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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Alberta | 20e | 2e | Remarques préliminaires à l'étude des crédits | 2 mai 1984 | M. David John Russell | Ministre des Hôpitaux et de l'Assurance maladie | PC |

**Mr. Russell:** Mr. Chairman, yes I do. You'll recall that last year at this time, when we were in committee - it's almost exactly 12 months ago to the day - was when we first announced the concept of the hospital user fee program. We've watched the development of that program with a great deal of interest in the intervening time.

I wanted to do something a little different today, though, than what I did a year ago - that was, announce a major new move in the field of hospital budgeting - and just try to get the members to cast their minds on a couple of issues. One is fiscal; the other is a matter of principle.

I can recall very well my first term here as a member of the Legislature, sitting on the government side, in 1971. That was the year the first $1 billion budget for the province of Alberta was introduced. Had anybody in the Legislature said at that time that 12 years from then, just the budget for health care for the province would be two and a half times the entire provincial budget, I believe they'd have been laughed out of the Legislature. But that in fact is what happened. Twelve years later, in 1983, we had a budget of $2.5 billion for health care.

I mentioned that because this year the Provincial Treasurer placed in front of us for our consideration a budget which, in round figures, is close to $10 billion. If past and present trends continue, can we therefore expect that in 1997, just our health care budget will be $25 billion, two and a half times this year's total budget? That's the experience of the past 12 years.

I'm using that little exercise to get members to try to set a mood or give consideration to the scale of figures we're talking about. Mr. Chairman, governments throughout North America particularly are all wrestling in a variety of ways with the escalating costs of health care and are taking a variety of moves to try to build some controls or some individual responsibility into the system. Unfortunately, the present Canadian Parliament has seen fit to discourage any of those kinds of moves by the provincial governments. I'll speak more about that later.

In referring to the Treasurer's budget, you'll note that the overall increase for the department vote this year is 3.6 percent over last year, which, in a combined operating and capital sense, I think is fairly reasonable for a large department that has difficulty putting budget lids or parameters or fences around any of the expenditures. However, if we take away the fact that the capital budget was significantly reduced from last year and look just at the operating components of the budget, it becomes a little more alarming. If we take away operating and what we call Vote I, departmental support services, and get to the real votes - that is, votes 2 to 5 inclusive - we see that the increases this year over last year, in what is essentially a period of no growth, are quite alarming.

Members will note that the estimates for the medical services part of the budget, Vote 2, are up 22 percent, nearly one quarter, over last year. In a period of anticipated very, very little growth by way of population increase, and when a zero percent increase has been recognized for the benefit schedule of payments for the medical services professions, and we're still looking at a 22 percent increase in that vote, I suggest that is something that had better alarm everybody in this Assembly.

The combined votes for medical services and hospital care are up 10 percent. I just want to emphasize those particular parts of the department budget. When we're looking at a department budget that's now - what? - 26 percent of our total provincial budget, at a time of zero percent increases in payment schedules and very little population growth, and still grappling with those kinds of increases in our operations for health and hospital services, it's obviously a challenge that's going to get worse before it gets better.

On other occasions we've talked about the concern the provinces have about the declining federal contribution toward the cost of health care services. We find ourselves strapped in the position where we're told what must be delivered and in what way it must be delivered, and had legislation passed that removes any element of personal citizen responsibility insofar as this basic important health program is concerned; yet at the same time, as costs are going up in the regimes I mentioned, the federal cash contribution continues to decline year by year.

Again, that is something that I think has to alarm this nation.

I say the nation because of the range of figures I talked about. We're now talking about billions of dollars for a medium-sized province by way of population, and certainly the position of the other provinces is no different. We're very concerned about this insane rush to take off the cost-control features the provinces tried to build into the health care system by a federal government that seems to have no care or concern whatsoever about the deficit or the size of it, the debilitating effect it has on the potential growth of our nation, or the load it's leaving behind for the coming generation. I suggest that those among us who support that kind of philosophy and, at the same time, look askance at any kind of tax increase, any kind of premium contribution toward the cost of these services, and say that it's a right and never mind what it costs, are taking a very short sighted view in the life of this country.

If we could turn the clock back, I suppose many of us would like to go back to the year 1969, when the then Minister of Health for Alberta stood in his place here and introduced the Bill that took Alberta into medicare. We've seen two things happen: the great advantages of being in that program, with the good quality of services that have been brought to our citizens; and the universal accessibility of those services to all our citizens has certainly been a great benefit. The spectre of financial ruin has been wiped out for families facing serious illnesses, and that's very important. But we're certainly paying a price for it, Mr. Chairman, and I want to put those things in the background as we start to look at the particular votes here in the department budget.

I'm pleased to say that I think the operating funds are very adequate to continue running our health services at a level and scope that are unmatched in the country. We're continuing in our ability to be able to do that, although doing that has obviously meant that some other things we would have liked to have done have necessarily been left out of this year's budget.

The capital dollars are also encouraging, in my view, with respect to the very excellent hospital system being developed and rebuilt throughout the province. I'm very proud of the network of hospital facilities either being improved, expanded, or rebuilt throughout the rural parts of our province, generally centred in smaller communities and towns. The years of planning and programming and thinking about this that we've gone through in past years are now showing some very visible dividends and results.

While on the Easter recess, I had the pleasure of attending two more openings of new prototypical hospitals, one in the town of Vulcan and one in the town of Black Diamond. In both those instances, I think the MLAs that were involved would attest to the fact that the citizens of those regions were very happy and very excited about the fact that these facilities were coming to their communities. Frankly, Mr. Chairman, I was overwhelmed by the reaction by citizens. In the case of one hospital, the local Legion came forward with a cash contribution and a pledge for more. This was on the day of the hospital's opening, before it even had any patients in it. Two private citizens came forward and gave what, in my view, were very substantial and generous cash donations toward the cost of their new hospital. So in my view, it became something more than just a building - a community facility which everybody was very proud and happy to have there.

On the regional part of the hospital system, I'm happy to report that the last 12 months have seen significant progress. The regional hospitals in Fort McMurray and Red Deer are essentially finished. There's some renovation of the old building in Red Deer that isn't quite complete, but those two buildings are in place. Next month the Grande Prairie regional hospital will open, a beautiful $100 million facility. Work on the site has now started for the Lethbridge regional hospital. The Medicine Hat one has been under construction for some time now, and excellent progress is being made there. So all those very important regional centres are now either finished or have advanced into the state of construction. Collectively they represent an investment of several hundred million dollars of capital funds belonging to the people of Alberta.

In the two metropolitan centres, by their very nature, because of population growth and their association with the two teaching universities with medical schools, we're seeing excellent referral and specialized services being developed. Some time ago, we asked the existing major hospital boards in the two metropolitan centres if they would take some time to prepare some pretty good master plans or programs of what they proposed to do during the coming years in their own facilities. We could see an ongoing and never-ending request for capital improvements, and we wanted to try to get the boards to think of a total project and to program and stage that in some way.

About a year and a half ago, we received those reports from the boards of the Royal Alex, the Misericordia, and the Edmonton General hospitals in Edmonton and the Calgary General and district board 93 with respect to the Holy Cross hospital in Calgary . You can imagine our shock and dismay when the total price tag of simply renovating and rehabilitating those five existing hospitals was estimated to be anywhere between $680 million and $800 million, depending on the length of time over which that program would be stretched and on the rate of inflation we might experience during that time. I don't need to go into detail to get the members to understand that there's simply no way dollars of that magnitude are available in the foreseeable future for that kind of hospital repair and reconstruction work. Some decisions have been taken - no doubt we'll be discussing them during the course of these estimates - with respect to getting on with the planning and reconstruction of parts of that suggested program and looking for alternatives in other cases.

We know that the decade of the '70s saw incredible growth in Calgary and Edmonton. You've all heard the chamber of commerce stories about the two fastest growing cities in Canada. That growth was expected to continue through the '80s. Based on that experience and that forecast, we set about developing a program that would very quickly deliver another 1,000 active hospital beds into each of the cities. Just about the time the program was ready to go, of course, the economic turndown occurred. The population growth stabilized. Thank goodness, our task was much easier, in that we simply were able to cut that program in half and provide one new hospital for each city and accommodate the growth that had already taken place in the newer areas in that manner.

This budget again contains recommended expenditures for a new 500-bed hospital in Calgary and a new 500-bed hospital in Edmonton. The sites have been acquired. They have been prepared. Site work is under way. The architectural drawings are finished. Those projects are ready to go to tender within the month.

Insofar as operating funds are concerned, I would just like to make a few comments about manpower. There's been a substantial reduction in manpower in the department, partly as a result of the overall objective of achieving a small but significant reduction in permanent positions; also, a fairly dramatic reduction as a result of going into automated procedures for the health care insurance plan claims system. That simply means the part of government that pays doctors.

Just to give you some idea of the system that's involved there, in an average week about half a million claims come in for payment. Some of them are on handwritten claims cards that the doctors fill in, others are on very sophisticated data processing tapes and are handled by professional claimers, I guess is the term you'd use. But in any event, we've now fully converted to a system of what is called optical character recognition, and it really started to kick in on May I. We've gone through the organizational and introductory periods. I think we've got all the start-up kinks worked out of it, and my officials tell me that some doctors in some clinics are now being paid in a nine-day turnaround period, which I think any businessman would be very pleased to have in place these days – getting his claims paid within nine days, So we expect that system to solidify, spread, and improve. But by going into that kind of automation, we have of course been able to significantly reduce manpower. Those are the comments about the fiscal aspects of the department budget, Mr. Chairman.

Before I sit down, I want to conclude by making some comments about the Canada Health Act. In my view, for Canada that was probably one of the most tragic pieces of legislation ever passed by the Canadian Parliament. It probably represents one of the rawest forms of invasion through the back door of provincial constitutional responsibilities in the history of Confederation. I suppose the highlight of the long and frustrating process that finally led to the passage of that Bill came for me on the day we as provincial ministers sat in a committee chamber in the Canadian Senate. All the provinces were represented and one of the territories was there as well. We went down the row, and everybody was opposed to that Bill. All the health ministers in Canada, who are constitutionally responsible for administering health care programs for Canadians and for finding the money to pay for them, were opposed to that legislation. In the face of that, it was passed by the Parliament. I think all the parties represented in our Parliament can share the blame and responsibility for doing that.

I guess I feel sad about it because I've lived in Alberta all my life and have always felt very comfortable about the fact that people seem to recognize that work, energy, and ambition brought rewards, that programs and things that were valuable had to be paid for, and that if you were at least partially directly responsible for your own welfare and for paying for some of the programs that provided services for your welfare, the system worked better. As an Albertan, I think I've always recognized too that we've probably been among the first Canadians to reach out to our neighbours at times when they needed help and say: if you can't pay or if you're hard up for some reason, we'll look after you. As a responsible citizen, you also accepted the fact that if you didn't pay and couldn't, then you we1'e on your own, whether it's car insurance, house insurance, or health care insurance.

All those things have been taken away from us, Mr. Chairman. Probably one of the most astounding statements made by a federal health minister was made by Monique Begin, federal Minister of National Health and Welfare, when she said that of course the provinces had the right to maintain a health care insurance premium system but that they didn't have the right to deny services to people who didn't pay their premiums, and that if people didn't pay, that was the province's responsibility, not hers. So three provinces find themselves in the incredible situation where the elected governments have chosen to maintain health care insurance plans which have been in effect for some time but are now being told by a government in Ottawa that it doesn't matter if you pay your premiums, because you're still entitled to the service.

So that kind of nonsense is what the provinces have been fighting. We have certainly lost the first round; that is, the round carried on in the Canadian Parliament. But no doubt there will be other rounds in this issue before that particular battle is concluded. I think all members in this House are aware of the Alberta government's position. It's a sound position, and it's one we're certainly going to try to maintain.

So against those positions, against those obstacles put up by the federal government, against those overwhelming trends in utilization, I am putting before the members, for their consideration and legislative approval a large budget of in excess of $2.5 billion, asking for approval of those funds to look after the health and hospital services of Albertans for the coming fiscal year.