

Legislative Assembly of Alberta

Title: **Tuesday, April 27, 1999** 8:00 p.m.

Date: 99/04/27

[The Speaker in the chair]

THE SPEAKER: Please be seated.

head: Government Bills and Orders
head: Second Reading

Bill 22 Health Professions Act

[Adjourned debate April 13: Mr. Yankowsky]

THE SPEAKER: The hon. Member for Edmonton-Beverly-Clareview.

MR. YANKOWSKY: Thank you, Mr. Speaker. I rise to very briefly commend the author of Bill 22, the Health Professions Act, for his work, a lot of work, that he did in drafting this bill. It certainly contains many good and necessary things that Albertans have been waiting for for quite some time, I must say. Also, those involved in the Health Professions Act have been looking forward to this bill as well. It's understandable that due to the size and extent of its scope, it took the hon. member some time to draft it. It contains something for every health profession, and the Member for Medicine Hat can truly say that he wrote the book on the Health Professions Act. Good bedtime reading.

I look forward to the debate on Bill 22 to hear some of the good, positive things about the bill, which are being expressed by a lot of the health professions involved. Good work, hon. member.

THE SPEAKER: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Speaker. I have a great deal of items to provide in debate this evening. I'm not sure they'll all be positive with respect to the bill, as the previous member has spoken about.

I've had the distinct pleasure of being on both the inside and the outside of the construction of this bill. I recall distinctly around February of 1994, when rumours were first circulating of the establishment of a committee by this government, something to the degree of rebalancing the health workforce. At first it didn't appear that there was anything documented about that particular committee. Then, lo and behold, it did come about that in fact the government had established such a committee and was in the process of considering a review of professional legislation.

So the bill that we are debating this evening has been five years in the making, unquestionably an exhausting, expensive, and very time-consuming process, but I wouldn't want the hon. member to jump to the conclusion that his colleague from Medicine Hat deserves all the credit with respect to the authorship of this bill. I know that the professions in this province that are affected by this bill have as well -- and perhaps even more so -- expended a large amount of money, time, and effort to try and make this bill into the best bill possible. But they didn't quite succeed, Mr. Speaker, and I will get to identifying some of the flaws of the bill a bit later in my debate.

Perhaps it's important for the record to identify to citizens and members of this Assembly who are not aware that at present we have 14 professions within the health disciplines that exist under freestanding statutes. Fifteen others are under umbrella statutes of the Department of Labour. Of these 29 in total, eight professions have exclusive scope-of-practice legislation. What the Health

Professions Act does, that we're debating this evening, is melt all of those professions into what I call the discipline melting pot, the premise of which or the reasons for which I'm not sure Albertans are completely aware of or clear about.

While, as I said, it has been five years in the making, I would suggest, Mr. Speaker, that if you went out on the street this evening and asked 10 people walking by if they knew about the Health Professions Act, I would guarantee you that you'd probably have 90 percent of those people that wouldn't know about this legislation or how it might affect them and their receipt of health care in the future. The premise is to do a number of things, but in my mind one of the most crucial things this legislation does is off-load the responsibility for the protection of the public in health care onto the regulated disciplines of this act, and I would emphasize the word "off-load."

The premise of the act is that we will establish a number of colleges whose primary purpose will be to protect the public. They will do so with a council or a board comprised of their own membership in that discipline and members of the public. In the course of doing their work, they will regulate through registration of their members, through continuing competency, through professional conduct processes. Through all of this, the government would attest that they will protect the public from unsafe practice in this province.

But there's a bit of a myth in that, Mr. Speaker, and this government is responsible for perpetuating the myth. The myth is that in environments where health care is provided and received, the environment in which those professionals work plays as equal a part in the safety of that care and that patient as the professional providing that care does. So if you look at it as a two-part equation, you might have a licensed physician who is working in a public hospital, and those two things, you hope, add up to that patient receiving safe care and actually leaving hospital recovered or feeling on their way to recovery.

What we've seen in the last five years is that this government's underfunding of health care and their restructuring without a plan has left the environment of the system extremely unsafe. We see a variety of disciplines that over the course of the same five-year period in which this legislation was constructed have dramatically increasing numbers of their members reporting patient safety issues, issues that related to their inability in the environments in which they were working to provide safe care. So while tonight the government proposes to address one-half of the equation, they are not, Mr. Speaker, addressing the other half of the equation, and that is the environment within our system of health care right now.

To a degree, that's where the public could potentially be misguided by this bill. If they receive advertisement that this bill is passed, they go into the health care system and they think: well, the care has to be of an optimum standard because this government passed the Health Professions Act. Well, the reality is, Mr. Speaker, that employers are not regulated by this act, nor is there a base level of funding that's required by this act. So the environments may very well continue to be unsafe, and there will be very little that the professions encompassed within this melting pot will be able to do about it.

8:10

In the course of the five years this act has been under development, there have been three binders full of submissions made to this government: by the record on file at the library, a total of 76 submissions. I'd like to cite from some of those submissions tonight. The Consumers' Association of Alberta submitted that the Rebalancing Committee's proposed plan has less to offer in consumer protection and leaves the consumer and system even more vulnerable to abuse, particularly in the following five areas:

1. Safety is a low consideration in spite of "the need for it" mentioned in the document on more than one occasion. The plan fails to follow-through on outlining measures that will be taken to monitor and evaluate the . . . level of those practitioners that are not registered with a professional or any other body. Further, the plan exposes the consumer to more risks of being treated by those who have failed and been rejected by the Professional Associations. Where are the clear and visible standards for providers?

2. The assumption is made that the "Employers' choices" would match those choices that are valued by the consumer. The "Employer's" priorities and desire to remain within budget may lead to the situation of inappropriately having unqualified workers providing hygienic care to patients in Intensive Care Units, thus replacing qualified staff with personal care attendants. This would decrease the amount of interactive time between a skilled worker and the patient, which can decrease and delay quality monitoring and treatment.

3. Advertising is encouraged as a means to inform consumers of goods and services that are available for consumption. The document criticizes the Professional Associations for limiting advertising services. However, given already existing advertising in the area of health care, caution must be taken that high cost advertising does not drive up health care costs [overall and] give the consumer little valuable information.

4. Will the consumer [through this bill] be exposed to a proliferation of new and unregulated health care providers? For example, let's say the physician assistant and nurse assistant come to town to replace much of what the physician and nurse presently do.

Very much a reality, Mr. Speaker, in an underfunded system. The employer looks for the cheapest possible provider.

A couple of other submissions for the record. The pharmacists submitted as well a comprehensive brief with respect to the document, but actually I think I'll delay in providing that because we will be debating a subsequent bill this evening, with respect to the Pharmacy and Drug Act.

The AARN also made numerous submissions. As a member of this association I'm very familiar with the extensive amount of money invested in preparing and providing support to this government with respect to this piece of legislation. One of the fundamental messages the AARN gave to this government was that barriers existed to the true reform of this health care system. They identified those barriers as legal, policy, funding, and attitudinal and outlined those in detail in their brief. The reality again, Mr. Speaker, is that very little has been done with respect to the final bill as we see it before us to truly address those barriers that exist within the practice environments in this province at this time.

The physicians also provided a listing of facts and concerns about the legislation. This was provided by the College of Physicians and Surgeons. Their concerns were listed as follows.

1. [This] promotes unregulated practitioners.
2. Unregulated practitioners would not have to meet any standards for training and performance. The public would clearly be at risk.
3. It would be difficult, if not impossible, for the public to distinguish between regulated and unregulated practitioners; circumstances may also preclude a real choice being available.
4. The consequences to the public of making incorrect choices are potentially severe. The premise of "caveat emptor" should never be acceptable in health care.
5. This discussion paper contradicts some principles and policies of the Alberta government.
6. The College of Physicians and Surgeons . . . ensures that competent physicians are providing effective medical services.
7. Licensing should not be used to control medical manpower or to achieve other social and economic objectives.

I have not heard the two government members that have risen to

speak to this bill to date address any of those issues. I would hope that at some point in the subsequent debate on this we will, in fact, hear those submissions made.

A final point which emphasizes some of these similar points was made to the government by the United Nurses of Alberta, also an organization that I am proud to be a member of, emphasizing the fact that much of the workforce rebalancing committee's paper is

cast in the language and images of Total Quality Management and Business Reengineering . . .

Nowhere is this more evident than in the discussion around the differences between exclusive scope of practice and right to title.

On the one hand, the Discussion Paper uses . . . language to describe exclusive scope of practice which is said to create "monopolies"; to lead to "price-fixing" . . . to result in "turf warfare"; to produce "over-skilling"; to enforce "inflexibility", "less innovation" and "reduced responsiveness" [et cetera].

Throughout the Discussion Paper this Total Quality Management language is used to promote the government's proposals and to denigrate the current system -- all without a substantive debate on the relative pros and cons of each system.

A very valid point, Mr. Speaker. When did this government consult the public about what they were undertaking in this act and how in fact it would affect the public when it was passed?

Some very quick preliminary thoughts as I read this novel piece of legislation, novel in terms of length, Mr. Speaker, certainly not in terms of its reading value. To start at the very beginning, there are a number of questions that I have as I read the act as it is now proposed. In the definitions one word that is not defined that I found it rather odd that it was not is the word "association." In fact in subsequent sections of the bill the association term is used linked with the term "college." So if we're clear in this province that college means to regulate a profession to protect the public, what in fact does "association" mean?

Well, currently we call professions' professional bodies associations, and that has always symbolized to the membership of that professional body that there was a balance between regulation and advocacy on behalf of that profession. If in fact the advocacy role is intended by this government to remain within the legislation, why, then, is it not included in the definition section of the act? To me it's a very, very skeptical, questionable omission. As many members may not be aware, a percentage of professional fees paid by members in this province to associations or to colleges in the past has been based on advocacy functions that that organization fulfilled. Another portion of those fees was provided to perform the regulatory function. So if the association component is intended to still exist, why is it not formally defined as the component of the organization that will provide advocacy? It is omitted, and I fear that it is omitted intentionally.

The other aspect of the bill that I found of interest was the role of the college. For many disciplines, the number that I outlined previously, the creation of a college will be a new entity, a new experience in their existence in this province. The bill says that a college will

- (a) carry out its activities and govern its regulated members in a manner that protects and serves the public interest,
- (b) provide direction to and regulate the practice of the regulated profession by its regulated members,
- (c) establish, maintain and enforce standards for registration and of continuing competence and standards of practice of the regulated profession,
- (d) establish, maintain and enforce a code of ethics, and
- (e) carry on the activities of the college and perform other duties and functions by the exercise of the powers conferred by this Act.

8:20

I'd like to focus for a moment on two of those sections that use the words "establish, maintain and enforce." Strong words. The colleges will in the future exist. They will have standards for registration, for continuing competence, standards of practice. So any sort of logical, thinking Albertan would say: well, okay; I guess that will mean that the college will be able to go into the field to examine not only the members of its profession, Mr. Speaker, but the environments in which its members work to fulfill their responsibility to maintain and enforce standards of registration.

Now, while the bill is full of provisions to allow the colleges to regulate their members in that regard, ensure that their members are practising according to the standards of practice and their code of ethics, I cannot find any references within this bill that say that colleges will have the ability to go out and assess work environments. So I would ask the question: how do they ensure that standards and ethics are maintained and enforced if they don't have the ability to examine and give recommendations with respect to the working environments of these professionals?

Thank you for the opportunity to speak at second reading to Bill 22.

THE SPEAKER: The hon. Member for Edmonton-Centre.

MS BLAKEMAN: Thank you very much, Mr. Speaker. I'm pleased to be able to rise this evening to make some comments in second reading of Bill 22, the Health Professions Act.

This is an immensely detailed and complex piece of legislation before us. I'd like to say right off the top that I think for the first time in my memory we've seen a real effort on behalf of the government and the Member for Medicine Hat to consult, to work with the professions and occupations that are covered under this bill, and I think credit should go where credit is due. Job well done. It's important, especially with what I understand the government is trying to do here, that it was sort of more than consultation; it sounds like it was a good working process with the professions that were covered. I wanted to say that from the outset, because I think that's important. We often ask that there be consultation, and I think that when we see it, it should be commended.

There are a couple of areas I'd like to talk about. Some of my colleagues are very well versed in this area, indeed have professional status with some of the areas that are covered under this bill, and I'm approaching this more as a plain old Albertan, someone who is struggling to grasp what all of this is about and just to make a few queries of the government about intent. I've read as much as I can with the government's wording in putting forward the bill, but there are still a few things that come out to me: one is the sort of one size fits all theory, the costs that are associated, the amount of things that are in regulations, and a concern about deprofessionalizing or de-skilling and a connection there to sort of the HMO style of management, or what is the plan in health care? So those are the areas I would like to cover.

I'm wondering why all of these professions and occupations got put under this, the impetus that moved the government toward doing this. I see it in a couple of areas. It seems that this government is very keen on the one size fits all theory of governing or of setting up or having people operate in this province. While I realize that many of the members opposite will not have experience, I can tell you that one-size panty hose does not fit all. So I'm wondering why . . . [interjection] Oh, I'm being contradicted; there does seem to be experience there.

I'm also seeing this, for instance, in the way career development and job training and placement has been reworked and revised.

Again that's putting everybody in the same boat, and there isn't sort of individual recognition of certain groups or subgroups there.

I've read what the government says led them to put this in place, but I'm still questioning the underlying one size fits all philosophy. There is an immense amount of cross-referencing back and forth. This is very difficult to figure out. Even in some of the sections that I know have been reworked, it's still not clear, and I think that in the end I'm really wondering: how does this fit into the bigger plan? Why was all of this effort put in here in order to sort of group everybody neatly in one area? Does this satisfy some need to be able to just go to one place and change? I don't know. It doesn't make sense to me, because in this day and age in many other areas we're learning to be more flexible, to accommodate difference and, where there's a minimum of cost involved, to work with those differences and those subgroups in that flexibility.

It's moving away from this sort of let's lump them all together in one big pot philosophy. I'd be interested in what the hon. members of the government have to say about that.

There's a number of committees -- I couldn't even begin to pick them all out -- that have costs associated with them: registration committees, competence committees, complaint review committees, practice committees. It seems to go on and on and on. I'm wondering: does this end up being more expensive? That's what it's looking like to my inexperienced eye. I'll admit that I'm inexperienced in these areas, but compared to what we have now, this looks to me like it will get more expensive. I'm wondering if a cost analysis has been done. What's the budget that supports all of these committees and per diems and travel costs and people appointed to this? I'd like to know how that figures. I'm sure government, being cost-conscious, will have done that already, and I'd like to have that information shared.

I'm also a little concerned that we're going to end up with another level of authority, like a DAO, a delegated administrative organization, in which the government can do the same thing that it used to do with the RHAs, which is any complaint or concern that's brought forward, it's: well, it's not our problem; go and talk to such and such a committee. There was an off-loading of responsibility without the accompanying authority, and for anyone who's taken the most basic of public administration courses, those two things must go together or it's not doable; it's not implementable.

8:30

Now, regulations. This an astounding document. It's very thick, a large document, and in almost every section it's referring to the regulations that are going to put that section into effect. It makes one fear for the forests of Alberta when I think of how much paper the regulations are going to take up.

I am not keen on regulations. I find that it's very difficult for the public to locate them and find them. Even with the Internet now the acts are very easy to access, but the regulations are not. We are getting an increasingly better informed population, and I know people want access to this, and when things are done by regulation, it's much harder for them to find, and the government can change the regulation without anybody knowing about it, really. So it's possible to have no consultation or no information out there, and the regulation is changed.

That always concerns me because it's changed without debate, without information about why it was chosen that those regulations would be changed without information to the public. That causes great concern to me. This government does an enormous amount by regulation already, and it makes it appear secretive, if not in fact secretive, and I don't think that helps us with the public or with a trust factor.

Now, there is one little thing that leapt out to me. A number of the health professions and some occupations, I think, register students as part of their covering group of people. I didn't understand why this was, and I in fact sought out the information from someone working in that area. They said: well, they need to be getting that information, and sometimes in their apprenticeship they are called upon to do things, and they need to be covered by the code of practice and the standards and all of that. So if the health professions and some of the occupations recognized that, why didn't the government? What choice was made there, and why was that choice made not to cover students? I'd like to hear the answer to that, if I could.

Now, deprofessionalizing or de-skilling. In my short life I can remember when, for instance, in hospitals you had an RN. All the nurses were RNs. That's what they were. Then there were a number of LPNs that were around. Some of the work that the RNs used to do was done by the LPNs. I didn't even know this, but now there's a PAC, a personal assistant something -- I'm not quite sure about the wording there -- to do some of the jobs that used to be done by the LPN. So there does seem to be a de-skilling, a moving of job components down to, one presumes, less regulated or less professional people. There's certainly less training required of them, et cetera. I know there have been conversations in the media and in this Assembly about having different levels of these professions administering injection drugs and that sort of thing.

Something occurred to me while I was trying to grapple with all of this. It's a contradiction to me, because it seems like the place the government, the employer, chooses to look to cost cut is in the staff wages. They want cheaper people, less expensive wages doing the work in our health care field. I don't understand that argument placed against the discussions that we've heard about things like cutting taxes and flat taxes and things which are supposed to put more money in people's pockets. Then why doesn't the government want to pay the qualified health professionals and have the money in their pockets? Won't they both go out and spend money in Alberta's economy, buy their groceries, pay their mortgages, purchase goods and services in Alberta? Why is this the first place the government looks? Perhaps there's a simple answer that the government wishes to stand behind: this is our most expensive line item, so that's where we cut from. I don't know. I'm concerned about that, and I see that in more places than just in the health professions, because overall I was looking for a new plan for health.

Certainly when this current version of the Conservative government was elected in '93, we heard all about a new plan for health care, and I'm still waiting for a new plan for health care. Well, eventually we found out there wasn't a new plan. There wasn't a plan for the cuts, which to me says there isn't a plan for health care. This is a big step to take if we don't know what the plan is or how it fits into the plan. So if the government now has a plan, could they share it with us, and if they don't, then why is this happening now? How is this piece supposed to fit into what we've already got? What is the vision for this in the future? We're less than a year away from the millennium. Where does this fit in the whole vision of health care provision in this province? I'm concerned, and this can easily be disproved. I'm not saying that I'm against this bill. I started out by complimenting the member on the amount of work that had been done to come up with this, and there has been a great deal of consultation.

I've had constituents come forward and meet with me about their concerns in '97, I think it was. Now, they have not returned to lobby me again to work against this bill, so I'm presuming -- I hope it's not a leap of faith -- that my constituents' concerns were addressed with additional work with the member and that what's coming out

in the bill is satisfactory to them. Although I am aware that a number of the different professions and occupations still continue to give a reserved opinion on the bill, mostly around it being very complicated, and around -- oh, I know the other point I wanted to raise.

The role of the public members. I notice my time is running out. [some applause] Thank you for the encouragement. It's always nice to get that from the other side. The public members who get appointed to these councils. I notice that they are appointed by the Lieutenant Governor in Council. Okay. Nothing too untoward there. I think the concern is with the process of how the public member is chosen. Is that an open process, or is it appointing friends and neighbours and things like that? People always want to know that it is a public process, that the public, the real public out there, has had an opportunity to be appointed to these boards. I don't have any problem with the Lieutenant Governor ending up appointing them. It's the process that leads to that appointment. I will note that as it stands right now, the government already appoints all the members to the RHAs, so there are a number of government-appointed, government-selected people on the RHAs that are supposed to be public members, but I think they often turn out not to be.

8:40

My question is: what exactly is envisioned as the role of the public member on these different councils and committees of which there are many that are created by this act? Is the allegiance of the public member to be to the public? Is the allegiance of the public member to be to the college or the particular committee that they've been appointed to? Or is the allegiance of the public member to be to the government that appointed them? Those are three very different allegiances to have. I would like to know what the government sees the role of the public member to be. I'd like to have that set out and discussed here, because I think it's important to know for members of the public that are thinking of putting their names forward for this. If they're to always uphold the particular committee or college or council they've been appointed to, fine. That tells them something about the relationships that they build, the information that they give out, their relationship with government or with the public. But I would like to know what it is.

I'm thinking of the members of the Advisory Council on Women's Issues who were selected and appointed by the Lieutenant Governor in Council. That was never clear to those public members, where their allegiance was to be. Depending on the individuals who made up the council at any one time, that could shift back and forth. At times their allegiance was 100 percent to the council, and they were willing to disagree publicly with the government. They were also willing to not take into account or to not put the public first. It was the council that was paramount. At other times it was very much focused on the individuals, the public. That's why they were there, to be an amplifier for their voice, and that's what they did. If that put the council in a bad light or the government in a bad light, tough. They were there to bring forward that voice and the issues that were identified by the public. So I have seen how confusing and difficult that can be for people.

Mr. Speaker, I see that my time is up. I look forward to speaking again on this bill in Committee of the Whole. Thank you.

THE SPEAKER: Oh, the hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Speaker. I am looking forward to a few comments this evening on Bill 22, the Health Professions Act. I understand that we're going to bring all 30 health professions under this single act with uniform registration and disciplinary

procedures. We are going to eliminate the exclusive scope of practice from legislation for any health profession.

Now, there has been a lot of work put into this. I know there have been various groups and representatives of many organizations come and speak to our caucus. I was very grateful for their time. They presented some rather eloquent ideas regarding the entire health profession field in this province. They naturally had some concerns about the bill, and they had some overall concerns about the general direction of health care in this province.

Mr. Speaker, this is an extensive piece of legislation, and I think we should review the highlights of it. I said before that it's going to combine 30 health care professions under a single act. We're also going to eliminate the exclusive scope of practice from any profession. We will with Bill 22 create a scope of practice for all professions through its regulations, including what training is needed to perform these activities. We are going to spell out registration, disciplinary, and continuing competence procedures for all health professions. There are going to be provisions for the Ombudsman to look at the procedures followed by a college of a health profession in dealing with a complaint.

One of the first things we have to look at, I believe, is in section 3. In section 3 we are defining the role of each respective college. This includes governing its regulated members; regulating the practice of the profession and its members; establishing, maintaining, and enforcing standards for registration and of continuing competence in standards of practice for the profession; establishing, maintaining, and enforcing a code of ethics; carrying on the activities of the college and performing duties and functions by exercising the powers provided under this act.

Now, when we establish this -- and I understand the consultation process that occurred -- we may be stepping on people's toes, so to speak. We have to be very careful of this, because there have been over the years many different organizations involved in health care, and they have not essentially looked after themselves, but they've had a lot of scope. The first group that has concerns about the bill is the nurses. The nurses have a lot of concern about the restricted activities, and Bill 22 will permit untrained people, they think, to provide any health care service.

Now, there has been a lot of concern in the public in the last five years about the direction we're going with health care in this province. People can get unsettled and they can get cautious whenever they hear the words "health care service" and "this government" in the same sentence. When we look at the direction that the government has attempted to go in the last five years, we have deregulation, we have privatization of services. Then we have a look at the consolidation with this Health Professions Act, Mr. Speaker, and well, people may look at this and get suspicious.

Many Albertans train for long periods of time in their chosen profession, and they want to see, after they are trained and have accreditation, that that accreditation is going to mean something, that at some time in the future someone is not going to come along and say: now someone else is going to be qualified to do your duties. With Bill 22 untrained people are supposed to act under supervision, but there's no definition of that, I'm told. It could mean, for instance, long-distance telephone supervision or consultation. Now, some people would say: well, what's wrong with this? We have that sort of idea occurring in the Northwest Territories in the far north, where there are video monitors, there are registered nurses, and there are doctors as far away as Montreal directing the nurses in the care of patients under specific conditions. So maybe that's what they're thinking of, Mr. Speaker, whenever they ask the question: what's wrong with this?

But Bill 22 specifies a list of activities which, if done by untrained

people, I believe could clearly cause harm. Only qualified professionals should be able to provide these restricted activities. The government wants to allow any untrained person to do them. Now, in the due course of this debate, Mr. Speaker, I'm sure that if I am interpreting this wrongly, an hon. member from either side of this Assembly can stand and explain to me their interpretation of this, but we have to consider the protection of the public.

8:50

The public may not know that they are being treated by an untrained person. This would add also to the nonconfidence Albertans have in their health care system. The number one issue on Albertans' minds, regardless of whether they're in Calgary, Edmonton, Grande Prairie, Fort McMurray, Oyen, Consort, Coronation, Whitecourt, or Sangudo, is health care. They want to have an assurance that the health care system is going to be there and that the people who are going to be working in this system are adequately trained and adequately supervised.

One point is that if the restricted activities are dangerous if performed by an untrained person, then untrained people should not perform them at all. The legislation means that patients will not know who is treating them unless they ask. And when they are most vulnerable, if they are sick or injured, if for instance they have no family in the immediate area and they're hospitalized after a car accident, if they cannot speak up for themselves, if they are in no position to ask how safe they are in the hands of someone who is unqualified, they can't defend themselves, Mr. Speaker, and I think we have to address that.

Now, whenever we talk about the restricted activities, I understand that this puts the public in jeopardy in another way. The untrained people will not be subject to any kind of registration, continued competence requirements. They're not even required to be competent in the first place. They're not subject to disciplinary sanctions if they act unprofessionally. They are not subject to a code of ethics or standard of practice.

Two weeks ago I was over at a local seniors' lodge in my community. Just before I was getting ready to leave, a 90-year-old resident came forward and asked if she could speak to me privately. In the course of the conversation her concern was that after 5 o'clock in the evening there were various people who came into the home for short periods of time to administer medication from a locked cabinet. It was her opinion that these people were not qualified. Her view of this was that they couldn't read the fine print. This concerned her, and she asked me what I thought about this. I immediately thought of the bill and the briefing that was presented to our caucus. I didn't know if we were serving the best interests of that resident of that home, but we have to be very careful about having untrained people working where the public demands confidence. They demand training. They demand that we have legislation that will protect them when they need it.

MRS. SLOAN: It's too bad that the Minister of Labour hasn't commented on that.

MR. MacDONALD: Yes.

This bill, I believe, will change dramatically the entire health profession in this province.

MRS. SLOAN: Under the labour code.

MR. MacDONALD: Under the labour code. The hon. Member for Edmonton-Riverview is quite correct in her assessment.

MRS. SLOAN: Five functional bargaining units won't be able to exist.

MR. MacDONALD: How will bargaining units now be able to exist? How will unions be able to organize themselves? I don't know how this can be done.

Speaker's Ruling Decorum

THE SPEAKER: Hold up here for a second, hon. member; okay?

Now, let's just have a comment about decorum again. First of all, it is totally inappropriate for people to turn their backs to the chair. Secondly, the hon. Member for Edmonton-Gold Bar has the floor. Thirdly, it's most inappropriate for two members to have a debate among themselves when only one has been given the floor.

The dilemma the chair has is that the chair has already recognized Edmonton-Riverview once. The rules prohibit the hon. Member for Edmonton-Riverview participating a second time at second reading.

If the hon. Member for Edmonton-Gold Bar would like to continue, the chair would be most interested in hearing a sparkling, attentive, exuberant outpouring of eloquence on this most important and impressive subject.

MR. MacDONALD: Thank you, Mr. Speaker. Now, in Bill 22 the proposals in this legislation will allow untrained . . . [interjection]

THE SPEAKER: Perhaps the hon. Member for Edmonton-Riverview didn't hear what the chair said. The hon. Member for Edmonton-Riverview is totally violating the decorum of the House by not . . .

MRS. SLOAN: My fault.

THE SPEAKER: Please, may this be the last time the chair is going to say this to the Member for Edmonton-Riverview. She will not have a debate with somebody else.

Debate Continued

MR. MacDONALD: Thank you, Mr. Speaker. Now, in Bill 22 this legislative initiative will allow untrained or poorly trained health workers to work across this province, especially in those areas where patients or clients are most vulnerable. I spoke about nursing homes before, but in mental health facilities and those health care facilities that are poorly managed.

It's fine to point this out, but what can be done to correct this situation? The first thing that I believe should be looked at is that we should permit untrained people only to assist in providing restricted activities, and then only if they are competent to do so and if they are directly controlled and supervised by a regulated professional who is permitted to perform the activity.

I understand that this is the conclusion reached, and it was a recommendation made by the multidisciplinary committee of health professions and government officials in September of 1997. I don't know why there was a change of mind, and I would be very anxious to hear if there is an explanation.

Now, another point that could be done to correct these deficiencies. We have to look at the basic statement that only regulated professionals may engage in restricted activities. There need to be only three exceptions to this: students who perform restricted activities under the supervision of a regulated professional or in accordance with a protocol established by the college, emergency situations, and where an exemption is provided by an act or regulation.

A risk of harm section, Mr. Speaker, should be added to say that no one should engage in a restricted activity unless they are satisfied that they are competent to do so. Perhaps we should also include an overriding provision in the act that unregulated people who assist must provide safe care and prohibit them from assisting in care that they are not competent to provide. Maybe the act should also require those who assist in providing restricted activities to appropriately identify themselves as an aide or an attendant.

Now, we go through the bill, Mr. Speaker, and the drafting is complex, to say the least. This bill is full of redundancies, complicated cross-references, and whenever I compare it to the Insurance Act, I would have to say that it is poorly organized. I could read the Insurance Act. It was well presented, but this bill I would almost think is designed to confuse. This is unfortunate because, as I said earlier in my remarks, so many Albertans rely on this or are going to rely on this in the future.

In closing, Mr. Speaker, I would like to say that there has been a certain lack of respect on behalf of the government towards workers in their certification. It doesn't matter whether it's a trades person, a teacher, a health professional. There seems to be a trend coming from that side of the House: well, anyone can do the job. That is the farthest thing from the truth. If people are going to show the initiative to go out, work hard, and receive professional accreditation, then we should respect that.

9:00

We shouldn't see the diminishing of someone's qualifications as a means to provide cheaper health care. We are not doing the public a service by providing legislation that is further going to reduce their confidence in the health care system. We cannot forget, Mr. Speaker, that this idea that we can work one group against the other, that we can have LPNs fighting with RNs, cannot occur. There have to be defined roles for everyone in the health system.

I thank you for your time, Mr. Speaker, and with those remarks I shall take my seat. Thank you.

THE SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Speaker. I'm pleased to stand and speak to Bill 22, the Health Professions Act, 1999. As I read through the bill, it's very evident that it is to bring the 30 health professions under a single act with uniform registration and discipline, a procedure to eliminate the exclusive scope of practice from legislation for any health profession.

This is the same type of bill that was introduced as Bill 45 last spring. The bill's sponsor was the only one to speak to the bill. Then it was tabled until further consultation could be undertaken. The bill was started in 1994, as a matter of fact, with the hope of reducing the turf protection among health care providers. It was also part of the government's privatization and de-skilling initiative.

I keep looking at this and looking at health bills that are coming in. There is a little bill coming in, it's pulled out, something's left in, and I'm just wondering: how long are we going to go until they have in place in the system robots to replace the human factor that is out there right now, the very hardworking professionals in the system.

The Health Workforce Rebalancing Committee was created by the Department of Labour in 1994. It recommends that all health professions be brought under a single piece of legislation. Initially the bill was opposed vigorously by physicians and registered nurses as well as others. There are still a number of outstanding concerns with regard to the bill. The bill creates silos rather than eliminating them. The bill is cumbersome and difficult to read and is going to

be difficult to enforce. Delegation of restricted activities to unregulated workers would jeopardize patients' safety. The concept of one act for all these is very questionable.

The drafting of this bill is of concern to almost the whole health profession. It is extremely complicated and uses an inordinate amount of cross references, redundancies, and confusing definitions. The poor drafting may lead to difficulty in implementing this bill, and when we go into Committee of the Whole, I would like to see a lot of acceptance of amendments.

Many of the professions are also concerned about the costs of implementing all of the required committees and to fill all the positions required. Some of the professions have also expressed concerns regarding the fast-track process at the end of consultation. They do not believe that their feedback was reviewed properly or taken seriously due to the time constraints.

Section 5(2) -- and this is a very important one -- says that the public members, who make up 25 percent of each council, will be "appointed by the Lieutenant Governor in Council." Why does the government appoint public members to each professional council? Why must we have more government-appointed positions in health care? Already the government appoints all members of the regional health authorities. Now we're waiting for the next civic election before we actually get down to the fact that maybe there will be elected people within our system.

Sections 28 to 49 deal with the registration for each health profession, including initial registration, renewal, and suspension or cancellation of registration. This legislation does not require students to be registered with a profession. Many of the health professions currently have mandatory registration for students. In return they provide students with information regarding current issues, public protection, changes in the legislation, and information regarding national exams.

The legislation speaks of practice permits, which should be required by health professionals before they're allowed to practise. The permits are renewed on a regular basis. The legislation requires the registrar to cancel the practice permits of a profession if the application is not renewed. If it is not renewed, it will expire. Why would we need it to be canceled? This is an administration nightmare for large health professions. The onus has been on the health profession to renew their own practice permits.

[Mr. Zwozdesky in the chair]

Section 50 is the continuing competence program within five years from the date that the schedule to the act comes into force.

Sections 96 through 115 deal with business arrangements for conducting a practice. It is very difficult to understand these provisions. They seem to be designed to remove practice barriers but then allow these same barriers to be put in place by standards of practice, codes of ethics, and cabinet regulations. The legislation fails to remove the barrier to interdisciplinary practice, which it is supposed to support.

The legislation permits selected health professions to put in place rules of established professions, professional incorporation, while other health professions do not have these powers. This is a blatant discrepancy.

Schedule 7.1, Mr. Speaker, lists the restricted activities covered under this act. This section is still unclear. The Alberta Association of Registered Nurses is particularly concerned about the ability of the profession to consent to nonregulated health care workers performing restricted activities. They believe this could lead to a situation where nurses are pressured to consent to facility management. This could compromise a patient's safety.

The nonregulated health care workers will not be subject to registration, continuing competence, disciplinary acts, the code of ethics, and the standard of practice. The legislation does not include a risk of harm clause, which would put an onus on nonregulated workers to be competent to perform the restricted activities they are authorized to perform.

A major concern is that the restricted activities will routinely be performed by untrained workers in nursing homes, mental health facilities, and other health care facilities that are poorly managed. The AARN believes that nonregulated health care workers should only be able to assist in the provision of restricted activities and only if they are competent to do so.

The main concerns by the AARN: concerns regarding delegation of restricted activities, concerns around practice permits and the college being responsible rather than the profession, concerns with the practice of association of business relationships, concerns that the cabinet will have to approve these regulations. Mr. Speaker, the main thing around the AARN concerns: they're opposed to using unregulated workers for restricted activities.

9:10

The proposed Health Professions Act has been developed over several years. It attempts to bring 29 different health professions under one piece of legislation. The Alberta Association of Registered Nurses has worked with the Health Professions Act Implementation Steering Committee, chaired by the hon. Member for Medicine Hat, for several years now. Many of our concerns have been taken up during the drafting of the HPA, but one issue remains outstanding, and that is the crucial public safety. They are concerned about the changes in this act being really responsive to the concerns that they brought forward.

The issue has to do with the role of unregulated health workers who may be asked to carry out restricted activities. Unregulated workers could be virtually anyone but likely would be ward aides, ward clerks, patient care attendants, nursing attendants. Some restricted activities include injection, vaccination, taking blood, and so on.

A member of my family is an OR nurse, and I do know that over the last few years the team that was made up to be able to handle cases -- they felt like the left hand always knew what the right hand was doing -- has been jeopardized by downloading, people being bumped, people moving in, people moving to other departments, or just being out of work. The AARN is amazed that the government would create a list of unrestricted activities, activities that carry a significant degree of risk, and then open the door for unregulated workers to carry out these activities. You wonder why doctors are so concerned to the point that they are ready to be unprofessional when they're at work. It's the fact that when they walk into an OR, they haven't got the team that they've been set up with for years. This is a very big concern.

Imagine the situation. A ward aide has inserted an intravenous containing penicillin. The patient has an immediate allergic reaction, and the aide is unable to deal with it. If you're trained and you've got years of experience, you've actually gone through the training to handle this, the chances of this would be very slim if it was put under the regulation and control of the nurses that are actually trained for this.

Here's another case. A mother has brought her child into a public health clinic for vaccination. The unregulated worker giving the injection doesn't notice several bruises and burns on the child's body and does nothing to question the mother. The mother and the child leave the office, and the opportunity to protect the child from further abuse is lost.

It goes on. Bill 22 will permit untrained people to provide health care services. They only need permission from the professional to do so. Untrained people are supposed to act under supervision. But what if they're not? This is a major, major concern. Patients coming in don't know who's trained and who's not trained, you know, in an OR situation where the patient has no control over who's looking after him. The untrained people will not be subject to any kind of registration, continued competence requirements. They're not even required to be competent in the first place. They're not subject to disciplinary sanctions if they act unprofessionally, and they're not subject to a code of ethics or standards of practice. This puts the public in jeopardy.

Mr. Speaker, we think of a control that can be brought in, but we're losing control when we're looking at trying to cut costs at any cost to bring down health costs to our public, to our taxpayers, or whatever. At the same time, we have to be very, very concerned about how we go at this particular bill and how we bring in bills that are to a point of combining 30 different professions.

The government proposal will allow untrained or poorly trained health workers to proliferate, especially in those areas where the patients or clients are the most vulnerable: nursing homes, mental health facilities, like I mentioned before. Alberta Hospital is in my constituency, and I do know that with all the downloading and the amount of work, when these people are out on the street and off their medication, they need help. When they're off their medication and a full moon is out there, they're to a point that they don't want to deal with the medical hospital anymore. They know how hard it is to get back and be managed. The constituency office of Edmonton-Manning is always on a first-name basis with the hospital. We know the patients. We know their names. We seem to work in a routine of getting them back in, and it seems like a revolving door.

What can be done to fix this problem? I don't know. Permit untrained people only to assist in providing restricted activities and then only if they are competent to do so. They are directly controlled and supervised by a regulated professional who is permitted to perform the activities. This can only be if that professional is not so overworked now that they cannot be watching very closely all the time. It is also permitted if they are permitted to perform the activities.

A focus group was held last fall to bring the professional people together to resolve the outstanding issues. This is the conclusion reached in the recommendations made by the multidisciplinary committee of health professionals and government officials in September. The MLA for Medicine Hat, who chaired this committee, seems to have lost a bit of timing in there because of the rush to put this together. The question asked of us is: why were the changes of mine not in the process, doing it properly? They've never been given an explanation for the fast-tracking and so on.

Another item that was brought forward was the basic statement that only regulated professions may engage in restricted activities. There need to be only three exceptions:

- students who perform restricted activities under the supervision of a regulated professional or in accordance with a protocol established by the college
- emergent situations
- where an exemption is provided by an Act or regulation

I could go on for quite a while, Mr. Speaker, but I think I'll bring two items out and then call it a day. Another item was that a risk of harm section should be added to say that no one should engage in a restricted activity unless they are satisfied that they are competent to do so.

Another item is to

include an overriding provision in the Act that unregulated people who assist must provide safe care and prohibit them from assisting

in care that they are not competent to assist in providing.

The last one under the AARN is that

the Act should also require that those who assist in providing restricted activities appropriately identify themselves as an aide or an attendant.

That is hopefully what they would produce and hopefully in situations like intensive care, emergency, OR, all those places where people's lives are under care, and hopefully the relatives and everybody know that they are taken care of very well.

One of the main items under dental assistants was their concern about registration provisions for students.

At this time, Mr. Speaker, I'm going to take my leave and hope when we get into Committee of the Whole that the presenter of this bill will be accepting a lot of amendments so that we can move forward.

Thank you.

THE ACTING SPEAKER: Thank you, hon. member. The hon. minister of intergovernmental affairs.

MR. HANCOCK: Thank you, Mr. Speaker. I would like to move that we adjourn debate on Bill 22.

THE ACTING SPEAKER: Thank you. The minister of intergovernmental affairs has moved adjournment of debate on Bill 22. All those in favour of the motion say aye.

SOME HON. MEMBERS: Aye.

THE ACTING SPEAKER: Those opposed, please say nay.

SOME HON. MEMBERS: No.

THE ACTING SPEAKER: Thank you. That vote is carried.

9:20

Bill 25 Insurance Act

[Adjourned debate April 19: Mr. Havelock]

THE ACTING SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thanks very much, Mr. Speaker. This is a bill that's actually a little intimidating to debate. We've seen some major pieces of legislation come through the Assembly in my, I think, seven years here, but not many of them are 418 pages in length.

MRS. McCLELLAN: I'll remind you of the Credit Union Act.

MR. DICKSON: I'm always reminded by the Minister of Community Development how little I know, Mr. Speaker. She has a wonderful memory. I wish she'd come and work in our caucus. We could sure use somebody who has her absolutely extraordinary encyclopedic knowledge of what has gone before in this Assembly. But I hadn't intended to turn this into an ode to the member from my old hometown of Drumheller, and I'm going to move on before somebody questions my relevance.

Mr. Speaker, Bill 25. As I look to speak to the principle of this bill, I think of how many other bills we will deal with in this Assembly that will touch on or affect as many Albertans as the Insurance Act. How many Albertans don't have a car, a house, contents, life insurance policy, some other form of insurance? When we debate the insurance bill, this truly is one of those things that

affects virtually every adult Albertan in the province. That means when we view it, we can look at it from some different perspectives and from some different vantage points. We can look at it from the point of view of . . .

THE ACTING SPEAKER: Hon. member, I hesitate to interrupt, but there is an important guest that one of our members would like to introduce who is on a time line. I would ask for unanimous consent for us to revert to Introduction of Guests very briefly, if the House would so desire.

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Thank you, and thank you, hon. Member for Calgary-Buffalo.

head: Introduction of Guests

MR. DAY: Mr. Speaker, I'm pleased to introduce tonight a gentleman from Red Deer who is a significant player in the health care industry. As a matter of fact, he's here in Edmonton training practitioners in the health care field and is very interested in the workings of democracy and of government. At one time I understand he was a Liberal. I'm not sure where he's at these days, but being in business for himself, he's probably moved from that particular philosophic bent. I would ask Mr. Kelly Martin to stand and receive the warm welcome of the Assembly.

THE ACTING SPEAKER: Thank you also once again to the hon. Member for Calgary-Buffalo for allowing that reversion, and would he now proceed with his eloquent comments.

head: Government Bills and Orders
head: Second Reading

Bill 25
Insurance Act
(continued)

MR. DICKSON: Thank you, Mr. Speaker. I'm relieved. I thought you were standing on a point of order. I was pleased to welcome another guest to the Assembly.

Mr. Speaker, I was saying that there are some different perspectives one could consider in doing an analysis of Bill 25. One would be that of an insurance adjuster. When I was formerly the Justice critic for the opposition, I had opportunity to deal with a number of issues around the role of what might be known as independent adjusters. I note that when I look at this bill, particularly section 2 and then section 460 in part 3 and the reference to independent adjusters, it's been a significant issue. It has been a significant issue involving the Law Society of the province of Alberta. I think there have been two court applications. There are a number of independent insurance adjusters that I have met, and the issue is the role for an adjuster who works independent of an insurer to be able to assist somebody in adjusting an insurance claim.

We're not talking about commencing an action. We're not talking about issuing a statement of claim but in terms of being involved in negotiating the claim, whether it's because of hail damage to my house, as I experienced last year -- it seems to go with living in Calgary, Mr. Speaker -- or whether it would be some other kind of situation. What opportunity is there for an independent adjuster, who is in effect an independent businessman, to attempt to assist me as a claimant in resolving my claim against my insurer?

Now, there was that litigation, and frankly I'm not sure, Mr.

Speaker, where that ended up at the end of the day. My recollection is that the litigation was based on a provision in the Legal Profession Act and a provision in the Insurance Act. I'm hoping the sponsor of the bill is going to be able to address that issue. As I look at it, it's not completely clear to me that we've resolved the ambiguity that seemed to exist with those two relevant provisions, the one in the Legal Profession Act and the other one dealing with independent insurers in the Insurance Act. You know, if we're going to bring in a 418-page bill, one would think we would have some resolution of the issues that have been experienced over the last number of years. That's certainly one that comes to mind. So that's one perspective from which we could view Bill 25, the Insurance Act.

There are some other perspectives we could bring to it. We could take the position of an insurer or a prospective insurer. The provisions here in terms of becoming licensed to sell insurance in the province are voluminous. On a quick review it seems that many of these things are consistent with what currently exists in the Business Corporations Act in the province. There are some things I might raise because they're curious to me. There are probably ready answers, but I'd just ask them in any event.

Section 48: there's a question of record-keeping. The minister and Bernie Rodrigues, the superintendent of insurance, have a supervisory role in terms of companies. If you look at section 48, there are some provisions there in case the insurer is not keeping records in an appropriate manner. One would think that there might be an offence for not keeping appropriate records. I looked, and as best I can tell in this massive bill, it appears that the government has elected not to make it an offence for an insurer not to keep appropriate records. That would be something I'd wonder why would be so. Insurance companies tend to be fairly large. They tend to have fairly sophisticated record-keeping practices. If it were sufficiently important to put that provision of section 48 in, one might think that there would be some value in making it an offence not to keep appropriate records. Maybe it's not sufficiently certain or ascertainable, and it may not meet that test. I don't know, but it's certainly the question I would ask.

If one looks at section 309, which appears on page 163, the duties of directors, I had a question there in terms of whether there is adequate protection there. I'm thinking in terms of section 309(2), which provides for a certain number of things that must happen. I'm thinking of the rules that must be set dealing with conflicts of interest, identification of potential conflicts of interest, for restricting the use of confidential information. It's interesting that the government had never shown that kind of concern when we were dealing with amendments to the Conflicts of Interest Act. Apparently MLAs don't have to worry about potential conflict situations, but we expect that directors of a provincial insurance company must be concerned about that. It seems to me that 309(2)(b) is a bit vague.

9:30

When I look at section 312, there's something that always strikes me as a bit curious, Mr. Speaker. One of the disqualifications from being a director of an insurance company is if you have "within the immediately preceding 5 years . . . been convicted of an indictable offence" -- now, here's the interesting part -- "that is of a kind that is related to the qualifications, functions or duties of a corporate director." I wonder about that. Presumably if one takes a broad view of it, most indictable offences would be caught. Why wouldn't you just say: of any indictable offence? It's interesting to me. If you've stolen money from an employer before, presumably that would be caught. If you've beaten your wife to within an inch of her life, that presumably would not be caught. It's a curious kind of provision, 312(j)(i). One might ask whether the threshold is not arbitrarily low there.

When I look at sections 217 and 218 -- and I apologize for the

hesitation; it's just that I can't move through this voluminous bill quickly enough -- I see reference to what kinds of records must be kept. I guess my question here relates to the health information bill. We're going to see within perhaps even a matter of days a new bill, the health statutes amendment act. It will probably be number 39 or 40. That bill, I anticipate, is going to deal with personal health information that is used, generated, or kept, stored by an insurance company. I wonder to what extent there's been some integration of the health information protection provisions in that new bill that's coming along and what we see here.

I look particularly at section 217. It appears to focus on "adequate accounting records," and then I see some access to record provisions. But what I don't see here, Mr. Speaker, is a particular focus on the kind of personal health information that an insurance company generates and retains in the course of its business. I think we're in the situation where almost all insurance companies trade outside the boundaries of the province of Alberta. They're going to be caught by Bill C-54, the new federal legislation dealing with the protection of privacy in the nongovernmental sector. I'm wondering how Bill 25 is going to fit with those kinds of initiatives and those kinds of changes.

One would think that any act dealing with the insurance industry in 1999 would, at minimum, have addressed that whole major area of protecting personal health information. Yet as I look through Bill 25, I don't see that being addressed. It may be that the Member for Calgary-Lougheed is packing those answers around in her file, but I haven't seen it, and as much as I listened to previous debate on Bill 25, I didn't hear answers in that. So I'm interested in seeing responses to those things.

There are a slew of regulation-enabling sections: sections 60, 77, 123, 155, 162, 210, 212. And there are more. Those are just some samples. What we've got is a vast amount of regulation that's being enabled and provided for under Bill 25, so members will not be surprised when we stand at the next stage of this bill and see, well, an old friend to some of us and a not-so-friendly amendment to others. It'll be the suggestion that the amendments be referred to the Standing Committee on Law and Regulations.

You know, with some bills what you have are very few regulations. If you look through the about 780 regulations -- we average about 780 regulations a year that the government of Alberta generates -- they tend to be maybe on 30 or 40 or 50 statutes. It's not the whole range of provincial statutes. The Insurance Act will attract a good number of them. I expect there will be literally hundreds of regulations under the Insurance Act. As I mentioned at the top of my analysis, because this is a bill that affects so darn many Albertans, it would be helpful to have those regulations referred to the Standing Committee on Law and Regulations. I expect most members could write my comments on this by now, so I'll save that for the committee stage so it will seem a little fresher when I move that amendment, so it doesn't seem quite so stale.

Mr. Speaker, when I look through the act, I've got some specific kinds of issues that I wonder about. Will it be simple, will it be difficult, will it be possible at all for practitioners in this province to obtain reciprocal nonresident licensing opportunities in other jurisdictions? In some jurisdictions we have full-time sole occupancy rules. What I understood with this bill, as with some of the other bills we've seen this spring session, is there's an attempt to integrate some of these bills. This is all with a view, presumably, to broader and smoother trading and exchange of commerce from one province to another. Well, if in fact that's the case, then what happens when we deal with those provinces that still have the sole occupancy rules? Certainly there's that change.

I have heard -- and this has been mentioned already. I think my

colleague for Edmonton-Gold Bar did an excellent job in terms of highlighting some of the concerns that stakeholders have expressed. One is that sole occupation provisions have been removed, and this is of particular concern to level 1 licensed insurance agents. There is, I think, a need for a novice agent to be able to develop and acquire the kinds of skills and experience that Alberta consumers have a right to expect. Part of Bill 25 is consumer protection too, and I expect the Minister of Municipal Affairs and the Member for Bonnyville-Cold Lake, who brought in that consumer practices bill, that fair trading practices bill the other year, probably gave some advice to the Member for Calgary-Lougheed as she designed Bill 25. She didn't mention that, and I haven't had a chance to hear from the Minister of Municipal Affairs or the Member for Bonnyville-Cold Lake, so I don't know whether in fact that sort of exchange has taken place.

As one looks through it, I have a number of questions in terms of whether we have appropriate consumer protection. That is key, because no other larger group will be affected by Bill 25 than customers of insurance in one form or another.

9:40

Now, some other concerns that I wanted to highlight: the antirebating provision in section 501. I've heard other members touch on this too. You know, as we read through this bill, as we take this large, intimidating bill and start reading through it, it's interesting to me that often we seem to identify the same kinds of problems with the bill, but others can develop other problems.

I'm out of time. Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Riverview.

MRS. SLOAN: Thank you, Mr. Speaker. We recognize this evening that Bill 25 is the culmination of the first phase of the review of the Insurance Act by this government. The second phase, dealing with insurance contracts, will begin later on this year. The forthcoming review of contracts itself will be an extremely important subject for all Albertans and could be a signal of this government's intentions for the future of health care in this province.

Over the past six years Albertans have been forced to rely more heavily on private health care insurance coverage as a result of the government's decision to promote the interests of private, for-profit health care in this province and to download costs onto individual Albertans. Albertans need to be closely involved in phase 2, the review of the Insurance Act, to ensure that the government does not use this review as an opportunity to further dismantle public health care in Alberta. In this respect I am most certainly concerned by the lack of public or consumer input into the review of the Insurance Act thus far.

The Consumers' Association recently pointed out that the government refused to consider paying for market research to examine the attitudes of consumers towards the marketing of an insurance product. This is unfortunate given that the objective of Bill 25 is about enhancing protection of the consumer. It's our understanding that the Alberta Insurance Council has been conducting market research on consumer attitudes towards various insurance issues, and we would be appreciative if the government would release those survey results as soon as possible. We recognize that the insurance business has evolved over the years into a state of complexity that would make it extremely difficult for consumers to comprehend. Working with the insurance industry, this government needs to play a more visible role, Mr. Speaker, to ensure that the interests of the general public are more reflected in the consultation process.

Those statements being made and in the absence of this government presenting anything with respect to consumer support, opposition, even basic understanding about insurance, the application of insurance, the definitions, terminology of insurance in this province, I sought the able assistance of our library staff and with their assistance have been able to find at least two reports recently released. The first report I'll speak from this evening is a report titled *I Never Read My Policy Until the River Started Rising*. This was released by the Insurance Bureau of Canada. I would urge the hon. members across the way to listen closely.

The cumulative home/car/business insurance in Canada received about \$12.5 billion in claims payments in 1995. So Canadians spent in that same year \$17.6 billion on that type of insurance coverage. The bureau

to assess and clarify the level of knowledge and understanding about home and car insurance, conducted a national poll and a series of focus groups in the summer and early fall of 1996.

That research, outlined in this report, found that while Canadians are familiar with the ideas and terminology used by property and casualty insurers, that familiarity does not always translate into understanding.

More specifically, [the report says] the research pointed out that Canadians have a basic understanding of certain aspects of insurance -- the need for insurance, what policies generally cover, and the impact of fraud on the insurance system -- but have fundamental misconceptions about how insurance companies arrive at their prices, how insurance is structured and regulated, and how to arrive at an informed decision about which coverage is best.

This report outlines the findings of the research, and explores the identified misconceptions or gaps in knowledge to get to the heart of what Canadians need to know better about their insurance; while Canadians may not identify a need to understand a term like "risk assessment," they do want to understand how their rates are determined.

The report goes on and in the research conducted cites that the essential difference between home and car insurance and life insurance is that home and car insurance premiums are a fee paid for a service, rather than an investment vehicle. A significant portion of Canadians do not recognize this difference. And even when focus group participants agreed with the statement that "home and car insurance is not an investment product," they appeared to have the same visceral expectations from home/car insurance as from an investment - that if they did not make claims, they were entitled to receive some type of return.

The implications of this gap in understanding are vivid: if policyholders do not elementally understand what they are buying with their annual premiums, the end result could be a perception of poor value for money, a sense of unmet expectations, and, at the extreme end, an increased likelihood of fraudulent behaviour.

Those comments provide the foundation of one of the themes in my remarks tonight, Mr. Speaker, and that is that this government has not gone far enough in establishing the attitudes, the understanding or lack of understanding of Albertans about insurance. They come forward and present a brief that's 417 pages long, obviously countless thousands of hours invested in preparing this legislative text. We stand here tonight as representatives of the citizens of this province and are duly elected to represent their interests in this House. I don't see an accompanying report that tells us in fact how well versed Albertans are about insurance and whether or not they truly understand the implications of this bill.

While the government may say that, you know, really the bill is about incorporating insurance companies by cabinet rather than having to go through the Legislature to have a special act created, while the government may maintain that this act is just about modernizing financial regulation of insurance companies and establishing market rules for insurance, and while they may maintain

that the bill is primarily to require insurance agents and adjusters to be licenced through a certificate of authority, the reality is, Mr. Speaker, that the biggest group this will impact is consumers. With all those other technical justifications being made, on what basis and on what information are we in this Assembly going to vote for this act knowing in fact how Albertans feel about what's proposed in this book?

In that respect that led me to try and establish -- and granted that while the reports I'm reading this evening are Canadian based, they are the best we have at this stage, I would propose, Mr. Speaker, because the government has not produced anything else in the way of consumer opinion or report or recommendations that are before us this evening.

9:50

So turning to the second report that was provided, it's titled *Bridging the Gap Between the Insurance Industry and its Consumers*, a report by panels of consumer and industry experts. This was a study by TEAMmakers inc. conducted for CIBC Insurance to examine marketplace practices in the Canadian insurance industry from the perspective of the consumer. For any members interested in reading the report, it's available in the Legislature Library.

Let me just read the introductory comments that the panelists conducting the report made.

Overall, the panels focused on the contrast between the expectations of consumers and the actual performance of the industry. This section identifies 10 major problems in the insurance industry in Canada which seem to lie behind specific issues. These are the areas in which change is essential if the industry is to make the paradigm shift necessary to adjust to radically new challenges facing it.

Unfortunately, Mr. Speaker, I'll pre-empt my statements by saying that I don't see that Bill 25 addresses these 10 major problems as the report outlined them.

1. Consumers have lost confidence in the insurance industry and a trust gap has opened up.

Recent developments such as insurance company failures, the "vanishing premium" problem experienced with some whole life policies, the rapid increase in auto premiums during a time of minimal inflation, lack of service from brokers and agents, and the perceived abuse of the Facility Association have all contributed to increased consumer distrust toward the industry. Coming in a climate of increased scepticism and far more demanding consumers, this "trust gap" has the potential to grow and pose really serious problems for the industry . . .

2. There is still an enormous gap between the knowledgeable seller and the inexperienced buyer.

[The panel found that consumers] find it very difficult to understand what they are buying. Insurance remains an infrequent, complicated and low interest purchase for the overwhelming majority of consumers and they find it very difficult to become knowledgeable buyers. Consumers do not understand the product, its pricing or other aspects of the insuring process.

The industry [itself acknowledges that it] has compounded this problem by failing to simplify and demystify its products. Consumer ignorance and industry complexity puts the industry disproportionately in control of the sales process, and . . . heightens the trust gap because of a growing lack of confidence that the industry is able to understand and take care of the consumer's basic needs . . .

3. Consumers are service-driven, companies are product-driven.

Customers' needs have changed, but products have not kept pace [the report found]. Companies and agents continue to be psychologically trapped by traditional products, such as bundled home insurance policies, containing coverage that consumers do not need. The industry has too often lost sight that to succeed it has to

solve [consumers'] problems rather than force-feed them the closest appropriate products . . .

4. [Research found that] consumers need more help in matching products to their needs.

The product-driven mentality of the industry has made it difficult for it to focus sufficiently on assisting [consumers] to find the right product for their particular situation . . .

5. Agents are too frequently in a conflict of interest situation.

I don't recall that I saw anything about conflict of interest in this act, but I may be mistaken. Hon. members across the way I'm sure will correct me if I'm wrong. The research showed that

products sold by agents often offer financial incentives which would encourage them to sell the product which may not best fit the consumer's need. For example, a whole life policy pays a far larger upfront commission than a term policy, but -- in terms of the needs of the consumer -- might be inferior to a term policy augmented by an investment strategy . . .

6. Companies and brokers avoid accountability to consumers by shifting responsibility to each other.

Traditionally, agents or brokers regard the policyholder as their customer, not the insurer's customer. Many companies are therefore distant from the end-users and unable to empathize with their concerns. Agents, brokers and companies tend to hide behind each other in dealing with customers, particularly in uncomfortable situations such as premium increases, cancellation of policies or servicing claims. Agents frequently blame the company for any problems, just as the company can force the agent or broker to take the blame when there are premium increases or poor claims service . . .

7. Companies and brokers simply "pass through" costs and take too little responsibility to keep costs down.

Many insurance companies view themselves merely as a vehicle for spreading risk, while allowing costs to flow through in the form of premium increases and making little effort to control the fundamental processes leading to higher premiums . . .

I also don't think I saw anywhere in this bill, Mr. Speaker, that we're suggesting there be premium ceilings established in the insurance industry in this province, but in fact the report appears to suggest that something like that may in fact be required.

The eighth issue by the report was that insurance companies are seen to be inefficient and unnecessarily high-cost operations.

The industry has generally run with a high expense factor, including a high cost of distribution. It is a process-orientated industry and has had little success to date in harnessing technology to help drive down costs and increase [consumer] service . . .

9. Companies and brokers do not live up to their promises to be consumer-focused.

Creating unreasonable expectations almost inevitably backfires. It is not enough to proclaim a new-found interest in the consumer and to promise a more customer-friendly approach to the business. From time to time, insurers have vowed they will take more of a consumer focus in their approach to the business. Very few have done so, resulting in extremely low credibility ratings from the public.

The tenth issue the research identified was that "high tech" and "high touch" are not necessarily exclusive.

High tech is generally seen as being the opposite of intensive, face-to-face service . . . But these should in fact be seen as mutually dependent: without high tech there is no possibility of really widespread and excellent [consumer] service in an era of increased complexity of products and downsizing of work forces. Consumers tend to think they need more and better focused personal services to satisfy their concerns with the industry, while the industry thinks the solution is to be found in technology and better electronic communications.

Now, the research report Bridging the Gap also went on, Mr. Speaker, to make recommendations, and I won't go through those in

detail this evening. However, I would encourage the government to examine these areas. They included education and information, openness and disclosure, service, choice, fair practices, redress.

I'd just like to focus for the remaining minutes I have, Mr. Speaker, on the openness and disclosure section of the recommendations, because I think if anything is fundamental to protecting the public, it relates to these areas. In the United Kingdom and Australia agents of insurance

must disclose sales commissions and charges at the point of sale.

One objective is to provide a warning to the consumer should it appear that the commission or charges are excessive.

An interesting concept.

"Full disclosure of the conditions, entitlements, limitations and exclusions of all policies sold should be mandatory." The recommendation suggests that insurance policies written in plain language would help make this a reality, and as someone who has certainly had policies over the years for a variety of things, I would support that recommendation.

"Consumers should have the right to see their own underwriting file," another interesting recommendation. Just as consumers have the right to see their own credit-rating file, buyers of insurance should be able to see their underwriting file. In this way they can check the accuracy of the facts and see for themselves the basis on which the insurance rates are arrived at. They can also use the opportunity to update the information which might lead to a rerating.

Does Bill 25 incorporate that type of recommendation, Mr. Speaker? I don't believe it does. In fact, I think if I grasp the majority of the intents of this bill, it's really industry focused. It's really about facilitating industry ease rather than consumer understanding, consumer protection, the addressing of a number of issues that have been outlined this evening in the reports that I have read from.

Consumers also need to be informed of the benefit of disclosure and . . . [Mrs. Sloan's speaking time expired] Regrettably my remarks are concluded. Thank you.

10:00

THE SPEAKER: The hon. Government House Leader has the floor.

MR. HANCOCK: Thank you, Mr. Speaker. I would move that we adjourn debate on the bill at this time.

THE SPEAKER: On the motion put forward by the hon. Government House Leader, would all members agree?

HON. MEMBERS: Agreed.

THE SPEAKER: Opposed, please say no. The motion is carried.

head: Government Bills and Orders
head: Committee of the Whole

[Mr. Shariff in the chair]

THE ACTING CHAIRMAN: Okay. We'll call the committee to order.

Bill 24 Traffic Safety Act

MR. PASZKOWSKI: Mr. Chairman, I'd like to take this opportunity to provide a few comments regarding Bill 24 in committee. I'd like to just spend a little time answering some of the questions that came forward from second reading. First of all, I want thank all my

colleagues in the Legislature for the direction, for the information they've provided. It has been helpful in drafting this particular bill. It has provided us good leadership and ultimately has provided what I think is a good piece of legislation.

With respect to the proposed Traffic Safety Act, during second reading comments were made regarding the process to be used to prepare the regulations under the act. I can assure you that we will develop the regulations by a process similar to what we've used in the development of the legislation. That includes discussion papers, advertising, stakeholder and public input, and certainly the discussion papers will be shared with Albertans.

A number of the opposition raised the issue of mandatory bicycle helmets and mandatory restrictions for riding in the back of pickups. As there is no general consensus on these issues, they'll form part of the discussion and public input process to be held in relation to the proposed regulations. We will determine what kind of provincial rules and exemptions may be given to bicycle helmets and riding in the back of pickups.

The hon. Member for Calgary-Buffalo raised the issue of holding an operator's licence and whether it's a privilege or a right. Recent court decisions in both British Columbia and Ontario in the last couple of weeks have once again reconfirmed that driving is a privilege and not a right. The courts in these two provinces, as well as in Nova Scotia and Prince Edward Island, upheld their administrative licence suspension programs, and Alberta used their legislation as a model for our program. Public support of the administrative licence suspension program has been very positive since Bill 24 was introduced.

The hon. Member for Spruce Grove-Sturgeon-St. Albert raised the concern regarding the S endorsement requirement for school bus drivers. This is an upgrading of their skills as a school bus driver. The driver or the school board will pay for the course. When the government required all class 1 drivers to have their air brake endorsement on their licences, this was paid by either the driver or the company.

I should also add that the latest school bus inspections show a marked improvement in school bus safety. Inspections conducted in August of '98 through April of '99 placed 9.2 percent of the school buses inspected as out of service as opposed to 15.4 percent a year earlier. We'll continue to closely monitor and inspect the school buses. AT and U, as well as the various police services, will continue to ensure that school bus transportation is safe. We intend to protect the province's most valuable resources, and that is our children.

The hon. Member for Edmonton-Riverview raised a concern that the off-highway vehicle section did not include anything to deal with motorboats or Sea-Doos. I can advise that watercraft are governed by federal legislation, as they have control over the waterways.

The hon. Member for Edmonton-Glenora raised the issue of conspicuous tape, and as you know, my staff has discussed this with both opposition parties. We will be implementing the changes required for this particular area under the miscellaneous statutes amendment act during this spring sitting.

With these comments, I will be looking forward to comments from all members in the House. At this time I will move adjournment.

THE ACTING CHAIRMAN: The Minister of Transportation and Utilities has moved that we adjourn debate on Bill 24. Are you agreed?

SOME HON. MEMBERS: Agreed.

THE ACTING CHAIRMAN: Opposed?

SOME HON. MEMBERS: No.

THE ACTING CHAIRMAN: Carried.

MR. HANCOCK: Mr. Chairman, I would move that the committee rise and report progress.

[Motion carried]

[Mr. Shariff in the chair]

THE ACTING SPEAKER: The hon. Member for Edmonton-Mill Creek.

MR. ZWOZDESKY: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration and reports progress on Bill 24.

THE ACTING SPEAKER: Does the Assembly concur?

HON. MEMBERS: Agreed.

THE ACTING SPEAKER: Opposed? Carried.

[At 10:10 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]

