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| Alberta | 18e | 2e | Remarques préliminaires à l'étude des crédits | 3 mai 1976 | M. Gordon T. Miniely | Ministre des Hôpitaux et de l'Assurance maladie | PC |

**Mr. Miniely:** Mr. Chairman, I would like very briefly to make some general remarks on the current year's budget. Basically, I spoke in the Legislature earlier about longer term policy and policy development. Tonight I would like to address myself specifically to the current budget.

I indicated - excuse me, Mr. Chairman, I was running and I'm still a little out of breath. Dr. Walker tells me I shouldn't do that.

Mr. Chairman, first of all I would like to talk about the history of arriving at our budget for the current year. It was not an all of a sudden process. Basically, last summer we commenced meeting with hospital boards. We indicated the need for restraint. It was no secret in Alberta or Canada that with the experience we had over the four years from not just 71, but in fact 1968 to 1975, when the budget more than doubled and almost tripled in the period of five to six years, we had to slow down the rate of annual escalation in hospital and health care costs.

So I travelled around the province, met with individual hospital boards, had considerable meetings with the Alberta Hospital Association talking about how we could bring this high cost-escalation under control. Basically, Mr. Chairman and members of the Legislature, the Alberta Hospital Association felt there was a need and supported very strongly the government's 11 per cent expenditure guideline as it would apply to hospitals and to provincial policy generally.

Mr. Chairman, I'd like to refer to a letter to the Premier on October 29, 1975, from the then president of the Alberta Hospital Association, Mr. Pat French, wherein they indicate their response to the government's guidelines:

In a meeting of the Alberta Association of Municipal Districts and Counties, the Alberta Urban Municipalities Association, The Alberta School Trustees' Association, and the Alberta Hospital Association, one of the subjects discussed was the policy announcement of the government establishing a limitation of 11 per cent in the growth of expenditures for the public sector in the next year. While all the associations agreed unanimously with the principle of the announcement and with the need to exercise budgetary restraint, it was recognized that its implementation will create problems in certain areas for the members of all the bodies represented. The Hospital Association would like to indicate to you that there has been excellent prior communication and consultation with the minister and the government on the subject of guidelines and general restraint in respect to the operation of hospital.

Mr. Chairman, for the interest of hon. members I could table this for their information.

So, Mr. Chairman, it was not a policy arrived at solely by the province. It was a policy arrived at in full consultation with the Alberta Hospital Association, the body that represents all hospitals in Alberta.

You don't feel sorry for me, Mr. Chairman, as I'm perspiring? I should know better than to run that hard prior to speaking, shouldn't I?

Further, I think it's important to put in context how we arrived at the budget, and Alberta's position relative to Canada generally and to other provinces in Canada. I don't think it's any secret: citizens in Alberta and in Canada generally are aware that Alberta has, or has at least equal to, the highest quality and capacity health care system of any province in Canada. In the current year, some provinces are in fact reducing budgets or giving only small increases.

Mr. Chairman, for the information of hon. members, I'd just like to review how some of the provincial budgets this year apply to the hospital field. Newfoundland has not yet determined its policy. Prince Edward Island is attempting to maintain a budgetary increase of 16 percent to reduce energy costs in hospitals, and no staff increases. Mr. Chairman, that's a province with 2.5 beds per 1,000 less than

Alberta. Also, the 16 per cent referred to is largely related to much lower salaries in the hospital system than in Alberta.

In Nova Scotia, staffing is to be frozen at December 31, 1975, levels. Positions approved but not filled are going to be reconsidered. Equipment, furniture, and vehicle purchases are to be deferred for one year.

New Brunswick is attempting to limit hospital budgets to 15 per cent by closure of 329 beds, including three hospitals fully and one 156-bed wing. Mr. Chairman, New Brunswick is a province which has nearly three beds per 1,000 less than Alberta.

Quebec has no budget increase whatsoever for the first three months, and a 0.7 per cent increase for the remainder of the year. Service cutbacks are considered inevitable. It is estimated that $50 million will have to be cut - cut, not increased - in the nursing care area. The province of Quebec has three beds per 1,000 less than Alberta.

Ontario has been well publicized. Budgetary restrictions of $45,700,000 are already outlined by means of: a staff reduction of approximately 5,000, or 4 per cent; a reduction of approximately 3,000 beds, including complete closure of nine hospitals. Mr. Chairman and members of the Legislature, Ontario had three beds per 1,000 less than Alberta on January 1, 1975.

Manitoba set guidelines of 11 per cent in September, allowing 8 per cent for salaries and 3 per cent for expansion and new programs. Small hospital budgets are now determined on the basis of discharges. An 11 per cent guideline, and they anticipate a contract settlement in salaries and wages in the hospital field of up to 16 per cent. If approved, the government has committed itself to covering the cost.

Saskatchewan has not yet determined or formalized its policy, but it anticipates reductions and a basic freeze on hospital expenditures generally, with minimal increase.

British Columbia hasn't finalized its objectives, but currently they are to hold operating increases from 5 to 6 per cent. But with wage settlements of 8 to 10 per cent expected, hospitals may be forced to curtail services and staff in British Columbia by about 5 per cent. Bed closures are expected, especially during the summer vacation. Mr. Chairman, British Columbia had two beds per 1,000 less than Alberta on January 1, 1975.

I've done this, Mr. Chairman, because I think it's important for all of us in the Legislature to put in context what we're trying to do in Alberta. Certainly the current budget is a real 11 per cent increase. It's $50 million more than last year, but we're trying to arrive at a financially responsible increase in hospital costs.

I've indicated my view to the members of the Legislature that it is the province's responsibility to set a broad policy. Board policy terms and the individual decisions are made by individual hospital boards. Mr. Chairman, hospitals have indicated they feel it is a manageable situation, that no patient requiring emergency treatment in a hospital will be denied that treatment.

But let's make another comparison: when we talk about active treatment beds - and the way we have applied the budget for the current year is to put a high priority on the extended care or longer term care beds - Alberta and Saskatchewan have the highest number of any province in Canada, so we felt individual hospitals could make the decision. If they decide to close down active treatment beds, it is because an individual hospital has decided that's the lowest priority, the most manageable situation; that other services in the hospital have a higher priority than keeping those beds open.

Let's talk about beds per 1,000 population in comparative terms, Mr. Chairman. On January 1, 1975, in general or active and acute care beds Alberta had 7.01 beds per 1,000; the Canadian average was 5.86. The province of Ontario was 5.69 compared to Alberta's 7.01. In total beds - acute, general and longer term care beds, including beds for psychiatric disorders - Alberta's was 11.45 per 1,000 at January 1, 1975; the national average in Canada, at the same time, was 8.86.

Mr. Chairman, Alberta had nearly 35 per cent more beds than the national average. Now that's pretty dramatic. We consider Ontario a [more] prosperous province than Alberta, although in Ontario some would say that maybe we're trying to balance that a little bit. Nevertheless, the total in Ontario at January 1, 1975, was 8.45 beds per 1,000, which is an indication of the capacity in the hospital system. Alberta is again 11.45. Alberta had three beds per 1,000 more than the province of Ontario at January 1, 1975.

Again, Mr. Chairman, I think that's something hon. members in this Legislature and citizens of Alberta should be aware of, in order to put the current 11 per cent increase - $50 million more in the hospital system - in some kind of context. Some individual hospitals have decided to close down a minimal number of beds. Some hospitals have decided they're going to economize in support areas such as laundry, dietary [services] and housekeeping. Some hospitals have indicated the result will be that they will not fill vacant positions or, of course, add any positions, but that staff layoffs generally will be minimal and minor.

Mr. Chairman, in this connection I think it would be useful to hon. members in the Legislature for me to put something else in context: the employment opportunities for graduate nurses in this province. I think we can fairly say, with the provincial comparisons I've indicated to the House, that relatively speaking, the employment opportunities in the hospital system in Alberta will be better than is generally the case in Canada in spite of the restraint being applied in this province. Perhaps it's difficult to employ all graduates from our Alberta nursing schools. But we must also remember, Mr. Chairman, that historically we've imported people from other provinces; we've imported graduate nurses from Saskatchewan and Manitoba. We've had a greater staff inflow than outflow to our hospital system in Alberta in terms of graduates.

I would like to make hon. members aware, Mr. Chairman, that I have written the following letter to the hospital boards because I think it should be something they pay attention to during the year of restraint. It's addressed to the chairmen of the hospital boards, and I'd like to read it.

This year our universities and hospital scho9's are graduating many Registered Nurses who will be seeking employment within the next few months. In this year of restraint, these nurses will undoubtedly encounter some difficulty in locating desirable positions in our province. I strongly urge that where such qualifications are required you give preference to Alberta's graduates. We have a sincere and real investment in the education of these people. Therefore let us, whenever possible, retain them in Alberta.

I believe the hon. Member for Little Bow would be interested in that. I would like to table it for the information of the hon. members of the Assembly.

Mr. Chairman, basically I think, with responsibility, we didn't expect it to be easy. We certainly expect some problems.

I think I indicated in the House earlier that the response to any broad and general policy is definitely one of unqualified support in the Alberta Hospital Association. Secondly, I want to compliment all hospital boards on what I think is nothing less than outstanding co-operation with the province in terms of the 11 per cent expenditure restraint policy. Thirdly, we must consider ourselves fortunate in comparison with any other province in Canada.

I appreciate that's no answer to the person who feels, either personally or on the advice of his physician, that he should be in a hospital bed immediately. But frequently, Mr. Chairman, the internal assessment in the hospital is not the same. So these are matters of judgment, matters where judgment can in fact be questioned.

But I think we have to say there are only about three reasons. If we have the highest number of active treatment beds of any province in Canada and we and Saskatchewan do - then we have the greatest access by citizens to the hospital system of any province in Canada. So, Mr. Chairman, if someone who needs to get into a hospital in an emergency is not getting in, it's either because the judgment is incorrect, or it must be worse in other provinces, or the physicians in Alberta are in fact putting people in hospitals on somewhat different criteria when we have that large capacity than might be the case of the medical profession in other provinces with a lower capacity than in Alberta.

Briefly, while we're working this general policy through the hospital system in Alberta - and that's not to say I've not talked about the solutions in the longer term. Nevertheless, Mr. Chairman, I believe we are fortunate in Alberta compared with what's happening in other parts of Canada; but as Albertans there will be difficulties. There might be certain areas that we didn't intend. If in fact this happens, we'll have to assess them and see whether any correction may be made.

But in my view, Mr. Chairman, as Albertans we must work together responsibly on this, and we must face the problem surely and together.