LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Wednesday, May 20, 1987 2:30 p.m. Date: 87/05/20

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

Our Father, we thank You for Your abundant blessings to our province and ourselves.

We ask You to ensure to us Your guidance and the will to follow it.

Amen.

head: INTRODUCTION OF BILLS

Bill Pr. 8

Edmonton Economic Development Authority Amendment Act, 1987

MR. HERON: Mr. Speaker, I request leave to introduce Bill Pr. 8, the Edmonton Economic Development Authority Amendment Act, 1987.

The purpose of this Bill is to make certain changes in the membership of the authority.

[Leave granted; Bill Pr. 8 read a first time]

head: TABLING RETURNS AND REPORTS

MR. JOHNSTON: Mr. Speaker, I request the opportunity to file with the House copies of a news release, which went out this morning on behalf of the government, explaining the adjustment on the five percent hotel tax.

head: INTRODUCTION OF SPECIAL GUESTS

MR. ANDERSON: Mr. Speaker, it's my pleasure to introduce to you and to members of the Assembly today, five leaders of ethnocultural communities in the Edmonton area. They are seated in the members' gallery, and they are: Mr. Chinlong Hak, president of the Canadian Cambodian Friendship Society of Edmonton and Area; Ms Helen Nielsen, president of the Danish-Canadian Friendship Club; Mrs. Delores Sorensen, president of the Mexican-Canadian Association of Edmonton; Mr. Sudi Kocaoglu, president of the Turkish Canadian Society; and Mr. Mike Lancaster, president of the Edmonton Caribbean Cultural Association.

Mr. Speaker, with your permission, I would ask them to rise and receive the thanks of the Assembly for their contribution to Alberta and for being here today.

MR. RUSSELL: Mr. Speaker, today I'd like to introduce to you and to members of the Assembly, 10 representatives of the Community Consortia from around Alberta. This is a rather unique voluntary association which assesses the needs of communities and develops programs of credit courses in the postsecondary education system for Albertans in communities throughout Alberta.

They're seated in the members' gallery, and I'll ask them to rise as I introduce them. They are: Dr. Dan Cornish and Mr. Jim Ramsbottom from the Big Country Consortium, Les Talbot and Mrs. Barbara Townsend representing the Chinook Consortium, Dave van Tamelen and Jim Peacock representing the North Peace Consortium, Dr. Michael Andrews and Mr. Alan Day representing the Pembina Consortium, and Mrs. Jo-Anne Allan and Mr. Rick Armstrong representing the Yellowhead Consortium. I'd ask them to stand.

MR. ORMAN: Mr. Speaker, on behalf of my hon. colleague and bench mate Nancy Betkowski, MLA for Edmonton Glenora, it gives me great pleasure to introduce to you and through you to the members of this Assembly, 12 grade 9 students from the Stratford junior high school and their teacher Dorrie Wolodko. I ask that members accord to them the usual welcome of this Assembly.

MR. DAY: Mr. Speaker, I'm pleased to introduce to you today 37 bright and energetic students from grades 5 and 6 of the Fairview school on the sunny side of the city in Red Deer North. They are accompanied by two of their teachers, Mr. Atkinson and Mr. McDougall, and three parents, Mrs. Heaphy, Mrs. Jones, and Mrs. DeBoer. They are seated in the public gallery, and I would ask them to stand and receive the warm welcome of this House.

MR. OLDRING: Mr. Speaker, it's a pleasure for me to introduce to you and through you to members of the Legislative Assembly, 36 top grade 6 students from the Eastview community school. I might note that I had the pleasure of attending that school as a student not that many years ago. [interjections] It seems like yesterday, Mr. Speaker. I would note that they are joined by their teacher Mrs. Sandre Goheen and two parents, Mrs. Barker and Mrs. Cosette. I would ask that they stand and receive the warm welcome of this Assembly.

head: ORAL QUESTION PERIOD

Health Care Services

MR. MARTIN: Mr. Speaker, I would like to direct the first question to the minister of hospitals and medicare. The minister tells us that we are spending too much on health care, and then in the next breath he announced that he would spend \$70,000 health care dollars on mailing a propaganda message conveying his side of the story on medicare cuts.

Mr. Speaker, how does the minister justify this obscene waste of taxpayers' money for propaganda reasons at the same time he is cutting services?

MR. M. MOORE: Mr. Speaker, what we are doing with respect to yesterday's announcement on the health care insurance plan modifications, which will come into effect August 1, is trying to make sure that all Albertans are aware well in advance of what is actually being proposed. In that regard, using the facilities at the health care insurance plan offices, we are sending a onepage information brochure to all Alberta families. On the front side of it it contains a letter from myself to all Albertans that outlines, generally speaking, what is being proposed, and on the back side is a fact sheet with more information. Far from being a propaganda sheet, Mr. Speaker, this is an important piece of information that all Albertans need to have so they know what the health care insurance plan does cover. And I make absolutely no apologies for communicating to Albertans the facts of the Alberta health care insurance plan and the changes that have been made. I think that's not only appropriate but responsible for us to do that.

MR. MARTIN: Well, Mr. Speaker, Albertans are well aware of what this government is doing. You don't need to spend \$70,000; put it into those cuts.

Also, I noticed last night that the minister has another propaganda machine, only this one is going on television. This one is strictly political, Mr. Speaker, strictly political. My question is: will the minister advise whether these ads are coming out of health care dollars, and how much are we paying for them?

MR. M. MOORE: The hon. Leader of the Opposition is entirely behind the times. First of all, I might say that expecting that all Albertans would be aware through the news media of the exact changes that occurred -- yesterday afternoon in the question period the hon. Leader of the Opposition, after having read the news release, still didn't understand the changes that had been made. It could hardly be expected that the headlines in the *Edmonton Journal* would provide Albertans with all of the information they need. So it is important that this kind of information go out, and it will continue to go out as part of the responsible actions that we take to inform Albertans about the health care insurance plan.

As for the other program, which I spoke about in this House at length, including during the estimates of the Department of Hospitals and Medical Care, that program is aimed at trying to provide information to Albertans about the cost of the medical care and hospital plan and medical services in this province. It's also aimed at trying to instill in Albertans some attitudes about better health habits than they presently have. It's a trial program that runs for some eight weeks, after which an assessment will be made as to whether or not it's effective to utilize those kinds of funds on that kind of an information campaign. Two hundred thousand dollars spent on information to Albertans in that regard out of a \$900 million budget could hardly be called excessive,

I think it's responsible for us to consider very effectively the ways in which we might better communicate to Albertans, and the hon. Minister for Community and Occupational Health and I will be working together to try to develop new ways in which we can communicate to Albertans the importance of good health care.

MR.MARTIN: Mr. Speaker, I'm sure they'll be working together to see what else they can do to Albertans in the health care system. But this minister is saying that, "Oh well, we have thousands of dollars to spend on advertising." I would suggest most of it is propaganda, but at the same time we have to cut back on the actual services that we're providing.

Is the minister saying that he's prepared to justify this to A1bertans, that at this time we can spend \$270,000 at the same time we're telling people that they can't go the optometrist for a yearly checkup. What kind of nonsense is that?

MR. M. MOORE: Mr. Speaker, the hon. Leader of the Opposition obviously has not yet had an opportunity to review the brochure that's going to every family in this province. On the back side of it is a fact sheet that begins with changes to benefits effective August 1, 1987. It deals with physical therapy benefits, chiropractic benefits, podiatry benefits, dental benefits. It deals with a host of other items that we announced yesterday. It deals with senior citizens no longer having to get a medical for a drivers licence at age 70 and so on.

If that's propaganda, I'm amazed at the hon. leader for not having read and understood the document. It's basic information that every Albertan is entitled to have. You know, it hasn't even got the Progressive Conservative logo on it. It's in blue. I tried to get blaze orange into it, but they said it would cost more money, so we sent it out in just blue. It's a very good message that all Albertans certainly need. [some applause]

MR. MARTIN: This minister may have the backbenchers pounding as he wastes taxpayers' money and says that it isn't propaganda to say,

Even with these changes, Alberta will provide MORE FUNDING FOR HEALTH CARE THAN ANY OTHER PROVINCE and will have the MOST COM-PREHENSIVE HEALTH CARE SYSTEM IN CANADA.

If that's not propaganda, what is it, Mr. Minister?

MR. M. MOORE: Mr. Speaker, the reason the sentence that the hon. Leader of the Opposition read, which is at the conclusion of the letter, is highlighted in capital letters is because that is indeed true.

Even with these changes, Alberta will provide MORE FUNDING FOR HEALTH CARE THAN ANY OTHER PROVINCE and will have the MOST COM-PREHENSIVE HEALTH CARE SYSTEM IN CANADA.

DR. CASSIN: Mr. Speaker, to the Minister of Hospitals and Medical Care. Can he tell us how much money the department hopes to be able to save by this awareness program directed both at the providers and the users of the system?

MR. M. MOORE: Well, Mr. Speaker, the current increase in utilization of the health care insurance plan is about 8 percent above population growth in this province or above any increase in fees because there were none provided this year. I'm hopeful that the combination of the adjustments we announced yesterday plus more careful use of the health care plan and hospital services by our citizens and by the medical profession will result in another saving of about \$25 million.

Surely it's incumbent upon us to make sure that our citizens are aware of the cost of medicare, aware of how fast it's rising, and allow them the opportunity to see if there isn't some way they can control the increase more effectively perhaps than us putting a cap on physician services or some of the other things that have been done in other parts of Canada to control the rapidly rising costs of health care.

As I said in this Legislature during my estimates, Mr. Speaker, at the present rate of growth by the year 2000, 60 percent of the provincial budget will go on health care. It's absolutely irresponsible for anybody to suggest we should just sit and let that happen when there are opportunities now to let A1bertans help themselves and help their government to control these costs.

MRS. HEWES: Mr. Speaker, perhaps the minister would run by again. How is the minister going to measure the impact of

this expensive TV program -- a pale imitation, I might say, of the AADAC program? Not how many people have watched it, but what the impact is, whether it really does have any effect on the cost of health care?

MR. M. MOORE: Mr. Speaker, that's an extremely important question, and I'm glad it was asked, because part of the criteria that was given to, I believe, five advertising agencies which competed for this particular program was an appropriate and thorough evaluation of the results of the program after the eight-week running. So the advertising agency is committed to doing surveys of our citizens to see who in fact did see the advertising, what impact it had on their attitudes and their thoughts, and whether or not they believed it was a useful thing to be doing. We expect to get some very comprehensive results from the advertising agency as part of the contract that they signed when they developed the advertising program.

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

Insurance Rates

MR. MARTIN: Yes, Mr. Speaker, I'd like to direct the second question to the Minister of Consumer and Corporate Affairs. The use of age, sex, and marital status as so-called rating factors in auto insurance is repugnant to most Albertans. It's also unfair to those who are stereotyped and penalized financially for the sake of the private insurance industry. In 1985 the Conservative government provided a reprieve for the auto insurance industry, allowing them authority under the Individual's Rights Protection Act to discriminate on the basis of sex, not age or marital status. This reprieve, I understand, expires July 1, 1987.

My question to the minister: has she decided to extend this licence to discriminate unfairly in the provision of auto insurance rates beyond the July 1 deadline?

MISS McCOY: Mr. Speaker, I have a personal campaign, which is an attempt to remove the word "sex" from this context and to introduce the word "gender." Sex is something we do, and gender is something we have. I might just take this opportunity to encourage others to adopt that phrase.

MR. MARTIN: To the person of the opposite gender over there: I wish she would have answered the question. The question, specifically, is that this comes up on July 1, 1987. Is it this government's intention to extend that deadline?

MISS McCOY: No, Mr. Speaker.

MR. MARTIN: Well, Mr. Speaker, just to follow up on that. Then the minister is saying that this discrimination is going to stop on July 1, and the insurance companies will no longer be able to discriminate on the basis of gender?

MISS McCOY: Mr. Speaker, the Individual's Rights Protection Act, which is the Act that governs the case, has a section in it which permits discrimination when it is justifiable. It would be my view that the rating system that is now in use by insurance companies in Alberta is indeed justifiable.

MR. MARTIN: Well, Mr. Speaker, it's always interesting to see who this government stands up for, isn't it? Very interest-

ing. So the minister is saying -- I believe it's under section 11(1) of the Individual's Rights Protection Act -- that she is now prepared to say that the insurance companies have a private blank cheque to discriminate as long as they want against young male drivers. Is that what you say?

MISS McCOY: Well, Mr. Speaker, there's a court in Ontario which has indeed said that very thing, and I did mention that on Friday. But I would like to say this: the male drivers under the age of 25 indeed have more accidents according to the Alberta collision statistics, which I believe are prepared by the department of transportation. Not only that, but the costs of claims for those drivers in accidents are higher than for other classes of people in Alberta. So again I say that I am speaking for all A1bertans and not just one small class of Albertans when I insist that the insurance companies' rating system is a justifiable one according to the Individual's Rights Protection Act.

MR. SPEAKER: Next question, Leader of the Opposition, or is this a supplementary? I'm sorry; last question is gone, Leader of the Opposition. All three supplementaries are gone.

MR. MARTIN: Mr. Speaker, just. . .

MR.SPEAKER: Sorry, hon. member. They're gone; my confusion. I was so amazed not to see Westlock-Sturgeon up on a supplementary that I was confused. Is this a supplementary?

MR. TAYLOR: This is a supplementary.

MR. SPEAKER: Thank you.

MR. TAYLOR: I was so amazed that he gave him his fourth question.

If may make a supplementary, I know the minister referred to the boys or men under 25 getting a higher fee because of more accidents, yet in medicare premiums I'm sure that women are charged the same as men and yet they get pregnant more often than men do. If we go on a bit further on a question of what the causes are and an assessment on how we want to fix fees, could the minister tell the House whether she has investigated the whole area of no-fault insurance and what that would do if we adopted that system which is now under study in Ontario?

MISS McCOY: I am of course watching the developments in Ontario, but I do think that no-fault insurance could very well lead to a higher cost to all Albertans. Until I am convinced otherwise, I would hesitate to introduce it.

MR. SPEAKER: Thank you. Member for Red Deer North.

MR. DAY: Thank you, Mr. Speaker. A supplementary to the minister. Can she tell us, if we were to adopt the liberal/ socialist suggestion of equalizing rates in total disregard of statistics, would women wind up paying a higher rate for the poor driving record of men?

MISS McCOY: It is true that young women have a distinct advantage, of course, because of their superior behaviour on the roads.

MR. SPEAKER: Final supplementary on this interesting topic,

Clover Bar.

DR. BUCK: A supplementary question to the minister. In the minister's study of insurance rates, has she looked at making, say, the first \$450 noninsurable to lower premium rates?

MISS McCOY: That is a suggestion that I have not specifically considered, but I would take it under advisement.

MR. SPEAKER: The Member for Westlock-Sturgeon.

MR. TAYLOR: Mr. Speaker, I would like to designate my first question to the hon. Member for Edmonton Gold Bar.

Health Care Services (continued)

MRS. HEWES: Thank you, Mr. Speaker. My questions are to the minister of hospitals and health care. Like many Albertans, I'm experiencing a sense of frustration if not outrage at the impact of the minister's cuts to the health care system in general and yesterday to the fee schedule. The cuts to contraceptive counseling, family planning, will be harmful to women and families in this province, and particularly, I submit, to young women.

I'd like to ask the minister: since the Alberta Medical Association has been critical of the minister's decision to deinsure contraceptive counseling, can he indicate if any group, providers of health care or consumers of health care, any group, has in fact supported this change other than those noted medical experts in the Tory caucus?

MR. M, MOORE: First of all, Mr. Speaker, the only group that this particular change was discussed with before the announcement was the Alberta Medical Association. I discussed all of these fee schedule items that are being removed, unless medically required, with that organization.

It should be noted that there are a good number of provinces who don't provide a special fee schedule for contraceptive counseling. I indicated yesterday when I announced this at a news conference that we would indeed expect medical doctors in this province to continue to provide contraceptive counseling when they do annual medical checkups, during the course of visits during pregnancies, and during the course of visits by women in a number of other fee categories.

The problem that we were having in this regard is that there was some considerable abuse of the ability to bill a separate fee for contraceptive counseling in addition to a general office visit or some other type of visit. So we're not suggesting that doctors should not be providing contraceptive counseling. Indeed, they should be as a matter of routine, and they should be providing it at the same time as they provide other health care services under other fee schedules, namely the annual checkup and also the visits that occur during a pregnancy.

It should also be noted for the hon. member that I think one could expect that a great deal of contraceptive counseling and sex education should be provided at the family level first. Certainly there are any number of programs available in our education system as well. There are some family planning clinics in several areas of the province, and many of the health units do in fact provide these kinds of services. So we're not talking about doing away with contraceptive counseling in any way, shape, or form.

We're talking about eliminating a special fee code that was being charged by medical doctors. Bear in mind that the A1berta Medical Association is an organization dedicated largely to ensuring that they have adequate fees for their services and doesn't in fact reflect the views of the College of Physicians and Surgeons.

MRS. HEWES: Mr. Speaker, I'm glad to have the minister's comments reinforced, that we're not disallowing it. Of course, there's no money saved here then. That's pretty evident. It seems it might have been prudent to consult some of the other providers. Given Alberta's high, inordinately high, teenage pregnancy rate, will the minister agree that to deinsure this kind of counseling, in spite of how the message is received and by whom, will guarantee an even higher pregnancy rate and a potentially higher abortion rate?

MR. M. MOORE: No, I would not agree to that at all. In fact, first of all, Mr. Speaker, the hon. member suggests we're not talking about saving any money. Indeed, we are because what's happening now is some physicians are billing for a general office visit or they're billing a complete fee for a pregnancy and then billing on top of that for contraceptive counseling. In our view that is the kind of information that should be provided as a matter of routine during the course of an annual checkup or during the course of a pregnancy. Those are only two examples. So we're talking about saving money because physicians will no longer be able to call people back and bill extra under this particular fee code.

In terms of teenage pregnancies, it's certainly my view that money in order to ascertain that teenagers have good information and have some moral and other kinds of counseling is better spent in other areas than paying very high paid professionals like medical doctors to dispense that kind of information. The hon. member would likely know that a great, great number, a high percentage of teenage girls in particular, are very reluctant to go to the family doctor for this kind of information. If the hon, member has discussed this matter with young people, she would know that that is the case.

I am hopeful that working with the Minister of Community and Occupational Health and with other volunteer agencies throughout the province, we can indeed over the course of the next few months improve the family planning counseling and information that's provided through our education system and through other community organizations.

MRS, HEWES: Mr. Speaker, has the minister considered in this whole spectrum the plight of women in rural areas where public health units or other agencies may be inaccessible? Would the minister agree that these women are going to be placed in an even worse position than women in urban areas?

MR. M. MOORE: Not at all, Mr. Speaker. I don't regard the plight of women in rural areas to be any more difficult than the plight of women in urban areas. Certainly those of us who live in rural Alberta have higher respect for and regard for the fact that there ought to be families involved and parents involved in this particular area. I think there is a greater degree of family awareness perhaps in a lot of rural communities than might exist particularly in the inner city, where many people are indeed alone and don't have anyone to turn to. The situation is often quite different in rural communities, so I don't believe that we've done anything here that makes it much more difficult for rural women as opposed to urban women.

Indeed, I believe this kind of information can be provided extremely well to rural women by visits to their doctor for regular checkups or indeed through, in some cases, community organizations and the health unit nurses who work regularly in areas that I represent.

MRS. HEWES: Mr. Speaker, we may like to think so. Unfortunately, that's not really the way it works.

Will the minister continue his personal crusade to deinsure legal abortion procedures as well, or does he realize that this is an even more unacceptable notion than what he gave us yesterday?

MR.M.MOORE: Well, first of all, Mr. Speaker, I resent very much the hon. member's suggestion that I have a personal crusade. I think those kinds of remarks are not appropriate for the question period or any other particular time during the Legislature. I think what is important is to recognize that all of us, the hon. member and myself included, have some responsibilities to ensure that we do our best to provide the kind of family planning information and advice, particularly to women in this province, that will reduce the number of unwanted pregnancies.

To suggest that I believe the problem can be resolved by some crusade is certainly not appropriate. In terms of the entire situation regarding abortion, I think that over the course of the 11 months that I've been Minister of Hospitals and Medical Care, I've dealt very fairly with all sides of that issue and tried very hard to come to some resolutions of some very difficult problems. And indeed we were able to end the extra billing and the extra charges that were being suffered by many women in this province, and we did it, I think, in a very effective way.

MR. SPEAKER: Member for Edmonton Centre, supplementary.

REV. ROBERTS: Yes, Mr. Speaker. The minister in his announcement yesterday and again today has said that a number of health agencies provide contraceptive counseling in the community, when in fact only seven out of 27 local health units have anything remotely resembling family planning counseling. Does the minister of community health support the Minister of Hospitals and Medical Care in the deinsurance of counseling by medical professionals? Does he not agree that reproductive care and family planning generally are in a mess in the community setting?

MR. DINNING: No, Mr. Speaker, I clearly do not. And I must correct the hon. member's statistics, his numbers. They are as usual inaccurate. There are some 11 of 27 health units in the province, an increase of three in this new fiscal year, and we will work with those 11 health units in addition to the 16 others, in addition to the various birth control and family planning organizations funded through the family and community support services program.

In addition, we will continue to work with the very positive, new curriculum that the Minister of Education has put in place in junior and senior high schools this year and over the next couple of years. As well, Mr. Speaker, we'll continue to work with all those health units, now that we know and we see the statistics clearly -- they're alarming statistics with respect to teenage pregnancy -- to come up with better ways. But we have the programs in place, and we're going to be seeking to improve them in the days ahead.

MR. R. SPEAKER: Mr. Speaker, my question is to the minister of hospitals as well. Some of the services will not be covered by medicare after August 1, such as birth control counseling, contraceptive operations in general, eye examinations. Could the minister indicate what discussions took place with the A1berta Medical Association to ensure and assure us that the fees for those particular services will not be higher than they are currentiy under the medicare fee schedule now present?

MR. M. MOORE: Mr. Speaker, I've only expressed to the A1berta Medical Association that it would be our hope that doctors would respect the need to charge for their services in this area at a rate that would not exceed the fee schedule that had previously been provided. I would expect as well that there would be many times when, if a doctor feels strongly that these services need to be provided and the patient is without means, they would consider that as well and consider their professional code of ethics.

I might add just in concluding that the real control over whether or not there will be excessive fees charged here rests with the College of Physicians and Surgeons. That is the watchdog, if you like, or the body which disciplines the medical profession. If a practitioner is found to be charging in excess for his services, certain reprimands come from the College of Physicians and Surgeons, and that's a very important thing for A1bertans to be aware of.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could the minister indicate what steps would be taken if incidents such as this occur at a point after August 1, other than notifying the college to take steps? Are there are other steps planned by the minister?

MR. M. MOORE: No, that would be the appropriate procedure. I regularly advise people who write or call my office regarding doctors' fees, because there are other fee schedules that have never been included in the health care insurance plan, that they should write to the registrar of the College of Physicians and Surgeons, Dr. Leroy le Riche, and outline the details of the particular incident, and action will be taken by that body. I'm confident, Mr. Speaker, that the College of Physicians and Surgeons does indeed do an excellent job of controlling problems with excessive charges.

MR.R.SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of the services I listed, have there been any feasibility studies or is there any consideration being given by the government to initiate private insurance coverage for those specific areas by the government? If so, would this require enabling legislation by this Legislature?

MR.M.MOORE: No, Mr. Speaker, we've not given any special consideration to the provision of private insurance coverage for the areas that have been deinsured, and there's a very good reason why. It's not generally accepted that insurance should be covered for something whose cost is small and regular and predetermined beforehand. For example, I've been asked if we would make sure that private insurance was available for standard eye examinations. Now, one would expect, if standard eye examinations are \$30 a year, that if you bought insurance to cover them, it would probably be \$40 a year. Once you think about it for a moment, you wouldn't really buy insurance to cover something that's predictable and low in cost in that regard. The same holds true for a number of other items on that fee schedule. You would hardly think of buying insurance, I don't think, for something like premarital examinations and counseling. Those are the kinds of things that only occur perhaps once in a lifetime, so the insurance industry would not really be all that excited about trying to provide the coverage either.

MR. SPEAKER: Supplementary, Lethbridge West, followed by Westlock-Sturgeon.

MR. GOGO: Thank you, Mr. Speaker. A supplementary to the hon. minister with regard to the Member for Little Bow's question. Inasmuch as the Blue Cross system in Alberta is essentially operated by the government through the heavy subscriptions paid for senior citizens, has the minister considered requesting Blue Cross of Alberta to amend its plan in such a manner that perhaps some of these charges that now will be going directly to the patient could be included under the Alberta Blue Cross program?

MR. M. MOORE: Mr. Speaker, a very good question. The only area I have discussed with Blue Cross is the provision of insurance coverage that could be paid for by senior citizens to cover the cost of private accommodation in a hospital when it's not medically required. Blue Cross has advised that they would consider the possibility of including that with the Blue Cross package as an extra benefit that would be paid for at whatever cost there was. There again, if one considers it, it would be doubtful if the demand would be very high from seniors to pay a special premium for the provision of a private room when it's not medically required. I would think that most of them would look at the cost of the insurance and suggest that it probably wasn't something they needed.

MR. TAYLOR: Mr. Speaker, to the minister. I'm a bit puzzled on how he expects to save money on optometric exams, because my understanding is that if a medical doctor refers the patient to the optometrist/ophthalmologist for an eye examination because of health reasons or headaches or whatever it is, then it is covered by the plan, that it's not extra if it's referred by a doctor. Wouldn't that in effect make the plan more costly than going directly to the optometrist without going through the doctor?

MR. M. MOORE: No. That's an important question, and that whole area of referrals by general practitioners, medical doctors, to an ophthalmologist who specializes in eye care can be a bit confusing. The Alberta health care insurance plan will continue to pay for referrals from medical doctors, general practitioners, to ophthalmologists for other than standard eye examinations for the purpose of prescribing eyeglasses or contact lenses. Most often when a physician refers a patient to an ophthalmologist, it's because the physician believes there are some problems with respect to the eyes in terms of some eye disease or some other problem that needs a specialist's attention.

If the ophthalmologist merely does a standard eye examination, standard eye refraction, and provides a prescription, then the patient would be required to pay. But patients will all be covered for the work done by ophthalmologists -- which is a major portion of an ophthalmologist's work -- relating to diseases and treatment of the eye for other than just standard vision.

MR. SPEAKER: Member for Calgary McCall, followed by Edmonton Centre.

Alberta Capital Bonds

MR.NELSON: Thank you, Mr. Speaker. Recognizing the fact that Alberta is a land of opportunity and certainly a land of entrepreneurial confidence, unlike the socialist gloom and doomers over here, I understand that the bond issue that was placed out yesterday has started to be taken up, and I wonder if the Provincial Treasurer can indicate what level of support A1bertans have shown after the first day of purchase for the A1berta bond issue.

MR. JOHNSTON: I appreciate an opportunity to report to the Legislative Assembly and to all Albertans of a significant success story which took place in the last week and more importantly yesterday. Already over \$270 million worth of Alberta capital bonds have been fully subscribed.

Mr. Speaker, we were overwhelmed by the response. I think that, as the Member for Calgary McCall has pointed out, it shows a clear vision of the future of this province, and the people of Alberta are willing to back that position with money.

MR. NELSON: Mr. Speaker, a supplementary. Could the Treasurer indicate if there will be any limitations to the financial institutions as to the quantity of bonds they sell, given the \$50,000 maximum per purchaser? In other words, are they on a quota system?

MR. JOHNSTON: Mr. Speaker. I've been in touch with those people in the securities business who have been selling these bonds for us right across the province, and my department has been doing the same thing. What we have found -- and we were not quite prepared for the immediate response -- is that there have been some disappointed Albertans to date who had not been able to fully subscribe to these bonds. It will be our position, after reviewing the numbers again today and tomorrow, that we would not want to curtail the opportunity for individual Albertans to invest in these bonds, but it may well be that we may have to soften or reduce the demand for the corporate size. What we're saying is that with the existing successes we've had and the response which still remains in the public's mind, we would like to have all individual Albertans participate, and therefore we will not curtail the sale of these bonds today.

MR.NELSON: A supplementary, Mr. Speaker. What then is the Provincial Treasurer's best estimate of the amount of bonds that may be purchased over the two-week purchase period at this point in time?

MR. JOHNSTON: Again, Mr. Speaker, that is a difficult one to guess. I would not expect that the current amazing response to the bond offer will continue past the first week, but it may; I can't say it wouldn't. But we will expect that because of this interest rate and the fact that the bonds are backed by the guarantee of the province and in fact are investments in the future of this province -- universities, hospitals, and nursing homes, for example -- there will be a very significant continuous demand for these bonds over the two-week period. As I have stated, we will continue to match that demand with the supply of

the bonds themselves.

MR.NELSON: Mr. Speaker, a final supplementary. [interjection] It's tough to have good news around here, isn't it folks?

Would the Provincial Treasurer suggest that due to the high level of interest in the capital bond issue that Albertans are showing ...

MR. SPEAKER: Hon. member. Would the member be kind enough to ask the question again? There is so much noise the Chair can't hear it.

MR.NELSON: Thank you, Mr. Speaker. That's not unusual, knowing where it's coming from.

Mr. Speaker, would the Provincial Treasurer suggest that due to the high level of interest in the capital bond issue, Albertans are showing confidence in Alberta's economic future and the excellent financial management and fiscal policies of the government?

MR. SPEAKER: We've had a hypothetical and now a request for an opinion. A final supplementary, Calgary McCall.

AN HON. MEMBER: He's had [inaudible].

MR. SPEAKER: No, he's had his -- sorry; the scorecard has run out on yourself. Leader of the Opposition, followed by Clover Bar, followed by Edmonton Meadowlark.

MR. MARTIN: Mr. Speaker, in principle I support this, but it's rather easy to sell something when you're putting it a percentage point over other treasury notes. We've checked with the investment community, so it's not surprising. My question is to the Treasurer. Why didn't you make it competitive, around the 7.5 range that other treasury bonds are being released at at this particular time? Check with the investment community; that's what they're saying.

MR.JOHNSTON: Mr. Speaker, I appreciate the question from the Member for Edmonton Norwood because it shows how little he knows about the financial markets. Can you imagine trusting this to someone like him to operate? The misunderstanding, the misinformation from that socialist party across the way is outlandish.

In returning to the issue -- I should apologize for those pointed remarks -- the advice we got from our advisors was that the bond issue was priced essentially perfect. Now, it could have been an eighth or a quarter higher. The three-year money markets for government of Alberta bonds and for government of Canada bonds is approximately 9.4 percent. The guaranteed investment certificates at one year are trading at approximately 8.2 percent. Canada savings bonds -- the old, traditional federal government favourite investment -- are trading about 7.75 percent. Presumably, because of the response we've had on the marketplace and the reaction we've had from the private-sector investors, who are the experts, in fact the bond issue is priced absolutely perfectly, and it's been reinforced by the response of the people of Alberta.

DR. BUCK: Mr. Speaker, to the Provincial Treasurer. Now that he's had a run at the socialists, I'd like to know what has happened to the free enterprisers. I want to know if the Provincial Treasurer has had an opportunity or has thought about what

that has done to the private sector, because that's \$275 million that's going into government which is not available for private-sector investment. What effect will that \$275 million have on the small business sector in this province because those funds are not available for the sector anymore?

MR. JOHNSTON: There's no question that the \$275 million first of all will be used for capital projects in this province, and the additional money as well and will therefore go back into investment, which is part of the economic growth formula generating jobs, generating service-sector opportunities. Mr. Speaker, that must be positive. It isn't clear that in fact the money would have been used for other investment purposes. Now, it may have flown into other kinds of investment securities, but it seems to me that it's better to have the money working for A1bertans here in Alberta and having the interest going to A1bertans as opposed to some other place, including central Canada or offshore Canada. That's the priority, and that's the reason it's working so well.

MR. MITCHELL: Mr. Speaker, to the Treasurer. Could he please inform the House why it was that he chose a non-Alberta-based firm to be the registrar of this bond issue rather than finding an Alberta-based firm to provide this service and therefore keep the jobs and the fees in Alberta to create economic development here?

MR. JOHNSTON: Mr. Speaker, the problem we're facing with a variety of bond issues which the province brings forward -not just the Alberta capital bonds but a variety of borrowings which we make right across all world markets -- is to continue to rotate the leadership of the bond market. As the member knows, that's always a problem. What we have done is continue to rotate the bond leadership. In this case, however, we did pick a western-based group which is a unique one. There are not too many western-based financial institutions which have the capacity to deal with this issue.

Secondly, the way in which the commission is paid is that it's an open commission to everyone who wants to participate. So really, although Pemberton securities did in fact lead the issue, essentially the entire financial institution in the province responded, and each one of those members and players in the financial institutions across this province, including the banks, the credit unions, the trust companies, and the Treasury Branches, will all have an opportunity to take a small percentage of the sale of those bonds. So it isn't that it is uniquely controlled by one group, Mr. Speaker. There's an opportunity for everyone in the financial institution to respond, and that's essentially what's happened.

MR. SPEAKER: Member for Edmonton Centre.

Health Care Utilization

REV. ROBERTS: Thank you, Mr. Speaker. Back to the Minister of Hospitals and Medical Care, who is so constantly preoccupied with the rising costs in health care and getting them under control when I submit that in fact it is the Treasurer who has caused the crisis on the revenue side, not the Albertans who are sick and need the system. I see that the minister has finally taken up my suggestion about reinstituting the utilization committee to look at where the real abuse is in the system in terms of utilization. Why did the minister not resurrect this committee earlier to look at the utilization, where it was misallocated? He's only bringing it in now after he's spent \$300,000 in PR campaigns and cutbacks on needed services for sick Albertans.

MR. M. MOORE: Mr. Speaker, the hon. member may realize that what we're talking about is a new, restructured utilization committee that has a somewhat different mandate than the previous utilization committee or the suggestion that was made in the utilization report. This particular committee will be zeroing in very specifically on medical tests and X-rays, which constitute a very rapidly rising part of our health care budget.

Sure, it could have been done earlier, but I was involved in discussions with the Alberta Medical Association and with hospitals and others in the whole area of health care services on how we might limit the rapidly escalating costs, and it wasn't until recently that we came to a decision to restructure this committee and provide some new memberships. As a matter of fact, it's not quite been completed yet, but I hope within the next two or three weeks to have the committee working again. So it's a matter of it not having been done until now because we wanted to put some very careful thought into the whole matter before completing it.

MR. SPEAKER: The time for question period has expired. Might we complete this series of questions and in addition have one minister give supplementary answers to a May 15 issue that arose? Do we have unanimous consent?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Edmonton Centre, question.

REV. ROBERTS: Thank you, Mr. Speaker. Will this utilization committee also be monitoring the degree to which these ancillary services such as physios and chiropractors may well be upping their utilization because of the decrease in the fee, the 12.5 percent, that the minister announced yesterday?

MR. M. MOORE: Mr. Speaker, the answer is no. The utilization committee that's referred to in my announcement of yesterday involves members of the staff of the Department of Hospitals and Medical Care and members appointed by the Alberta Medical Association, and I'm also hopeful of having an Alberta Hospital Association representative. They will be looking specifically at areas involving medical practitioners generally known as doctors or physicians, and they won't be involving themselves in the areas covered by other medical practitioners such as physiotherapists or chiropractors or podiatrists -- or dentists, for that matter.

I think the real key to making some progress in the area of the utilization committee is not to try to have a broad sweep of that committee but rather try to zero in on some specific problems and see if we can come to a conclusion rather quickly as to how to reduce costs in certain areas.

REV. ROBERTS: It's still a lot of turnstile medicine, Mr. Speaker. I'm wondering to what degree then the minister is finally going to begin to look at limiting the billing numbers of physicians in the province. One of the only ways to cap the level of service and cap utilization is by limiting the billing numbers of physicians, which I see he says he may do. When is he going to do it and how?

MR.M.MOORE: Mr. Speaker, as I indicated yesterday, discussions are under way with the Alberta Medical Association and with the College of Physicians and Surgeons and other interested parties in terms of ways in which we might limit the growth in the number of physicians practising in Alberta. It's a very complicated matter in that in recent years we've been increasing our physicians by in excess of 200 physicians per year. About 90 of those have been coming from outside of Canada, largely because we've had an inability to attract Canadian graduates to practise in rural areas.

I understand the same situation exists in other provinces as well, so if we could find some way to get Canadian graduates to practise in smaller rural communities, then we could limit the numbers of doctors coming into Canada from outside the country. That would alleviate, at least for the near term, the requirement to limit billing numbers in our province. Those are the kinds of things we're working on, and I want to have some very careful study of that before making recommendations as to what we should actually do.

REV. ROBERTS: So you'll limit the services that Albertans can have but not the number of physicians providing them.

Everyone now agrees, of course, that preventive health care is one of the prime ways to reduce utilization of the medical care system. At what point will the minister spell out what are medically required preventative health care services provided by a physician?

MR. M. MOORE: Mr. Speaker, the hon. member and his leader both yesterday and today have on occasions mistaken me for a medical doctor. It is not a responsibility of mine or it's not my purpose to try to determine in every case what is medically required. I have said time and again in this Legislature in reviewing a number of these matters that the decision with respect to certain procedures as to whether or not they are medically required very obviously has to rest with the medical doctor.

Now, the Alberta Medical Association and people in the Department of Hospitals and Medical Care who are expert in the field of medicine are working together to try to provide some guidelines to the medical profession to assist them in making decisions with regard to what is medically required, but that is not an area where I, as Minister of Hospitals and Medical Care, intend to be making decisions.

DR. WEST: To the Minister. Would he consider a refundable charge on every visit, say of \$20, to cut down on the indiscriminate use of the medical system? I do believe this has been attempted in other areas of the world.

MR. M. MOORE: Mr. Speaker, certainly over the coming years I suppose we're going to have to consider various ways. I think there should be some incentives indeed for people to use the system appropriately. But what we have announced thus far in terms of the increases in the medical care premiums, together with the changes and modifications filed yesterday, is all that we intend to do in that area, with the exception of those items outlined in my news release of yesterday that involve limiting physician billing numbers, utilization, patients signing the bill, public awareness, and an ambulance review which is ongoing. I think if we work in those areas and are effective, we can go a long way to reduce our overall cost.

I just say in conclusion, though, that it is a bit refreshing in the Legislature during the question period to at least hear one suggestion for cost control rather than numerous complaints and no suggestions whatever from the opposition.

MR. SPEAKER: Calgary Buffalo.

MR. CHUMIR: Thank you. The minister mentioned that last year 90 out of 200 doctors came from out of the country. Why are we bringing in foreign doctors instead of making it possible for immigrant doctors from other countries who are already here to get accredited by ensuring they can get internships? This is a matter that I raised with the minister last year. He promised he would look into it. Where are we in this situation if we're still bringing in 90 doctors from out of the country, and these doctors can't get accredited?

MR. M. MOORE: Mr. Speaker, a very important question, and the answer is important too. It's simply this: there should be no way that the College of Physicians and Surgeons or those who are involved in licensing doctors to practise medicine in this province should take a different approach and a different standard -- that obviously will be a lower standard -- to license those who happen to arrive here as refugees, as opposed to those who may want to come to practise medicine and have the skills that are required by our licensing agencies. I would not in any way advocate that they drop their standards simply because refugees have arrived in Alberta and claim to have professional ability that would allow them to practise medicine here. They must in all cases, in my view pass, the appropriate examinations. And when they do that, they're treated equally as well as anyone else.

MR. SPEAKER: The Minister of Consumer and Corporate Affairs with regard to a question raised on May 15, page 1235 of *Hansard*.

Consumer and Corporate Affairs Personnel

MISS McCOY: Yes, thank you, Mr. Speaker. On that day in this House the Member for Edmonton Kingsway filed with the Assembly a memorandum dated April 27, 1987. It was marked confidential, addressed from the regional director of the Consumer and Corporate Affairs regional office in Edmonton to all staff. At that time I hadn't seen the memorandum, and I simply said that once having seen it, I would find out the background and report back to the House. That is what I have done.

On April 12 in 1987 the Edmonton regional office was broken into and some \$2,000 was stolen from the safe. That \$2,000 was money that belonged to our clients in the family financial counseling program and also some money collected for licences. It was decided, on the advice of the police and the security division of public works, not to replace the safe until an entire security audit and some recommendations had been made to secure the office generally. The police made a suggestion that it would be preferable to deposit the moneys that are collected every day in a bank which is one and one-half blocks away from the office by way of a night deposit bag. Their recommendation also was that as many people as possible enter into the delivery system so there would be no identifiable money couriers, but the rotation would be sufficient that no one watching the office on a regular basis could identify any one person and therefore increase the risk for that courier.

On April 27 this memorandum was written, and it was delivered to staff in the regional office, all of whom had received it by 3 p.m., April 28, 1987. By 4 o'clock that afternoon I'm advised that several employees had expressed their concerns and their desire not to participate in the rotation. At 8:30 a.m. on April 29 a memorandum, a copy of which I have but do not intend to file with the Assembly -- the earlier memorandum was rescinded. Five employees have volunteered to rotate to carry the money one and one-half blocks to the bank, taking on this duty every evening in rotation.

I am advised also that the government routinely has insurance coverage which extends to money and securities in the care of departmental employees. This includes the storage, handling, and transportation of money and securities, and if there is a loss from the actual destruction, disappearance, or wrongful abstraction of money and securities in or outside the premises of the department, then that is all covered by the insurance of the government. The employee does not have to pay or make good any of the losses, unless of course it is the wrongful action of the employee, him or herself.

Mr. Speaker, there's one other thing I would like to mention, and that is this. This Legislative Assembly gives over half a million dollars in research funds every year to the caucus of the NDP, and I would greatly appreciate it if they would do complete research and not mislead or leave wrong impressions in the public mind. [interjections]

MR. SPEAKER: Member for Edmonton Kingsway, a brief response.

MR. McEACHERN: Thank you, Mr. Speaker. I was aware of the second memo, but since the minister was not aware of the first one, it seemed unnecessary to state so. That was the subsequent question which I would have asked had it made any sense, but the minister didn't know what the hell was going on in her own department.

MR. SPEAKER: Order. Sorry, that language is not acceptable in the House, hon. member. And the purpose of the opportunity for the member to respond is to ask a brief supplementary question, and that's it. Please.

MR. McEACHERN: I apologize for that term, Mr. Speaker. And my question is: will these people that are now carrying the funds be bonded?

MISS McCOY: As mentioned a moment ago, Mr. Speaker, there is an insurance coverage carried by the government which extends to money and securities in the care of departmental employees.

MR. SPEAKER: Before the Chair calls Orders of the Day, the Chair would point out that in the last number of days some of the answers in particular have been a touch long. Granted that some of the issues raised, especially with regard to Hospitals and Medical Care, need longer time in order to respond, nevertheless there is still a tendency in the House for the questions, especially the supplementaries, to be indeed too long. Supplementary questions are not here for comment and then going off on to the question, but rather just to ask the question.

The Chair recognizes the growing sense of frustration of some members in all quarters of the House. For the second day in a row we now have five or six members left waiting in the wings, and I'm sure the House will listen attentively and try to pick up the pace a touch in the days that lie ahead -- in God we trust.

ORDERS OF THE DAY

MR. SPEAKER: Might we revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Member for Edmonton Centre.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

REV. ROBERTS: Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly, 20 adult students from the Grant MacEwan college campus downtown here and their teacher Mr. Vinston Williams. I've had an opportunity to speak with the class on several occasions -- I think again this Friday -- and I think I might have some explaining to do about how things go on in the House here. But I'm glad they're here and ask that they'd rise and receive the warm welcome of the Assembly.

[On motion, the Assembly resolved itself into Committee of the Whole]

head: GOVERNMENT BILLS AND ORDERS (Committee of the Whole)

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Members of the committee, please come to order.

Bill 38 Appropriation Act, 1987

MR. CHAIRMAN: Hon. members are reminded of Standing Order 61 which deals with appropriation Bills. Before we proceed with comments, questions, or amendments proposed to the Bill under consideration, the Chair would remind hon. members that the standing order indicates that committee study will be clause by clause, but the acceptable practice in this committee has been that hon. members may put whatever questions they wish, any comments they wish, any amendments they wish to the sponsor of the Bill in any order they wish. The Chair will deal with amendments as the Chair feels appropriate.

Mr. Treasurer, do you have any opening comments you'd care to make to the committee on Bill 38?

Hon. Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. I spoke fairly extensively the other day on second reading of the Bill and the sort of general principles behind the Bill. I would now like to just look at a few details and not take too long so some of my colleagues can get in and ask specific questions about specific departments. The particular aspect of the budget that I want to ask about today though -- and to some extent these are in the order of questions, although I've got to admit to being a little bit puzzled about a certain part of it. The Premier and the Treasurer have on occasion talked about the \$2.4 billion that they claim is in the budget for capital projects, so I want to ask some questions about that.

In looking through the budget document itself, through the various departmental budgets, we find there's \$1.2 billion there in capital projects planned. In the heritage trust fund capital projects division, which we've been looking at, there's \$140 million planned expenditures for this fiscal year. In the capital find estimates there is \$317 million planned. That totals \$1.65 billion in capital expenditures under those three headings. So I thought, now where else is the other \$750 million to make up the \$2.4 billion that we hear a lot about? I went back to the Speech from the Throne, and sure enough we found it. I've forgotten the page number -- page 17 or something like that. A mention of \$750 million in Crown corporation capital activities, I believe, was something like the expression used.

Now, Mr. Chairman, I think the Treasurer needs to do some explaining about where the Crown corporations are going to come up with \$750 million in new capital projects. Is AGT off the ground on a big and major expansion? If so, I've not seen any documentation of that or any amount given for them in terms of new expansions. It may well be they are, but it should be documented somewhere in the estimates. The Alberta Municipal Financing Corporation, in fact the heritage trust fund investment there -- I think the idea of the last few years or at least the trend of the last few years has been for the heritage trust fund to back out from financing the Municipal Financing Corporation and letting them get their money from other sources, mainly the Canada pension.

The other three Crown corporations -- the Agricultural Development Corporation, the Alberta Municipal Financing Corporadon, and the Alberta Opportunity Company -- between the three of them are being given some new debentures from the heritage trust fund to the tune of some \$338 million. But that's not \$750 million, and furthermore that presents a problem in its own right. The \$338 million that's supposed to come from the heritage trust fund: I would appreciate it if the Treasurer would give us an explanation of where the heritage trust fund is going to get that money. Remember that we have capped the fund. We're not putting any more in. We're taking all the revenues out into the general revenues, so it has to be a shifting within the trust fund.

Now, there is some \$2 billion, or there was. It's fairly liquid, the Treasurer told us some time ago ...

MR. CHAIRMAN: Excuse me, hon. member. Members of the committee, would you please allow the hon. member to speak and perhaps tone down the discussions. Edmonton Kingsway.

MR. McEACHERN: Thank you. So I guess what I'm wondering is: I gather most of that \$2 billion that's fairly liquid was in the cash and marketable securities section. If some of that money had to be used to back the 9 percent loans to the small businesses and to the farmers, if some of that money has been used for other purposes, is that where the money is coming from, this \$338 million that's going to go into these Crown corporations? Where is the \$750 million in Crown corporation activity coming from? Who's spending it? Under what projects? And where will we find it in the estimates? Those are basically my questions to the Treasurer.

One other point I would just like to raise that arises out of question period this morning on the 8 percent rate: I tried to say to the Treasurer on a casual basis the other day that he didn't need to look at a three-year rate to set his rate on the government bonds he's just issued, because although they are threeyear term bonds in the one sense, they're not in another. Anybody can cash them in at six-month intervals and get their interest, and the interest rate is to be paid each year if they don't cash them in. Therefore, it would seem to me that there was no need to approach the three-year rate, which I realize is around 9 percent. But definitely I think the Treasurer has moved his rate up with that at the back of his mind, that he had to somehow compete with three-year rate money rather than with one-year rate money. The one-year rate is closer to 7.5 percent, so I think the Treasurer has put the interest rate at about a percentage point higher than necessary. So it's no wonder the bonds have done well. I'm not sorry they have -- I think it's a good idea to issue these bonds -- but perhaps he didn't need to pay the extra 1 percent premium. It's not that anybody would be tied into three years in the normal course of events. Like I said, they could sell them at the end of six months or at the end of one year, so he did not really need to consider a three-year rate. He really should have been looking at the one-year rate.

Those are the two main points I wanted to raise at this stage, Mr. Chairman. I will yield the floor to someone else.

MR. CHAIRMAN: Hon. Member for Calgary Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. For my remarks this afternoon, I'd like to focus particularly on the Social Services department. I was unable to enter the debate when these estimates were before the committee for the Social Services department despite the fact they were before committee on two occasions. The time was so taken up by the minister's comments that the amount of time available to myself and others was simply so small that many of us were unable to get in. So I'm using this opportunity this afternoon to enter into the record some of my concerns about what's happening in that minister's department.

I speak particularly from the point of view of things that are occurring in the Calgary region. I'd like to put some questions, some comments, and some observations on the record, and if the minister in the time available later today has any occasion to answer those questions, I'm sure it will be helpful to everybody.

[Mr. Musgreave in the Chair]

Mr. Chairman, on March 9 during question period I put a number of questions to the minister, and in answering those questions about the handicapped children's services, she made reference to what she termed an unfortunate occurrence in Calgary. What she was referring to was that in December 1986 there were cuts to in-home service contracts under the handicapped children's services. They were arbitrary, they were abrupt, they were hasty, and represented in effect a 57 percent reduction in services provided to parents under those contracts. There was no planning ahead; there was no advance warning. They simply made phone calls to the parents affected one day and said, "You're going to be cut by such and such an amount." Now, what does that say? It says that there must be some real problems if that's the way decisions are taken in that department. It seemed that department staff were surprised by the demands that were being made on the program. What does that say about how the department is being run if there is no means by which the staff themselves can monitor how demands are being made on individual programs? It happened that at some point in time someone in the department became aware that

there was serious overspending going on in that particular program, and some very radical changes had to be taken on very short notice. What that indicates to me is that there are serious problems, and in fact I think the minister to a certain extent acknowledged that in answer to questions on March 9.

But having recognized there's a problem, it also indicates to me, Mr. Chairman, that a statement of some sort is required as to what was the nature of that problem. In the Calgary office what corrective action in the interests of clients has been taken in that region, whether disciplinary action is needed or even warranted? If so, what was it; if not, why not? I think those are the kinds of questions that somewhere somebody in charge needs to make statements to this Legislature about decisions taken by that department in that region.

Now, it also raises another question. That is, when this government enters into contracts, does it honour them? Is it the practice of the Social Services department to unilaterally cut contracts which it enters into for client services? You know, during the debate on the estimates on March 31, the minister also indicated, and I'm going to quote from *Hansard*, page 489:

Indeed there was some anxiety also in the public. But what would the hon. member or indeed the opposition in general have said if out of a clear blue sky, without any discussion with the public, we had suddenly come down with the decreases that we have in some departments and the alteration of programs, without saying to the public: "This is what we must look at. What do you think? What is your input? How do we priorize the services that are to be delivered?"

Then further on the minister expressed some concern because I had my mouth wide open at that particular comment. Well, I'd like to say, Mr. Chairman, that the reason I did have my mouth wide open was because this was the exact process followed by her department in informing parents under the handicapped children's services that their contracts were being cut. In fact, I'm informed that one set of parents received a telephone call at home after they had just come from the Alberta children's hospital visiting their teminally ill child, at which they were informed that contractual services under handicapped children's services were being cut. It was incredibly insensitive and caused a great deal of pain and hurt to those particular parents. But that was not atypical; it was quite in keeping with the way all parents appear to have been informed about those cuts in that program.

Now, the minister also went on to say on March 9 that parents could use the appeal system. If they didn't like a unilateral decision that had been taken by her department, they could appeal it. Well, I would like to ask: why is it the responsibility or the onus of the parents to appeal an arbitrary decision of the department to cut a contract which they had entered into with those parents? If the department believes that the services being rendered under that contract are not appropriate, it should be up to the department to take the appeal of that contract through to an appeal board rather than putting the onus on individual families. So I have to ask: why is it that those parents have to be forced to use the appeal procedure?

The other thing the department does to compound that difficulty is that year after year they repeat the process, so if when one year the family appeals, they go to the appeal committee that is set up and the committee upholds the position of the family, that's fine for that particular year, but the next year the department comes along and makes the same decision they made the previous year and says to the family, "If you don't like it this year, you can go through the appeal procedure all over again," and it's simply not fair to force families to appeal year after year. So I would say to the minister and her department: what steps are being taken to ensure that the appeal procedure is fair to the families involved and not causing an onerous burden on them but in fact is there to do what it's intended to do. and that is to ensure that parents and families are treated fairly and adequately and that once an appeal procedure has been set in place and someone makes use of it, they don't have to go back year after year after year because the department has forced them into that particular process?

We're told in view of these concerns that have been raised over the handicapped children's services that another \$400,000 is being added actually into this year's budget. That increase is to take care of the whole province. Now, that increase is not going to restore the contracts that were cut in the Calgary region let alone deal with the demand throughout the province, so I want to know what is going to be done for the parents of those handicapped children who had their contracts terminated or cut last December. Are they going to be restored, and does the government or the Department of Social Services even care that they had a contractual obligation with those parents which they've broken?

The other concern that also has to be expressed in relation to the spectrum of services provided to handicapped children is whether there is any co-ordination throughout the system. Social Services provides a certain amount of support to handicapped children; so does Community and Occupational Health. In addition to that, the Ministry of Hospitals and Medical Care provides support, and school boards and the Department of Education also provide handicapped children's services in one form or another.

What we're seeing in the Calgary region is an example. Social Services cuts some contracts. That hits the kids. Then the parents say, "Well, we're hoping to continue to access services through the Alberta children's hospital." But the Alberta children's hospital is under pressure. At the same time as they're seeing more and more pressure and demand on their services, the Calgary board of education is facing cuts in grants from the provincial government and they're looking at their priorities and saying to themselves, "It's very expensive to provide specialized services to disabled children, so all of these programs we're offering we will rationalize and cut back on and refer these young people instead to the children's hospital or other agencies." So what we're faced with is that a whole range of services is being cut back so that the gaps which people expected other agencies to fill just are not going to be filled. People are being hit not just once but from two or three different directions. So where is the co-ordination? Mr. Chairman, I would like somebody in the government to say, "Yes, these four ministries are getting together and rationalizing these services across the province." Because I'm convinced that if you have this kind of duplication, there are likely a lot of gaps in services, and if those were rationalized, you could save a lot of money which could then go into direct service for those young people. I'd like to at least see some movement on behalf of the government to ensure that despite all of these cuts, they're being co-ordinated in such a way and rationalized in such a way that those young people aren't hurt.

Now, there's another problem. Fees for services in the Calgary region were also cut at the same time in 1986 and it was the same problem as handicapped children's services, which begs the question again of what is going on in this regional of-

fice. There were the same kinds of phone calls in this case to professionals who receive calls from line staff in the Department of Social Services to say that as of tomorrow or next week your services to such and such clients are going to be frozen. It was arbitrary; it was unilateral. There was no warning, and it was very arbitrary. There was no consultation, and it forced these professionals into an extremely difficult situation because they were by and large dealing with very high-risk children, abused children. They were dealing with women in battering situations. They were providing services to victims of incest. These young people, because they were in these high-risk situations, had risks of depression, suicide, becoming runaways, and were very much in need of care. Because they were being cut off from support and counseling, there was no doubt that that would lead in the future to some greater difficulty and problems.

You know, a couple of years ago the provincial government sponsored a series of advertisements encouraging the reporting of child abuse. As well, because of the revamped Child Welfare Act, there was also an encouragement to report child abuse, and it included a penalty for nondisclosure. So because of this widespread disclosure's being promoted and reinforced, then as a result of these cuts, the children who had stepped forward and took the risk of seeking help found that their services were being cut through these fee-for-service contracts.

Now, whether these people were cut off the program because of rising needs in the Calgary area or because of poor planning is not clear to me, but either way it's the people in need who are being paid for the problems in that office, and I want to know from the minister what is wrong and what is being done to change the way planning is done and service delivery is being carried out.

The spirit of the new Child Welfare Act emphasizes the keeping of families together; it emphasizes less intrusive methods, support programs through community-based services. That was how the fee-for-service program was being used, and it can be a more effective way than relying on institutional services. It provides in-home family support and is flexible in such a way that you can tailor the form of intervention and support to fit individual circumstances. So out of the blue one day, the minister's department phones up and says, "We have to deal with some cost overrun in the Calgary office. These services are now being cut or frozen or will be eliminated in a matter of a few days." Well, I'd like to ask the minister: is that what she considers responsible planning and service delivery? What steps are going to be taken to ensure that this doesn't happen again?

Finally, Mr. Chairman, I raised a few days ago the matter of services for autistic children. The minister was quite right; this is another problem area. I doubt that it's directly related to overspending in one department, one vote within that department, and within that regional office. But it raises the whole question as to who is in charge of that Social Services department, where we can see that four young people are removed from a program in southern Alberta and within 15 months two of those four young people are back in that same program. And in the interim close to \$1 million was spent in providing services to them and an attempt to set up a competing, parallel program within the Calgary area. I want to know who took that responsibility for setting up that program. I want to know how it is that \$1 million could be spent in the Calgary region on such an endeavour without the minister or the highest levels of her department knowing what was going on and endorsing what was going on.

In view of these cutbacks, all over the Calgary region, all over the province, residential programs, in-community programs, support programs are being cut because there's no money for social services. Yet at the same time there was \$1 million that could be spent on these four young people in the Calgary region. That just does not make sense, unless something is seriously wrong in that department.

I think the minister has a lot of explaining to do, and I look forward to some statement from her on that particular situation in the Calgary office. I'm not saying that it stems from actions within the Calgary office; it may very likely be because of directives taken from the corporate offices here in Edmonton to that regional office. I'm not going to attribute blame to those who work within the Calgary office, but I do say that in terms of accountability to this Legislature for the spending of public money being voted for under this Appropriation Act, the minister is responsible to this Assembly for the way that money is spent, the way that planning is carried out, and the way fiscal control is managed within her department. I think these concerns are very serious ones and require a statement from the minister.

MR. DEPUTY CHAIRMAN: The Member for Athabasca-Lac La Biche.

MR. PIQUETTE: Thank you, Mr. Chairman. I'd like to address a number of various government departments today. I guess it's the last kick at the can.

I'd like to start out by looking at the Education budget this year, and to remind the minister of some of the cutbacks that are very deeply affecting my constituency and many of the rural constituencies like the Lac La Biche, Athabasca, and Westlock school divisions. That is pertaining to the EOF, the educational opportunity funding: an almost 75 percent cutback in funding, which a lot of people were not really aware of when they read the budget because it doesn't really state the total cutback in terms of percentage. There's a number of programs which are having to be terminated or almost suspended because of the EOF program cutback. The EOF program cutback in the Lac La Biche school division, for example, funded the Russian language program in the Plamondon school and funded English as a Second Language for many of our Indian or Metis students coming into school without having proper use of the English language. It's providing for the implementation of computer programming in the school. It helped to hire teacher aides for French immersion programs so that students would have a more one to one ratio when they are having difficulties. This EOF program, for example, was used in many of the schools for math remediation and language arts remediation programs.

Now, the minister is to be complimented in that she did introduce a native curriculum or funding program, but when the pluses and minuses are compared with both programs, it is not by any stretch of the imagination replacing the elimination, or almost the elimination, of the EOF program. What we have here is that we have sacrificed one very good program in order to implement another program, and unfortunately we have taken away the tools of delivering this new program to the native children of the Lac La Biche school division; and not only that, but also penalized other groups, students who need special assistance in terms of making sure we have quality education. They will be sacrificed by implementing a new program.

Another thing which is also greatly affecting a lot of the rural schools or school divisions or counties is also the suspension of the in-service funding. Again, teachers are only as good as they have the information or the training to deliver a new program which is being implemented. We find now that teachers are going to be having very little professional development occurring in the next few years because of an almost 100 percent cutback in in-service training funding by the government. The impact is really tremendous. For example, out of a staff of 110 teachers in Lac La Biche school division, when we're cutting back 10 percent of teaching staff, that is an unbelievable kind of penalty that the parents will have to suffer within that school jurisdiction.

I would urge the minister to really address that issue, or to somehow replace with more equitable funding the school divisions which are very deeply or more unfairly affected by these cutbacks, because I really fear for the quality of education affecting all the students in those jurisdictions. I think it takes leadership sometimes to recognize when a government makes a mistake, and I think we cannot be mortgaging the future of our children for immediate types of budget cutting. I think there are a lot more areas where priorities could have been perhaps postponed for a while, but education is not, because we are going to be mortgaging the future of a lot of these students who will not be getting the specialized help to make sure they are literate.

For example, yesterday we had a member from Red Deer who indicated the high percentage of illiterate young adults that are coming out of our schools. The EOF program was instituted to try to remediate those kinds of problems that were developing in our schools. Now we're cutting it out by 75 percent. So I would urge the minister to relook at our budget and go back to her cabinet and somehow reorchestrate the total budget we have here and put some more money into the education of our children. I don't want to see that as a province we're going to be saving now in order to pay much more later in terms of students who are going to be graduating from our schools with less literacy. We know very well what happens with those students. They're the ones that go to jail. They become the ones who then cost us a lot of money in terms of retraining programs.

We need to put our money especially in the elementary level. That's where it really counts. That's where we really need to have an infusion of money, not a cutback in the elementary program. I find it unbelievable that we're attacking a very proud tradition in this province, where we have fought as parents and as teachers to ensure that we have the best educational institutions across Canada, but now we are pulling back from that commitment.

Another department that I would like to address is programs relating to native people of Alberta. In one of my discussions earlier on I indicated that the government seemed to be picking on defenceless people in our society, the sick. And of course in education we have the government making tremendous cutbacks, especially to students who need remediation help or special help. We also have the same situation in native affairs, where we see a 25 percent cutback in native counseling, preventative programs which have been proven to work -- and we're cutting back 25 percent.

In my constituency, for example, we had the Beaver Lake correctional institute, which was operated by Native Counselling of Alberta. They had to shut down, eliminating eight native jobs, people who were gaining their living. Now they're unemployed, on unemployment insurance, because of shutting down an institution at Beaver Lake that was proven right across Canada to be very effective in terms of changing the way our native people view society. And even, for example, the St. Paul Correctional Institution also was really cut back as well. So we seem to be pulling back in a lot of preventative types of programs which have been shown to work well for our native people. We're eliminating them or greatly reducing them.

I spoke about the high suicide rate. In native communities, very high unacceptable unemployment -- appalling in any other group of society. Again we are doing very little to address that issue in this budget. We have suspended or cut back a lot of the programs that could have created employment, business development, or job opportunities in these native communities without looking at the high cost of doing nothing about the continuation of our high welfare rate in the province of Alberta. Instead of cutting back, we should be doing economic development to make sure that these native people recover their dignity and pride in themselves of being an integral part in the socioeconomic fabric of Alberta society.

[Mr. Gogo in the Chair]

Again the native issue is an issue which really works in terms of many different ministers being responsible for various segments of those departments, but we seem to have very little communication and total programming to ensure that our native people can take their place in our society.

Turning to the Department of Agriculture: unbelievable that we have a 40 percent cutback in this department. Our farmers are facing the toughest crisis in the history of Alberta here, except perhaps the great Depression, and we're cutting out the support program which can be of some help to at least try to reorchestrate a lot of the debt situation that they're presently under, the great stress. For example, statistics are now coming out that suicide in rural areas is 40 percent higher than in urban areas. There are hot spots where the rate of suicide in rural areas is much higher than any urban area, and I think it can be attributed to the situation that farmers in the last four or five years have been under heavy economic pressure.

But what do we see in our budget here, the agricultural budget? We have farm financing counseling cut back by 25.8 percent. We have management training for farmers being cut back by 15.3 percent. We have home economics, helping out women in our farms, that service to the women's sector being cut by 53.7 percent. We find here in research -- yesterday we discussed the Fanning for the Future in the Alberta heritage trust fund, where the minister was really bragging about how we were doing great things for research here in Alberta. And then we find that 45 percent of that budget is going for the administration of the program. Well, here we find, for example, in the agricultural budget, where we have the research section experiencing a 45 percent increase in administrative support, that we have elimination of the agricultural research institute, the general department research, the weather modification program. I can't believe that this is happening for agriculture.

Then we also have the Alberta Agricultural Development Corporation, a 51.1 percent cutback in the grants available for farmers to refinance their operations at lower interest rates, or beginning farmers who may wish to take over family farms. And then we compound that by raising the price of fuel and the input costs that our farmers are going to be facing. So really the farmers have been segmented, as are native people, as a group of individuals, I guess, because they are individuals -- farmers very often are not well organized, and it does not happen in areas where people are very well organized -- we have taken farmers, we can kick them in the teeth for 40 percent cutbacks. raise their input costs, and they're going to take it, I guess. Amazing. Amazing how a government, who campaigned on making farming their number one priority, the next year after the election can make those kinds of astounding cutbacks in terms of the services.

Rather, we should be expanding services to the farmers, providing much more backup support. The suicides, emotional breakdowns, and family breakups are direct results of the crisis in the agricultural industry. And what we find is that farmers are not getting the kind of help they need to work out their financial difficulty. We have not imposed any debt moratorium. No, we are still letting the banks foreclose on them. We are still allowing ADC to foreclose on farmers. You know, where is the sense of fair play here? Where is the sense of actually, as a government, being compassionate when people are facing a crisis which is beyond their control? The role of government is to protect people or individuals who cannot really be in charge of their own environment. And there is no doubt that farmers are surely not in control of their own environment. They are victims of trade wars. They are victims of the marketplace. And now we're pulling out behind a lot of their underpinning.

Another area is the Department of Economic Development and Trade. In my constituency, for example, the Lac La Biche regional economic development council has been one of the most well run regional economic development councils in the province of Alberta. I believe . . .

MR.CHAIRMAN: Order please. Excuse me, hon. member. Could we have order in the committee please?

MR. PIQUETTE: I believe a couple of the ministers have indicated that Lac La Biche is the model regional economic development council in Alberta, People from different communities around the province travel to Lac La Biche to take a look at what's happening in terms of regional economic development. Now we find the government is cutting back by 25 percent their funding for that, and eliminating it next year. And they call that a sunset clause. Terrible government priorities. We are talking about creating jobs. Very little money is being used or supported by the government to make sure these regional economic development councils will be operating. We're pulling the plug from beneath them, and then we're telling the municipalities to pick up the tab.

I think that's going to be reflected in the next vote in my constituency, because a lot of supposed Tories that were still there really don't quite understand what happened to the supposed support of the small business sector, in terms of putting in place a support mechanism by which industrial and economic development can take place at the local level. And that's where jobs have to be created. We've got to get off the bandwagon of corporations creating all of our jobs, and we've got to get back to the grass roots, to the local municipality, to the local small business sector.

We are very often accused by some members of the government party, who never get beyond labels about party politics, who say that the New Democrats are anti-business, I mean, I wonder which party is really anti-business. About the only thing I can see from some of these Conservative members is that they are always pro big business. But when it really comes down to it, they are anti small business, because they are going to be putting sunset clauses on areas which will actually create jobs at the local level and then give giveaways to Kananaskis countries, to their friends in government who elected them or helped to elect them -- like the sweetheart deals that we are finding out now in terms of the government taking all the risks in terms of the park development in Kananaskis Country and taking no profit back. Unbelievable arrangement.

But here we're talking about a few measly dollars for a regional economic council, and then we have the minister saying that the \$1 million small business incubator program is going to replace that. My eye. It won't. If you take away the support program which helps small business prepare their applications for financial help -- in terms of making sure they have market analyses done and that they have a good market plan, a good business plan, to approach the banks or various grants the government has to support small business -- then you're going to see the small business sector basically throwing up their arms and saying. "Well, I'm not an expert, so where am I going to go?" Many of them simply sit and, instead of helping themselves. go on unemployment insurance or on welfare, compounding the problem.

So again I urge the ministers to take a look at the regional economic development council, to reinstate that and expand that program through the province, as opposed to curtailing it and then trying to pretend that it's been replaced by the small business incubator program. And by the way, the small business incubator program is a Manitoba New Democrat idea that is being used here by the so-called capitalist party.

Now, going on to the other area of concern that is in public works. I indicated that there are different ways of building govemment buildings, and we have your whole list of government buildings which are being put on hold. For example, in my constituency the Calling Lake government building is supposed to be built this year. I indicated that one way of doing that is to tender out. Instead of building out of our money or using A1berta savings bonds to do that, why don't we let the private sector build some of these buildings for us and then lease them from them at a competitive tendered rate so we can get some of these services provided at the local level, so people don't have to travel 75 or 100 miles to access government services? So let's use a bit of imagination: how do we use limited funds in the most effective way?

In terms of recreation and parks, we in the Lac La Biche and Athabasca areas -- probably next to the southern part of the province -- are located geographically in the middle of Alberta, and it is the centre of the tourism industry in northern Alberta. There are probably more people from the city of Edmonton and even government members who have cabins, who vacation, in the Athabasca-Lac La Biche area.

Again I must remind the government that we need to make sure that we develop tourism as a total industry, that we professionalize it, that we also, by going ahead with some of our parks development in northern Alberta, work on the captive market that we have here in Edmonton. Rather than people taking holidays in other provinces and having our money being exported, let's make sure we have in northern Alberta an area which is superb for our tourist people so that they will spend their holidays here in Alberta. Again, if we're talking about the Alberta savings bonds, let's put that money back to work in our province rather than creating jobs for other people elsewhere. Because really our tourism is not simply inviting people into our province but is to make sure that we have at our disposal here excellent vacation spots for Albertans. That total package must be planned by the departments of transportation, Tourism, and Recreation and Parks. As I indicated before, I think an amalgamation of some of these departments would go a long way in

making sure that we don't have three or four ministers working in different directions.

Again in terms of tourism, I feel that TIAALTA is not properly funded. They are not providing enough support for a local tourist zone. I have been receiving phone calls again from tourist zones that they are imminently facing bankruptcy or shutting down services. I find that unbelievable, that an industry that creates the thousand upon thousands of jobs and generates \$2 billion as an industry in Alberta, that we don't have proper funding of the local tourist zones so that we have a comprehensive network of promotion throughout the province. The Alberta campaign is excellent, but we need to have more at the local level, because when people come into a tourist zone they must have access to all of the information available within that tourist zone. Unless we have that properly promoted, we find that people move on, pass, or don't stop in areas of great attraction where they could have our local communities and small business sector be able to expand.

Other areas that I want to address are in the department of transportation. I still am not sure that the minister has really addressed the whole safety issue relating to the transfer of the Highway Patrol and the reassigning of its responsibilities as well as the RCMP cutback which is funded by the Solicitor General. We are looking here that we have not enough supervision of our trucking industry. I think we're going to see, perhaps in a year from now, more clearly what will be the result of some of these cutbacks and lack of clear mandate on behalf of the new patrol to be out there enforcing as opposed to only responding. I think that will be something I'll be looking for during the year to see what is going to be happening there.

In the area of highways, I'm still upset that we actually had a cancellation of some of the road paving projects in 1987, because even though there was a 27 percent cutback in the secondary roads and cutbacks in the primary roads, I think that if the minister had made sure there had been a cutback in the number of kilometres for each of the road projects there should have been a continuation of all the secondary and primary highway paving. As well, I also recommended to him that we've got to be much more aggressive in terms of making sure that the Yellowhead is more funded by the federal government and that we access federal funds. We may not like perhaps to have strings attached to the way grants are given to provinces, but I think right now it may be time to eat our pride and get the money first. Then we can use that money that we get from the federal government, take that money and allocate it in different areas. We have to make sure that we maintain a first-class transportation network in Alberta and build on from there. It's not just simply to say, "Well, we've got the best." Well, I'm sure if you go down in the States, there's a lot of comparison where there's a lot better network of roads than the province of Alberta. I think the challenge is to make sure again that the roads, the construction in Alberta, that we continue with the 1986 program, maybe at a reduced rate, but not penalizing or cutting back in any of the programs that were under way.

With these last remarks I would like to close this afternoon's comments but also say that tonight I'm riding down to the community of Boyle, where I'm having a meeting with the Boyle Chamber of Commerce to address, number one, the lack of service that that town has in terms of agricultural services. They have been attempting now for the last three years to get a DA to at least spend one or two days in their community, because it's a transportation centre for grain delivery and farmers have to travel 40 or 50 miles in order to get to a DA. I'm hoping that

tonight we get an answer from the Department of Agriculture that yes, Boyle will be having the accessibility of a DA that can provide services to farmers who deliver their grain and who shop in the area of the Boyle community.

MR. CHAIRMAN: Hon. Member for Edmonton Gold Bar, followed by Edmonton Calder.

MRS.HEWES: Thank you, Mr. Chairman. I rise to make a few comments about Bill 38. First of all. I'd like to stress once again my concern with the form of the budget, which I have done in this House before. I find that the budget as it's presented to us and this Bill as it's presented to us are. in my view, flawed and deficient in the sense that it is very difficult to measure how many units of what are being delivered. How many did we buy on behalf of Alberta citizens with their tax dollars last year? How many do we intend to provide this year, and why? The budget in its present form does not give us that kind of informadon so that as members serving our constituencies, we're able to give them a sense of confidence that this budget is in fact provided on some basis of evaluation of what worked last year and what we're going to get for their tax dollars this year.

Similarly, I feel the difficulty that we have. Mr. Chairman, in having an opportunity during estimates debates for all members to ask questions and an opportunity for those questions to be answered has not been properly addressed. Perhaps we should be considering some changes in our procedures that would restiict the amount of time members can spend in making comments to estimates or in some other way make it possible for an increased number of members to have an opportunity to ask questions of the minister in charge.

Having made those general comments, Mr. Chairman, I do want to address a few of the particulars in Bill 38. I've spoken before about my dismay at the manner of the budget cuts that were made this year, made in advance of the budget estimates being presented to the House and announced in advance without any opportunity for the appropriate debate to take place until subsequent to their application. Budget cuts in health care, education, municipal support programs: all of these, it seems to me, were means by which unilateral reductions were made in those allocations. The responsibility for deciding what priorities simply passed through to some other level of government or a hospital board or a board of education, so we know that this government has no priorities, or if they do, they don't appear to be reflected in how the budget is managed.

Someone else has got to take the political flack for closing bids in health care, for not being able to retain new teachers in education, for increasing class sizes, for the municipal support programs that would in fact provide us with many jobs. I think the budget cuts were done peremptorily and with insufficient consultation with the various consumers and receivers of the grants through the estimates, and I think they will prove to be counterproductive.

Mr. Chairman, regarding health care, I have a few particular comments, if I can find it in Bill 38 -- Hospitals and Medical Care. I have expressed on a number of occasions my desire to see this whole system rationalized, but I think what we've done now -- this year, and through the minister's announcements of yesterday -- and in the past, we're going to pay more for much less. Of course, we all want to know how we get from where we are to where we would like to be in the system; that is, a system of more appropriate utilization of all services and a rationalized system.

I accept, Mr. Chairman, how it grew. It grew when we expected the province to grow in population by leaps and bounds and thought it would never stop. I'm grateful that at some point a former minister of health and hospitals did, in fact, end deficit financing of institutions, which I think was a good move and I supported it. But I suggest that the current methods of restraint will not be cost-effective either in the short or the long term. We may have a short-term paper gain -- that is. it'll look better in Bill 38 or in the estimates because it appears that less is being spent -- but we'll have short-term human pain for that. We'll have long-term paper pain because it will cost more in the long run. and we'll have long-term human pain as well. The consumer is going to pay now and pay more later.

Now, what's going to be saved from all of these noble gestures that the government is making? Are lives going to be saved? No. Is health going to be saved? No. Is money going to be saved? No. Well, where can there be any savings in the system? We keep being accused of never providing alternatives or alternative ideas. I think obviously there can be enormous savings if we can change our system use and have a more appropriate balance and ratio between acute care, extended care, home care, day care, day hospitals, and so on. I'm grateful that the minister has announced his review of ambulance service, which I think is long overdue, and I think that, too, will be a cost-effective measure.

Mr. Chairman, I would like to suggest that mental health centres are also gravely in need of a review as to how they are operating and functioning to assist people to stay in communities and to stay out of institutionalization: tremendous human benefits here, to the dignity of the individual; not a difficult procedure. It's been proven over and over again in many other centres across our country, yet we seem not to be able to provide those community services that support individuals who have required mental health institutional care at some point in their lives and need a modest amount of support in order to continue to function in communities.

Mr. Chairman, how do we reduce the escalation of use? The minister often asks about this. Well, I think we do it not just by fancy and expensive ad campaigns to tell people how much it's costing; I'm not sure that that's going to help in any way, shape, or form. But we do it by implementing a series of methods of prevention, helping people to stay out of hospital. These take the form of home care and, yes, of providing support for chiropractic services, podiatrists, physiotherapy, and so on. These are the kinds of services that in fact will keep people healthy, mobile, at home, and out of institutions, and therefore are a cost saving to us.

But we have to make an investment in order to do it, Mr. Chairman. One of the items that the minister has announced is that there will be a capital investment made to rebuild private -- that is, commercial -- nursing homes. While I applaud the minister's moves here because there is a real need to upgrade a good many of these facilities -- in some cases they're getting on in years, like some of the rest of us, I suggest -- we are in fact, I gather, making an outright grant. Now, I wonder to myself, and I think taxpayers wonder: why don't we guarantee loans to these commercial institutions? Make it possible for them to borrow money. They are making a profit in nursing homes. Make it possible for them to rebuild and retrofit their homes without making outright grants to them.

The Member for Calgary Mountain View has already spoken, I believe, about combining the departments. I think this is something -- it's going to take some time, I recognize, but I

have no understanding, no comprehension, of why we have three and often four departments serving many of the same clients. I think there could be many, many advantages by combining departments that would put together in mental health services, for instance, community care along with institutional care. There could be enormous savings and benefits here.

Mr. Chairman, I know governments move slowly and they need to research these changes and need to make appropriate and cautious moves towards them and to reflect community desires, but I think we now know what has to be done. There is an urgent need to reorganize bed use, both acute and extended care. Why don't we just simply do it? There is an urgent need for an understanding of central intake and an application of central intake for extended care. Why don't we do it? Why do we continue long-range research projects when we know what needs to be done and we know there will be considerable human and economic savings if we do it?

Mr. Chairman, further, the savings to be accrued through home care and through Family and Community Support Services have been well documented over many years. I suggest these are the kinds of moves that we should be making rather than what I consider to be regressive cuts: paper improvements, but long-range, certainly not cost-effective.

Mr. Chairman, let me go to another department, Career Development and Employment. The minister of this department has consistently declined to tell us what the basis is from his former activities for new moves to create jobs. That doesn't instill confidence over on this side of the House or out in the community. If these employment programs are based on something that works, well then, tell us. Show us the evidence that it does in fact work. If I can be convinced, then I'll be glad to support it. I haven't seen that evidence. In the absence of it, I'm deeply concerned that we're simply putting more money into programs that in fact are not going to create more jobs, because there is no evidence.

Mr. Chairman, however, we are going to be treated to a work for welfare program, and that's coming whether we like it or not. That is a program that will shuffle social allowance recipients off someplace else. It doesn't deal with the root cause of why so many people are currently on social allowance, and it's a short-term solution again, one that does really nothing for people who want to and are capable of establishing independence over the long term, nor does it stimulate any economic activity of the type needed to provide long-term solutions, as far as I can tell. In the estimates the money has been taken from the training and career services program and shifted off into the employment services, so our role and our function in retraining has been lessened and wage subsidies are increased.

Mr. Chairman, the government seems to me to be placing very special emphasis on employing social assistance recipients and those who have exhausted unemployment insurance. Not finding long-term strategies, we're going to shift those social assistance recipients off to the private sector. I have to conclude that we're not considering retraining as a priority but are going to unload welfare recipients onto wage-subsidized programs without any retraining or upgrading. That's not a long-term solution in my mind. It subsidizes cheap labour, and I think it's an error in judgment to put such a program in place. When the long-term, wage-subsidized jobs terminate, the former welfare recipients will simply go back on unemployment insurance, another government will be paying for them, and we'll be back in the circle again. That's no solution, Mr. Chairman.

In Community and Occupational Health, I've already men-

tioned the need to beef up the FCSS program, where we get maximum use of our dollars in municipalities and offer primary prevention to assist people to maintain their health and their family relationships. I believe this program has been held at ransom, in a sense, and has not been able to increase and develop as it should have and as it was intended to.

Mr. Chairman, the Workers' Compensation Board I've spoken about in the House earlier, and I still insist that there's a great need for an independent review of the activities of this board. I believe all Albertans, employers and employees alike, would benefit from such a review.

Let me just make a few comments, Mr. Chairman, about Municipal Affairs. I was disappointed at the unilateral cuts to municipalities, because I believe they will be the driving force in employment programs. I'm particularly disappointed that the government persists in taking credit for the AMPLE program. We've had no report as yet on how well it's working. There is no guarantee that AMPLE, so euphemistically named, will in fact create any jobs, any place. I believe that program should have been fully endorsed and the money should have been put up front into our communities when we need it, which is now, not over eight years and stretching it out much longer than it need be. I am extraordinarily disappointed with the government's nonactivity in that area, because I believe that was a suggestion that would in fact have created thousands of jobs in A1berta and a great deal of spin-off for private companies as well as public service.

Just in conclusion, Mr. Chairman, I'd like to make a few comments about Social Services, naturally. We are still waiting for the generic standards report. I have no idea why this is being held up. I can't for the life of me understand how we can continue to support private nonprofit and commercial services when we are missing those extraordinarily significant parts of the system; that is, a system of legitimate standards of monitoring and evaluation and of accountability. As long as those are missing, I have a great deal of difficulty understanding our move towards privatization and commercialization of human care services. I believe the community is ready to discuss them and to assist this government in developing standards that are acceptable and that will serve us all well, and I don't have any understanding as to why they are being held up from us.

Mr. Chairman, we all look forward to some further announcements about the child care standards and child care services in the province and particularly about day care and out-ofschool care standards. Although the news from the federal govemment doesn't appear to be too positive, hopefully there will be some breaks in this whole field of practice shortly, and we will see this government finally come to its senses and put some reasonable training standards in place for child care workers in the province.

Mr. Chairman, in conclusion, I have a great deal of difficulty with Bill 38. I believe, as I said at the outset, that it looks good on paper, but it seems to me that the reductions and the restraints, while we all agree that we need to tighten our belts, are being done on the backs of those in our province who are least able to withstand this kind of restraint budget. Our position has been right along that if we are going to cut back in our expenditures, we should do it in a phased fashion and over a longer period of time so that the economy and the people of A1berta will not suffer unduly.

Thanks, Mr. Chairman.

The hon. Member for Edmonton Calder.

MS MJOLSNESS: Thank you. Mr. Chairman. I would like to raise some concerns with Bill 38 in addition to those concerns that have already been raised during the estimates debate.

I cannot stress what a dangerous budget this government has brought forward for this '87-88 fiscal year, and as we proceed through the weeks since the budget has come down, we see more and more clearly exactly the kinds of effects, devastating effects, these cuts are having on various groups of people and various individuals. In some cases, we can only predict what the effects will be, but, Mr. Chairman, they are not positive.

We have seen cuts in essential services at a time when these services are so badly needed by many people, and whether it's social services we're talking about, whether it's education or health care, this government has chosen to cut spending. Just after this budget was brought down in March, I had a constituent come into my office saying that he had planned to go to university this fall and all of a sudden, with this budget, realized that tuition fees would go up and that he could just simply no longer plan to go to university in September. And just like that, a lot of his aspirations were demolished. He wasn't angry when he came into my office, which surprised me; I think I probably would have been if I had been in his circumstance. He was very quiet when he was telling me this, and it was like he was almost in a state of disbelief. He just seemed to have given up all hope for anything good ever happening in his life.

I have a cousin in medicine at the University of Alberta. She has calculated that this year, with this budget, she will have to pay an additional \$700, with the elimination of the renters' tax credit, through higher tuition fees, increased costs of gasoline, et cetera, et cetera. And what are the effects on the average family? We have higher medicare premiums, and yes, they're receiving less coverage for that money. We have higher personal income tax for fewer services. We have higher unemployment or increased unemployment with this particular budget, and with that, of course, less people are able to pay taxes, which causes the government to have to dish out more in the way of income support.

It also amazes me, Mr. Chairman, how the government members and ministers continually say that we should not look at the amount of money that is being cut back or the percentage that is being cut back, that we should look instead at the amount of money that is still being given to a particular department. For example, instead of looking at a 3 percent reduction in spending, we should be positive and look at the fact that they are still receiving 97 percent. To me this is like telling a child who has just lost his sucker that he should not despair because he still has a stick. It's not too persuasive, Mr. Chairman. [s o m e applause] I knew you'd like that, Member for Red Deer North.

The fact is that many services have not been cut by 3 percent. Many, many services have been cut by much more than just 3 percent. In addition to that, many services have been ternuinated, so it's a bit misleading when we look at the budget and the budget book that departments are just being cut by 3 percent, because many programs are being cut much more substantially than that. Many programs within Social Services have been cut not by 3 percent or 4 percent but many by 12 percent, and I'm making reference to some agencies that offer services to the handicapped. Their vocational programs, their independent living skills programs, their group home programs and rehabilitation programs have all been cut more than 3 percent.

My colleague from Calgary Mountain View talked about the process that was used with handicapped children's services contract terminations in Calgary. I have heard similar complaints to the ones that he has raised with the handicapped services. When asked if these cuts were negotiated by the department, many of the agencies looked at me and they just said: "What negotiations? We didn't have negotiations. There were no discussions. We were given a directive, and we were told we either take it or we leave it." So when decisions like this are being made arbitrarily by various departments, it indicates clearly to me that there's no input from the service deliverers or people that are utilizing the services. Therefore, there is no coordination done between the departments and there is no overlying plan when you've got a department arbitrarily cutting back. These agencies from year to year have no idea where they stand. They have no idea if they're going to get funding next year or not. I must say that the trust that they once had with the government is quickly diminishing, because they don't know where they stand from year to year.

I'd like to talk a little bit about the services that have been terminated completely. The first one, of course, that comes to mind that has been recently discussed in the House is Hilltop House. This was an arbitrary decision made by the department, and I know through discussions in estimates that it was not thoroughly investigated by the department before this decision was made or they would have known that there are no services in the Edmonton region that will serve single women. Now, we've heard the minister name off other agencies and assume that these other agencies will take over the responsibility, when in fact these agencies will not take over the responsibility and services are just not available to them. So I really question the extent of investigation that is done before a decision is made to cut, and I don't think, when thorough investigation has not taken place, that the government is acting responsibly.

I also am very concerned about the closure of Mapleridge. Again, we have an instance where the government is only looking at money; they are not considering the welfare of these children. If they are satisfied with denying these children professional treatment and this is what they truly need, it is very clear that they are simply looking at dollars and cents. This is a very dangerous dung to do; it's very irresponsible. I also submit that the decision to close Mapleridge, again, was done with little research or little investigation, because if one talks to the professional people out in the community, they will recognize the need for this kind of treatment centre for kids.

This budget is one that has simply cut spending in each department and then puts more and more of the onus on the municipalities to continue to pick up the responsibility for programs that are so badly needed. We've heard this government blame the federal government for many things, and now I think we can hear them blame the school boards or they can blame the hospital boards or they can blame the local municipalities if the people aren't satisfied with the kinds of services that they are receiving. Well, many people in my constituency are recognizing the fact that these responsibilities lie with the provincial government and that this government is shunning their responsibility when they simply turn it over to these other levels of government.

In conclusion, with Bill 38 we see cuts in health care and reduced coverage, we see cuts and deterioration in our education system, we see cuts in the termination of many programs within Social Services, we see increased personal income taxes, elimination of renters' tax credit, we see many layoffs going to take place, and we see cuts to single employables. This very night there is a fund-raiser sponsored by the Edmonton Food Bank, which is absolutely desperate for food. I know that probably to many members the Oilers game is more important, but they are absolutely desperate for food to try and feed those thousands of children and men and women that live in Edmonton alone who do not have enough to eat. I think it is absolutely pathetic that we have to do this in this particular fiscal year.

Mr. Chairman, I cannot support Bill 38.

HON. MEMBERS: Question.

MS BARRETT: Nope, not the question yet. Sorry, folks.

Mr. Chairman, I guess I have to add my voice -- it won't surprise you or members of the Assembly -- to objections to the contents of Bill 38, which is encapsulating almost all of the budget; that is, those estimates which didn't come to a vote during the 25-day consideration of the budget estimates.

The primary reason, I suppose, that I object to the contents of this Bill is because it constitutes nothing less than a contractionary budget. It implies within its contents, particularly under the department of Treasury, some kind of support for a big tax hike for Albertans that is being levied at many different quarters, not just personal income, which is based on the ability to pay, not just the flat 1 percent surtax, which is supposedly temporary -let's see about that -- but also on what I would call other flat taxes such as medicare premiums and various other fees and levies that the province is able to exercise. Now, it seems to me that if you take approximately a billion dollars out of the spending power of individuals in Alberta when you've already got an economic recession that simply won't go away and you add to that cuts within various departments, particularly those which are in the people service sectors, you're adding insult to injury. In other words, you're making the situation much worse.

The Conference Board of Canada released its quarterly report just a few days ago, and it was noted that the projections for Alberta growth are in the negative form, Mr. Chairman. That is, Alberta will actually suffer contraction of our gross domestic product by more than 1 percent this year, the only province in the country to boast that. That is on top of poor economic performance for the last six years, which didn't show up of course until the various analyses were available, usually about one year later. But the fact of the matter is that public spending by government departments, particularly in the provision of services, actually has a fairly high multiplier rate. It's much higher than, for example, money that is spent within the oil industry. So when I look at cuts to the departments of education, social services, public works, hospitals and medical care and I know that most of the implied multiplier -- that is, the demand that is created for the products and services which are necessary to deliver the final services and goods -- is actually in Alberta, I know that that's a higher multiplier rate than it is when you spend money buying equipment that is not made in the province to service an industry that by and large has dominated the economic profile of this province since 1973.

Now, that may at first blush not appear to be such an important issue, but maybe when we look a little deeper and we have a look at how those cuts are going to affect the quality of lives of Albertans, we start to see that it's not just an economic issue; it is an issue of humanity. I think, for example, of the children and the families who are served by the work of inner-city schools in particular, but community schools which have that designation. The fact of the matter is that it's probably cheaper to fund them on the basis of the previous formula, that was around \$70,000 a year -- not much for each individual school -- and keep down the rate of crime in a given area and the need to spend more money on policing.

The same is true when it comes to the famous hospital minister's cuts, which are incorporated in this Bill, Mr. Chairman. The clever minister figures that it's real smart to spend a couple of hundred thousand dollars on a trial project to advertise the need to exercise restraint by people who are ill or potentially ill in this province prior to finding out the conclusions of that sort of study, that sort of trial balloon. The minister in his infinite wisdom decided that he would go ahead and chop what he didn't like out of medicare anyway. Now, it seems to me that there is a classic example of putting the cart before the horse. If it is a trial project to spend \$300,000 telling Albertans that they spend too much on medicare, which by the way is their tax dollars -- it doesn't belong to that minister or the Treasurer or anybody else. It's our tax dollars. Now, to spend that sort of money telling them that they're spending too much of their own money on medical services and not even waiting for the result to come in prior to going about arbitrary cutting within his own department is the most preposterous scenario one could possibly imagine.

On the other hand, Mr. Chairman, it doesn't surprise me. He is after all a true-blue Conservative, and that is what this whole Bill smacks of: true-blue conservatism which says, "Oh, we have an economic theory that calls for short-term pain for longterm gain." But the short-term pain isn't being imposed on the big buddies of government, is it? It's not being imposed on money that Shell and Esso or Texaco will have access to. It's not being imposed on the insurance companies, who delightfully gouge young male drivers regardless of their driving records so that they can make an extra few bucks based on that form of discrimination. It's not based on cutting the fat at the top level of government departments.

I had a look a few months ago at salary ranges for senior management officials from across the country, and I was not a bit surprised, although dismayed, to discover that Alberta just leads the pack when it comes to the prices we'll pay for deputy ministers, assistant deputy ministers, and other highfalutin advisors of various description. When we have a range that gets close to \$100,000 and we say to ordinary Albertans, "Listen buddy, I don't care if your eyes go bad between the ages of 18 and 65, and too bad if you're going to end up in the hospital because your back didn't get looked after at the chiropractor because you couldn't afford to pay it" ... When we talk to A1bertans like that and then have the audacity to pay political people -- and let's face it; those are political appointments -- at that rich level, I think something is really wrong. But as I said, Mr. Chairman, it doesn't surprise me. It is, after all. a Conservative government.

Well, you know, this government is very clever when it comes to appealing to the senior voters. I know that. You'll see, for example, that the cutting the hospitals minister announced yesterday to various medically required or not so medically required services as funded hitherto by the department don't affect the senior citizens. That's because the seniors, it is assumed, come out and vote in droves for Tories. Well, methinks that's a mistake. And methinks it's a mistake that isn't going to be corrected by a couple of little signals like exemptions from the rest of these cuts, because it is. after all, their children, their grandchildren, their friends and neighbours who are also being affected. They're not so dumb. They know what's going on. They know that there's an attempt to sucker them into votes, and they don't buy it. And you want to know how I know that, Mr. Chairman? I know that because I went and visited every one of the seniors' facilities in my riding during the winter, and we never did get answers from the minister responsible for housing, for example, as to whether or not they're going to change their ways when it comes to doing the job right when constructing facilities for seniors' lodges, apartment buildings, and nursing homes.

For example, I cite the paving of the back lanes. Why is it that we didn't get a response on that issue? That's very important to seniors. They use the back lanes just as much as they use the sidewalks, especially if it's a faster access to the nearest grocery store. You know, this government's willing to construct buildings worth millions of dollars, but they won't do it right; they won't pay for the paving of the back lanes. They also don't take into account the physical needs of the seniors when constructing those facilities, so it's harder for those people to open the doors to their own building than it is to go next door to Safeway or the bank.

Now, when it comes to the cuts, Mr. Chairman, seniors are also affected, I think, by the cuts to social allowances, because this government, in its infinite lack of wisdom to sharpen the pencil and put a fine point on it, didn't even take into consideration the plight of those people who are 50, 55, and 60 years old who have been unemployed through no fault of their own and who are now consigned to the worst depths of poverty so this government can say that it's reducing its deficit. Yes, it's reducing its deficit in theory. As a matter of fact, I speculate the deficit would never be and won't ever count up to be as high as the Provincial Treasurer has said it will be: \$3.3 billion. But they're doing it on the basis of the most inhumane tactics one could possibly imagine. Do you know what it's like to go and try to find a room on Boyle Street for \$180 a month, which is the amount of money that is now going to be given to so-called single employables who are not at the theoretical retirement age of 65? Well, first of all, you probably couldn't stand the smell. Secondly, most of you probably wouldn't even come along with me if I invited you, and I know some of you who have personally rejected me already in that invitation don't have the guts to come along and see what it's like.

But then to think that the people who simply cannot get employment because age is now working against them are also being consigned to the dustbin of history by a sweep of the pen is just an outrage. And guess what, Mr. Chairman? Those people are going to be 65 soon, and they'll qualify as real seniors then, and they'll know that any sop made to them in the upcoming estimates or budgets is nothing more than that: a sop. They're not going to vote Tory either. I think this government is going to learn a real hard lesson as a result of this sort of budget: severe economic contraction, a brain drain that is unparalleled in the history of Canada, because people have no reason to stay; they've got no employment to stay for. You'll have people screaming at the front door over the newly induced poverty that is being imposed upon them by the actions of this government and the lack of fair access to medical services based on actual medical need.

They don't like this stuff, Mr. Chairman, and neither do I, and before you cut me off, I guess I'm going to have sit down because the vote is going to be called.

MR.CHAIRMAN: Hon. members, under Standing Order 61(4), at 15 minutes prior to the normal adjournment time the

standing order indicates and states that the Chair will call the question. All those in favour of Bill 38, Appropriation Act, 1987, including title and preamble, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

[Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Dinning	Musgrove
Ady	Downey	Oldring
2	Drobot	U
Alger		Orman
Betkowski	Elliott	Osterman
Bogle	Fischer	Pengelly
Bradley	Fjordbotten	Reid
Brassard	Getty	Rostad
Campbell	Heron	Schumacher
Cassin	Horsman	Shrake
Cherry	Hyland	Sparrow
Clegg	Johnston	Stewart
Crawford	Mirosh	Weiss
Cripps	Moore, R.	West
Day	Musgreave	Young
Against the motion:		
Barrett	Hewes	Roberts
Chumir	Laing	Strong
Fox	Martin	Taylor
Gibeault	McEachern	Wright
Hawkesworth	Mjolsness	-
Totals	Ayes - 42	Noes - 14

[Motion carried]

MR. CHAIRMAN: In accordance with Standing Order 61, the committee will forthwith rise and report.

[Mr. Speaker in the Chair]

MR. GOGO: Mr. Speaker, the Committee of the Whole has had under consideration and reports Bill 38.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? So ordered.

MR. CRAWFORD: Mr. Speaker, the Assembly will sit tomorrow night in Committee of Supply, and the estimates under consideration will be Community and Occupational Health, and Environment.

[At 5:27 p.m. the House adjourned to Thursday at 2:30 p.m.]