was, I believe, about a 12-room nurses' residence, their architect feels they could come up with about an eight-bed nursing home. The capital cost of converting that portion of the facility and a small addition to accommodate an eating area, a dining room, would be well under \$400,000.

That's the kind of imagination and planning that I appreciate seeing as an elected member; rather than coming forward with a very large, expensive capital project, freestanding, to encourage our hospital boards to look wherever possible they can use existing facilities and renovate and convert. So the board are pursuing that with the department, and I've made the minister aware. Again, I don't expect him to comment on that matter at this point in time. It's merely to state for the record how pleased and proud I am of the way this particular hospital board has handled this particular matter.

I conclude by saying that as an elected member -- and I've made this comment to hospital boards across the constituency I represent, as I believe many of you have with your boards -- I spend more time by far with the three hospital boards in the constituency than I do with seven school boards that are either located entirely in the constituency or partially in the constituency, far more time with three hospital boards than with the seven school boards. One of the reasons for that, in my view, is the fact that because the province is last-dollar financing, the province is much more involved in everything that goes on within that facility. And I'm coming back to the comments I made earlier about local autonomy. I think that when looking at our school boards and construction or renovations under the BQCR program, there's a formula in place.

School boards know what they can apply for. They know that if they want to enrich it, that will be their responsibility. One of the matters I would like consideration given to is the whole concept in terms of getting back to our local responsibility, of more clearly identifying what would be available to hospital boards, back to the local requisition concept, if you like, Mr. Minister, so that boards understand that if they want to enrich a standard plan or a standard funding proposal, they have the right to do so but they must assume the responsibility for those extra costs. Because we've seen over a period of years, with the facilities that have been built, great difficulty by the department officials in trying to keep control on costs and expenditures. Boards are interested in keeping those controls, but if you don't have a set formula, there's a tendency by some who are planning the facilities to take it the extra mile in terms of the

actual services that are to be provided, and they can go too far. So I think that if we can use the schools as a model in the sense of the formula, we may be able to add to our cost efficiencies within the department.

I want to conclude my remarks by saying how much I appreciate working with our Minister of Hospitals and Medical Care. I know that's one of the very toughest portfolios we have, probably the most difficult in this particular time frame. I know the sensitivity he brings to the portfolio. I know the way he cares about his job and about the services that the department is providing. I want him to know on behalf of the residents of Taber-Warner: we really appreciate your role.

Thank you.

MR. DEPUTY CHAIRMAN: The Member for Calgary Glenmore. [interjection] I'm sorry. Little Bow.

MRS. MIROSH: I thought ladies got to speak first.

MR. R. SPEAKER: Not that I wouldn't want to accede to the Member for Calgary Glenmore.

MR. DEPUTY CHAIRMAN: I was looking for Bow Valley and I couldn't find it.

MR. R. SPEAKER: Mr. Chairman, I would just like to cover two topics and make comments on two areas to the minister. First of all, in terms of rationalizing our hospital construction program relative to the rural areas of the province of Alberta and the urban areas, I really think that at this point in time we should start to rethink that process. The hon. Member for Taber-Warner has mentioned that the cost of the smaller rural hospital is less than 1 or 1.5 percent of the total budget. I think that's a fair comment and certainly one for consideration. What I look at, though, are the types of services that people want in health care and the capability that we have at present in this province or anywhere in Canada or in North America, and that is the use of helicopters or ambulance service to bring persons into centres where there is a greater facility to meet their various needs.

I think of an incident that occurred in my constituency, at Vauxhall, just three weeks ago. As I observed what happened with the parents, the question was: where do they want to go for service? Now, we have the new hospital in Taber, an excellent facility with certain capabilities. We have the facility in Lethbridge with greater capabilities. The choice of the parents was: I want that ambulance to go to Lethbridge because I feel the need can be cared for to a greater extent. I find my constituents that are also in the Taber hospital area go to Lethbridge for their health care needs because it is a larger centre with greater facilities, and when the regional facility is built in Lethbridge, I only see that process enhanced. So we should look at the demand patterns with regards to our local populations throughout the province as to where they want to go for health services. I believe that the larger centres are where they want to go, and that's not to the discredit of some of the small hospitals as to what capability they can give in terms of health care. But there are limitations at the present time.

In this rationalization, I mentioned earlier that we should be looking at some type of on-call ambulance helicopter service so that we could move into some of the rural communities on call and pick up a patient that is in need of immediate care and move them into, say, Calgary or into Lethbridge, when the regional hospital facility is finished there. At the present time we have

local ambulance services with certain inadequacies, good in the sense that they are funded and looked after on a very volunteer basis by local towns, local municipalities, and a group of volunteers. They have done very well in this province, but we must look at across-the-board standardization of the kind of ambulance service we've got and more capability of those ambulance services responding to the needs.

Now, in my own constituency over at Vulcan we have an excellent service because of some active work of volunteers. In Vauxhall we have certain limitations because we are unable to afford communication equipment and some of the extras that are required in that ambulance program. So I commend the minister for establishing this committee that will review that whole process, because it needs to be improved across the province of Alberta. My colleague and I have called a number of times in this Legislature for a more provincial ambulance service, and I know we're under certain stress in terms of funding, but that still is a very important, integral part of a health care system.

I think that as we move ahead in the next few years, we must rationalize the trade-off between an improved ambulance service, in terms of a helicopter service being able to move into local rural communities, versus building some of the small hospitals. I must say that my constituents -- and the hon. Member for Taber-Warner has raised the Coaldale hospital. I have had a number of constituents raise their concern since the minister indicated that the Coaldale hospital would go ahead in terms of a new facility; a number of concerns, that Coaldale -- and I know the hon. Member for Taber-Warner has covered this argument -- is within six minutes of a new regional hospital with very excellent facilities and up-to-date capabilities. There is a concern there, particularly with the limited dollars that we have to spend not only in capital but following that in terms of operational costs. I would recommend to the minister very highly that in this rationalization we should think of a change of priorities. For example, the good ambulance service out of Lethbridge could service my constituency very quickly with some very capable people on call.

I'd like to say two things and say to the minister that, one, health care in terms of hospitalization or the Alberta health care insurance program is the item that's the top priority of my constituents in terms of funding in this province. They list that as the number one priority, even over education, over a whole list of other services that government provides. It is the number one priority. So the minister, in terms of that constituent group -- and I'm sure that's consistent across the province of Alberta -- has the support of Albertans in terms of fighting and aggressively working towards adequate funding.

One of the suggestions that they have made to me -- and I believe this is just about, without exception, in the 90 percent range -- is to recommend that the lottery funds that are now directed to cultural and recreational activities and other activities, such as the one I noticed on my desk today, Alberta Mainstreet program, some \$600,000 I believe . . . They're saying that these are some of the things that now, because of our constraints in the budget, should take a much lower priority, and we should consider not doing them at this point in time. Nice to do, nice to have, but not necessary. I would say that the minister has strong support from the grass roots of this province to say, in terms of budgetary planning, that these tilings are not significant in terms of health care needs.

If we say, for example, that the burn unit in the Foothills hospital has to be understaffed -- and I've spent some time there in the last two or three weeks visiting people. They're doing a

great job, but some of the patients are saying, "Boy, do I ever notice a difference lately; these people are just working like mad and running their buns off trying to keep up," because they've had to reduce some of the staff capability there. Now, we don't want to reduce that service, because that is an excellent one. The \$600,000, say, in terms of that program, or \$200,000 there, is of much more benefit than this Mainstreet program that the Minister of Culture announced today. Back in the years 1975 to '80 we could afford this kind of program; today we can't afford it. The government has got to think in terms of better priorities and in their budget planning meetings think in terms of people services rather than some of these more -- well, they're nice to have, but they are things that local people can do on their own under these current conditions.

So, Mr. Minister, you have my support for changing and deleting some of those kinds of programs. You also have my constituency's support for making a case to use lottery funds. Lottery funds at the present time have established themselves as what I would say is a consistent source of funds. In the early stages of that lottery program we were not sure each year of the amount of income capability that it had. It is consistent at this time and somewhat predictable, and we could use those funds to assist in the health care programs. I know that in principle a lot of people feel uneasy about that, but my constituents ... In all the meetings I had, there was not one person -- young person, middle-aged, or senior citizen -- that had any qualms about utilizing those funds for that very primary purpose of improved health care or maintaining the excellent health care program that we have in this province.

One other comment that I would like to make to the minister is a word of caution and concern. The minister in his opening remarks listed a number of health care services that are now funded under the Alberta health care insurance program such as chiropractic, physiotherapy, and the list of four or five others. The decrease in payments towards those programs in terms of the overall budget is not a significant saving towards the Alberta health care program. Maybe the minister could comment in terms of the actual numbers; I haven't those at my fingertips. But the amount of individual antagonism that will follow an even minimum reduction in terms of the payment for those services is going to be massive across this province.

I'd have to say that I learned that from my experience as a minister in government. At one time we were going to adjust the chiropractic rates, the amount of payment for services -- the letter-writing, the campaigns, the things that went on -- and then we backed off as a government and found other sources of funds. That was the only way to solve the situation. But there are many people in the province of Alberta that rely on those services and believe that they are the means to adequate health care in their terms. We can question whether the physiotherapy or the chiropractic work is the answer to it; that can be debated. But the barrage that the minister will face in terms of constituent discontent is latent out there and is going to come forward. So I would think that if the minister is assessing this in political terms, he should do that before he assesses it only in terms of economic restraints and cutting back on the budget. Because I believe there are some alternatives that can be looked at in terms of funding the health care program without reducing the payments for those kinds of service for the people of Alberta.

Mr. Chairman, those were the two items I wanted to raise with the minister at this time, items of concern to my constituents.

MR. DEPUTY CHAIRMAN: The Member for Calgary Glenmore.

MRS. MIROSH: Thank you, Mr. Chairman. I have a few comments that I would like to make to the minister. First of all, I would like to thank the minister and his staff for all the help that they've given me and my constituents with health care. It is the number one concern in my constituency, since I am fortunate to have one active treatment hospital, one auxiliary hospital, and three private nursing homes. Most of my constituents are in the health care field.

The Rockyview hospital, the active treatment hospital, is a 500-bed hospital and is currently operating 250 beds. This hospital, of course, would like to expand its facilities and open a pediatric and obstetrical unit, which I think they plan on doing in 1988, and with the current fiscal restraint, this may be a difficult task that the board of hospital district 93 is addressing. Currently this hospital board and many others, I feel, should address the duplication of services. I expect that the current obstetrical and pediatric study will be looking at decisions made regarding obstetrical and pediatric care in Calgary. Perhaps the minister can address the results of this study.

I would anticipate that the board would not duplicate its service once the Rockyview is opened and would perhaps look at closing the obstetrical beds in the Holy Cross in order to accommodate the opening of the Rockyview obstetrical unit. Although currently this hospital is not a tertiary care hospital, in the last 20 years they've been operating in the community giving excellent service and utilizing all the units in the city of Calgary by transferring patients from that hospital if they needed any kind of neurosurgery, chest surgery, or cardiac care. They've done this very effectively, and there have been no deaths or problems with it. I feel that this would be a good example when you look at opening the Lougheed hospital, if you look at the Rockyview serving a community very, very well and transferring patients to the areas that do supply those medical disciplines.

My experience in the hospital and living in the constituency, recognizing the necessity of the hospital in the community and, as I mentioned, having served it very well, providing excellent patient care and effective use of the dollar -- there has been no need for duplication of services, effectively utilizing all the services that are available to them. Perhaps the only criticism that I do have after working there as a registered nurse -- there were only two administrators and three directors or supervisors on the floor. That administrative staff has quadrupled in number, but that again is a local board decision, and they will have to address that.

I also am fortunate to have an auxiliary hospital, 250 beds, and being the past chairman of hospital district 7, Care West, I take a lot of pride in the care that that district has been giving, servicing seniors, handicapped, young adults: excellent care. These are areas that have to be addressed in the three private nursing homes. My constituency also brings challenges ahead that we as a government should be addressing and are addressing in the long-term care field. I certainly would like to thank you for the challenge that you've given me, serving on the long-term care committee, and I think that it's an important committee even though members opposite disagree.

We look forward to listening to the groups throughout the province and having everybody contribute to this committee on long-term care. The people in Calgary are very excited about this committee and have already written many letters and would

like to have a chance to contribute to our recommendations. There are, of course, a lot of active treatment hospitals that are currently looking after long-term care patients, and a bed utilization examination is necessary.

I'd like to also address very quickly the current single-entry home care service piloted in the Foothills health unit and Calgary. I'm quite excited about this program and think that it is developing very well, and there seems to be a lot of co-operation. I think that the focal point does have to look at keeping seniors -- frail, elderly -- in their homes as long as possible and address their needs. I think we have to look very quickly at adult day programs that provide socialization for seniors. We have to look at day hospitals respite care, palliative care, and perhaps even a specialized Alzheimer's unit. During my time on the health review committee, I've examined a lot of nursing homes, auxiliary hospitals, and private nursing homes that are struggling with problems with Alzheimer's patients. You have opened up three units addressing mentally dysfunctional patients, and I commend you for that.

In lieu of the time, perhaps I'll just wind up my remarks, Mr. Chairman, and would like to listen to the minister address some of the problems in the long-term care field, in active treatment, the problems that we have with seniors who are taking up those precious beds.

Thank you.

MR. M. MOORE: Mr. Chairman, perhaps I could make a few comments before 5:30 with respect to some of the questions and concerns which have been raised by hon. members.

The hon. Member for Calgary McKnight made reference to the role of volunteers and the role of families, too, in utilization. I wanted to say this: I think there is a great deal more opportunity in the hospital system in Alberta for the use not only of volunteers but volunteer fund raising. I would like to think that there may be -- and this ties in with the hon. Member for Little Bow's comments -- some way in which we might be able to utilize lottery funds in the hospital system in a way that doesn't sort of just pour them into the general revenue and the operating funds but do something sort of unique and different and perhaps look at the whole area of equipment. Hospitals like to have CAT scanners and all kinds of other expensive pieces of equipment which are indeed well worth while, and lots of times there aren't funds to buy that. It may be that we can encourage hospital foundations to be formed at all hospitals and be able to get volunteer donations through foundations that would be tax deductible for the purchase of hospital equipment. Some matching of those funds with lottery funds might be an effective way to provide lottery funding into the system while at the same time not sort of tying the hospital operating costs to lottery funding, because it's a little bit of an insecure fund to tie operating costs to, but it might be very well used in other areas.

The hon. Member for Calgary McKnight also talked about some system of refunding premiums to those who don't use the system as much as others. That has been considered, and I don't think it's been ruled out. I think in years to come there are all kinds of opportunities perhaps to create some incentives in the premium system to ensure that the utilization of the system is well thought out by those who utilize it.

The hon. Member for Edmonton Highlands made some comments relative to rural hospitals and deinsuring, and I did want to say that whatever we do in the area of deinsuring, it will certainly not be medically required services, and it will be well thought out. And because of the purposeful public debate that I

generated on this subject by meeting with all the interest groups and getting the public involved in a debate, members can be sure that my office was well informed about what the public thinks and about what MLAs think about every aspect of medical care.

The only other comment I wanted to make with regard to the comments of the hon. Member for Edmonton Highlands is that she, too, confirmed that there might be some merit in turning some rural hospitals into first-aid stations. I would be really interested in hearing from the hon. Member for Athabasca-Lac La Biche and the Member for Vegreville, because I sincerely hope that the position of the opposition party in this Legislature is not as I've heard it from the hon. members for Edmonton Centre and Edmonton Highlands -- very disappointing for people who live outside of the two major cities.

The hon. Member for Little Bow talked about ambulance services, and I hope the report of the hon. Member for Drumheller will indeed be very helpful in that regard.

I wanted, in conclusion, to thank the hon. Member for Taber-Warner for his kind remarks and the hon. Member for Calgary Glenmore for her remarks about the system, and to say to members who have not an opportunity, Mr. Chairman, to speak today -- and I know there are a number on the list: the hon. members for Stony Plain and Calgary Foothills and Edmonton Gold Bar and others. I would be pleased, if any member has any questions relative to their local constituency or whatever, to have them speak to me at another time or send me a note or whatever, and I will indeed try to answer them.

I only wanted to conclude with one other comment, Mr. Chairman, and it has to do with hospital budget cuts. That 3 percent cut in budgets, I think, has been very, very well carried out by the hospital boards and administration and people in the system. I just was looking earlier today at some notes from a year ago where I was undertaking to determine how many hospital beds might be closed in Calgary and Edmonton throughout the summer months, and I note that the review done by the Leader of the Opposition last week is almost exactly the same as the number of beds that were closed a year ago. In other words, there's no difference.

I wanted to note as well, Mr. Chairman, that it's extremely disappointing to see papers like the *Edmonton Journal*, and even CBC last evening, talk about the closure of pediatric beds in Edmonton resulting in kids being transferred to Calgary when, in fact, there was no closure of beds. There are more intensive care and pediatric beds open now than there were a year ago. So when you have some reduction in budget, it generates comments that relate to the budget reduction every time something in the system happens. There has always been and will continue to be a transfer of patients.

Finally, I think it does little good for people who work in the system to generate fear and suspicion and anger about things. I can't imagine, for example -- in a speech in Calgary on the weekend -- a physician working with a worn-out, inferior set of forceps in a hospital that was given \$1.6 million in funding for equipment last year. This particular apparatus costs about \$100. I can't imagine any medical professional who has an income far exceeding the average in this province actually carrying out procedures with equipment that costs that little.

Those are just, Mr. Chairman, some of the comments that I wanted to make. I thank all hon. members for their comments and will try to respond to their individual concerns.

MR. FJORDBOTTEN: Mr. Chairman, I move the committee

rise and report progress and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. MUSGREAVE: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

MR. SPEAKER: Having heard the report, does the House agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

MR. FJORDBOTTEN: Mr. Speaker, I move the House now adjourn, and I might say before adjourning that tomorrow evening the House will sit and it will be the estimates of the Department of Education.

[At 5:29 p.m. the House adjourned to Thursday at 2:30 p.m.]

