



Second Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

40 Elizabeth II

*Published under the  
authority of  
The Honourable Denis C. Rocan  
Speaker*



VOL. XL No. 66A - 1:30 p.m., MONDAY, JUNE 17, 1991



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
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DOER, Gary	Concordia	ND
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NEUFELD, Harold, Hon.	Rossmere	PC
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SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 17, 1991

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### TABLING OF REPORTS

**Hon. James Downey (Minister of Rural Development):** Mr. Speaker, I would like to table the Supplementary Information for the Department of Rural Development for 1991-92.

**Hon. Harold Neufeld (Minister of Energy and Mines):** I would like to table the Supplementary Information for the Department of Energy and Mines for the year 1991-92.

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon from the Blumenort School fifty-five Grade 5 students, and they are under the direction of Laverna Loewen. This school is located in the constituency of the honourable Minister of Highways and Transportation (Mr. Driedger).

On behalf of all honourable members, I welcome you here this afternoon.

### ORAL QUESTION PERIOD

#### Manitoba Public Insurance Corporation Don Penny Appointment

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, Friday, just prior to this last weekend, about 3:30 in the afternoon, we received a press release confirming that the government had appointed Mr. Penny as the chairperson for three years of the Manitoba Public Insurance Corporation Board.

Mr. Penny was, of course, appointed originally in March of this year, and subsequent to that, he was charged with drinking and driving, a Criminal Code offence, something, of course, which all members of this Legislature are doing everything in our power to eradicate, and something, of course, which the Manitoba Public Insurance Corporation, one of the

government departments, is taking the lead to try to stop drinking and driving on our highways.

My question is to the Premier. When was he made aware of Mr. Penny's charges of drinking and driving?

**Hon. Gary Filmon (Premier):** At about 3:30 on Friday afternoon, Mr. Speaker.

#### Manitoba Public Insurance Corporation Don Penny Appointment

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, the Minister responsible for the Manitoba Public Insurance Corporation stated to the media that he was aware, prior to the court disposition, that Mr. Penny had been charged.

The question I have to ask the Premier is: Did the minister responsible for the Manitoba Public Insurance Corporation or other cabinet members inform the Premier of Mr. Penny's charges when he signed the Order-in-Council on June 5, 1991, to extend Mr. Penny's appointment as chair of the Manitoba Public Insurance Corporation for three years? Did the minister make the Premier aware, or was the Premier not aware at the cabinet meeting that he signed this Order-in-Council?

\* (1335)

**Hon. Glen Cummings (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** Mr. Speaker, I did not inform my colleagues at the time of that O/C going forward, because I made it very clear in my discussions with Mr. Penny that we would be disposing of his concerns after he had his day in court.

#### Manitoba Public Insurance Corporation Don Penny Appointment

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, it is one thing to be disposing of the issue when the person has had their day in court; it is another thing to take and initiate an Order-in-Council to extend for three years the appointment of a person whose term had not been included in the first Order-in-Council. In fact, it had an unlimited period of time.

My question to the Premier is: What action is he taking with his minister when the government is clearly committed to stopping drinking and driving, and his minister and other ministers of the Crown did not make him aware that a drinking and driving charge was pending before the courts prior to the Premier having a recommendation to extend the appointment three years and prior to the Premier agreeing and signing to extend the appointment three years? What action is he taking with his minister that would give him that advice at the cabinet table?

**Hon. Gary Filmon (Premier):** Mr. Speaker, we live in a society, thankfully, and in a democracy in which a person is innocent until proven guilty. My understanding of the actions of the minister is that he took that position. I would say that is a position that a person is innocent until proven guilty.

If you will look at the Order-in-Council, I believe that it extends the terms of a number of people and adds a new person to the board. Those extensions were required at the time. I believe the minister was unaware of the date of court appearance, for instance, at the time. Many of these things do take a considerable period of time, and it was necessary for us to extend terms and reconfirm members of the board at the time. It was done. The minister has indicated very clearly that his discussions with Mr. Penny were, should the court decision go against him, that very clearly action would have to be taken on that, and action was taken immediately, that very day.

I do not think the Leader of the Opposition or anyone else can criticize the actions of the government. When it was known that he was convicted of the charge, immediate action was taken, and I think that is the appropriate manner in which that action should be taken.

### **Health Care System Service to U.S. Patients**

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, we know this government is seriously looking at the possibility of closing one of Winnipeg's hospitals. We now know that this government is also looking at selling our health care services to Americans.

We on this side of the House want to know, from this government, how the Minister of Health can justify selling services to Americans when there are long waiting lists here in Manitoba, when people are

lined up in corridors waiting for health care services? How can this government justify such actions? How much longer will Manitobans themselves have to wait for health care services they need?

\* (1340)

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I am certainly glad we are going to be into the Estimates this afternoon, so my honourable friend and I can have a more complete discussion around this issue.

Let me remind my honourable friend yet another time that this is one of a number of issues that have been brought to the Urban Hospital Council by members of that council. It is not government's initiative.

When the leading planners, deliverers and managers of the health care system want to look at innovative reforms and new ideas, be they such as my honourable friend just mentioned, so be it. The Urban Hospital Council will have those kinds of informed discussions as the experts in the health care system and the management thereof.

Mr. Speaker, this government is not bound by any of the issues discussed there, but I will not stymie that kind of open blue-sky thinking amongst the leading health care planners in the system.

This government will not make unilateral decisions as did the previous government, and I have reminded her time and time again, without consultation. One day they want consultation, the next day they do not. Mr. Speaker, I am prepared to let the Urban Hospital Council discuss these issues and provide their thoughts to government.

**Ms. Wasylycia-Lels:** Mr. Speaker, this government is not only studying selling health care services to Americans, it is also studying—and I refer to another one of the working groups—the possibility of discontinuing services in Winnipeg hospitals by sending Manitobans elsewhere.

Mr. Speaker, we on this side of the House would like to know from this minister how he can even remotely consider selling services to Americans, valuable health care services to Americans, when Manitobans are lined up in hospital beds right here in this province?

**Mr. Orchard:** Mr. Speaker, my honourable friend will have her daily fearmongering on television. Again, that is not an issue that government has said must be discussed; that is an issue that is before the

Urban Hospital Council in terms of issues they want to come to grips with.

For instance, the previous government—let me just give you one small example—as has this government, sends patients out of province for heart transplants, for liver, lung transplants. We do not do them in Manitoba. There are those in the professional care delivery system that say we ought to. Mr. Speaker, even my honourable friend the member for The Maples (Mr. Chœma) says, from time to time, we ought to share between provinces' expertise.

Mr. Speaker, in Manitoba, for instance, we do pediatric open-heart surgery for children from Saskatchewan because they do not have the capacity to do it there. That is an intelligent sharing of resource on behalf of the taxpayers to assure Manitobans that they have access to some of the new technologies and growing complexity procedures that are available in a modern health—

**Mr. Speaker:** Order, please.

### Psychoanalysis DeInsurance

**Ms. Judy Wasylcia-Lels (St. Johns):** Mr. Speaker, not only is this government considering selling health care services to Americans, it is also busy Americanizing our health care system through the deinsurance of services like psychoanalysis and varicose veins.

Mr. Speaker, I want to ask this minister, on the question of psychoanalysis, a very important area, if he has any studies to show how many suicidal people or homicidal people will be denied the possibility of access to psychoanalysis services as a result of the user fees imposed by this minister on Manitobans?

**Hon. Donald Orchard (Minister of Health):** I wondered how long it would take for my honourable friend to get into her proverbial user fees. My honourable friend with the New Democratic Party mentions it so often, I swear it is going to be in their next party platform plank. We have said consistently there are no user fees in this province.

Now, let me tell my honourable friend, before she gets off on a rhetorical bent that she will have to retract from, it is my understanding that there is no suicidal or other category of patient mentioned by—homicidal patients, who are currently undergoing psychoanalysis. -(interjection)-

Now my honourable friends say oh, oh. Mr. Speaker, the information I have is that psychoanalysis is not being provided as a service delivery to suicidal and homicidal people.

If my honourable friend says that is the case, I would like her to provide me with information because I will have it confirmed for her as to whether it is accurate or more speculation like my honourable friend has brought to the House about user fees, about fees for contact lens fitting and any number of other issues that my honourable friend has brought to this House under false pretenses, Mr. Speaker.

### Health Care System Service to U.S. Patients

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, the Minister of Health talks about innovative reform, innovative reform that he says is being studied by the Urban Hospital Council.

Can the minister tell the House today what he considers to be innovative about selling health care services to Americans when we have long waiting lists in the province of Manitoba?

\* (1345)

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I will explain to my honourable friend the Leader of the Liberal Party that that is not mine. That is not government's agenda. That is an issue that is brought before the Urban Hospital Council of a number of issues that are being discussed.

Are my honourable friends in the opposition parties wanting to curtail discussion on any issues in health care, of reform, Mr. Speaker? If that is the case, then maybe my honourable friend the Leader of the Liberal Party ought to consult with her critic who indicated on April 4—this is the member for The Maples (Mr. Chœma)—the expenditure of health care has gone out of control. We need new ways, and I think this centre would provide us new ways to provide the new, innovative community-based and other health care.

Mr. Speaker, my honourable friend the Leader of the Liberal Party is at direct odds with the innovative thinking of her critic.

**Mrs. Carstairs:** Mr. Speaker, when the government sets the terms of reference for study, and the government talks about innovative reform, and the government says that we need to move

toward community-based service, can he tell the House, in very simple terms, how the delivery of services to Americans is community-based care for Manitobans?

**Mr. Orchard:** Mr. Speaker, I suspect when the Urban Hospital Council gives me their recommendations, if any, on that issue, I will be able to answer her question more fully.

When my honourable friend talks about the terms of reference of the Urban Hospital Council, let me read to my honourable friend, because obviously her critic has not shared the goals for health and health care, that the Urban Hospital Council is guided in their decision making and the issues they discuss. I gave this to her honourable friend the Health critic of the Liberal Party on Thursday last. First goal, improved general health status, is that a goal the Liberal Party disagrees with? Secondly, reduce inequalities in health status, is that a goal the Liberal Party does not want to accede to? Thirdly, establish public policy which promotes health, is that a goal the Liberal Party is now against? Foster behaviour which promotes health, is that a goal the Liberal Party is against? Foster environments which promote health—

**Mr. Speaker:** Order, please.

### Out-of-Province Treatment

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, all the goals that the minister has enunciated today are all excellent goals for a Manitoba health care system, but quite frankly, we are not in the business of providing those goals for Americans. We are in the business of ensuring quality care for Manitobans.

Can the minister tell the House today how many Manitobans were forced to seek treatment outside of this province, both in other provinces and south of the border and at what cost to Manitoba taxpayers?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I cannot give my honourable friend a specific answer to that. I will tell my honourable friend that in Manitoba we are, as I indicated in an earlier answer, providing pediatric heart surgery to children from Saskatchewan, to children from northwest Ontario, to children from the territories.

I will tell my honourable friend that, as of last fall in the province of Manitoba, we are doing bone marrow transplantation in Winnipeg instead of

sending patients to Vancouver and to the United States, because that is an improvement to program that we are doing and it meets another goal of the Urban Hospital Council of providing appropriate, effective and efficient health services.

All of the goals for improvement of health status are being dealt with at the Urban Hospital Council. I welcome the expert input into reform of the health care system because it is plain and simply obvious that we will not get any fresh new ideas from either opposition party, only narrowed political gains, Mr. Speaker.

### Northern Health Care System User Fees

**Mr. Jerry Storle (Flin Flon):** Mr. Speaker, I would expect that most Manitobans, like myself, are becoming increasingly frustrated with this Minister of Health and the big lie that somehow everything is all right in health care. We are seeing deinsuring of services, and we are seeing the imposition of user fees.

Some time ago, I asked the Minister of Health whether he had any correspondence from communities in northern Manitoba who are opposed to the user fees that are being introduced in Manitoba health care. Today, I know the minister has copies from the communities of Flin Flon, Snow Lake, Leaf Rapids, Lynn Lake, South Indian Lake and others opposing the introduction of these user fees and indicating without any equivocation that it is going to seriously erode health care in northern Manitoba.

My question is to the Minister of Health. Will he now cancel the introduction of user fees on northern Manitobans who want to access adequate, acceptable medicare?

\* (1350)

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, again we dealt with this issue in Estimates on Thursday when my honourable friend, not receiving the answer he wanted, walked out of the committee.

There are no user fees in the Northern Patient Transportation Program. What we have brought in is a \$50 contribution for elective transportation cases which makes northern Manitobans pay only \$50 for any form of transportation warrant on an elective basis to the city of Winnipeg. It still leaves the air ambulance at several thousand dollars per

trip providing service absolutely free to Northerners. It puts northern Manitobans on par with every other citizen in Manitoba, including the city of Winnipeg, of making a modest contribution toward their transportation costs for nonemergency referrals to Brandon or to the city of Winnipeg, the same as an individual who lives in Swan River, Melita, Beausejour, Pine Falls, the Interlake. They pay their entire costs of getting to Winnipeg. We are asking only a contribution of \$50 as an equity with all other Manitobans.

**Mr. Storle:** Mr. Speaker, it is a user fee. I do not care what kind of euphemism the Minister of Health wants to use, it is a user fee. The Minister of Health continues to show his ignorance of the kind of health care and the accessibility problems that face Northerners.

#### **Northern Health Services Task Force Consultations**

**Mr. Jerry Storle (Flin Flon):** Mr. Speaker, in 1989, this Minister of Health created the Northern Health Services Task Force. The minister acknowledged in committee, not only did he not raise this issue of a \$50 user fee on the Northern Patient Transportation Program with this group, that he refused to.

My question is to the First Minister: Will he now ask the Minister of Health to consult the very task force that this Minister of Health set up to give him advice and direction on northern health care? Will he ask him to suspend the \$50 user fee until such time as this task force has looked at the question of the impact of this \$50 user fee on health care accessibility in the North?

**Hon. Gary Filmon (Premier):** Mr. Speaker, regrettably, the member for Flin Flon does not seem to understand that, when we are faced with the difficult challenges that we are in the provision of health care services, when we have continuing reductions in financial support by the federal government towards health and post-secondary education, at the same time, we have to find \$90 million of new additional money despite all of those difficulties for this year's budget for health care.

We have difficult choices to make, and if the choice is between asking people to pay a small part of the transportation costs involved in accessing nonessential medical services versus making reductions in essential services in hospitals, then the choice is very clear. We will ask people to try

and help out with a small contribution towards transportation costs because those are not essential medical services. We have to protect those essential medical services, and regrettably, there just is not enough money to do everything we would like to do.

**Mr. Storle:** It is unfortunate that the First Minister continues to attack one group with respect to accessible health.

#### **Northern Health Care System Accessibility**

**Mr. Jerry Storle (Flin Flon):** Mr. Speaker, the First Minister and the Minister of Health refuse to acknowledge that, in many communities in northern Manitoba, there is no doctor. To simply get a broken arm looked at requires a Northern Patient Transportation Program voucher. To get basic medical health services requires the Northern Patient Transportation Program. There is no other person in Manitoba who pays \$50 to have that kind of diagnosis.

My question is to the First Minister. If this is so fair, will the First Minister now trade places with a family in northern Manitoba? Will the First Minister access his health care from Leaf Rapids and allow someone from Leaf Rapids to have the same kind of access to health care as the First Minister and his family?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, my honourable friend the member for Flin Flon wants to bring in an example of Leaf Rapids. If he has an individual circumstance in Leaf Rapids, I would be pleased to have that family brought to my attention, and I will indicate to him whether in fact the family will have to pay the \$50 contribution, because if it is for oncology, they will not have to. If it is for the air ambulance, it is received absolutely free, gratis. When individuals anywhere in this province access the health care system, they pay, in the vast majority of cases, their transportation costs to access the health care system.

The exception to the rule was from northern Manitoba where the air ambulance worked 100 percent gratis, where northern patient transportation warrants for all procedures elective and emergency were given to Northerners at no cost to themselves, at entire cost to the taxpayers. Mr. Speaker, for nonemergency services, we are asking for a \$50 contribution, not unlike the kind of cost every Manitoban family faces, regardless of whether they

sit in the city of Winnipeg or outside of the city of Winnipeg accessing services in—

**Mr. Speaker:** Order, please.

\* (1355)

### Health Care System Hearing Disorder Screening

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, Manitoba has had an excellent reputation on health care. We have been doing a good job in detecting hearing problems in our school children. However, people are becoming concerned because this Minister of Health is destroying the system. Four full-time and one part-time audiometrists, who work in the school screening program and in hearing centres, have been eliminated. This is going to have a negative impact on our children and our seniors in both rural and urban Manitoba.

Can the Minister of Health tell this House why these people, who play such an important role in our health care system, have been eliminated without consultation or discussion on what the impacts of their elimination will be?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, before my honourable friend gets off on yet another tangent, let me tell my honourable friend that the school-aged children screening program will continue. It will continue with teachers, as they have been trained to do in the past, undertaking that screening within the school system.

Mr. Speaker, all of the audiologists who are currently employed with the Department of Health will remain and will refocus their priorities of screening to preschool children. That is what every analysis of audiology problems, hearing problems and the identification and the preservation of good, sound hearing is to intervene at the earliest possible age. That is exactly what we intend to do, is to work with preschool children, with our audiologist, to identify the problem earlier, to intervene earlier and to remove difficulties and problems for those children at an earlier age. Surely my honourable friend the New Democrat would want that kind of preventive service to be part of the Manitoba health—

**Mr. Speaker:** Order, please.

**Ms. Wowchuk:** Mr. Speaker, I do want good health care for rural Manitoba. The minister is talking about the audiologist. It is the audiometrists who have been removed, the people who intervene

between. It is more cost effective to use those people. There are going to be all kinds of backlogs, because the audiologists will not be able to see all the children and seniors who must see them.

Will the Minister of Health consider reinstating the people who were removed in this budget?

**Mr. Orchard:** Mr. Speaker, I can only repeat my previous answer. The intent of this program is now to focus on preschool children.

Mr. Speaker, within the school system, there are teachers who have been long serving in doing the screening program. Does my honourable friend not remember the tuning fork experiment that she went through in Grades 1, 2 and 3 to check as a screening process for hearing impairment? That shall—

**Mr. Gary Doer (Leader of the Opposition):** Horse and buggy and a tuning fork. I mean, it is unbelievable, a horse-and-buggy medical system.

\* (1400)

**Mr. Orchard:** Oh, my honourable friend says horse and buggy as if trying to detect hearing problems in school-aged children by teachers is wrong. Goodness, gracious, where does my honourable friend the Leader of the New Democrats come from?

Mr. Speaker, that service will still be available in the school system, provided by teachers as it always has been and backed by the service of the audiologist. In addition to that, we intend fully to implement the preschool-aged screening program, which is by far the most effective use of the screening program, to protect and early detect hearing disabilities and losses and to provide early intervention.

**Mr. Speaker:** Order, please.

**Ms. Wowchuk:** Mr. Speaker, we are in the '90s, and we should be able to use '90s technology in rural and northern Manitoba, rather than what this minister is doing in trying to reduce services for our people.

Can the Minister of Health tell this House what his plans are for the 12 audiologists in the province? Are their positions going to stay where they are, or are they going to be relocated to other areas? Can the people in rural Manitoba have the same service they have been having till now?

**Mr. Orchard:** Mr. Speaker, I do apologize by sort of dating myself with talking of the tuning fork. That was in the Neanderthal times of the school system, and I do stand corrected to my honourable friend.



We have invested in the last three years substantial dollars in upgrading the equipment for hearing detection losses, and it is much more modern than what it is today.

I simply indicate to my honourable friend that the screening program in the school system will continue to be carried on by trained teachers as it has been in the past. The audiologists who are staffed throughout the Manitoba Department of Health will provide support services where necessary, additional services where essential and focus our screening efforts on preschool children, something that my honourable friend surely must admit is the most reasonable policy and program approach: To provide the earliest detection prior to entry of school and to provide the earliest resolution possible to hearing issues. That is where this program is going, and I would hope my honourable friend would support it rather than trying to make an issue—

**Mr. Speaker:** Order, please.

### **Health Care System Psychoanalysis Deinsurance**

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, my question is for the Minister of Health.

This minister has deinsured a very important component of psychotherapy—psychoanalysis. By definition, psychoanalysis is the most intensive form of psychotherapy. It is a cost-efficient treatment because it cuts the expense of hospitalization. Many patients have improved from this condition. Many patients have gone off welfare, and they are having a meaningful, productive life. Now this minister has cut the services, and they are leaving in the middle of their rehabilitation program. Mr. Speaker, it is very important, the minister should understand.

Can the minister tell this House why he is denying the health care services to a very vulnerable population and thereby denying them the right to have a meaningful and productive life?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, everything my honourable friend has stated is not happening, period and paragraph.

First of all, as my honourable friend stated honestly in the Estimates process, that psychoanalysis was not an insured service, hence cannot be deinsured. Now my honourable friend,

because there is a television camera on him, is saying we are deinsuring.

Mr. Speaker, my honourable friend ought to be consistent between what he says in Estimates and what he says for the advantage of the television camera because psychoanalysis—as my honourable friend said on Thursday, he would check the fee schedule manual—is not a billed service.

What I indicated to my honourable friend on Thursday is that there are questions around psychoanalysis which make the issue of appropriate use of scarce resource come into question. We have a very narrowed group of professionals who are providing intensive services to a very small number of Manitobans. One must question the value in the system of that kind of resource dedication to a narrow group of people, not the large exception that my honourable friend tends to make in this House. He is—

**Mr. Speaker:** Order, please.

**Mr. Cheema:** Mr. Speaker, the minister has failed to tell this House that we told him that psychoanalysis is a part of psychotherapy, and that is what I am trying to tell him again today. It is a very important component of the treatment.

On June 11, the minister said that psychoanalysis may have no real outcome. Can the minister tell this House what evidence he has to back up his statement, and can he tell the House, does he believe that the other forms of long-term psychotherapy are also not effective? Is he going to deinsure those services in the long run also?

**Mr. Speaker:** Order, please. The question has been put.

**Mr. Orchard:** Mr. Speaker, my honourable friend knows full well we dealt with this issue on Thursday. He is now taking the quantum leap of making the accusation, first of all, that we are deinsuring psychoanalysis which has never been insured, and he admitted that it had never been insured on Thursday. Now he is making the quantum leap that, because it may be part of psychotherapy, we are therefore going to deinsure psychotherapy.

I told him on Thursday, and I tell him today: Psychotherapy will remain an insured service available to those Manitobans who need it. Psychoanalysis is currently under discussion with the MMA and the association of psychiatrists because there are areas of billing which would lead one to ask, is it the most effective use of scarce

resource, a question that even the Leader of the Opposition (Mr. Doer) asked the people of Brandon in 1988, during the election campaign in April.

Now, Mr. Speaker, we are simply asking that question—

**Mr. Speaker:** Order, please.

**Mr. Cheema:** Mr. Speaker, we are not saying maybe it is a part of services, but psychoanalysis is a part of psychotherapy.

Mr. Speaker, it is common sense. The minister, why does he not understand the basic definition?

### Citizens for Mental Health Care Meeting Request

**Mr. Gulzar Cheema (The Maples):** Can the minister tell this House that in the press he has said that this political group was recently formed, like the mental health care group, and the minister has said that this is lobbying for their own benefit, can the minister tell this House that this group has been functioning for the last six years, and why is he refusing to meet with this group? Mr. Speaker, I will not go into a personal thing, but his secretary told them that he was—

**Mr. Speaker:** Order, please The question has been put.

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I assume that my honourable friend is asking on behalf of a group which sent a letter to my office Friday afternoon, after I had left, which indicated that they wished to have a meeting on the issue of psychoanalysis.

Mr. Speaker, that meeting may well take place, but I cannot indicate to my honourable friend that I can meet them this afternoon, because I believe we are going to be in Estimates. I cannot indicate to the group that I will meet with them this evening, because we are going to be in Estimates. I cannot indicate to them that I am going to meet with them tomorrow morning, because I have other meetings booked tomorrow, and we are going to be in Estimates tomorrow afternoon. I intend to be in Ottawa on Wednesday.

Mr. Speaker, I do not know what my honourable friend expects me to do, but I am willing to meet with these people, because I want to ask the question as to whether they, as a group, in making the case that they received very, very good service from psychoanalysis—I would like to investigate that, but I am not at liberty to investigate those individual

cases without their permission, and that is what I would like to seek.

### Ducks Unlimited Headquarters Government Funding

**Ms. Marianne Cerilli (Radlsson):** Mr. Speaker, there are a number of reasons for opposing the Ducks Unlimited development of Oak Hammock Marsh. First of all, environmentally, the approach it is taking is from the dark ages; secondly, it is currently abusing the government's power by amending a legislation, The Wildlife Act, to allow the development; and thirdly, it is commercializing using public funds, it is commercializing the wildlife management area, and this is a misuse of public funds, I would think.

Will the Minister of Natural Resources tell the House the total amount of public money going to Ducks Unlimited for the interpretive centre at Oak Hammock Marsh?

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, if we want to talk about the dark ages with respect to environmentalism, then let me refer her to the fact that, when her administration, under the leadership of Howard Pawley, signed a dollar-a-year agreement with Ducks Unlimited Canada to build the present facility, interpretive centre at Ducks Unlimited, and the concrete mixing trucks, and the steel, and the construction workers moved onto the marsh to build the present interpretive centre, there was not a single reference to the environmental concerns. There was not a single public hearing held, and the existing interpretive centre came into being on or about 1984.

The only thing—as with most things that they do, they do not do them well. They did not even plan how to properly handle the 85,000 visitors that now visit the marsh. There is no sewage facility for the 85,000 visitors. That was an agreement entered into by the New Democratic Party administration for \$1 a year with Ducks Unlimited Canada, to build a steel and concrete structure that is currently there on the marsh, that 85,000 Manitobans enjoy visiting. Mr. Speaker, that kind of action gave them a reputation of being 10 out of 10 on environmental matters.

My Premier, this government, said before we entertain anything on Oak Hammock Marsh, it has to be totally exposed to all of the environmental regulations. There have to be broad public

hearings, and they are taking place right now as is our practice in this Legislature.

**Mr. Speaker:** Order, please.

\* (1410)

**Ms. Cerlill:** Mr. Speaker, the minister continues to refuse to answer the question, but the 50-year agreement between Ducks Unlimited and Natural Resources says that there is some \$1,050,000 that will go to the DU complex. By the year 1995, Ducks Unlimited will be responsible for funding the entire complex.

### **Oak Hammock Marsh Management**

**Ms. Marianne Cerlill (Radlsson):** My question for the minister is: After 1995, will DU also be responsible for managing the marsh?

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, if the honourable member—as she seems to have read the agreement in its totality, she will have seen the very specific sections that deal with a management board that will manage the facility. That management board consists of two representatives from Ducks Unlimited Canada, two representatives from the government of Manitoba, with the chair being initially selected by the government of Manitoba, plus the possibility of an additional two or three lay members, citizens, concerned interests at large.

That will be the management board that will decide as to what is appropriate, will decide what constitutes an acceptable exhibit, interpretive program, educational program at the marsh. I think it is an exciting idea. More exciting, Mr. Speaker, is the fact that, as the agreement is structured, after five years, it will not be done at taxpayers' expense. Those monies that are heretofore provided for that money will go to help out my Minister of Health—

**Mr. Speaker:** Order, please.

### **Ducks Unlimited Headquarters Agreement Tabling Request**

**Ms. Marianne Cerlill (Radlsson):** Mr. Speaker, the use of public money to develop, then give away a wildlife management area also includes Western Diversification funds.

Will the minister tell the House the amount of the one-time nonrepayable loan from the Western Diversification Fund which is really a grant? Will he

table the agreement between the Department of Natural Resources, Ducks Unlimited and the fund with respect to the development of Oak Hammock Marsh?

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Speaker, I have no difficulty in tabling all of the documents being requested. Some of them are not in their final form. Inasmuch as this government has and this ministry has the direct responsibility for, I would assume that those forms that she is asking for tabling having to do with the federal government and its involvement would have to be acquired from that source.

Mr. Speaker, I have no difficulty at all in complying with that request.

### **Communications Officers Layoff Justification**

**Ms. Jean Friesen (Wolseley):** Mr. Speaker, my question is for the Minister of Labour.

In April, the government fired numerous communication officers. We now find that seven new communication positions are open in the Department of Culture, Heritage and Citizenship with functions identical to those performed by people who lost their jobs.

My question for the minister is: Given the short time between the firings and the hirings, is this policy brought to us by the same people who manage the Tory decentralization policy, or did the government deliberately fire professional civil servants in order to hire those whom they thought politically reliable?

**Hon. Darren Praznik (Minister responsible for The Civil Service Act):** Mr. Speaker, I believe the member has asked me a question in my capacity as the minister responsible for the Civil Service Commission.

I can tell her that there was a consolidation of media positions in government. There was an overabundance of generalists in the area of media communications. There was a need to have certain specialists. I believe the number was somewhere in the neighbourhood of about 200 positions in government dealing in media relations, which has been reduced substantially to somewhere in the area of 60.

With respect to specific details, it is always easy to get up in this House and give the appearance of a problem when the facts do not support that. I

would be happy to get the facts for the member for Wolseley.

**Mr. Speaker:** Time for Oral Questions has expired

### Nonpolitical Statements

**Mr. Doug Martindale (Burrows):** Mr. Speaker, could I have leave to make a nonpolitical statement?

**Mr. Speaker:** Does the honourable member for Burrows have leave to make a nonpolitical statement? Leave? Agreed.

**Mr. Martindale:** Mr. Speaker, this past weekend members of the Latvian, Lithuanian and Estonian communities commemorated the deportation of hundreds of thousands of people from the Baltic States to Siberia in 1946. Families were torn apart when fathers were separated from their loved ones. In Siberia they endured terrible suffering in prisons and work camps. In spite of being annexed, the people of the Baltic States and their emigrant communities around the world, including Winnipeg, never gave up the dream of being free and independent.

We in this Legislature want to tell our friends in the Baltic States and in the Latvian, Lithuanian and Estonian communities here that we are in solidarity with their struggle to see freedom and democracy fully restored in their homeland. Thank you.

\* \* \*

**Mr. John Plohman (Dauphin):** May I have leave to make a nonpolitical statement?

**Mr. Speaker:** Does the honourable member for Dauphin have leave to make a nonpolitical statement? Leave?

**Some Honourable Members:** Leave.

**Mr. Plohman:** Mr. Speaker, yesterday I had the opportunity to participate in the 13th annual Manitoba Marathon as a member of one of the nearly 500 relay teams. I want to congratulate all of the nearly 7,000 persons who participated in the marathon, the half marathon, relay and the Super Run.

The purpose of the marathon is participation, promotion of physical fitness and fundraising. Although we did not have record participation yesterday, we did come close to the record. We should all dedicate ourselves, Mr. Speaker, to supporting and promoting the event and where possible participating in it in the future.

Let me tell you that running even a relay leg of some five miles gives one an appreciation of what a marathoner goes through in the endurance run of 26 miles. It is an agonizing run or walk. It hurts, but it is a tremendous learning experience, I am sure, for all who participate, a personal challenge to learn about one's self under pressure. I am sure the organizers of the event certainly deserve our thanks and our support.

Once again, I want to congratulate all of those who participated and particularly all who completed their goals. I also want to congratulate all the hundreds of volunteers who helped make it a success, Red Cross workers, those with water, sponges and ice, which are so welcomed by exhausted runners. I want to extend a special congratulations to Roger Schwegel—

**Hon. Donald Orchard (Minister of Health):** Time.

**Mr. Plohman:** The Minister of Health is saying time. This is an area that promotes fitness and well-being of Manitobans and he is saying time, Mr. Speaker.

Roger Schwegel was the top Manitoban and third overall in the marathon and he deserves our congratulations, as well as Darlene Kubara, who was the top female and second overall of the female runners. I want to congratulate all those who participated.

Thank you, Mr. Speaker.

\* \* \*

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, before I move the motion to convene the Committee of Supply, I would ask if you could canvass the House to see if there is leave to waive private members' hour.

**Mr. Speaker:** Is it the will of the House to waive private members' hour? Is there leave?

**An Honourable Member:** No.

**Mr. Speaker:** No, leave is denied.

\*(1420)

**Mr. Praznik:** Mr. Speaker, I move, seconded by the honourable Minister of Highways and Transportation (Mr. Driedger), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be

granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Health; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Agriculture.

## CONCURRENT COMMITTEES OF SUPPLY

### SUPPLY—HEALTH

**Mr. Deputy Chairman (Marcel Laurendeau):** Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates for the Department of Health.

When the committee last sat, it had been considering item 1.(b) Executive Support: (1) Salaries, on page 83 of the Estimates book and on page 24 of the Supplementary Information book. Shall the item pass?

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Deputy Chairperson, I believe where we left off at our last sitting of Estimates was on the Urban Hospital Council. I would like to continue on addressing that issue and ask the minister, even though he has continually said in the House that these are simply studies, these are simply working groups, they do not necessarily mean anything at this point, our concern stills rests with the fact that there are some very controversial and harmful items on the agenda.

I would like to ask the minister on what basis he and this council are even considering the selling of our health care services to Americans.

**Hon. Donald Orchard (Minister of Health):** Mr. Deputy Chairman, I guess maybe what we have to do with my honourable friend is -(interjection)- Well, why do we not just have maybe one of the other opposition parties ask questions, and we can wait for the critic to return?

\* (1440)

**Mr. Gary Doer (Leader of the Opposition):** Well, I will be willing to ask questions. I am interested in the answer, Mr. Deputy Chairperson -(interjection)- no, I do not think we should. She will be back in two minutes, no problem.

**Mr. Orchard:** I will just repeat the answer when my honourable friend gets back, which I do not think is a very productive use of committee time.

**Mr. Doer:** Well, I would respect the position of the minister and perhaps we could—I do not like to

waste time. Nobody likes to waste time, but if that is the minister's desire, I could ask additional questions just to keep the committee going, or I could suggest we pause for a minute. We have done that before in Estimates when somebody had to urgently leave the room, but I am certainly prepared to ask the questions myself.

**Mr. Orchard:** You could dig into that if you want. You said you were going to the other day and Thursday.

**Mr. Doer:** The minister will note that I, from time to time, have been very supportive of efforts of the Department of Health to look at some of the most severe shortcomings in our Health department. I have always believed for a long period of time that there are inequities in systems.

One of the inequities in the system that the minister was trying to deal with a number of years ago—three years ago, when he first became Minister of Health—was the fact that some of our most mentally ill patients in our system in Manitoba resided in our mental hospitals in Brandon and Selkirk and had very limited resources available to them in the way of psychiatrists.

When the minister has articulated the issue of salaries for psychiatrists in the provincial system, and he quoted that again in the House on Friday, I have said in the past and would say in the future that we have to be competitive to attract professionals to our health care institutions in the area of psychiatry, so that when the minister has initiated incentive plans for psychiatrists, he will have found that I think, and I am sure the minister reads every comment in context, over a long period of time he would have found that we have been very consistent on that issue of desiring for the people in our hospitals, the patients in our hospitals and the staff in our hospitals, the ability to have psychiatric staff with that kind of professional training in our health care facilities.

I know the minister is working on that issue. I do not know the current status of the situation in Brandon or Selkirk. I know it fluctuates, because in the market it is quite attractive for psychiatrists to leave into other practices both in Manitoba and elsewhere. It seems to me—and this is not, by the way, inconsistent with other jurisdictions. I have studied a bit of the systems in other mental health jurisdictions, including in the United States, and there is always the situation where there is a shortage of professionals for those who are

diagnosed to be most mentally ill and, therefore, obviously need the most professional input.

So the minister asked me for my comments. I have always believed in a mental health system that is a continuum of care, a continuum of care that requires a continuum of professional resources, and I am sure the minister is of like mind. When he has raised the issue of attracting psychiatrists in the past, I think he will find that we have attempted to be part of the solution on that issue rather than part of the problem, because it is easy to take a high salaried position and embellish that. It will even be easier in times with one group having a very low ceiling for salary increases and other groups appearing and actually having a lot higher.

Perhaps the minister can—I am sure in some parts of this Estimates process, he will be able to inform us of what the status is of psychiatrists in our mental hospitals, but I do not want to in any way jump any lines that are there in terms of the Estimates process that is presently underway. I do know that the whole issue of the opening up for patients from the United States and the option of closing potential facilities in Manitoba is a very important issue for our critic and for the New Democratic Caucus. I think that was the question that the minister was going to answer when I interrupted. I apologize for any delay in time but I think it is important to put our philosophy on the table, and I will leave it with our able critic on health care.

**Ms. Wasylycia-Lels:** Mr. Deputy Chairman, the minister has tried to put some distance between himself and these working groups of the Urban Hospital Council because of some of the very controversial subject matters that they are dealing with. However, it appears that this is very much an initiative out of the minister's office and co-ordinated by his deputy minister. In fact, at our last sitting of Estimates, the Minister of Health had nothing but praise and was taking all the credit for this Urban Hospital Council and its 48 working groups.

I would like to ask the minister: Did he not initiate this process, and does his deputy minister not play a significant role in the drafting of the topics and in the follow-up involving the process?

**Mr. Orchard:** Mr. Deputy Chairman, what my honourable friend the New Democratic Party critic is attempting to do is say that this is government's agenda. You know, it would not matter how many times I indicate to her the process, the genesis. I

gave her the genesis of the Urban Hospital Council on Tuesday and on Thursday of last week. My honourable friend has had the entire weekend that she could have checked with the Urban Hospital Council CEOs to find out whether what I indicated to her was consistent. She has chosen not to do it because my honourable friend wants to do nothing but exercise political damage through this exercise. My honourable friend is not interested in any of the positive outcome that can happen from this.

My honourable friend representing the New Democratic Party, I think, quite frankly, is a little bit envious that a Conservative government, which is not supposed to, in the NDP vernacular, know anything about or care about people, would actually be able to bring together in a co-operative environment key players in health care in Manitoba to come around a series of issues, some of which we have put to Urban Hospital Council, some of which members of the Urban Hospital Council have brought as topics of discussion.

Mr. Deputy Chairman, before my honourable friend wants to know who said what, I cannot tell my honourable friend who suggested given topics. I can indicate the ones that we are interested in having the Urban Hospital Council consider and I will do that, but I cannot indicate to my honourable friend who said what. I do not think it serves any particular useful purpose.

I want to take my honourable friend back to June 12 in Question Period where my honourable friend tabled a confidential draft of cost reduction strategies, which was a series of issues which had been blue-sky'd in terms of their consideration by the Urban Hospital Council. Despite the fact that a number of these issues had "no" beside them about feasibility, my honourable friend continued to talk about issues, issues that were being discussed by government. You know, I corrected my honourable friend. I presented to my honourable friend this document from last week. I will give her another copy of it. These are the topics that are being discussed.

\* (1450)

The issue my honourable friend wanted to make on, I believe it was the 12th, was that we were considering user fees because user fees was one of the topics that were part of this tabled document that my honourable friend tabled. I simply said to my honourable friend then as I say now, we are not considering user fees, but yet my honourable friend

stands up in the House and says government is considering user fees.

I cannot repeat it any more often. I cannot make it any clearer to my honourable friend, because that answer by government does not fit the political agenda of the NDP. The NDP wants to create the aura that the system is coming apart, that the system is not functioning, that the system is not ready to deal with issues, that the system is going to do x, y, z, *fait accompli*, just as she tried to make the issue in Question Period, incorrectly, that government through the Urban Hospital Council was considering user fees. When I told her that was not being considered, one would think that would put the issue to rest. It did not, because that does not fit the political agenda of the NDP.

There are a number of other issues—my honourable friend has the copy of them—that are being considered by the Urban Hospital Council. That council is chaired by my deputy minister. Do you want to know why the government is at the Urban Hospital Council? So that we do not end up with a them-and-us situation where we leave—and I suppose the most appropriate thing to do if government wanted to be squeaky clean politically and not take any political risk, we would have the urban hospital set up with no government membership and when they come up with a good recommendation, we pat them on the shoulders and say, great recommendation, we will accept that. If they come up with a recommendation that did not fit, where government believed the health care system should go, we could take and tear their faces off and say what a stupid game. That is exactly the working relationship that I suspect existed in the past and the Urban Hospital Council, the CEOs, do not want to have exist today.

They said, if we are going to come around some of the difficult decisions in health care, we want to know that government is going to be partners with us in analyzing the system. We want them at the table when we discuss a number of issues, and we agreed. We are at the table. Some of the issues are ours. Some of the issues are from individual members of the Urban Hospital Council. All will be discussed. All will have a recommendation to government. Government then has the option of proceeding with implementation, modification or rejection of any given recommendation.

I can say no more to my honourable friend other than that is the process that is there. I want my

honourable friend to ask herself simply, is this a process that government ought to be involved with and in fact wanting to be part of decision making in health care or should the government simply say, no, we do not want any discussion of these issues and just say, I am sorry, no more Urban Hospital Council. Is that the NDP position that these issues should not be discussed? If it is just a few issues, which one, because that is exactly where my honourable friend the member for The Maples and I were coming at. We were dealing issue by issue, and he was indicating where they support, where they do not support.

Would my honourable friend the New Democratic Party Health critic like to put the New Democratic Party policy on the record through Hansard so the reporters out here could understand where they come from, because my honourable friends the New Democrats say they are government in waiting all the time, just like the Liberals did in 1988 to 1990? As government in waiting, I think the people of Manitoba, through the reporters, deserve to know what an NDP government might do so they can tell Manitobans where an NDP government would come from, and then they could answer questions as to where the money would come from, whether you would raise taxes, whether you would borrow money, whether you would take it from health, or from education or other departments.

We could get into a very good debate here, which would benefit Manitobans, because my agenda has been laid out for three years, to my honourable friend. Now, would my honourable friend want to get into that kind of a debate where she actually has to say what the New Democratic Party believes in rather than what the New Democratic Party is fearful of? Could we get into that kind of a discussion as to what the New Democratic Party believes in, because I would welcome that kind of input from my honourable friend, on behalf of the New Democrats?

**Ms. Wasylycia-Lels:** Mr. Deputy Chairman, first of all, let me say we were quite pleased to see that the specific study topic of user fees had been removed from the list. We do not know what the reason was or the timing, but in the space of from one document to the next, it had been removed and we were pleased to see that.

However, that has not alleviated our concerns about this government's move, notwithstanding any studies or not even with the benefit of any studies to introduce user fees through deinsurance and

through the actual introduction of specific fees or through cutbacks. We have in effect a significant change to our health care system in the space of a few short months, since the last budget was introduced.

Mr. Deputy Chairperson, as the minister knows, we always support open dialogue, consultation and collective, collaborative efforts to addressing some very difficult areas. We have concerns about this document that the minister has tabled for the benefit of our Estimates debate for several reasons. One is, there are clearly some very disconcerting topics, the fact that this minister has submitted a document which includes the study of deinsuring further services in addition to the five already deinsured as a result of the last budget. We have concerns about the fact that this council includes a study on the selling of health care services to Americans. We have concerns about the fact that it is looking at discontinuing services here for Manitobans by sending Manitobans outside of the province or outside of the country. We wonder why those topics are here on our health care agenda now when there are so many fundamental basic questions to be addressed vis-a-vis health care reform.

So my question is: Why are we looking at Americanizing our system through deinsurance and user fees? Why are we looking at selling of our health care services to Americans? Why are we looking at cutting back services here in Manitoba and discontinuing certain services for Manitobans and not looking at some very fundamental health care reform issues that the minister has talked about in the past, but there does not seem to be a relationship between that rhetoric of the past and this health care reform agenda?

**Mr. Orchard:** Before my honourable friend gets into where I know the NDP want to be—the NDP want to end up saying that this government is going to treat Americans before they treat Manitobans. That is where my honourable friend wants to be. That is not where government is coming from; that is not where the Urban Hospital is coming from. My honourable friend wants to say that—even my Liberal friends are starting to say—we are going to deinsure psychotherapy now, because that is the accusation they are leading themselves to. That is not where government is coming from.

My honourable friend forgets when she was government the discussion, the issue, the very difficult decision making the NDP went through in

terms of plastic surgery, where cosmetic plastic surgery was deinsured by the NDP because they had to refocus and reprioritize the dollars in the needed health care services.

Was that called a cutback by the opposition parties of the day when it was done? No. Was that called an undermining of the medicare system of the day because the NDP had done it, they had removed insured services from the insured fee service schedule? No. Because again, as is the case with removal of tattoos, with the removal of asymptomatic varicose veins, those are cosmetic procedures, the same principle involved as when the NDP come to grips with plastic surgery, yet we do not have an opposition party today that wants to do anything but try and imbue fears in Manitobans and Canadians that only they can serve them well in the health care system. That is not fact.

My honourable friend is concerned about topics that are before the Urban Hospital Council. My honourable friend can allay her concerns, because I am going to take the time of the committee to read to my honourable friend so that I can put emphasis on the important issues of the Urban Hospital Council terms of reference, because my honourable friend, as I said, wants to make the headline out of the NDP caucus room as they did during the nurses' strike on other issues to inflame public opinion incorrectly with false information. They want to say that Americans are going to get to the head of the cue in Manitoba, that is what they want to do to scare Manitobans.

\* (1500)

That is not the case, because the terms of reference—and I want to lay these out for my honourable friend the New Democratic Party critic because I think they are critically important for her to understand. The purpose of the Urban Hospital Council: the Urban Hospital Council has been established to assist the Province of Manitoba to achieve the province's goals for health and health care.

#### Point of Order

**Ms. Wasylycia-Lels:** Mr. Deputy Chairperson, the response is not at all relevant to my question. I simply asked him why several topics, and I listed them, were on this agenda.

**Mr. Deputy Chairman:** Order, please. The honourable member for St. Johns did not have a point of order.



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**Mr. Orchard:** I will read Attachment A after I finish the terms of reference. Given the current financial position of government, the council will focus on implementation of strategies and specific action plans to achieve the following goals.

**Ms. Wasylycia-Lels:** The minister has already tabled that information. We have been apprised of the terms of reference for the Urban Hospital Council. We are now asking him some specific questions. He has taken responsibility for the working groups of this Urban Hospital Council, and I think it is only fair that the minister respond to the questions. He has tabled the information. He does not need to be reading it now, several days after he tabled the information. He can rest assured that we have read the information.

**Mr. Deputy Chairman:** Order, please. The honourable member for St. Johns does not have a point of order. It is a dispute over the facts.

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**Mr. Gulzar Cheema (The Maples):** Mr. Deputy Chairperson, I want to emphasize that we had the information. The minister tabled the information. He read some of this stuff in the House, and he wants to repeat it. I do not think it is going to serve any purpose. The issue here is if we should proceed topic by topic, and if he wants to proceed that way rather than, you know, repeating the same thing 20 times.

**Mr. Deputy Chairman:** Order, please. The honourable member did not have a point of order.

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**Mr. Orchard:** Mr. Deputy Chairman, I know this is going to cause my honourable friends some problems. Certainly, they claim they have this document, but obviously they do not want to believe what is in it, particularly the New Democrats. They want to make their own conclusions as to the topics that are being discussed at the Urban Hospital Council, draw their conclusions to put out their NDP press releases in advance of any recommendations whatsoever from the Urban Hospital Council.

I want to tell my honourable friend that here is the background around decision making at the Urban Hospital Council. The goals they are attempting to create policy and initiative around are to provide

appropriate, efficient and effective health services. I do not think anybody in this room from either opposition party would disagree with that. I think that is a reasonable goal.

Mr. Deputy Chairman, to develop mechanisms to assess and monitor quality of care, utilization and cost effectiveness—does anyone in either opposition party disagree with that? I do not think so. Foster responsiveness and flexibility in the health care delivery system and promote delivery of alternative and less expensive services—is there anything of disagreement in those guiding principles that my honourable friends find offensive or find damaging to the health care system? I do not think so.

The membership, we have gone over.

#### Point of Order

**Mr. Cheema:** Mr. Deputy Chairperson, the minister is asking us those questions, and I think we should be given the opportunity to answer those.

I think it is a very important issue, and he is trying to explain. I just want to—is the basic thing that you have your—

**Mr. Deputy Chairman:** Order, please. Number 1, the honourable member for The Maples did not have a point of order, but the minister said he will allow you to answer his question, so if the committee is willing—is the committee willing to allow the honourable members to answer the questions of the minister?

**Mr. Cheema:** It is the committee's exchange of ideas. It does not have to be specifically by the minister or the members of the House. Anybody can ask questions in this committee and whether—you know, whether it will fit the minister—

**Mr. Deputy Chairman:** Carry on then.

\* \* \*

**Mr. Cheema:** —or if it will fit our needs, you know, I think it is up to you to decide.

I just want to make a very clear distinction about the hospital working group. I think the issue here is when the minister's office has set up a group, the minister has—his deputy minister is on the committee. He knows full well about the people who are on the committee. He has taken pride in the involvement of all the hospitals. We have no difficulty with that, getting every hospital involved.

The issue here is when you put a list on this paper, you want them to discuss, you want them to look into all the issues. That means you must have something, at least some idea of what you want to do with all these committees. That is the issue here, that all of this section that the minister wants them to study, we want to know from him how come when you have such a deficiency in the system, in the hospital and everything else, how come a study? As the question that was asked in the House, how come you are going to study the various opportunity to have the patients from other provinces, especially not for a specialized service?

Let us differentiate the issue here. Inside the House the minister tried to say that we are advocating for a very specialized service; that is not the issue. The issue here is the general services. The issue here is the patients are waiting for a lot of different kinds of surgery, patients waiting for six months for cataract surgery, six straight months for a hip surgery and for heart by-pass and other procedures because of lack of beds. Those patients, some of them are going to the U.S.A. and other parts of the country, some of them cannot afford. We are asking him, how come he is setting up a study group when we know the problem is there? That is the issue here. Why study something, look into something when we have not solved our basic problem? Can the minister justify setting up a group from that point of view?

**Mr. Orchard:** Well, is my honourable friend from the Liberal Party now saying that we should not have the Urban Hospital Council co-operating on system reform? I said to my honourable friend the New Democratic Party Health critic that we put some issues before the council, and council members put other issues there. Now, is my honourable friend saying the only thing we should do at the Urban Hospital Council is them to consider governments issue, and they do not have any idea to have input? Well, I think that is wrong, but that seems to be what my honourable friend is saying.

#### Point of Order

**Ms. Wasylycia-Lels:** Yes, I think that the minister is once again avoiding questions put to him. The member for The Maples asked a very specific question of, how does this fit in with all the other studies that have been done? Why are we not now, at this critical juncture, moving beyond the point of studying the studies of the studies, and getting into

some plan of action? Specifically our question is: How does—

**Mr. Deputy Chairman:** Order, please. The honourable member for St. Johns does not have a point of order. I would like to remind the honourable members that we have allowed debate to be carried on a little bit forward, and let us try and bring it back on track.

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**Ms. Wasylycia-Lels:** Thank you, Mr. Deputy Chairperson. A very specific question. Several years ago the minister made a great fanfare and a great to-do about his establishment of a task force called the Winnipeg Hospitals Role Definition, and in the '89 Estimates he specifically outlined the purpose of that working group, that study, that task force, and described it as determining ways to ensure better co-ordination and co-operation among Winnipeg hospitals with special emphasis on the concentration of resources.

Well, we have yet to receive that report. We understand that report is being studied by another committee. We do not know when we are going to see that report, and now a new list of studies and working groups and task forces miraculously appears on the horizon or on the agenda, using the minister's own description and his own words, with the very same intention, with the same purpose. Why do we need another series of studies when this one is already in the works? Where is the Winnipeg Hospitals Role Definition? How is that any different than a number of these studies under the Urban Hospital Council?

\* (1510)

**Mr. Orchard:** Mr. Deputy Chairman, there were several areas of the urban hospital, the community hospital role study. One of them is obstetrics. The interim report from the task force has been distributed and, Mr. Deputy Chairman, my honourable friend made reference to another committee that has been set up to study them. I do not know of another committee that has been set up to study it.

The task force wrote an interim report. It has been distributed to those who had input into it. The same processes have been used for all other studies from the Health Advisory Network task forces. That interim report has been placed before the Urban Hospital Council, so they are aware of it. All members of the Urban Hospital Council, probably

with few exceptions, already had the Urban Hospital task force on obstetrics, the interim report.

**Mr. Deputy Chairman,** I do not know where my honourable friend gets her information from. Could she possibly—maybe I misunderstood—did she say that there is another committee set up to study the interim report of the Urban Hospital task force on obstetrics? Is that what she said, or did I misunderstand her?

**Ms. Wasylycia-Lels:** Mr. Deputy Chairperson, the minister was not listening to the question. I asked him about his task force entitled Winnipeg Hospitals Role Definition, not just the obstetrics part of it, but the general study that he announced with a great deal of fanfare in September of 1989, a study to ensure better co-ordination and co-operation among Winnipeg hospitals. My question ties in with the fact that many of the working groups under the Urban Hospital Council have to do with better co-ordination and co-operation among Winnipeg hospitals and a number of topics in that regard are listed whether it is obstetrics, or emergency departments, pediatrics services, and the list goes on and on.

All we are left to believe is that this minister is very good at studying issues to death, the very thing that he said he would not do when he became the Minister of Health in 1988. My question is: Where is this so-called task force, the Winnipeg Hospitals Role Definition?

**Mr. Orchard:** An interim report which has been shared with the Urban Hospital Council to aid in their decision making. My honourable friend makes an interesting observation that this department, this minister, myself, studies things. Then when we make a decision my honourable friend says we do not consult. I mean, my honourable friend in the opposition cannot have it both ways. I am sure three months from now as the Urban Hospital Council may make recommendations on some of the issues they are studying and we take action according to some of the recommendations, not proceeding on others possibly, my honourable friend is going to say, but you are doing this without consultation. Why did you not study it? Why did you not consult with people. Why did you not inform people?

My honourable friend is going to try to have it every way but the way it is, and the way it is, is that this system today is operating with more input from more people in a more co-operative environment, a

more understanding environment of the challenges. I think that the decisions emanating from government as a result of having the wisdom of that kind of consultative advice from experts in the field will make for a better health care system in Manitoba.

I know my honourable friend from the New Democrats might find that a little hard to envision, but that is where I am telling her the process is leading. Now, in terms of the specific task force report, the interim report has been part of considerations of some of the Urban Hospital Council subcommittees. Is that an adequate answer for my honourable friend, or does she want another answer?—because I cannot give her another answer.

**Ms. Wasylycia-Lels:** We have 14 task forces under the Health Advisory Network. We have 48 working groups under the Urban Hospital Council. We have dozens and dozens and dozens of other studies in every possible area imaginable. Our concern is: Is this the only agenda of the government but to study the issues over and over and over again? Where do they all come together? How do the studies under the Urban Hospital Council fit with all the studies of the Health Advisory Network?

**Mr. Orchard:** Mr. Deputy Chairman, I know this is a small point, but I just distributed again—and my honourable friend was complaining a couple minutes ago that I was reading the terms of reference of the Urban Hospital Council. I tabled twice now, on two different days, the working groups of the Urban Hospital Council. My honourable friend had the information Thursday. She has it again today and she says there are 48. There are, I believe, 26 issues being discussed at the Urban Hospital Council, not 48 as my honourable friend wants to mislead.

I am not going to say, because it is unparliamentary, deliberately mislead, but, Mr. Deputy Chairman, how many times do I have to tell my honourable friend what is going on, give her full information, table it two days in a row, and she still turns around and uses wrong information. Will she have the decency of using correct information even this afternoon? It is not 48. It is 26, unless I have miscounted.

Where does it fit with the task force? In the area of obstetrics, for instance, which is studied by the hospitals—the Community Hospital Task Force of

the Health Advisory Network—the interim report is being shared with the Urban Hospital Council. That gives to the Urban Hospital Council up to two years of investigative information after disposal for potential decision making. I believe that is a very workable fit in effective utilization of the studies that have been in place.

The Centre for Health Policy and Evaluation where possible, where they have time, where they have the information, will provide statistical backup and data analysis to the Urban Hospital Council if the question that is being posed, they have some contribution to make on it. I think that is a very adequate fit of resource.

Within the ministry, where we have various reports from the past which are being updated—my honourable friend made a point in her opening remarks about the Health Services Review Committee which was undertaken I believe in 1984, '85 and '86—where is that at? Well, I want to tell my honourable friend where it is at. It is at the Centre for Health Policy and Evaluation because some of the recommendations made in that report could not be analyzed as to their impact on the system at the time.

We are taking the value of that report, having it updated to 1991 so we can determine whether there are any usable recommendations from that report that can be implemented today with the ability, and the newly in place ability that we have put in place, of analysis of the Centre for Health Policy and Evaluation.

Surely my honourable friend cannot say that this is an inappropriate use of government analytical resource, to study an NDP study, to find out what is usable, what is workable, what is appropriate in today's context. That is how the centre fits to provide information to the system.

Does that clarify some of the pieces and how they draw together in a puzzle, in the puzzle to make a complete picture for the people of Manitoba, a planning picture which is strategic in nature, not ad hoc, does not have one hospital pitted against another hospital in the urban environment, does not have one professional discipline pitted against another professional discipline, but has people around the table discussing resolutions of issues from a number of perspectives, hoping to achieve a recommended solution that government can implement which will improve the health status of

Manitobans without wasting scarce tax dollar resource.

That is where we are coming from in government. I do not know whether my honourable friend finds that agreeable or disagreeable, but I think Manitobans will be well served by the process. If my honourable friend finds that wrong, just tell me, because I would like to tell Manitobans you do not think that approach is right.

**Mr. Deputy Chairman:** Order, please. As the honourable member is aware, and I am sure he did not do it on purpose to use the word "mislead," but it was found unparliamentary in Beauchesne's Citation 489, and I caution the honourable members to please choose your words carefully, so that we do not end up in a heated debate.

\* (1520)

**Ms. Wasylycia-Lels:** Mr. Deputy Chairperson, I think what is clear under this minister, we have a health care system mired in studies and little able to deal with the looming health care crisis. The minister has a war on drugs going on. I think it is about time he declared a war on studies and started putting in place an action plan based on the input of all Manitobans. I think there is concern, growing concern, throughout our health care system about the number of competing and conflicting and overlapping studies where there is no sense of a plan of action emerging.

That is clearly a problem with the Health Advisory Network. The minister, when he put in place that network, said, this would be different from all previous studies, this would be the forerunner to action. This advisory network would put the action plan on the table, and yes, we have study after study after study with dozens and dozens and dozens of recommendations, and now he has put in place another whole series of, he says, 26 working groups that are going to come forward with another set, a wish list, in every area imaginable in our health care system. I think the frustration is growing.

I am wondering if the minister can tell us why Dr. Arnold Naimark has resigned as chairperson of the Health Advisory Network.

**Mr. Orchard:** Mr. Deputy Chairman, I thank my honourable friend for finally getting the number of issues before the Urban Hospital Council correct. It is 26 and not 48. I thank her for that.

Secondly, I just want to have my honourable friend correct another piece of misinformation that

she just put on the record. She said the government has before it a number of studies from the Health Advisory Network. That is not accurate.

We have one study that has reached my office from the Health Advisory Network. That was the Extended Treatment Bed Review. We received it and within four weeks made an announcement, plans of which are now being expedited around Municipal Hospitals, around Concordia Hospital and around personal care home construction proposal calls in the northeast quadrant of the city. We received the report and undertook action within four short weeks.

Does my honourable friend stand up and say thank you to the minister for taking quick action after having the issue studied for approximately 20 months? No, my honourable friend persists in saying we have these stacks of studies. That is the only Health Advisory Network report that has reached my desk and it was acted on within four weeks. Drive out to Concordia Hospital. You will see the construction of the 60 extended treatment beds ongoing right now. Shortly we hope to announce who will be constructing another 200-plus personal care home beds in the northeast quadrant of the city. The Municipal redevelopment plan is on track as a result of that, and my honourable friend says we do not take action? I say my honourable friend simply is not accurate in her rhetorical statements.

Now, Dr. Naimark has indicated that he no longer wishes to serve as chairman of the Health Advisory Network effective June 30. He has taken two and a half years of time to guide the Health Advisory Network through a lot of time and effort and work, and he deserves to be congratulated for the kind of effort he put in.

Now, a number of the studies are close to finalization and presentation to myself as minister. I suspect that in July and the early part of August, we will have a number of reports reaching us from the Health Advisory Network. That is a commitment that Dr. Naimark had given, that he would stay through the majority of the real work of the committee and he has done that. Now obligations to the university are requiring him to reduce his time commitments to the Health Advisory Network. That is the reason why he is leaving. I thank him for the service that he has put in and the guidance he has provided to the Health Advisory Network.

**Ms. Wasylycia-Lels:** Could the minister indicate who will be taking over as chairperson of the Health Advisory Network?

**Mr. Orchard:** We will be making that decision at the end of this month.

**Ms. Wasylycia-Lels:** Can the minister give us some sense of an action plan, given the fact that when this advisory network was announced, the minister indicated that the bulk of the work would be to take existing studies and work already done, and translate it into a plan of action?

Rather than that being the case, we know that the Health Advisory Network has produced a number of studies with hundreds of recommendations, some very important recommendations, but this is still certainly a long way from any kind of plan of action. Who will be co-ordinating such a plan of action, and what is the time line?

**Mr. Orchard:** Well, Mr. Deputy Chairman, the department and the ministry will be co-ordinating that, seeking advice, if necessary, from the Centre for Health Policy and Evaluation, from individual members of the task force, if necessary, from the ministry in terms of whether some of the recommendations can be implemented.

(Mr. Ben Sveinson, Acting Chairman, in the Chair)

Now, I cannot indicate to my honourable friend the time line on any decision making because I have not received any of the reports with these "hundreds" of recommendations. My honourable friend has copies of interim reports. I do not know how many recommendations may be part of any final report. We will consider diligently any recommendations that are made. Some we will accede to; some we will put on hold; some we will reject outright. That is what we have done in the past when other studies have come to government.

I can only indicate to my honourable friend, because I have only one task force to go by, and that was the Extended Treatment Task Force. We received the report, I believe, in July, the first part of July last summer. Within four weeks, we had announced an action plan involving construction at Concordia Hospital which is ongoing, announcing the redevelopment of Municipal Hospitals, discussions of which, plans for which, are ongoing. As well, we have proposal calls out for the construction of additional personal care homes in the northeast quadrant of the city, and we hope that

construction will start this calendar year, not fiscal year, this calendar year.

Now, I do not know whether my honourable friend considers that to be sitting on a report and doing nothing. We have committed literally tens of millions of dollars of taxpayer money in acceding to some of the recommendations in the Extended Treatment Bed Review to provide needed personal care homes, extended treatment, rehabilitative care within the system.

As well, within the next short period of time, as part of the Extended Treatment Bed Review, the 60 additional personal care home beds, on a temporary basis, will be in service at Deer Lodge Hospital, something my honourable friend was very concerned about over the past.

All of those initiatives are based on a very, very considered response to recommendations that were 18 months to two years in the making through the Extended Treatment Bed Review Task Force. We intend to treat all the reports the same and act upon them as quickly as possible and within the resources available because we do not have the ability to print money in government. We do not have the ability to tax and/or borrow, so it is going to be recommendations that we can achieve within the fiscal constraints that are facing this government and will face future governments.

I can only indicate to my honourable friend that I look forward to receiving the task force reports and to announcing plans of action which will benefit the operation of the system of health care delivery in the province of Manitoba but, more importantly, the citizens of Manitoba.

**Ms. Wasylycia-Lels:** Mr. Acting Chairperson, it was the minister and not anyone else who said, back in October '88, when he announced the Health Advisory Network, that we do not need another huge stack of studies. Interestingly, that is what he has ended up with through the Health Advisory Network. Regardless of what finishing touches are put on these interim reports, he will still be, in very short order, no doubt, handed finalized reports, a great number of reports from the Health Advisory Network with dozens and hundreds and maybe even thousands of recommendations.

I am wondering if perhaps the minister did not envisage this happening when he set up the Health Advisory Network. Did something go wrong along the way? How will he get it back to what he has said is necessary and that is action, not more study?

**Mr. Orchard:** Mr. Acting Chairman, maybe just to clarify my honourable friend's definition of action, does my honourable friend think that accepting a report and within four weeks announcing an action plan is taking action or not taking action? What does my honourable friend think? Is that within the NDP definition of action?

**Mr. Cheema:** Mr. Acting Chairperson, can the minister tell us, he had just made a statement that out of 26 lists some of them came from the hospital—some of the issues—and some came from the minister's office. Can he give me the list that came from the minister's office?

\* (1530)

**Mr. Orchard:** The second one, review of psychiatric services, avoid duplicate services to patients, review of emergency departments, review of pediatric services—I am told that is it.

**Mr. Cheema:** Mr. Acting Chairperson, is there any possibility for us to know where the other list came from, which hospital has put forward a specific list?

**Mr. Orchard:** No, Mr. Acting Chairman, I do not know where the other issues come from, other than from the Urban Hospital Council membership.

**Mr. Cheema:** Mr. Acting Chairperson, did the minister have any consultation whatsoever with the hospital boards before appointing people on committees and before putting even his five or six issues on the table?

**Mr. Orchard:** Mr. Acting Chairman, I presented to the board chairs and to MHO on a number of different occasions the kind of challenges that we were facing in government. I gave them the fiscal overview which he received a part of.

The Urban Hospital Council grew out of co-operation over the last number of months and was struck with the mandate and the terms of reference as indicated. There is an understanding that the CEOs will report activities which affect the respective institutions to their boards.

If my honourable friend is asking me, did I go to all of the board chairmen and ask them, will you support the creation of the Urban Hospital Council, no. The Urban Hospital Council was to us in government an excellent opportunity, and I have said this in the House, and it seems to be lost on my honourable friends, there is no other province or territory in Canada that has a similar council, that has the kind of around-the-table co-operation by the

chief executive officers of the major hospital institutions.

That is a significant benefit and a significant credit to the kind of health care service deliverers and managers that we have in Manitoba. Other provinces cannot emulate this. This is the most advantageous forum for planning and asking questions and answering questions that is available in Canada today. I do not know of a more progressive opportunity.

You know, I have to tell my honourable friend that I deeply regret the kind of swirl of controversy that both opposition parties are putting around the Urban Hospital Council, trying to give them—my honourable friend was very, very guilty of this on Friday, where he tried to indicate that decisions by the Urban Hospital Council would be politically motivated, that would reflect the way people voted. You know, that is such an insulting statement to make on the CEOs who are participating on the Urban Hospital Council. Maybe that is the way a Liberal Party would operate, but that is not the way this party operates. By making those kinds of wild statements my honourable friend potentially discredits himself and potentially discredits one of the institutions he works in and its management.

That does not serve the health care system one little bit, because you know, I recall my honourable friend's Leader when she first came in this House saying, I am going to be different. I am going to bring a new style of politics to this House and where government does something that is good, I am going to say, yes, they do. My honourable friend the critic for Health has done that upon occasion, but upon occasion I think his caucus members put a little pressure on him and say, you know, you have to get in there and try to score political points because you are letting a lot of things go by. Your caucus cranks you up, you come in and you make some statements like the decisions made by the Urban Hospital Council are going to be politically motivated. That does you a discredit, sir, because that is not where the Urban Hospital Council is coming from.

These are the most knowledgeable health care professionals in Manitoba. These are the chief executive officers who are administering—and I am only guessing rough terms—probably \$650 million worth of health care expenditures in their respective institutions. They have a knowledge of nursing issues, of physician issues, support services issues, the procedures that are there, the programs, the

policies. These people administer a sizable portion of my budget and to have the value of their expertise around one table considering issues which are contentious in some areas but beneficial in other areas is a credit to Manitobans and the quality of leadership we have in the health care system.

The continued carping and harping and the want to make a political issue out of the Urban Hospital Council by opposition parties will eventually discredit the process and its decision making. You know, it will not be me that loses as Minister of Health. It will be the citizens of Manitoba who lose, because this is the most progressive opportunity for change that has presented itself in a provincial health care jurisdiction in two decades. I cannot help but want to encourage the process to go on.

I hope my honourable friend is maybe guided a little more carefully than he has been in the past to try to make an issue out of the Urban Hospital Council and some of the areas that they are now considering. I deliberately do not want to know who brought given issues to the Urban Hospital Council. That is irrelevant to me. The attachment of a CEO or a hospital is absolutely irrelevant. What is important is the issue and the discussion around the issue in context of the terms of reference that I have laid out for my honourable friend is important, because the decisions that flow from the Urban Hospital Council and some of the potential recommendations they can make to government will do nothing but benefit and enhance the level of health care delivery in the province of Manitoba, not cut it back like my honourable friends in the opposition parties are constantly decrying and crying wolf on, but an effort to improve the ability to deliver quality health care, to improve the health status of Manitobans. I want to be part of that process in government.

I do not know whether my honourable friend will or will not be part of it but government is going to be and, as long as we are government, we are going to seek that kind of expert co-operation and input into decision making and into recommendations of government.

**Mr. Cheema:** Mr. Acting Chairperson, simply, what we are trying to do here is to ask the minister very important issues. From the minister's point of view, he has tried to explain what he thinks should be the direction. We are trying to ask questions of what we think is important.

The important thing here is how these issues are being discussed, who put those issues on the table, what are the circumstances putting those issues on the table and how they will have an impact on health care. Nobody is telling the minister not to consult. We are simply asking some of the issues which are put on the table. They are very, very controversial, and they are going to have a serious impact on some of the services.

It is just the first year of the mandate. We know they have a majority, but still you have to make a decision so that all people of Manitoba should benefit from those decisions. We do not want any decision to be made politically motivated and that is the reason we ask the questions. It can be taken anyway. That is the will of the executives and who sort of wants to make an issue out of that.

It means we have to do a job. My job is not to protect one or the other hospital. My job here is to bring the issues here, ask the minister. We may disagree on some of the issues, but that does not mean we are going to undermine the process of insulting people. That is simply not true. I have the highest respect for CEOs. I know some of them personally. When I talk to them that is not the impression they have. Basically they understand the view point where we are coming from, and the minister, if we respect his views, he simply has to respect ours. We have to do our job, he is doing his own.

\* (1540)

I think it has become more clear now today that there are four or five issues from the ministers office, the rest are coming from the hospitals. We will see how those issues are resolved. It is basically a very, very easy or a very comfortable particular position. You get the chief executive officers involved from each and every hospital. As he said, it is a consultation process, but there are communities around those hospitals also.

I think the communities must know what is going on, too. I wanted to know if the hospital boards are going to get involved and the minister said they will be, through their officers. I think that will be positive, but still we have to know it. We cannot just put a rubber stamp on every issue coming along the way. Just to say that only a few issues we have said to the minister he has done right is simply not true. There has been no more positive opposition come to the minister than from us. Everyone knows it. Credibilities are not decided on a one-day wonder

and also how one party views the other. People at large know why we are doing it, and if that would stop making some of the irrational decisions we would be very happy.

I want to go through the list now. I think we went through the first five issues last week, and the sixth issue was the review of very aggressive treatment of dialysis and cancer patients in Manitoba and reviews the ethical issues surrounding possible changes in this approach. I think it is a very important issue which demands some answers. It is a very difficult issue, and I would like the minister to tell us what are the terms of reference for this particular issue? How many people are involved? Are they getting any legal—

**An Honourable Member:** What issue is that again?

**Mr. Cheema:** Number 6, it is the review of the treatment of dialysis and cancer patients.

Let me check the other list. What was the number there?

**Mr. Orchard:** My honourable friend received the status reports from the working groups, the Urban Hospital Council. There are 26 issues on that. That is the list of issues that are being considered at the Urban Hospital Council.

Could my honourable friend find the issue that he has referred to on that list and then we can discuss it?

**Mr. Cheema:** Mr. Acting Chairperson, I was going through the list which was tabled last week, and I can go through the list which has been tabled today or the—

**Mr. Orchard:** If you are talking about a list that was tabled, that is the one that was tabled by the opposition critic. Goodness gracious, could we refer to the list that I tabled? Those are the issues that are being considered, the list that my honourable friend the member for St. Johns tabled. A number of issues have been deleted from consideration. So the only issues that are before us—and here is an extra copy I have. Do you have the one I am getting at? It starts out with Les Janzen 3:15 p.m., Cost Effectiveness of Centralizing High Technology Equipment Maintenance Contract. That is the one that we can deal with.

**Mr. Cheema:** Mr. Acting Chairperson, I am just going through a list quickly and within a few minutes I will have questions for the minister.



On the bottom of the second page, cap volumes and some specialty treatment areas that are not already capped, can the minister explain that statement?

**Mr. Orchard:** Mr. Acting Chairman, not very well, because I do not really understand the parameters around this issue. The closest thing that I can indicate to you is that every year we have a target for the number of open heart procedures, for instance, by-pass surgical procedures that are undertaken in the province of Manitoba. That target has been, I guess—well, it is in excess of 600 now between the two centres. I do not know whether that is not the issue that they are wanting to take and to have some consideration around. I cannot give my honourable friend any more information on that one.

**Mr. Cheema:** Mr. Acting Chairperson, is there a possibility that the minister could ask his staff to obtain that information for us, maybe at the next sitting?

**Mr. Orchard:** Mr. Acting Chairman, appreciate that the group is looking at that, and would it not be prudent to let the group examine the issue in the terms that they have laid out as an issue worthy of discussion and comment on recommendations? I mean, if we do anything else, we are wasting our time speculating and, quite frankly, we may well be wasting our time simply fear mongering about what that issue might involve. I do not know what it involves in specific detail.

The closest thing as I can indicate to my honourable friend is by-pass surgery is a specialty which we have targeted a certain number of procedures per year. I do not know whether that has applicability on this issue or not. I am simply awaiting for observations and recommendations that may well come from the committee studying this general question.

**Mr. Cheema:** Mr. Acting Chairperson, can the minister tell us if he knows about the other issues also on this list, like to investigate the use of physician extenders? Can he at least give some ideas what that means?

(Mr. Deputy Chairman in the Chair)

**Mr. Orchard:** Well, I cannot give you all of the issues that they may well be studying under. That is 3.11.5 on page 3, I think it is. They are gathering background material.

The one thing that has intrigued me, and I will give my honourable friend the specific example. The United States has the most litigious health care system in the world. Yet, in the United States, for instance, they have nurse anesthetists who are a lesser trained professional group than the medical doctor anesthetists that practise in the Manitoba system. I am told that, for instance, nurse anesthetists operate in North Dakota and Minnesota, as an example, very close to Manitoba. We currently have ourselves a problem with recruitment retention of anesthetists in Manitoba. That is one area, physician extenders, now that the topic is being studied, that I want to have the Urban Hospital Council's observations on the utility of such a discipline within the health care system.

I would think that another one might be, for instance, midwifery as an effort of physician extenders. Again, that group will, in due course, provide me with their observations on the issue.

**Mr. Cheema:** Mr. Deputy Chairman, the minister a few times has made a statement that he wanted positions from each party to tell him the issues, and when I asked him for issues he says he does not know some of the issues and it is not up to him to find it out.

I think we should make up our mind which way we want to proceed. If we do not have to go through one by one, I do not mind. I will proceed to the next topic, but if we are going to start with a topic and want to go through then let us stick to that. If we do not have the information please try to get the information. It is not fearmongering. It is a very important issue, each and every area.

There are other people who are also interested other than this group. There are people who are also interested in the hospital. The community involvement is very important. People should know which areas they are going to study, what services they are going to look at. I am going to continue to repeat that. I think it is very important. It depends upon the way you look at it. It is the first thing in the mandate and the minister can make any irrational decision from our point of view and they think people forget.

I just want them to be careful that some of the issues are not going to go away, so the minister cannot stand up in the House and say, well, we did not even ask questions. So I am asking questions on some of the issues and if the minister has any further information like—

\* (1550)

**Mr. Orchard:** Mr. Deputy Chairman, I guess maybe what we should do is see if each political party believes we ought to be looking at physician extenders. In other words, as I understand the issue being considered, are there other trained individuals within the health care system that can do currently what physicians do and do it under the umbrella of the terms of reference where you are improving the health status, not doing anything substandard, if you will, or risking health of individuals?

Is there an area where we can look at replacing physician services with other professionals who can deliver as good a quality service at a lower cost? It means lowered income for physicians. Is that something we should consider? In today's context, I believe we ought to have that issue considered.

If my honourable friend the member for the Liberal Party says no, then fine, we will have his position. I am willing to look at this and, in the cases that I have indicated, I have said that this government is fully willing to look at midwifery, but we are not going to look at midwifery as part of the health care system where it is a simple add on to the system. An add on in cost. It has to meet the more cost effective, safe care delivery, in a different environment at a lower cost to the system and by choice of the individual.

That is where we are coming from. Now, maybe my honourable friend the member for Maples might want to consider whether that general principle should be investigated?

**Mr. Cheema:** Mr. Deputy Chairman, I am not going to be afraid of saying, and I will not mind the minister quoting me anyway. I think we have to, that is we have to be very open. It is very important. It is not an issue of just one professional group. I think we have to be responsible for taxpayers and if there are some of the services, like midwives and other services which can be given through other sources, well, so be it.

We are not going to deny that will be a very irresponsible attitude that you have to protect one group against the other. We have to make sure that services are provided in the best possible way and as long as the quality care and quality assurance are maintained, that is the issue here.

Can the minister tell us when the next issue is, consider some form of patient monetary

involvement in the care for deinsuring some services? Can he give us some idea? This statement is very vague. We need some clarification.

**Mr. Orchard:** I would put in the deinsurance of tattoo removal in that issue. I would put in the deinsurance of asymmetric varicose veins in that issue. See, where we are coming from here, where we are attempting to come from, and I know my honourable friends in both opposition parties are against this, but the procedures that we are deinsuring in this round of budget negotiations are nonmedically required ones.

They have been undertaken in the past for cosmetic reasons. I do not believe that as the NDP were, in my earlier remarks about cosmetic surgery, I do not believe we have any more surplus of dollars to put in the provision of nonmedical services today than we had seven, eight, nine years ago when the NDP came to grips with cosmetic surgery in the plastic surgery field. So that is in my understanding of where that issue is being considered.

**Mr. Cheema:** Mr. Deputy Chairperson, can the minister give us assurance that other than the list he has given to us as far as till today, some of the deinsuring of services, that there will not be any more list at least during this session?

**Mr. Orchard:** Well, there is no intention. We have made our decisions known. There is no intention of government moving on any others. We will not have, for instance, the fee schedule reform study, I do not think, at our disposal which could well provide us with further guidance.

**Mr. Cheema:** Mr. Deputy Chairperson, the minister has answered some questions from the member for St. Johns in regard to the Health Advisory Network. Can the minister—I will give him one more chance to tell us—has he not received any other final report on his desk so far, other than one he has just indicated?

**Mr. Orchard:** Well, my honourable friend asks a very timely question. The answer is, quite simply, no. Here is, for instance, an April 9, 1991, letter that Dr. Naimark has sent out to people who are interested in interim reports of the task forces:

Consistent with the Minister of Health's desire to ensure adequate consultation, the steering committee invites input from those affected by the recommendations of the task force before it, being the Health Advisory Network, formalizes its own

recommendation. Copy of the interim report on palliative care of the task force's contribution is enclosed for your review and response.

Copies have been distributed to more than 20 organizations and groups for comment. Other interested individuals may request a copy of the interim report from this office. The sequence of the consultation process is outlined below, and here is where I will give my honourable friend the sequence: 1) The interim report of the task force was received by the steering committee; 2) The steering committee distributes the interim report to the interested parties in the community for comment; 3) The community responses are to be forwarded to the task force for review in June 1991; 4) The task force will submit its final report to the steering committee, taking into account the reaction to the interim report; and 5) The steering committee will review the final report of the task force to formulate options and recommendations for consideration by the Minister of Health.

It is in the first four processes that the task force interim reports are. I have only received one steering committee Health Advisory Network report. That was extended treatment bed review. I am expecting a number of other reports. Between now and the end of, say July, I am expecting several reports to come in. None have been received to date.

**Mr. Cheema:** Mr. Deputy Chairperson, when we were discussing the Estimates last year, the minister gave a list of when the reports will be due. One of the reports, Health Services for the Elderly, was supposed to be final report in March of 1990, and then was the report on health prevention and promotion. It is my understanding that report is complete. Housing and home care should have been completed by March '91. Does the deputy minister or somebody else have those reports or is the minister not seeing those reports?

**Mr. Orchard:** I know that my honourable friend is hearing this, that and the other, because I heard great oohs and ahs from the Leader of the official opposition when his critic, the member for St. Johns (Ms. Wasylycia-Leis), asked me have I received any task force reports, and I said no.

I could hear the member for Concordia (Mr. Doer) just quivering in his boots that he had got me because he knew of one, and he was going to bring up a matter of privilege in the House, but when they checked out the facts with the Health Advisory

Network Steering Committee, they found, in fact, that no reports had been forwarded to me other than the Extended Treatment Bed report. The information that stimulated the member for St. Johns' question was not necessarily full and complete information, I guess would be the parliamentary language to use.

### Point of Order

**Ms. Wasylycia-Leis:** The point of order is that the minister knows that at least four or five of these task force reports have gone beyond the interim report stage and are now completed. Now, whether or not the minister has received them is really incidental to what we are asking him and what this debate is all about. He has seen the interim reports; he should be prepared to answer questions on those reports; he cannot keep sloughing this off.

**Mr. Deputy Chairman:** Order, please. The honourable member does not have a point of order. It is clearly a dispute over the facts.

\* \* \*

**Mr. Orchard:** Mr. Deputy Chairman, my honourable friend simply is not accurate and no matter how many times I say it to my honourable friend, I cannot make an honest answer out of a dishonest one. I am simply telling my honourable friend that the Health Advisory Network Steering Committee has not submitted to my office any completed report from any task force examination other than the Extended Treatment Bed Review.

Now, if my honourable friend wants to, with the silly grin, say, oh, that is not right, just prove your point. I am stating clearly and unequivocally what I have received. If my honourable friend can some way, somewhere, somehow prove that wrong, you are welcome to. There are such instruments at your disposal as matters of privilege, where you can censure me if I am wrong. My honourable friend cannot do that because her allegations are not accurate. My statements are factual.

**Mr. Cheema:** I am not questioning the minister whether his statements are correct or incorrect. We are simply going by what happened in 1989 and last year, and what the minister told us in the Estimates. Given that kind of time period when the reports were due, some of them should have been in March. That is the understanding from some information we have. It is not a secret some of the reports are out,

and the minister knows that he has some of the internal reports. We have it, because, as he said, it is a very open process.

The question here is when you have internal reports, why there should not be somebody from the department who should be doing quick work so that input can be given to the working group in the urban hospitals, so that the urban hospitals, before they make a final decision, can enjoy the benefit of those reports. That is the basic thing. I am raising a very serious matter in terms of, the minister could do very well; he will do much better if he used those resources in the best possible way.

**Mr. Orchard:** Mr. Deputy Chairman, not 40 minutes ago in this very committee, with my honourable friend sitting where he is sitting now and presumably listening, that is exactly what I told the member for St. Johns, that the obstetric part of the Urban Hospital Council task force interim report is available to the Urban Hospital Council. That is exactly what my honourable friend has recommended. That is exactly what we are doing.

\* (1600)

Mr. Deputy Chairman, please, please, please, please, I want to tell my honourable friend I am not going to react to an interim report. The Liberals surely, of all people, ought to know the danger of that. They wanted me in January of 1990 to adopt the interim report which left out the whole northeast quadrant of the city of Winnipeg for personal care home beds. I said, no, that is an interim report. I will react to the final report. We did within four short weeks, hardly the dillying and the dathering that my honourable friend the New Democrat critic says we do—four weeks we reacted to it.

I remind my honourable friend that, when they were government the Health Services Review Committee, there were no decisions made on that report when it was received by government, and they had it three and a half years. The Pascoe Report on mental health, there was no action by the NDP on that report. We can go back to the 1972 report on mental health. There was no action taken by an NDP government on that report, yet they manage well. They do a good job when they are government. We get a report, four weeks later we announce an action plan, and we do not do anything according to NDP vernacular. Give me a break, Mr. Deputy Chairman.

**Mr. Chœma:** Mr. Deputy Chairperson, I am sorry if I irritated the minister. I must have missed that part of the action initially, but certainly I think it is just a positive suggestion that those reports could be used. If they are in an interim state, I think that is the better place for them to go through all those committees. Then the minister can blame the Liberal Party, and it will give him a chance to hammer us every five minutes here. I think that would be helpful.

Definitely, I wanted to add some words about the chairperson of the Health Advisory Network, Dr. Naimark, who has done tremendous work and given a valuable contribution to the people of Manitoba. Certainly it was a difficult task, and still we do not have all the reports, but somebody of his calibre has given a lot of energy, a lot of ideas and taken sometimes political heat as well. I think they have done, as far as his position is concerned, a tremendous job putting a good group of people together, a good group of nonpolitical, intellectual researchers and community organizations who have all the best interest in their minds.

**Mr. Conrad Santos (Broadway):** Mr. Deputy Chairman, to the honourable minister, I have observed since coming here to Canada that there are certain medical people who are able to practise in the United States but are not able to practise in Canada because the privilege was monopolized and had been monopolized by the medical doctors. For example, I have in mind professional nurse anesthetist, whose speciality is to put people under operation to sleep whether through general anesthesia or special or limited anesthesia. How come in Canada only medical people with MDs can do this kind of work?

**Mr. Orchard:** Mr. Deputy Chairman, I cannot answer that. That is why I brought the issue up about half an hour ago in response to my honourable friend from The Maples when he asked what is surrounding the issue to investigate the use of physician extenders. I used the example of nurse anesthetists in terms of their ability to practise in the most litigious system in the world, and is there an appropriate role for them in the Manitoba health care system.

**Mr. Santos:** Does this mean that the government considers itself powerless to change the existing situation?

**Mr. Orchard:** Oh, I do not think this government is any more powerless than previous governments. I

do not think the question has ever been asked by previous governments. It is being asked by this one.

**Mr. Santos:** I have observed that the governments at all levels sometimes have abdicated their function to the professional self-governing groups with respect to certain areas of activities in society. It seems to me that when the medical system is now under some critical re-evaluation, it is the function of every government to ensure that the best use of talents and specialty be evenly distributed among all the professionals, and not surrender the ability to self-govern to any of the professional groups, including the medical groups, the legal profession, or any other—dental profession.

It is the function and duty of every government that the regulatory power of the state be exercised for the public interest so that there will be a more efficient, effective and economical use of resources, rather than surrender monopoly of control and self-discipline to self-governing groups. That will be an abdication of governmental power. Will the minister change the situation, if it is in his power to do so?

**Mr. Orchard:** Well, I guess I am not quite clear of where my honourable friend is coming from because we have attempted to work with the various professional disciplines to see how their role can be expedited in the health care system, and I am not so certain that we are not doing what my honourable friend suggests, but maybe I misunderstood what my honourable friend is trying to suggest.

**Mr. Santos:** I am trying to suggest that accreditation boards and disciplining and all other functions that have a relationship with the governance of professional groups and their activities in relation to the rest of society is a primary responsibility of the government itself, and that the government ought not to surrender such kind of responsibility and authority to the self-governing group and leave it in their hands entirely to determine who shall, or shall not, practice in any particular area or in a particular specialty. It is the function of government to see to it that this governing group in such a manner exercises their power for the public interest, subject to the primordial authority of the government itself.

**Mr. Orchard:** Am I hearing my honourable friend saying that the New Democratic Party is wanting to take over the role and function of professional accreditation—physicians, nursing, dentistry and

other areas—in that government? The exercise of this office, I, as Minister of Health, would be determine what the qualifications ought to be to practice, for instance, medicine, or to practice as a registered nurse in the province of Manitoba?

**Mr. Santos:** I am just asking the question of the honourable minister; I am not advocating any kind of policy. All I am saying, or asking, is whether or not the government had consented to the abdication of all self-governing power to the professional groups or not, or whether he is going to do something about it when it will be for the public interest? For example, in the accreditation board, it might be to the general benefit of all of society that the public at large be represented in all the governing boards rather than be exclusively composed of self-interested people who belong to any particular profession.

**Mr. Orchard:** Well, I think my honourable friend is on a pretty slippery slope, and I am not so sure that his colleagues in the New Democratic Party understand the position he is, I believe, putting forward. First of all, my honourable friend, I want to understand, although it is imperfect in some individuals' minds, there is representation of the public on all disciplinary boards which investigate allegations of improper practice by a number of professional disciplines. They are not the self-governing groups who sit in professional self-judgment of themselves with no other outsiders looking in.

Secondly, most of the professional associations are now moving to a much more public forum of disciplinary hearing. I simply want to point out to my honourable friend that, if he is suggesting that I and this government ought to have the ability to determine who practises medicine in the province of Manitoba and make that decision as a temporarily elected individual—and let me give my honourable friend an example.

\* (1610)

If I were to make that sole decision, which the College of Physicians and Surgeons now undertakes on behalf of the citizens with a very strong mandate to protect the public interest, first and foremost, if I was to take on that role as Minister of Health, I might say to myself, now, who was president of the MMA and caused us potential embarrassment all during the election campaign? Oh yes, it is Dr. Walter Hoepfner, and he happens to practise in my constituency, so maybe after the

election, because I can make these decisions all by my lonely as Minister of Health, I am going to say he is no longer worthy of practice of medicine and make the unilateral decision to dump him in his ability to practise medicine because he opposed me ostensibly from a political standpoint.

That may be the world that the New Democrats want to get into in terms of professional control, but I want to tell my honourable friend that I recognize clearly the dangers of having temporarily elected people make those kinds of professional decisions. I do not want to be part of any suggestion from a policy standpoint from the New Democrats that that is where we ought to be heading. I do not think it would be appropriate. First of all, I have to tell you right out, I do not know how to judge the accreditation standards of a physician, for instance.

There are different groups across Canada who do that, the Royal College of Physicians and Surgeons to name one. -(interjection)- My honourable friend at the end of the table suggests, how would you like to have the Health minister from Ontario determine who is practising medicine in Ontario? I mean, that is a pretty dangerous New Democratic Party policy. I do not think that many Manitobans would necessarily want to have the same people who invested in oil in southern Manitoban and telephones in Saudi Arabia deciding who your doctor ought to be.

**Mr. Santos:** The honourable minister is extending the logic to realms which I do not even contemplate. All I am asking is whether or not there is a need for, let us say, nurse anesthetists, whether or not the government would feel that it has the authority enough to overrule the disposition of the medical profession to monopolize the practice of anesthesia to their own members and then extend the same privilege to people who are specialized and trained in that particular line of work, like the nurse anesthetist, without surrendering the entire discretion to the self-governing, self-interested group of physicians.

**Mr. Orchard:** Now my honourable friend is back and focused a little more appropriately from what he was saying about 10 minutes ago. His colleagues in the New Democratic Party will appreciate that. Yes, we are looking at that, nurse anesthetists, in terms of whether there is an appropriate role for them to play within the health care system in Manitoba. I want to tell you, as with the midwifery issue, we will not introduce any additional

professional care delivery in the system which acts merely as an add-on to the costs of the system. It must be effective. It must be safe for the patient and deliver quality outcome of care and if we are going to undertake such an initiative, it must be at a lower cost to the system and to the taxpayers, and those are the guiding principles behind midwifery.

For instance, there are those who say, yes, midwifery ought to be part of the system, but the only way a midwife should deliver a child into this world is under the guidance of an obstetrician. Well, I say to you, that is a mere add-on to the system and is not what proponents of midwifery envisioned as a level of service delivery, and I agree with the proponents, and I disagree with midwifery having to be under the supervision of greater trained individuals.

If that is where we are heading in midwifery, it will simply be an add-on of cost to the system and not an effective use of resource. However, if we are able to come around the issue with midwifery, or with nurse anesthetists, for instance, providing a safe, quality outcome, effective care delivery by another trained professional group at a lower cost than the existing professionals, so that we have a win-win again, with the taxpayer and with the patient in the system, I am open to that, always have been and in our investigating it.

**Ms. Wasylciak-Lels:** I just want to get back to this whole question of health care reform and all these different groups and organizations involved in some aspect of health care reform.

We have the Health Advisory Network with 14 task forces at various stages, several, probably about five or six, totally completed, a number of others at interim report stage and a number of others still in the initial stages of study. We have the Urban Hospital Council with, the minister says now, 26 or 27 working groups. We have the Centre for Health Policy and Evaluation. We have the Health Services Development Fund. We have this new branch of government called Program Evaluation and Comprehensive Audit Secretariat.

From what I have been able to gather, as we pursue all of these different issues and different groups, they are all involved in health care reform. My question is, is it the minister's approach to—as reports come in on a finalized basis, is he going to respond to each one separately and pick and choose which recommendations he feels he can act on, or are we ever going to see a complete plan of

action, a draft plan of action, based on all of these studies, all of these working groups and all of these task forces which would be presented to the people of Manitoba for their input and consideration? Is it within the minister's vision to, at any point, pull all these studies and things together and present us with an overall proposed plan of action for health care reform?

**Mr. Orchard:** Do I detect from my honourable friend's suggestion that we ought to take the conclusions of these studies, put them into another study and send it out to the people of Manitoba can study another study? If that is what she is suggesting, I think she has been saying that is what we should not do.

**Ms. Wasylcia-Lels:** The minister can distort my comments any which way he chooses, but the fact of the matter is, this is a very important area where action is long overdue and where the people of Manitoba must be involved.

I have simply asked him, at any point, are all of these loose ends and all of these different pieces, is it going to be pulled together in any kind of an overall plan of action for health care reform so that we in the Legislature and the people of Manitoba will be able to get the overall vision of this government, or will it always be piecemeal, ad hoc and disjointed?

**Mr. Orchard:** Mr. Deputy Chairman, it never has been ad hoc and disjointed. What we have been doing in the province of Manitoba, much to the dismay and chagrin of my honourable friend the New Democratic Party health critic, is pulling together in a very meaningful fashion the expertise, the resources we have that can give us guidance on policy decisions, on issues that have challenged the system for a number of years.

(Mr. Jack Reimer, Acting Chairman, in the Chair)

Those processes have involved, in the case of the Health Advisory Network, a number of task forces which, you know, have upwards of 16 Manitobans on them. Those are the Manitobans my honourable friend says she wants to have partners—I am using partners as my word because the New Democrats never use that—but partners in terms of developing an action plan on issues for health care delivery in Manitoba.

Those individual task forces, in some cases, have held public hearings so that more Manitobans can become partners in the process of change. We have opened the planning process. We have

opened the consultation process. Now, I will tell my honourable friend straight out there is one downside and disadvantage to that. That is evidenced by the fact that my honourable friend the member for Maples points out that, when we last were sitting in Estimates, I thought I would have some task force reports the end of March. I have not received any, and that is because we are taking the public consultation process through its natural course. That means you do not have instant recommendations to government to act on. Some of these task forces have taken over two years.

\* (1620)

I suppose I could take and, if you will, crack the whip, in the vernacular, and say I want action, I want action, but you have to remember that these are individual Manitobans who have volunteered their time, their professional time, their individual time, their personal time to serve on a task force. As much as I would like to urge them to get on with giving us a report, I am not prepared to say, look, folks, the opposition, the NDP, are pushing me for these reports, and will you get on with delivering them, I am tired of sidestepping the issue because you are taking time to thoroughly consult. Well, I am sorry, that is the downside of them, but I think it is a very positive one.

In the meantime, we have with us the opportunity of the Urban Hospital Council. That is yet another opportunity for informed decision making and policy creation within government. In part, decisions made by the Urban Hospital Council will have available to them advice from some of the task force interim reports. I have already indicated that to my honourable friend. I think she possibly even agrees with that.

They will also have the ability to access where appropriate, and by appropriate, Mr. Acting Chairman, I mean whether the centre can help them in terms of analysis and delivery of information, but the Urban Hospital Council, the ministry and others can, where appropriate, utilize the services of the Centre for Health Policy and Evaluation to aid them in a researched, analyzed, data-backed, decision-making method to come to conclusions. That is very much pulling together, in a concerted effort, various strengths in the system that were there, have been probably there for the better part of two decades but have never had the opportunity to focus their talents on issues backed up by the ability to research them, if that is the case through

the Centre for Health Policy and Evaluation, to utilize expertise, to utilize the chief executive officers of the province of Manitoba's hospital facilities. So I think what we see is very much a system-wide co-ordinated opportunity to bring focused knowledge, expertise, professionalism, to guidance and policy formulation and decision making in government. It is not something that happens overnight.

I want to tell my honourable friend that the process, I very much prefer this to ad hoc decision making, to crisis management in the system. We have a purpose in the system that is evident to all who are partners in the reform and the change of the system. It is backed up by several knowledge-basing and policy-recommending bodies which can give to government, not picked out of the blue, recommendations on how we proceed, but hopefully some pretty reasoned suggestions on policy.

Government is going to be then faced with the very difficult decision of answering the question, how many of these suggestions can we implement given the financial circumstances. So that is why one of the overriding criteria for all of these studies is not to come to government with yet another wish list which adds costs to the system, but rather seeks a more effective use of the existing \$1.75 billion that we spend on behalf of just a little over one million Manitoba citizens.

I am hoping that, in fact, will happen. It may not, but I think there is by far the greatest opportunity to have that kind of advice come to government through the Urban Hospital Council, through the Centre for Health Policy and Evaluation and through the various up to two-year long studies currently underway in the Health Advisory Network.

**Ms. Wasyllycia-Lels:** Mr. Acting Chairperson, who is responsible then for picking and choosing from these various studies and working groups and lists of recommendations? Is the evaluation being done and the recommendations coming from the Centre for Health Policy and Evaluation, or is it from the minister's new branch program evaluation and comprehensive audit secretary?

**Mr. Orchard:** The financial decisions will be analyzed by the latter, by Manitoba Health Services Commission, by the department, wherever appropriate. Policy decisions will be made by government. That is always the way that policy decisions are made. Nothing particularly has

changed in terms of the decision-making process, either policy or financial, as my honourable friend faced when she was a member of the Treasury bench. The difference this time is that we will have probably a broader range of policy options and program choices as a result of the studies and investigations that government is seeking.

**Ms. Wasyllycia-Lels:** Mr. Acting Chairperson, how is the Centre for Health Policy and Evaluation proceeding? In other words, I am trying to ask is it choosing its own areas of research and areas for evaluation, or is the minister and his department putting forward requests to the centre for study?

**Mr. Orchard:** Mr. Acting Chairman, my honourable friend might want to refer to the media package that came out with the Centre for Health Policy and Evaluation. There are a number of tasks with time lines that the centre was charged with in terms of its initial establishment. My honourable friend might also recall that a longer-term goal for the centre was this: Our funding from government and establishment was \$3.5 million to provide the funding for the centre for three years. At the end of that three-year period of time, we expect that the centre should have achieved a significant international reputation such that they will be self-sustaining in terms of their contracts for research, contracts for investigation.

At the same time, we again, depending on the success of the centre—and as I stand here today, I do not have any questions about its utility and its successfulness—at the end of our three-year funding period of time, we no doubt will task again the Centre for Health Policy and Evaluation with other tasks and arrange a fee-for-service arrangement with them to provide us with analysis around issues that we want tomorrow, a year from now, three years from now. They are given a specific group of tasks now. That was in my honourable friend's media kit.

They are actively seeking as we talk, I think it is fair to say, outside funding for initiatives of research from outside funding sources so that they can build upon their expertise and build upon that opportunity for building a health information industry in Manitoba. Hopefully, those efforts will lead them to self-sufficiency three years from now.

**Ms. Wasyllycia-Lels:** Related to all of this, of course, is the Health Services Development Fund which we touched on briefly the other day. The minister has suggested that one of the working



groups under the Urban Hospital Council, headed up by his own deputy minister, cancelling projects from this fund and putting those monies into current patient services is not being pursued per se, but that it appears because of the tie-in in terms of health care reform.

Since this working group is still on the list and the minister has not taken it off, what specifically is being studied with respect to the Health Services Development Fund?

\* (1630)

**Mr. Orchard:** Mr. Acting Chairman, as I explained to my honourable friend, I think Thursday on this issue, I will explain again, so you can check to make sure that I am consistent. I think she will find I am.

Some of the CEOs believe that we should simply put casino money, and that has been a case that has been made even by some opposition members, that we ought to simply put the profits from the Crystal Casino into health care. We disagree. We believe that that is a very unique opportunity for funding, to provide the kind of bridge funding on a project-by-project basis to demonstrate reform in the health care system. We intend to leave it the same way.

The original suggestion, as I understand it from the Urban Hospital Council, was that we ought to revest those away from the Health Services Development Fund and into active program to make up for revenue shortfalls, as they saw them. We disagree. Now we are leaving the issue before the Urban Hospital Council, naturally. If an issue comes up in terms of a new process or a new method of service delivery amongst the Urban Hospital Council, and to prove its effectiveness in the system over the next one, two or three years they need bridge funding, that is the purpose of the Health Services Development Fund. If initiatives come from the Urban Hospital Council which might be appropriate candidates for funding under the existing Health Services Development Fund, we would welcome that opportunity, because I pointed out to my honourable friend we have approved some 13 applications. It did not involve the full committed funding of the Health Services Development Fund.

The reason we did not commit more is because we were being asked to fund add-ons to the system. We want to avoid that. Even the previous government wanted to avoid that. That is why it is still there, as a vehicle of understanding, that if there

is a new idea on service delivery that is not currently budgeted for, that there is an opportunity to make application and potentially receive funding for a reform-minded initiative from the Urban Hospital Council.

**Ms. Wasylycia-Lels:** Mr. Acting Chairperson, well, the original objective of this working group has already partly been achieved. You are halfway there by cutting the Health Services Development Fund in half, as I read this budget.

Could the minister indicate why he chose to cut that touted initiative in half?

**Mr. Orchard:** Mr. Acting Chairman, I will try to provide my honourable friend with an exact amount of funding commitment out of the \$10 million that we made last year. It was not even close to \$5 million. It was quite a lot less than that. That is the simple reason we lapsed a significant amount of the \$10 million.

My honourable friend's Leader says, aha, now I know how Tories budget health care. They put a big number in the budget to make it look like they are spending, and then they lapse it all. They do not spend it.

In this case, my honourable friend was right. We did not spend \$10 million, so the budget reflects what we believe is likely a more achievable funding of the Health Services Development Fund for the next nine months.

**Ms. Wasylycia-Lels:** This government has been very successful at lapsing money but also approving projects and then putting in place all kinds of bureaucratic red tape and barriers to the flow of that money. We have had several projects come to our attention where these organizations were put through incredible hoops, contract changes, paper work and just a total bureaucratic nightmare in terms of flowing the dollars once a commitment had been made. The minister has been very successful in terms of giving the appearance of moving towards funding health care reform initiatives and then spreading out that allocation over a long period of time.

My concern and my question is, it would seem to me that there are all kinds of initiatives and ideas for health care reform that are not necessarily add-ons to the system. I find it hard to believe that the minister saw fit only to end up funding, I think he said, 13 projects out of 122 applications. I am

wondering if the minister would consider tabling a list of all 122 applicants.

**Mr. Orchard:** Mr. Acting Chairman, I try very diligently not to get into a political fight with my honourable friend because she gets so terribly offended and she starts on points of orders whenever I correct her, but again my honourable friend is really not being terribly accurate with her comments.

First of all, the minister—myself—did not make the decisions around what projects went forward and what projects did not. There is an advisory committee with the Health Services Development Fund. Membership of that are prominent Manitobans. They attempted to analyze and come to conclusions as to what projects would be appropriately funded, not the Minister of Health, as my honourable friends says.

My honourable friend wants to know who is on that committee. I can get the names of the Manitobans who are on that committee. She can take issue with them if she wants because I appointed every single one of them.

Let my honourable friend not leave the impression that I made the decisions. I did not. The Health Services Advisory Committee did.

Secondly, my honourable friend says that we are putting them through all kinds of bureaucratic red tape. The system is different now. When I announced the Health Services Development Fund, I was very clear in terms of the statement to the House, the statement to the press conference, the statement every time I have dealt with the Health Services Development Fund, that we are not going to approve projects that do not have deliverables attached. What does that mean? It means simply that I believe when Manitobans say to me that they have better ways of delivering health care, that they can do it more cost effectively, I believe them, and this fund is their opportunity to prove their point.

But you cannot come to this committee with an anecdotal situation about how you have this program which is going to do x, y, z, and save money over here. There is a process by which we ask the applicants to prove their case, and when they demonstrate the efficacy of their proposal, we will consider funding that proposal, as we have in 13 cases.

In flowing the money, we create a contract with those individuals and sponsor groups in which there

are deliverables outlined in the contract, so that when, at the end of the one, two or three-year period of time, they have not achieved what they have said they can achieve, we have a contract that allows us to discontinue funding without a major political fight of cutbacks, as would be accused by certain members of the House. If they have not achieved the deliverables on the contract as they envisioned, which was part of the approval process to have their project funded in the first place, then the project will not continue. If, however, it delivers as envisioned, it will hopefully, on a very quick order, become part of the funded system throughout the length and breadth of the system.

Never before have we been that specific in terms of creating contracts with deliverables, with time lines, et cetera. All former funding of reform has been rather loosey-goosey, without an adequate analysis of project to assure that it met the goals that it originally set out to do, and that was under the previous Pawley government, the Lyon government and the Schreyer government before. We have all been guilty of that, but we do not want to continue to make those kinds of mistakes.

I realize my honourable friend will have certain questions brought to her attention as to why they have not received their money. They will receive their money as soon as we have a contract signed which assures the taxpayers that their project is outlined in terms of what it can do, how it is going to do it, the evaluation process to assure that it is on track and delivered. That is all we have asked. We have a number of contracts signed, and we will have more signed as time marches on.

**Ms. Wasylycia-Lels:** I think we have gone from loosey-goosey to a bureaucratic nightmare with groups being told that they have been approved, waiting six months to receive a written confirmation of that and then waiting another six months before all the details with respect to the contract have been settled. In the meantime, valuable projects have been put on hold, and the minister has been able to save some money and pass it on to the next fiscal year.

I would like to ask specifically again, will the minister table the 122 projects that were submitted, a list of the 122 applicants with the description of their projects, and would he tell us where the \$5 million that he is no longer spending in this area has gone?

\* (1640)

**Mr. Orchard:** Mr. Acting Chairman, I do not have the list of projects, but just so my honourable friend knows how we always appoint our political friends to these things, my deputy minister is Frank Maynard, who is the chair of the Manitoba Health Services Development Fund steering committee; Dr. Leslie Roos is on there to provide liaison with the Centre for Health Policy and Evaluation; Mr. Gordon Pollock, Q.C., is on there; Ms. Jane White from Morden—a person from my constituency, heavenly days; and Mrs. Vera Chernecki, R.N., President of the Manitoba Nurses' Union is on that committee.

They were the ones who took a look at all of these projects—

**An Honourable Member:** Mr. John Clarkson?

**Mr. Orchard:** Well, John Clarkson was on, but John Clarkson is not representing Treasury Board anymore. I am not too sure who our Treasury Board analyst is.

Tom McCormack is the Director of Health Services Development Fund; Joe Cels, Project Manager to give them analysis; and Dr. Connie Becker, as Policy Planning Secretary of Manitoba for the liaison there.

So my honourable friend is wanting to say that presumably there are a whole bunch of projects out there that we have not approved. Government has not had the opportunity to approve. That committee is the one that studies them, and that is the committee that has winnowed out the chaff from the grain and come up with 13 projects that they believed were appropriate for funding.

I cannot say as how they have made a great number of mistakes to date. I do not think that I would question their selection process.

**Ms. Wasylycia-Lels:** I am still asking the minister if he would table that list of 122 applicants, and while he is thinking about that, I would like to go back to the point I raised earlier, that of the bureaucratic red tape that has probably discouraged groups from even considering this route. I do not understand why it would still take some six months after a group has received a letter stating that they have been approved for funding, giving the amount, indicating the time frame, why it still takes another six, seven or eight months after that for the contract to be signed.

The minister has not—you can say, he is putting lots of checks in this process and dealing with, and tightening up the whole process, but nothing can

explain that kind of delay other than the minister looking for ways to save some dollars by holding off on the flow until the following fiscal year.

**Mr. Orchard:** Mr. Acting Chairman, I would not expect my honourable friend to conclude anything different, so in absence of having the answer for my honourable friend, could she indicate which project it is that she has this great concern about? I will investigate as to the reasons for a contract not being signed and report to her at next meeting, if she gives me the name of the project sponsor.

**Ms. Wasylycia-Lels:** Mr. Acting Chairperson, I am not going to reveal the names of these organizations with the minister. He knows them. He has had letters from them.

These are projects that finally did have their contracts signed. My question is, and he does not have to deflect from the issue and divert from the issue, why it took six to eight months after receiving their approval in writing before the contract was signed and money flowed. That was simply the question from the outset. It is still the question. The minister does not want to answer it, and he wants deflect attention away from it. That is fine. We will just move on to another item.

**Mr. Orchard:** Mr. Acting Chairman, my honourable friend is really confused. She started out five minutes ago accusing me of not signing contracts. When I asked her to give me a name of a contract that is delayed, she said, oh, the contracts have been signed already, and you know who they are. I mean, goodness gracious, will you make up your mind? If you want to help one of the groups that you believe is being improperly dealt with, then let me know who they are and I can tell you what the reason for the delay is.

### Point of Order

**Ms. Wasylycia-Lels:** Obviously, we are hitting a sore point here with the minister. There must be groups, and I will soon find out, who are sitting, waiting to have their contracts signed.

I have raised with him the general trend of groups getting their letters confirming that they have been approved, indicating the time lines and then waiting six to eight months for their contracts to be signed. I have simply asked all along for an explanation of that and the minister has chosen to avoid that issue.

**The Acting Chairman (Mr. Reimer):** The member did not have a point of order. It was a dispute on the facts.

\* \* \*

**Mr. Cheema:** Mr. Acting Chairperson, I want to ask the minister a few questions on the Manitoba Centre for Health Policy and Evaluation.

The basic philosophy of this centre has been very well recognized, and I want to ask the minister if the centre has to be totally independent from the government's interference. It is very important, very essential, that this centre function as an independent body as much as is possible, and they have their objectives and there are a lot of people on the health advisory board.

I have a concern about one or two issues here. There are co-chairs, the deputy minister, and also Mr. Michael Bessey, who is the secretary of the Treasury Board; he is a part of the board. Then Mr. Curtis is a deputy minister of the Finance minister. Will the minister give me some idea how he can justify three people out of the 12 on the board, who have very significant positions within the government departments, and if we would have no difficulty if the centre would have the—there is a possibility of direct conflict.

I mean, these people, irrespective of any government who will be in the future or the present, they want to function as an independent body. What I can gather, information and what we have in front of us, that is not very clear how the minister can justify three people from the minister's department, including the Deputy Minister of Finance, and Mr. Bessey, and Deputy Minister of Health on the advisory board, and how can he expect them to work as independent?

I am raising this issue on my own. It is not initiated by any group. I wanted to make it very clear.

**Mr. Orchard:** Well, I was just going to make that point that my honourable friend obviously must be raising that issue as a concern he has alone, because it has certainly never been raised by any member of the centre because they do not consider that to be a problem.

Let me tell you straight out why the secretary of the Treasury Board and why the Deputy Minister of Finance are there. You will note also that some of the other Manitobans who are on there are prominent in the business and/or health care field. As well, we have national and international

individuals as members of the board, Dr. Philip Lee from San Francisco, Dr. Wennberg from the east coast of the United States, Dartmouth. These are some of the pre-eminent experts in health analysis in North America.

Our objective, we believe sincerely that this Centre for Health Policy and Evaluation is of such future importance to the province in terms of developing a genuine new industry in the new knowledge-based technologies which are really driving successful world economies. That is why we have, for instance, Mike Bessey as a member of the board.

Mr. Bessey has been highly involved in terms of his Treasury Board activity in terms of trying to come to grips with economic initiative in the province of Manitoba. So his presence there allows me to create a greater understanding of the value of this centre. Because it is a health initiative, one would not expect that it would be viewed as an economic initiative for the province of Manitoba, a growth engine for the province of Manitoba. Having Mr. Bessey there assures that we have that tie-in to Treasury Board and the decisions around Treasury Board.

\* (1650)

Mr. Curtis is there. Mr. Curtis has national and international contacts and can sell the advantages of this centre to those wishing to undertake research around health policy issues, nationally and internationally. That is the role of some of the prominent business people who are on that, because they have contacts in both the Canadian context and the North American context.

Let me deal with one small example of how we were very, very fortunate in having Dr. Philip Lee from San Francisco agree to sit on the board. His c.v. is just an absolutely marvelous one. He has participated with successive American administrations in terms of their policy and funding guidelines of their medicare program in the United States, and he is regarded as a preeminent expert in health policy planning. Wennberg is regarded as a preeminent expert in U.S. physician reimbursement studies. So these people are attaching themselves to our centre, because they can see a collaborative relationship growing between their respective institutions and some of the private sector dollars that they have flowing into Manitoba to undertake research which is unique

because of our database and the work of the Rooses over 18 years.

Let me give you one concrete example of something we think is very positive that has come out of this already. Dr. Philip Lee in coming up for the inaugural board meeting had discussions with my deputy. You might recall that we have been wrestling with the selection of a consultant to do the fee schedule reform study with the MMA and we have not come up with a suitable candidate. Dr. Lee volunteered to seek the services of a Dr. Ginsburg.

Dr. Ginsburg is again a renowned U.S. expert in the field of physician reimbursement, fee schedules, et cetera. Because of the value of his study of our fee schedule, which is the only opportunity to do this in a publicly funded health care system, we believe Dr. Ginsburg will undertake that study at no cost to Manitoba, because the findings of it are so critical to future planning of physician service reimbursement that the institute Dr. Lee is attached to in San Francisco was very much interested in participating in that study.

There are the kinds of advantages that are there. That is why we have—naturally my deputy minister is on it, because we have to have a quite close attachment to the centre and my ministry because we have a number of project deliverables which are important to our planning that the research capacity at the centre can reinforce our decision making.

**Mr. Cheema:** Mr. Acting Chairperson, I was seeking clarification because of the way the policy was announced and the way we see a great future for this particular organization. We wanted to make sure that this should function as independently as much as possible, and that definitely will be beneficial to any government of the day.

Can the minister tell us now, on the advisory board members, whether the minister is thinking of expanding the board and having health economists and other individuals, say, from pharmacy or from nursing or from other health care professions who have done tremendous work in this country, expanding the board to give it broader views, so that we can achieve what the minister and the organization want to go at in the long term? I want the minister's comment. Is this board complete, or is there still room for more expansion?

**Mr. Orchard:** We might consider more expansion, but we kept the inaugural board international in its context and flavour weighted towards Manitoba, naturally, because Manitoba is providing the entire

funding for it. As it stands right now, I am quite satisfied with the membership of the board and the disciplines that they represent in bringing their expertise toward the board.

**Mr. Cheema:** Can the minister tell us what he foresees the future relationship of this organization and the ministry of Health at the completion of three years of the present funding structure?

**Mr. Orchard:** As I indicated in an earlier answer, I think, to the member for St. Johns, we are providing three years of funding, \$3.5 million. At the end of that three years, it is anticipated that the centre will have gained a sufficient reputation for excellence that they will be seeking through the efforts of the Charlie Curtises, if you will, and the Dr. Philip Lees and others the bringing home to Manitoba other research dollars from outside governments, corporate entities, foundations, et cetera, much similar to what we do in our health care research.

So we anticipate that the centre will be self-financing in three years time. However, that does not preclude—and we have not made arrangements—the government contracting with the Centre for Health Policy and Evaluation for specific deliverables in addition to the ones that are part of the original contract that we signed with the centre for health policy and evaluation.

I would expect that this institute, this centre, will become really our impartial analytical window on the health care system to guide us and to provide policy to us as to where we are getting our most effective use of dollars. I make the example as to why this is so important to me as Minister of Health, because the decisions we make today have ramifications probably for the next decade.

It is a pretty weighty responsibility to undertake decision making in today's context because, I can assure you, there are lots of critics around who say that everything we do is wrong. The advantage of having a centre which can do the background analysis to reinforce your decision making makes policy setting and decision making on funding somewhat easier. It will not make it without its critics, because everyone is a critic when the decision is made, an advocate when decisions are being formed.

I simply want to indicate to my honourable friend that, for instance, about six years ago, this is the group, the Rooses, who analyzed, for instance, the level of tonsillectomies in Manitoba, and I used this example before. Prior to their analysis, it seemed

as if children in Manitoba were more unhealthy than those in Ontario and Saskatchewan because they were routinely having their tonsils removed at a higher rate. When that analysis was provided to the College of Physicians and Surgeons and they, in turn, informed their membership, within a year our children were as healthy as those in Saskatchewan and Ontario because we stopped taking tonsils out at an increased rate.

My honourable friend the member for Broadway smiles. He knows what happened, and it is the phenomenon that I explained to my honourable friend the other day about outriders. Now, that is a new terminology that is currently there for physicians who are practising outside of the normal parameters of practice.

One of the ways you bring your system into control through the physicians is to point out when they are outside the accepted practice pattern, because no one wants to have the flashlight put on them. That is the case with tonsillectomy five, six years ago. That is the value of giving us an analysis into telling government whether the programs, the initiatives that we have been spending money on and never questioning for 20 years, are improving the health status of Manitobans. They give us guidance as to what are genuinely effective programs for improving the health status and give us examples of where there may be inappropriate overservicing which would be to the detriment of Manitobans through the current funded system. So I think the centre will have an ongoing role to play for Manitobans as it matures in its activities.

**Mr. Cheema:** Mr. Acting Chairperson, can the minister tell us what financial arrangements are put in place or what understanding they have with the centre after the centre starts functioning, and starts having revenues and selling their services? How will those revenues be used in future? Will the government have a role to play there, to decide who gets the benefit from the revenues originated by this centre?

**Mr. Orchard:** Naturally, the province is going to benefit from that through increased employment. We would fully expect that because of the initiative of government and the original establishment and funding of the centre, that Manitobans would benefit from receiving vastly discounted research from them so that Manitobans continue to benefit in the future. I am unable to indicate definitively what will happen in the future, because I am not there. Ask

me at Estimates three years from now, and I will tell you how well we are doing.

**Mr. Cheema:** Mr. Acting Chairperson, I was simply asking what will be the relationship, because the government is funding the centre and eventually there has to be some understanding about what is going to happen after three years, and how the functioning of the centre, as well as the revenues generated by the centre will be used on the advisory board, or if the Health minister would have any say, and how those benefits—as the minister has said, no doubt will come to Manitoba, but specifically what will be the relationship with the Minister of Health.

**Mr. Orchard:** I have the appointments to the advisory board, and through my appointments I would assume they would keep me fully apprised of the activities of the centre and would set policies which are beneficial to the people of Manitoba and the government of Manitoba.

**The Acting Chairman (Mr. Reimer):** Order. The time being five o'clock and private members' hour, this meeting will stand adjourned until eight o'clock tonight.

## SUPPLY—AGRICULTURE

**Madam Chairperson (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Estimates for the Department of Agriculture.

We are on page 15, item 2. Manitoba Crop Insurance (a) Administration.

Would the minister's staff please enter the Chamber.

Item 2.(a) Administration \$2,604,000. Shall the item pass?

**Mr. John Plozman (Dauphin):** Madam Chairperson, at the last opportunity we had to discuss the Manitoba Crop Insurance Corporation's Estimates, we were discussing GRIP and some of the elements of that program. I would like to continue with some questions in that area.

Can the minister indicate whether people who were on crop insurance previously were all treated the same with regard to whether they had covered 10 percent of their acreages or 50 percent or 100 percent under crop insurance, insofar as the benefits they could get with a positive loss ratio under GRIP?

Was there any regard for whether they had just taken a very small, like a token amount of crop insurance, so they could get spot hail insurance, for example, be eligible for that; or was there a minimum to qualify for the positive adjustment, the coverage adjustment that was allowed?

**Hon. Glen Findlay (Minister of Agriculture):**

Unless we do not know what the member is getting at, there was no real advantage to a producer to have had a low percentage of acres in, because if he did have a low percentage of acres in, in previous years, in crop insurance he would qualify for less coverage adjustment if he was a good farmer. The more acres he had in, in crop insurance in the past, he was an above-average farmer receiving coverage adjustment, he would have been better off to have had all his farm in, or even more acres in. So there was no advantage to him to have been a low participant in terms of the acres he had enrolled in crop insurance in previous years.

With regard to hail spot loss, it is an option that has always been there. A producer pays a premium for the privilege of participating in hail spot loss, and that option is still there. Unless I missed something, that generally covers it, that a producer determines his own fate by the level of participation he is involved in.

**Mr. Plohman:** I would ask the minister whether the coverage adjustment of 7.25, the maximum adjustment, was correct. He provided that answer the last day, and I had talked with some farmers who had said they could get higher than eight in the coverage adjustment. I just wanted the minister to indicate to the House whether he had looked into that further and whether he stands by that figure of 7.25 bushels as the maximum coverage adjustment for any farmer in this province.

**Mr. Findlay:** Madam Chairman, we are talking coverage adjustment, and coverage adjustment on wheat the maximum, 100 percent, is 7.25 bushels.

**Mr. Plohman:** Does this cover all the acres of wheat that a farmer would put in this year, or would it only cover an average of what he put in over the last number of years?

**Mr. Findlay:** For a farmer who achieves whatever level of coverage adjustment he has, or he qualifies for, it applies to all his acres in wheat.

**Mr. Plohman:** How can the minister say there is no advantage to have had only a small amount of coverage in the previous years, small percentage of

acreage? If he established himself as having crop insurance and, therefore, was eligible for the coverage adjustment, even if he had only taken crop insurance on a very small portion of his total acreage, he could now apply that coverage adjustment to his total acreage. How can the minister say there was no advantage there?

(Mr. Ben Sveinson, Acting Chairman, in the Chair)

**Mr. Findlay:** Clearly I do not know if the member has put into context everything that is happening here. As I said earlier, if a producer has gone through the last 10 years, the average position is, he has had a loss or two or three. If he only enrolled 10 percent of his acreage and paid premium on that, the probability he would be in a positive coverage adjustment is exceedingly low, probably remote. If he enrolls 80 percent, 90 percent, 100 percent of his acres in year, after year, after year, he is paying more premium and, therefore, the ratio of premium paid to benefits received in the form of indemnities will have a much better chance of being positive.

\* (1430)

So we are talking an historical event. If he enrolled all his acres he will have a much better chance of having a positive and a greater positive coverage adjustment in 1991 than a guy who had low acres enrolled. A farmer determined his level of participation in that direction by his level of enrollment of acres and the crops that he covered in the past years. There are very few farmers who have achieved the full 100 percent coverage adjustment over the last 10 years—very, very few.

**Mr. Plohman:** Maybe the minister could tell us what percentage did get the maximum full coverage and were eligible for the full coverage adjustment? Out of the total number of those enrolled in crop insurance, what percentage? Also, could he tell me what the minimum acreage coverage a farmer would need to have in order to enroll in crop insurance previous to this year? What was the minimum number of acres that a person could cover to qualify for joining the program?

**Mr. Findlay:** Mr. Acting Chairman, the percent of producers who have qualified for maximum coverage adjustment is 3.5 percent of the producers in crop insurance. Minimum acres that you could enroll in for crop insurance is 50 acres for wheat. If your farm is less than 50 acres, if you enroll all your farm; you can enroll for as small as a 10-acre parcel of land in farming.

**Mr. Plohman:** Mr. Acting Chairman, if it is over 50 acres, then 50 acres is the minimum? Could the minister indicate what amount of enrollment is required in order to qualify for spot hail insurance?

**Mr. Findlay:** It would be the same acreage.

**Mr. Plohman:** So the figure is 50 acres of wheat or 20 acres of other -(interjection)- We are dealing with most farms that are over 50 acres, so let us not worry about that part of it. I am not trying to get a technicality where farmers with less than 50 acres. Generally speaking, a farmer could qualify and could enroll in crop insurance if he enrolled even if he had 1,000 acres, 50 acres and he is a member of crop insurance, if it is 50 acres of wheat and—what was the other figure?—20 acres of any other crop? -(interjection)- Okay. So for 50 acres, what we are dealing with then is a person could enroll.

What I said before is that a person who chose to enroll the minimum coverage, he is now treated for historical purposes in the records in terms of determining his eligibility for coverage adjustment the same as the person who enrolled for 90 percent or 100 percent of his acreage. The minister says the chances of having a positive adjustment ratio if it was only a small percentage is very slim. I say, on the other hand, that the farmer could have done that for the purposes of having spot hail insurance, which a lot of farmers wanted to get to be eligible for, and so therefore enrolled in the minimum amount and now are able to take advantage of the bonus coverage which is the coverage adjustment, because they never bothered to draw on their crop insurance of only 50 acres. It was a small part of their total operation and they never bothered to draw on it, so they would not have a negative impact on their record in crop insurance. Is that a feasible scenario?

**Mr. Findlay:** I think the member, there is an element or two he maybe does not understand clearly. If you enroll your wheat in crop insurance, you have to enroll every acre. You cannot just enroll a third of it or a half of it. It is every acre. The other thing is if you expect to get the benefits of hail spot loss, you only get it on those acres you enroll, so if you, as a farmer taking out a crop insurance contract, want to have the benefits of hail spot loss, you only get it on the crops you enroll and all the acres of each of those crops. So there is no advantage to you to enroll less than 100 percent of your acres. If you want hail spot loss on 100 percent

of your acres, you have to enroll them in crop insurance. So you pay the premium in crop insurance, you pay the premium in hail spot loss and you build up your account over time and your experience in terms of loss ratio, that is, indemnities over premiums paid.

**Mr. Plohman:** That clarifies with regard to hail spot loss insurance. What about the farmer whose major growing of his farm, his major crop is wheat, for example, hundreds of acres, and he has only a small amount of another crop and he covers that under crop insurance? Is he now treated the same as the person who took crop insurance on wheat and all of his other crops previously with regard to the coverage adjustment?

**Mr. Findlay:** A person's record is determined by what he enrolled, the acres enrolled, the premiums he paid and the kind of indemnities he has received, so yes, a farmer could enroll barley and canola in crop insurance and not his wheat, but all the way along remember he had no benefits in hail spot loss in wheat if that was the case, and if he did happen to experience a loss, he had been paying a small amount of premium so the probability of him being in a positive coverage adjustment is greatly reduced.

Let us face it, over the last five years, 10 years or two years, nobody had any idea what lay ahead. You are always dealing on a year-by-year basis, and those of us who were in crop insurance always certainly attempted to do the best job we could so we would not be drawing on the program. I think that is reasonable to assume, a farmer would be careful not to draw on the program. He knew the consequences of getting into a negative coverage adjustment situation because he would lower his coverage in the future.

**Mr. Plohman:** Mr. Acting Chairman, I talked about the hail spot loss insurance for the purpose of establishing perhaps a motivation why a person would take the minimum coverage but clearly the hail spot loss only covers those acres that are under the crop insurance for other purposes.

On the other side of it, the minister said that it was to the farmer's benefit not to draw on crop insurance, so if he was basically a farmer who did not ascribe to crop insurance, but for a minor crop, a small part of his acreage, did take some, he now would have the benefits if he had a positive loss ratio, whether it is the maximum or not is not important. He could be one of those 52 percent, I believe the minister



said, who had some positive ratio, that he would now qualify for a tremendous bonus because he would be able to get additional coverage on say, 500 or 1,000 acres of wheat even though he never took crop insurance on that before, simply because he enrolled for a small part of his total crop in crop insurance over the last number of years.

I say that it seems to me, since those who were not on crop insurance were penalized, as I attempted to establish with the minister last week, that they could not get this adjustment coverage—it seems to me rather odd that those who had just a small amount of coverage now would benefit from that small amount of coverage in terms of establishing themselves in the eyes of the corporation as being extra good or superior managers under crop insurance definition.

**Mr. Findlay:** Mr. Acting Chairman, the member is talking about some mythical possibility. In the reality of statistics there always is a mythical possibility that some of those extreme situations will happen, but the average situation is a farmer grows three or four crops and he insures two or three of them. He does not necessarily enroll 100 percent. Maybe the younger farmer, or the more leverage farmer, will along the way make the decision, more often than not, to enroll 100 percent. Many producers, as they get more experienced in farming, a little more financial independence, may go for enrolling all their crops down to three-quarters, or a half of their crops, and it may vary from year to year depending on the probable risk the farmer sees ahead, particularly with regard to drought.

In terms of the scan of producers, with regard to positive coverage adjustment, we have refined the figures we used the other day. With regard to those with zero coverage adjustment, or those negative or positive, in terms of those with zero adjustment is 20.5 percent of the producers.

\* (1440)

**Mr. Plohman:** 20.5.

**Mr. Findlay:** 20.5 at zero. Those with negative coverage adjustment, it is 40.9, and those with positive coverage adjustment, it is 38.6.

I had indicated that 3.5 percent of the producers had the maximum coverage adjustment available for wheat. That was 490 producers. In the next category of between six and seven bushels were 70 producers; between five and six bushels, 663 producers; four and five, 775; between three and

four, 312 producers. The vast bulk of producers, the 1,000, 2,000 and 3,000 categories are between a positive coverage adjustment of anywhere from minus three to plus three bushels. So that is where the bulk of them are: in the minus three to plus three category, with, I say, 20 percent right on the zero. So it is a normal curve skew peaking in the centre part of the curve.

**Mr. Plohman:** I am pleased the minister has those figures. The maximum coverage—409 received the maximum, is that correct?

**Mr. Findlay:** 490.

**Mr. Plohman:** 490. And those between six and seven, or is it five and seven bushels—what was the number for that?

**Mr. Findlay:** Between six and seven were 70; five and six, 663.

**Mr. Plohman:** Okay, thank you, Mr. Acting Chairman. The minister has confirmed 663 between five and six bushels, additional coverage under the coverage adjustment; 70 between six and seven; and 490 over seven bushels per acre. That means well over a thousand, over 1,100 actually, nearly 1,200 farmers are getting additional coverage.

What my whole purpose of these questions is, is to determine and to make the minister aware, whether he chooses to think of it in those terms or not, of course, something that only he can answer, that there are inequities in this program, that certain people are standing in a better position to face this year's uncertainties than other people. Over 1,000 farmers are, whether they had taken—and the reason I asked about the amount of acres was just to demonstrate that a farmer who had taken a very small percentage of his acreage in coverage in previous years was treated no differently than a farmer who had registered all of his crop. He had made a very small contribution because the minister likes to talk about how this farmer paid all these dollars in premiums over the years and therefore it is perfectly reasonable that he can get this bonus coverage now, this coverage adjustment under GRIP.

My contention is that it is not reasonable because that was never in the cards at the time he enrolled for crop insurance. He thought that crop insurance was good for him, it was a good management decision, so he made it. He did not think about GRIP, he did not know about GRIP. Now the

minister has given him a windfall. He will turn that word around, that windfall. I want to say that, basically, farmers are in a desperate situation and GRIP is not going to provide windfalls, but it is a relative word. I use that word relatively when I am talking about farmer A versus farmer B, the farmer on one side of the road versus the farmer across the road.

I make that statement because I believe the minister has neglected that in terms of the equality of this program as to how it impacts, that he did not consider that some farmers stand to benefit tremendously even on a thousand acres at seven bushels per acre times 4.15. He is getting around \$30 more per acre. It is guaranteed under this program times a thousand acres. That is \$30,000, \$30,000 more than the guy across the road simply because he did not take crop insurance and that one did.

I think that those kinds of inequities—and that is what I have been pointing out—are serious ones that the minister should look at. As a matter of fact, over 400 farmers have written to me, and I have the letters here, who have signed up for GRIP. The minister talks about the two-thirds who have signed up for GRIP, 67 percent, I think, was stated, of the farmers in Manitoba. He likes to say that more acreage, yes, but you know, we are not talking about that one-third who did not sign up. We are talking about 400 of those who did. Every time people take the time to do this—there are a lot more who feel the same way but did not send them in, have returned these letters saying that they believe there are inequities and they are signed up for the program because they felt they had no choice but they want changes. They want this program made fairer.

I pointed out some of the errors where it is not fair, in my estimation, and I just ask the minister whether he will agree that there are some major inequities into how this was designed and he will endeavour to ensure that in future years there are not inequities. It is too late for many of them. They did not get the benefits this year, and in the future they will be able to get some additional benefits if they outproduce the area.

As I pointed out to the minister last week, as well, the fact is that their base for determining their eligibility for additional coverage in future years is going to be much smaller, much narrower and much more vulnerable to a natural disaster that might occur in the first year or two of the program, much

narrower base, therefore, much more vulnerable than the person who has the 10 or 15 years average to rely on to assist him in establishing his long-term average. There is another inequity that will be perpetuated and one the minister should look at, in my view. So I raise these with the minister from that point of view, and I would like his response.

**Mr. Findlay:** Mr. Acting Chairman, if we lived in a perfect world we probably would not have to get up in the morning and go to work, but we do not live in a perfect world and the task force went through a lot of deliberations, heavy, heavy consultation with governments, with farmers, and came forward with their recommendations. The member likes to say, the minister this, the minister that. The minister is only working on behalf of the input that has been given to him, the minister's office, the corporation, working on behalf of trying to manage the taxpayers' money and respond to what the farmers need. The member is fully aware that we made a number of alterations to the program since the original announcement, all to the farmers' benefit.

Clearly, if you took a farmer who has paid his premiums on crop insurance over the years and told him, no, the positive record you have built up, we are going to throw it out the window, would be a ludicrous position to take. That is the position that member wants to take over there. We realized that those farmers who were below average wanted an opportunity to prove themselves and get, if you want to use the word, immediate benefit this year. That is why we put in the Superior Management Adjustment, only in Manitoba, to deal with those producers, but they had to prove themselves. They had to do it right now this year. As the example I gave the member last day would show, that a farmer who is below average has a better chance of raising himself up than a person who is average in terms of his history in the past. So we think the Superior Management Adjustment gives a farmer an opportunity to quickly catch himself up to where he really should be, if he is really below where he should be.

I think you cannot ignore the fact that producers who have built the base of crop insurance, paid the premiums over the years, have to be recognized if they are in a positive position. We made the further improvement of taking anybody who was in negative coverage position in the past and not sticking him with that record, bringing him up to average to start with. His record will determine his level of coverage

in the future. So certainly we have taken into account the fact that somebody who has not been in crop insurance needs an opportunity to prove himself, and quickly. We have given him that opportunity right off the bat in Manitoba this year, and in terms of the future.

We are the province that argued for a Signatories Management Committee to allow producers independently or through their organizations to have input towards changes that would be deemed necessary and appropriate. Those producers who sent those letters in will have a lot of those issues dealt with, and if they want to advance then I would advise them to advance them through their farm organizations to get them to the negotiation table. I have also talked to other farmers who at one point in time, who were I would say a little bit critical, maybe even fairly critical. The problem, they want this, they want that, they want the next thing, and it was all over and the deadline was past and we asked them, well, you were quite upset before, and we said, what do you think? Oh, we are happy now. We were pushing for everything we could get. If we could get more we would take it from you, but we realized fairness of equity was administered in the final analysis of the program.

\* (1450)

**Mr. Plohman:** Well, Mr. Acting Chairman, I will start where the minister ended off. Those people who said that were not of the majority of those who were concerned, they were not very happy with it. There was the odd one who was, and they caused a great deal of consternation amongst the group of farmers who were coming in, because they did not want the lowest common denominator to be the position that was being put forward to the minister. They wanted what was fair. They settled for what they had, and they have signed under protest is probably what they did. They just felt that it was a step in the right direction for some farmers, but for a lot of farmers it did not help because of the inequities that I pointed out to the minister.

I never said that I wanted the minister to throw out the positive experience of those who had been in Crop Insurance for crop insurance purposes. I mean, they were in an insurance program and they were getting the benefits of that with their positive experience in the Crop Insurance program. I did not say the minister should touch that. We are talking about a different program now, and I simply said if he was going to use that positive experience in the

other program and transfer it over, then he should have also allowed other farmers. I know it would be difficult, that is, other farmers who were not in crop insurance who also had a better than average production in their area.

I know that might have created some problems for the minister. That is why I suggested that he might have been better off to start with everyone at an equal level and say that everyone would start at the area average and then they could use the superior management tool to adjustment, the Superior Management Adjustment, to improve the coverage later on. All of them, including those who were on crop insurance and those who were not—all treated equally.

The minister could have put it in that way. He could have said to those farmers who had been in crop insurance and had a positive experience, look, we are not penalizing you. In crop insurance, you are still going to get the benefits of your positive experience, and in GRIP we are going to give you a chance to show that you really are the superior manager. If you are, you are going to be able to get additional coverage. Is that not good enough? I do not think they could have argued with that. I think that would have been a positive way, an equitable way, for the minister to proceed here.

The minister said if we lived in a perfect world, we would not have to get up in the morning. Let us not make it more imperfect, and that is what I am saying this minister is doing.

**Mr. Findlay:** Mr. Acting Chairman, the Superior Management Adjustment was put in to accommodate a lot of the items or issues the member raises. We acted on the recommendation of the producers who put the program together, who consulted with us extensively through that process, and this is what they have deemed to be the right and desirable way to do it. You give a person a credit for his positive experience in the past, and you give everybody else an equal opportunity to prove themselves under SMA.

Even a person with positive coverage adjustment may further improve himself under SMA, but his chances are limited because he is already above average. A person who is below average or at average has a really good opportunity this year to improve his level of coverage, but I think it is positive to have that carrot in front of the producer to get out there and produce, to be a good farmer, to do the right sort of management decisions with regard to

inputs and handling of the crop to maximize his own personal return in the marketplace. It certainly limits the government's liability in the program, and it promotes more economic activity in the agri-business community of rural Manitoba. It is good for all of Manitoba when that happens.

There were lots of comments early on that the farmers would farm the program. They would not have to put in the inputs. That has all gone away; it has blown away with the dust. The incentives that are in the program are going to create the right decision-making mode for the farmer to make the right decision with regard to improving his farming practice the best as he can, and it will limit the liability of the program and give the greatest economic stimulus to all of rural Manitoba.

It is certainly a pleasure to fly over rural Manitoba, as I did this morning going to Brandon, to see—you know there has got to be 85 percent of the acres in crop. I mean, the amount of summer fallow is very limited. That is good from a conservation point of view. The crops look good and lush. I think we are in for a very good year, if the rains keep coming the way they are, in terms of just production, which drives the economic engine of rural Manitoba and everybody who gets the spin-off benefit of the program.

It is also encouraging to start to see the odd comment now coming out of Europe that they believe that structural reform has to happen in GATT, and that they will come to the table now a little more positively, thinking about trying to get structural reform happening there. So some of the good things that we have been concerned about in the past maybe are starting to come to the fore.

**Mr. Plohman:** Mr. Acting Chairman, we can discuss if we have time—we did last fall—extensively the GATT discussions and so on, its impact on prices. We are all very pleased to see a good start for the crop year. Many farmers would say, I wish it was worth something at this time, but hopefully things will turn around. If there is a bumper crop across the world, it is not going to help probably in terms of the surplus and the world supplies and the impact on the price.

I wanted to deal with the program that the minister has put in place. The minister says, well, whenever I say that, he comes back to this committee and I should not keep saying the minister, the minister, but he is paying for it as the Minister of Agriculture, his government and on behalf of the taxpayers and

so on. It is his program, so he has to answer. He signed it; therefore, he has to be satisfied with it. He cannot say, well, the board this and the board that. It is actually the minister who had to be briefed on it; he had to have input in it; and he had to say, yes, that is what I want in the final analysis, or else he should not sign it. I think that is probably what happened.

So when I raise these things with the minister, I expect that it is raising it with the right people, with the right person, because in fact he is in charge overall. Now I would like to ask the minister—he kept saying that there was extensive consultation. We established, and the minister said on other occasions, that three farmers from Manitoba were on the advisory board out of 33 across Canada that the federal government established, and that these were representatives of agricultural groups.

Is the minister aware of the kind of consultation that they undertook with their members in terms of input on these programs as they developed, and does he care about that?

**Mr. Findlay:** Whom do you mean when you said "they"?

**Mr. Plohman:** The members of this committee, the three farmers.

**Mr. Findlay:** Clearly, the three farmers from Manitoba were part of the group of 19 producers from across Canada and 33 members of the entire task force. Those are not the kind of producers, either these three or any of the 19, who would be part of a railroading process if that is what the member is trying to get at with regard to some other process being in place from the bureaucrats on the federal level.

I have told him last day there were eight proposals initially put on the table from various interests across the country, and what emerged in the end is not a carbon copy of any one of them. It is a compilation of aspects from all of them. The combined GRIP and NISA programs were recommended to the federal minister and provincial ministers, and consultation was going on on a continuous basis by those members back to their organizations, those three members from Manitoba, that I am aware of, and certainly was ongoing in terms of our discussions with farm organizations and producers and the Crop Insurance Board and the Crop Insurance staff, with producers in a wide variety of meetings that were held over the last few months

throughout Manitoba. There was a tremendous amount of discussion going on as the program was being fine tuned and the final details were put in place in the final three or four months, so there was a lot of consultation. To say any one group or interest group railroaded something through, I am not aware of it, if that is the case. I do not think it happened at all.

**Mr. Plohman:** Well, Mr. Acting Chairman, I know there was the semblance of consultation. I just want to know what exactly—how extensive that consultation was. It certainly seems like there is consultation when you have 19 farmers on an advisory board that is developing a program. If it is being developed by that board or whether it is being fed to them by bureaucrats or whatever is another thing, but I am saying, okay, it seems like it is extensive consultation.

Then we have three from Manitoba, out of 19,000 farmers sitting on this board. Okay, you can only go so far with democracy. I do not know whether it should have been four or five, that is not the point, but there are three farmers. The point I am making is the farmers who came in and who have written to me and have phoned and who came to the Legislature and said, well, who said this, who was representing farmers? We say, well, there were three farmers from Manitoba; there was Owen McAuley, who might have given the other names at the time, might not have, and they represented organizations. But they said, we really were not consulted.

\* (1500)

The minister had a round of meetings with his staff, but that was not consultation. This was saying, this is what the program is. That is why I said to the minister in Question Period on a number of occasions, why does he not go out and consult? Why does he not hold some public meetings around the province? Hold one in Melita and Morden and one in Dauphin, Swan River and, you know, around the province. Go out there and tell the people what he thinks, the farmers about his program, and listen to what they say, so that he had a first-hand knowledge.

Did the minister do that kind of consultation on this program?

**Mr. Findlay:** Well, Mr. Acting Chairman, if I had gone out and had a round of political meetings to develop this program, not only would the first

member have been out there attacking me, politicizing the process, why do you not consult with the farm organizations, let them do the talking with the farmers. That is the process that was used.

He says, three farmers representing 19,000. Ken Edie, vice-president of Manitoba Pool Elevators represents 14,000 to 15,000 farmers, and they have a very democratic process that allows them to make representation on behalf of them all over the place. KAP, several thousand members, and Owen McAuley was designated by KAP as their representative, and they had meetings all over the place on a continuous basis—all kinds of meetings.

There was not any farmer in Manitoba who could not have gone to a meeting somewhere, sometime, if he really wanted to have an input. Now, the member knows that everybody is not going to get their way on everything all the time. It is a democratic process, you want this, you want that, you go and present your case at your meetings, and whether you win the case you convince your representatives and your leaders to advance your idea right up to the top. This is based on your own ability or how many people you can get as allies on each given point you want.

I do not buy the fact that there were farmers who had no opportunity for input. The opportunities were there, and I dare say, there have been hundreds of meetings held, some large, some small, either by KAP, Manitoba Pool, or the Department of Agriculture over the past six months dealing with this particular issue, safety nets, how to position ourselves with safety nets to help the farm community to survive the low grain prices we see ahead. The opportunities are out there.

If any farmer says he never went to a meeting, then I think he has got to look in the mirror and say, why did I not go? It was well publicized in The Manitoba Co-Operator, the Free Press, the Brandon Sun and many rural papers, by my department, by KAP, by Manitoba Pool, that this is an important item that is being discussed and we are having meetings.

Manitoba Pool, as an example, have a delegate process every fall and delegate meetings at all their elevators. It is not that there were surprise meetings, they are always held. This was the big issue on the agenda. KAP has their district meetings leading up to their annual meeting. Again, they have been held every year. On top of that they had a lot of additional meetings.

How many meetings would we have had as a department? We had over 100 meetings put on by ourselves, plus we participated in many of the Pool meetings and KAP meetings when asked to present whatever kind of information. So there was a wide variety of consultation and no question, and that process of input, consultation is still in place because of our initiative in the Signatories Management Committee.

**Mr. Plohman:** Well, the minister talks about his 100 meetings and the meetings of these other organizations. However, he will admit that he did not go out and consult. He says that would have been politicizing it. That is not the point. He had a committee, the federal government had a committee that was building this program, theoretically the 33 people, the 19 farmers representing farm organizations, so that process was in place, but the minister is ultimately responsible to sign the agreement with the federal government and commit this government and future governments to millions and hundreds of millions of dollars of taxpayers' money for this program. Therefore, he has to be assured, himself, that this program represents what he thinks is the best possible program.

So I suggest to him that there was room for him to go out and hold meetings and truly consult, because I have been advised by people who attended the meetings that his departmental staff put on that there was not room for questions and for input, pardon me, not questions but input into changing. They said, this is the program, and if there was a question they could not answer they said, this is still being worked on. I do not believe that the ag rep from Dauphin or the one from Arborg and maybe the marketing director, or whoever was out there, that these staff were in a position to bring back to that 19 member committee the concerns of farmers and say, these are the changes they want. Let us work on them. Did that happen?

Can the minister truly say that kind of feedback came back or was the purpose of those meetings informational? That was what I have been told they were by numerous people who have come and complained. They did not learn anything. They got a bunch of questions but they had no input. They could not have any input so they came to the minister. That is why they came into the Legislature here. They just did not have a chance to have input. So I want the minister to clarify there whether, in fact,

that was really consultation or whether that was informational.

**Mr. Findlay:** Mr. Acting Chairman, I guess I see where the member wants to end up. He is saying a group of farmers came in here and said they had no opportunity for input. They had considerable opportunity either through Manitoba Pool or through Keystone Agricultural Producers in terms of meetings held out there. There are districts through both of those organizations out in that part of the province. I would dare say that they could not convince those organizations to represent their point of view specifically, and they came to us. We made adjustments to satisfy their concerns. Those were improvements made to the program after the basic program was struck on the recommendations that came from the task force committee.

Clearly, all the meetings that we held—yes, you give out information as you have available. They are all open to questions. Those questions can show the presenters that there is something missing. Maybe there is a desire for a change in this direction or that direction. A lot of the things that were done along the way, in terms of improvements, whether it was offering everybody area average with a 25 percent discount—it was an ongoing process. At any meeting that I am aware of, there was always an opportunity for input through the question process.

I held a large number of meetings myself where I was out speaking to different organizations, different interest groups, where this was the topic of discussion, obviously, through the months of January, February and March. There was a lot of direct input to me through those various speaking engagements that I had throughout rural Manitoba with farm organizations. Farm organizations came to me. They wanted this, they wanted that; they were concerned about this, they were concerned about that. The process evolved through its elaborate consultation process, I dare say, in more consultations, more meetings, more involvement in this province than anywhere else.

In this province, we had at least two very significant farm organizations out there discussing the program. In Saskatchewan and Alberta, that was not the case. In Alberta, there was really not anywhere near the kind of information distribution process that we had here. In Saskatchewan, they used a significant political process to go out and sell the basic principles of the program. They did not

sell the details of the program. When a farmer is making decisions, he wants details.

\* (1510)

As I said the other day, we know that all the details were not available in February. They had not been evolved; they had not been discussed. The fine tuning was going on at that time. We felt it was important to start our meeting process, as did the farm organizations, to get out as much information as possible to the producers.

I said way back in the beginning, farmers are going to need at least three exposures in this program to have an idea of what to have to make a decision on. As you go through it, it was very complex to understand it and to make decisions as to how it fits into your future plans. Do you want to enroll? Do you not want to enroll? Is it voluntary? You have to make a decision.

If you make a decision not to enroll, it is a very significant decision to guard the risk protection for 1991. So we went through as elaborate a process as we could handle physically. I had staff who put in many long hours, many long weeks trying to get this job done to the best of their ability to satisfy the farm community. They did a tremendous job. We mobilized over 300 staff between the corporation and the department to get that job done. People were pulled off a whole bunch of other duties to get out there and explain the program to the best of our ability, and they answered the questions that we had to bring back the concerns to the task force, to the government, federal and provincial, so that the proper decisions could be made in the fine tuning.

**Mr. Plohman:** Mr. Acting Chairman, I was at the District 8 KAP meeting and what there was around the table was speculation. There was no expert there to say, you know, since we have a representative on KAP, here is all of the information you need to know about making the decision. What there was were a lot of discussions and questions but no experts there to provide the answers.

So I say to the minister, I do not think that there were people in all these KAP meetings to answer all the questions nor was there a channel, a direct channel, back to bring forward concerns or suggestions. I may be wrong on that as to whether the reporting mechanism—they may have had that, but I certainly found a lot of speculation around the table and not concrete facts.

Secondly, I was at a meeting in the Interlake, at Arborg, where the ag rep made the presentation—I believe it was the agriculture representative who made the presentation—and there were about 80 farmers there, I believe. It was in the evening. Again, there was nothing that staff person, at that level, felt he could do to influence this program. He was there simply to say this is what they have decided. Here, as I understand it, are the facts.

So I say to the minister that there was not a lot of opportunity for consultation in those meetings. I do not think he is correct if he is relying on that. I mean, as far as information, yes there was an extensive information system, and whether it was more than Saskatchewan, Alberta, I do not know. I cannot argue with the minister about that. What I am talking about is consultation and since the minister is the person who has to make the decision, does he not think that none of this takes the place of him having direct input, in a formal way, so that he can get the feeling of what farmers are saying about the program on the grassroots? Should he just rely on these organizations then, saying they represent the farmers? This is what they want, and are staff going out and making informational presentations? Somehow that takes the place of him doing some consultation.

**Mr. Findlay:** Well, the member is trying to say that I did not have a feeling for what producers wanted. I cannot tell you how many meetings I was at where I made presentations, had questions. I got a real good feeling of the desperation that existed out there and the fact we had to do something. We could not sit around twiddling our thumbs for another year and talk about this, and talk about that. We had to get in and do something. That process was rapidly underway, an elaborate consultation was in place through the various farm organizations that fed into my department, the Crown corporation, and that came through to me on an ongoing basis.

The more consultative process was in place in January, February, March and then the information meetings the member is referring to that the staff conducted were after information started to come out. I still believe, as well as being informational meetings, it was also an opportunity for feedback because those ag reps talk. We had a regional director who was in charge. He was in constant communication with the ag reps asking what are the issues out there, what are they saying, what are the concerns? That came back to the table, the

provincial table involving the department and the corporation. As we evolved the issues that we had to deal with, we made the decisions of improvement that came into being.

So I do not agree with him that I was not in touch with the feelings, the department was not in touch with the feelings, the corporation was not in touch with farmers' feelings. We were in touch in all directions, directly in our day-to-day activities, and also through the representations we had, the letters we had, but particularly the representations we had from farm organizations. It was on an ongoing basis.

Really, when it came right down to it, as far as I am concerned they approved completely with what we agreed to, what we have in place and the process for ongoing change and improvement, as the issues will unfold in the future.

**Mr. Plohman:** Well I just want to make it clear that the agriculture representative—I forget his name—and the person in the Interlake did an excellent job in making the presentation. I am just saying it was not a format of an "I will take back these concerns" type of thing. That was not the nature of the meeting.

In any event, I want to ask the minister if he believes that if he was in touch and he had a feeling for it, why did he not take the position that the premium should be deducted at point of sale instead of up front? When I say up front, I mean it is not completely up front but basically up front in terms of the payment of those premiums. Is that not something that the farmers told him when he talked to some, when he went and spoke? Is this not what came back from KAP? Is this not what came back from these informational meetings that his staff conducted, or was that not a concern? I mean, it is a concern that hard-pressed farmers have given to me. Where are we going to get this \$10,000 or \$15,000?

Now they did get a carrot at the end, because the federal government agreed to pay 25 percent of these premiums. So for this year they got kind of a false sense of security on this because their premiums are lower, but in the future they are not going to get that, and it is going to be very—there was an article just the other day on this in the paper about how onerous this is going to be for farmers to come up with that money in July and August and so on to pay these premiums. The minister has the

deadline of the end of October, I believe, for payment.

Anyway, I would like the minister to clarify and also to tell me how the payments under GRIP will be spaced out in terms of the amount of money that will be made available to farmers under GRIP, because there was no deficiency payment this spring. Some are going to get NISA, perhaps, this summer. I do not know how he expects them to pay it. Was this not a concern of farmers? Where did it disappear to in this whole consultation process that the minister talks about?

**Mr. Findlay:** Mr. Acting Chairman, the principle of premium collection of crop insurance has always been in the fall. It has been October 1. We have moved that deadline of payment back for both crop insurance and revenue insurance to November 1 for this year. A 25 percent discount was brought in by the federal government for this year. Interest-free cash advances were in place for this year, and they will be in place for next year. They allow farmers access to money in the fall to pay his bills whatever they may be. An interim payment is certainly possible in GRIP this fall, and this will be an item of discussion at the ministers' meeting next month in Calgary. There will be probably an interim payment in the spring of '92.

I think the member well knows that the accounts will not be closed in the final payment. -(interjection)- I cannot give you an idea of what the percentages are because it is a topic for negotiation yet. A Western Grain Stabilization final payment will be out this fall, and certainly the federal government's contribution in the first year of NISA will be available in the late summer or early fall of this year.

\* (1520)

So a farmer has a number of avenues of receiving money: WGSA, GRIP interim, NISA, interest-free cash advance and let us not forget, he might sell a crop, too—all of these angles to have some income. Clearly, in the future, if there is a desire and it is deemed to be something that is workable, a deduction at point of sale, I am open to the consideration down the road. For this first year with all the other avenues of income that were coming in, it was deemed appropriate to make the premium payable by November 1. As I say, we have delayed the previous premium deadline by one month.

(Madam Chairman in the Chair)



If there is a willingness by all the participants down the road, it could be collected in another way in the future. We will be into the program fully in 1992. We are going into it on a partial basis this year in terms of payouts and in terms of the other programs winding up like WGSA. I believe that the farmers who can and will may be able to meet their premium commitments. I would have to speculate that the amount of interim payment this fall could well be equal to or greater than the premiums required would be my speculation at this time.

**Mr. Plohman:** Certainly, I am encouraged that the minister said he is now open to consideration of reductions of premiums at point of sale, similar to what happened with the Western Grain Stabilization premiums, I believe.

The minister could maybe indicate to the House whether the Signatories Management Committee will be looking at that issue.

**Mr. Findlay:** Madam Chairman, at this point in time I am not aware that any topics have advanced for consideration, but it is one that may well be advanced. We are open to somebody advancing it.

**Mr. Plohman:** Well, it is an interesting answer from the minister. He is open to have someone advance it. Is he open to advancing it himself? Is that not the proper mechanism? Is that not why the management committee is there for the governments, the signatories of the agreement, to put forward changes that they might want to the program to improve it, or does he feel that is the role of the members of this committee, the advisory board who established this program, this 33 member and three farmers representing organizations from Manitoba? Is it up to them to bring matters forward or is it up to the minister?

**Mr. Findlay:** Madam Chairperson, I would say it is up to all. I do not want to seem to be trying to manipulate the process in any fashion. I would just as soon stand back and let it come forward voluntarily from other sources. If somebody recommends to me, comes to me and says we would like you to advance it, clearly, I will. I am open on it. I would like to see how the first year goes, get some feel for whether it can work this way.

If I see or we as a corporation or as a department see that we would like to see it changed, we can advocate it. At this time, I am very open-minded on it in terms of whether somebody wants me to do it or whether we decide to do it because we see it

being a more feasible way to manage the collection of funds for premiums.

**Mr. Plohman:** Could the minister indicate who is on the Signatories Committee from the provincial government, from his department? Who makes up the Signatories Committee as it is currently established?

**Mr. Findlay:** The make-up of the Signatories Management Committee is being formulated right now, but the representative of Manitoba will be the Regional Director from Eastern Region, Dave Donaghy.

**Mr. Plohman:** Madam Chair, can the minister indicate whether the issues under Clause 37 will be first considered by this management committee, 37 of the contract, which leaves the door wide open for the governments to make changes as was discussed at our last sitting? The minister's answer was rather surprising. He said that this was a safeguard for the producers, and most producers that I have talked to find this rather of concern for them because they cannot be sure what governments will do in the future with that clause. Will the premium levels change over time, significant coverage levels, and anything else in the agreement?

I ask the minister whether it is his intention that premium levels for next year and coverage levels would be something that would be taken up by the Signatories Management Committee or would it only be other changes that are included already in GRIP, as it is known, that would involve actual changes to the agreement that both parties would have to sign, or can there be changes that would be made as a result of the provision and the clause in the contract such as Clause 37?

**Mr. Findlay:** Madam Chairperson, the provision there is an opportunity for the Signatories Management Committee to recommend that certain alterations be made. All the way through the discussion there has always been the option of premiums moving up plus or minus 6 percent, which meant plus or minus 2 percent to the producer. That was a sleeve that has always been in place. I do not think that governments should by themselves determine how that sleeve should be used. The Signatories Management Committee should do it, and this clause leaves that open for them to do it and to make other amendment recommendations they would like to see have happen for the producers.

**Mr. Plohman:** Madam Chair, is there a formal means or intent on the government's part and the minister's part to have consultation before those kinds of major changes are made? What input would there be into that decision from the farmers?

**Mr. Findlay:** Madam Chairperson, the representation will be one representative from each participating province. There are nine, four representatives of the federal government, and a producer representative from each participating province. So producers plus provincial representatives are clearly in the majority on the Signatories Management Committee.

I have given the member the Manitoba representative from the provincial government and the federal Minister of Agriculture who will appoint the producer representatives from each province.

**Mr. Plohman:** Thank the minister for that. That surely shows though that the producers now are down to one representative from three in making changes to this agreement in the future. There is even going to be less input from the farmers and I think it is something the minister should be very aware of.

\* (1530)

**Mr. Findlay:** The member is trying to say that farmers do not have representation. They have as many representatives there as the province does. There are going to be eight or nine producers on a committee of roughly 20, 21, 22, something like that. He says there is one producer. There are going to be eight or nine producers, one from each province.

The federal minister will make the nominations, but he will be consulting with the producer organizations of each province to determine who it will be. The producers, through their organizations, have a chance to have input to that producer by the normal democratic farm organization processes presently in place. I would think that it will operate much like the Signatories Management Committees that exist now in the tripartite crops or the supply management sector where the provincial and producer representatives determine what position they are going to take on the various issues before they get to the meetings, so that you can have greater input there in a supportive sense.

**Mr. Plohman:** There is going to be a smaller committee now, from 33 down to 21, and one representative from the province. The minister has given Dave Donaghy's name from the eastern

region as the representative, and then there will be one producer rep from the province. So Manitoba farmers will have one producer rep instead of three that they added in the development of the program. That was my point. I am not saying anything else other than that, that it is very limited input unless there is a formal commitment by the minister to undertake some consultation in this program.

Is it the minister's intention to, once the House is out and who knows when that will be—and I know he has a lot of pressures from all over, but nothing more important than hearing from his broad constituents, which is the farm community, basically—to follow up now with some consultative meetings so that he would be in a position to bring forward suggestions for at least investigation and study by the management committee?

**Mr. Findlay:** Well, the process of input that has occurred over the last few years on crop insurance, and the process of it, would be the same kind of process to allow input from farmers, through the corporation to the board to me, through the department to the deputy minister to me, through the farm organizations, which we are constantly meeting with as the issues unfold. So there is a constant dialogue going on, say, at the staff level with producers and at the executive level with the farm organizations. I am present at the vast majority of meetings that they hold with the department.

**Mr. Plohman:** So it would be safe to say that the minister would not be adverse to bringing forward issues to—he said he preferred to kind of have a hands-off policy with regard to this committee, and I agree that they should not feel pressured into being directed to do certain things because it makes a farce of the committee essentially, but certainly suggestions can be brought forward. Is the minister saying that he would not be adverse to putting issues on the table for the board to consider?

**Mr. Findlay:** Clearly, we are in a development stage here with regard to how it will function. It will be an item that I will be discussing in Calgary with the other provincial ministers to determine where everybody else is coming from and advance some structural suggestions that we will have as to how it should operate.

As I said earlier there, the farm representatives come from across Canada. I am prepared to argue that the farm representation should be proportional to the participation, rather than on a—if they are

going to have eight or nine farmers, they should represent on a proportionate basis where the majority of farmers are enrolled, particularly in the Prairies, that we should not just have three representatives from the prairies, those three prairie provinces, at the farmer level. If we have 60 percent of the Canadian participation—and I am just picking a figure out of the air. I am not saying that is where it is at, but we should have the same in equal level of participation on the board, on the management committee, from the farm community of the three prairie provinces.

Those are some issues that are to be discussed and will be discussed at the ministers' meeting. We will be trying to have the greatest input from the grassroots level that we can get in Manitoba and western Canada in the grain sector that is so critically impacted by the low grain prices which this program is set up to offset.

**Mr. Plohman:** The minister did not say he would be adverse to bringing forward recommendations, nor did he say that he will be undertaking any round of consultation meetings within the next year on how GRIP has performed and impacted on farmers. I would be interested to see whether he provides any clarification on those two points at some time in the future.

**Mr. Findlay:** I could just let you know right now.

**Mr. Plohman:** Well, you can handle that in the next answer. I am just going to ask you simply, if the minister can shed some light on why some provinces went for cost-of-production pricing levels for their levels of coverage? I believe Quebec—maybe the minister can clarify for me if there were any other provinces that used a formula to determine the revenue levels under their program based on cost of production as opposed to the 15-year moving average that was used by the Province of Manitoba, and, I believe, other western provinces?

**Mr. Findlay:** Madam Chairperson, the member asked earlier if I was going to make any advances, and I think I very clearly told them that if recommendations come to me that we make certain advances, I will. I told him, and I think he agrees, that you do not want to be in there trying to manipulate the process, or be seen to. You want to stand back a little bit. If people do not advance issues, and they want to advance them through me; I am prepared to take them. They also can advance them through me through our representative.

With regard to round of consultations, there are constant consultations going on by myself, the corporation and the department through the various organizations we meet with, the representations we have coming to us. So it has never ended and it will not cease. It will be just an ongoing process.

In regard to the Quebec situation, they have used more of a cost-of-production approach all the way through. They have less farmers, and their administrative costs are about 30 percent of their premiums. Our administrative costs are around 5 percent to 8 percent of our premiums. Now is he saying that we should go to spending five or six times as much money on the cost of administering the program, as opposed to delivering support directly to the farm community? We could do more of that, but it is a very costly process to get into what Quebec is doing and have been doing for a number of years. They are going to continue to do the same in the future as they have been doing in the past.

\* (1540)

**Mr. Plohman:** Madam Chairperson, I just want to make myself clear that I felt that there were two roles for the minister with regard to this committee, the Signatories Management Committee. One was to advance ideas which he feels as minister are of concern to the farmers as a result of his consultation, and of issues brought forward for them to consider and make recommendation, either to forget for these reasons, or for the minister to take forward to his federal counterparts.

So the minister has two roles, it seems to me. One is to make suggestions, and one is to receive suggestions and take them on for discussion with the federal government, and I was trying to clarify whether he saw himself in both of those roles.

Insofar as Quebec is concerned, I was not aware of the administrative costs. Madam Chairperson, maybe the minister could shed some light on just why there are so much higher administrative costs when a cost-of-production formula is used, why that is automatic. Is he saying ours is 5 percent to 6 percent, theirs is 30 percent? Could he also tell me whether there are any other provinces that use basically the Quebec model?

**Mr. Findlay:** Madam Chairperson, the reason for the higher cost of administering a cost-of-production model in Quebec is that administrative staff have to visit the farms two or three or four times a year. They have to determine that the inputs went in.

They have to do preharvest adjustments, postharvest adjustments on the volume of production. So it is a lot more involvement, administratively, on a hands-on basis with the farmer.

My own personal gut feeling is that many farmers in Manitoba do not want any part of that process of somebody looking over their shoulder watching very carefully what they are doing. We are not conditioned to that process here in the grain sector or the red meat sector for that matter. They may be a little more conditioned to it in the supply management sector, but the farm community is very reluctant to see government people walking onto their farm. They see all kinds of connotations of what they are going to report, not only what they are there for or what else. It is a perception problem.

As I said the other day, not everybody trusts government or government officials. That is why they have a hard time making a decision to enroll in a program. I do not think some of that mistrust is justified, but nonetheless it still exists. In terms of what other provinces, really it is Quebec and the Maritime provinces.

**Mr. Plohma:** You said there are a number of Maritime provinces, so that would be four, plus Quebec. About half of the provinces in Canada then have gone to a cost-of-production model. Can the minister indicate whether this is an area average cost of production or is this an individual cost of production? Why is there need for these inspectors, because certainly there can be abuse of any program, and the minister could have all kinds of inspectors going out as it is under this program? He has staff under Crop Insurance who are there for other purposes in the past who probably will have part of that role assigned to them at this time.

There have been statements made that farmers should squeal on their neighbours if they know they are abusing it. Maybe the minister wants to put that in context as well, because we have heard that said, statements made that is what the government was either encouraging or expecting or whatever. There will be self-policing I guess by people who want the program to work to ensure that there not people out there abusing it.

I do not understand why there would be a need for so many more inspectors under a cost-of-production formula than under the kind of formula we have in this province that this minister has put in place.

**Mr. Findlay:** Madam Chairperson, the member was talking about why it would cost so much more. In terms of the amount of farm visits that would have to occur, I would dare say it would go up tenfold from what we are now doing in the province of Manitoba with inspectors. So you just have to have 10 times as many staff. You cannot expect them to make 10 times as many calls per day as they are now making. It is physically impossible.

**An Honourable Member:** Why?

**Mr. Findlay:** Why? As I said earlier in my previous answer, they have to be sure that the inputs that the farmer is supposed to use are actually put on, they do a preharvest adjustment and a postharvest adjustment to be sure that the crop is in the field, and secondly, it ended up in the bin. That is the process they are using. That is what they are doing. That is why the administrative costs are high. Clearly, more inspection work may have to happen in the province of Manitoba now that GRIP is here, because we have to know the postharvest production because that determines what the farmer produced, therefore determines what his total GRIP payment will be. It is a difference between production and what the gross revenue support was.

I am an advocate of, it should be done by an affidavit, a signed affidavit by the farmer: I produced this much. Also, there is desire out there by farmers saying, you better be doing some spot inspection, make sure people are filling the forms out right. I think the vast majority will, but some inspection will have to happen, as is now happening on a spot basis with claims, and it will have to happen on the inspections.

The member says, well, farmers will turn in other farmers. That came from the farm community, farm organizations saying—you know, they have said it many times—there are two things they are not that concerned about in crop insurance and I have heard it for three years. One is coverage at—levels are not high enough. Secondly, we do not like paying premiums on a program where we notice Joe down the road is not following the rules, and we do not want to participate in that kind of program. So they are putting pressure on the corporation to be sure that Joe down the road is following the rules. It is important that he does. With GRIP now in place, it is going to take a little more administrative effort to be sure that is the case. So farmers have said, we

will help to shorten the costs and reduce the costs; they have been saying that.

With regard to how many—you said half the provinces in the country. Well, in the four Maritime provinces a total of 1,350 farmers are participating in crop insurance, roughly, on average over time. In Saskatchewan there are 48,950, Manitoba 18,000, Ontario 17,000, Alberta 30,000. So you are talking in the Maritimes a small percentage of the—

**An Honourable Member:** Quebec.

**Mr. Findlay:** Quebec 18,000. So the big ones are Quebec, Ontario, Manitoba, Alberta, and a real big one in terms of participation in Saskatchewan. British Columbia is also smaller, 2,700 producers in crop insurance.

**Mr. Plohman:** Well, Madam Chair, I really do not understand yet why there has to be so much more inspection under a cost production formula. If it was used on an average basis, what it cost to produce a crop, and they have determined that obviously. If a farmer cuts costs on that, he would make money in the short run, just as he would in Manitoba. If he did not put in his fertilizer and his chemicals and so on he might, you know, at least he will be guaranteed what the program offers, but in the long run his production will go down, his average will go down and it will hurt him.

It would seem to me that could also be the same basis for it in other provinces that use cost of production. I fail to see why, because they are using a cost-of-production model, they need so much more inspection and the minister, I think, has really put his finger on it when he said yes, we should probably have more, too, and that the farmers will tend to look after some of this themselves.

He favours an affidavit which does not involve a lot of inspection, but if the minister is going to be that trusting to favour an affidavit now, then I get back to the old point I made before about farmers who could demonstrate that they were superior managers by their production in the past and the minister said well, how would we have determined it? We could only use crop insurance records, it was the only thing we could do, the only thing reliable.

\* (1550)

Now if he is going to favour an affidavit simply signed by the producer, why did he not favour it for those farmers who before could have signed an affidavit saying that is what they produced? Now can I say as a producer, say to the crop insurance

can I now buy some coverage adjustment as a result of my affidavit?

Why would the minister say that is not good enough for the past but it is going to be good enough for the future?

**Mr. Findlay:** Madam Chairperson, an affidavit today can be checked because the grain is out there in the bins. An affidavit that will last 10 years you cannot check. The grain is not in the bins. They may say well, check the Wheat Board permit book. That is only an avenue of selling some of the product. A lot of it is fed, some sold off the farm and not through the Wheat Board permit book. Some of it is sold under contract to the different private sector companies. So an affidavit can be checked and they will be checking a significant percentage to verify that the affidavit is right because the affidavit will say that we have the right of inspection or verification.

The process will be built up over time and hopefully the degree of inspection can be brought down significantly over the next two years, but you cannot verify on the last 10 years. Many farmers have not necessarily kept the records that would be needed to do that sort of verification.

**Mr. Plohman:** Madam Chair, I was saying that those farmers who did have it and could verify, should have been allowed to and that was the issue I was raising with the minister earlier. If they did have the records, good records, that they should have been able to bring those forward and have those considered for adjustment coverage.

Again, when the minister talks about the affidavit I would think that would also apply in those provinces that are using cost of production as a base for their coverage levels. Could they not also sign an affidavit and those would be checked as well? Why does the minister say that their administrative costs are so high? They have chosen to make them that high is what the minister says. It is not just because it is cost of production. The minister should admit that. It is because they have taken a different tact in administering the program, simple as that.

**Mr. Findlay:** Madam Chairperson, the facts are on the record as what Quebec is spending administratively for the program. I cannot argue why they did it or what they are doing in that process.

When the member makes allegations that somehow there is something magical in cost of

production—cost of production in rural Manitoba where wheat production varies, all over the map, from a low of \$70-\$80 an acre, maybe even lower, to highs of \$180 an acre, where are you going to pick your cost of production? Halfway in the middle? You can do that in GRIP. The essence is to keep your costs down and it is the big variables land costs. It varies all over the place and interest, of course, that relates to capital purchases. In the supply and management section, they have cost of production. I do not have the exact figures in front of me, but I think they certainly do not take everybody's production into account and just average it. If I am not mistaken, I think it is the top 30 percent or something like that is used. Nobody is waving yes to me, so something in that order. It is a selective group of people, the top producers. Those who are at the bottom end of the scale with the high cost of production do not have their costs covered, and they are the ones that leave the industry.

I think it is more difficult in the grains sector to be able to say: Here is the cost of production; we will strike it; everybody gets it. You would be the first member standing up for the great windfalls, because that guy paid for all his land years ago—you should not give him as much. You cannot pick average figures for cost of production because they do not exist; they vary all over the place. Everybody may have similar cash costs, but the fixed costs are very variable.

Then you might say, well, you take into account the whole farm. He is 10 percent crop, or he is 90 percent crop—you take the whole farm into account. The recommendations given to us were to take this program with the moving average price; the producer has predictability which he wants; it will be individualized for him, which he wants. He will be able to control his own destiny in terms of the protection he can get; he knows the production he can get; and, therefore, he can evaluate the risk as it applies to him.

**Mr. Plohman:** Yes, Madam Chairperson, there is always a way to find a reason why it cannot be done if you do not want to do it. If they are going to apply to 18,000 farmers in Quebec, I guess it can be done. They are using an average, whatever it is, that they have determined to be fair. The fact is that they could still individualize the program insofar as any coverage above that, the same way this one is individualized. I do not see any difference there.

That would be the minimum and that is what I have been advocating, so that farmers in southwest Manitoba would not be doomed to getting less than the cost of production even at the area average.

Yes, land is a major factor, but that is why you could have an area average of cost of production as opposed to a provincial one, varying by land costs. In any event, as I said, the minister, if he wants to, of course, can always find reasons why it cannot be done. He has said so. He has given some of those today, and he has taken the position that it is not the best system. We have been advocating cost of production. Of course, why I was questioning the minister is that I did not think it was—and I still do not believe he has given us a clear understanding of why it is automatic if administrative costs have to be higher when you use cost of production as opposed to when you do not.

I want to ask the minister a couple of more questions on this. Can the minister indicate what the policy was with regard to farmers who were in arrears on their crop insurance premiums as to their eligibility for GRIP? What was the policy that was used?

**Mr. Findlay:** With regard to the first question he asked, cost of production, it was one of the models put on the table, one of the eight models put in front of the task force, and they did not see fit to advance that as the model at the end of the round of discussions.

Madam Chairman, as has existed at the Crop Insurance Corporation for some time, if a producer is in arrears with his account, say his account is in arrears for the 1990 crop year, he had until March 31 this year to pay his premium or he could have gone to the board, gotten a ruling in his favour to pay 25 percent of the premium now and a postdated cheque for the other 75 percent. If he did not either pay it by March 31 or get that consideration from the board, he would not be eligible for insurance for 1991.

**Mr. Plohman:** Am I to understand then a person who had not paid by March 31 or got an extension with a postdated cheque—the minister did not say when, whether it could be six months or it had to be a month away—with 25 percent down and 75 percent by postdated cheque, that would then be used as a basis to also refuse GRIP?

**Mr. Findlay:** Madam Chairperson, with regard to the second option, if he went to the board, he had

to pay 25 percent cash, and the 75 percent in a postdated cheque or cheques had to be dated no later than September 30.

**Mr. Plohman:** The deadline?

**Mr. Findlay:** That is the deadline. If you do not qualify for crop insurance because you have not met your payments or premium payments, you would not qualify for GRIP either.

**Mr. Plohman:** Under the circumstances, with cash flow the way it was, it was an interest free advance after much discussion last fall. It was put in place again but certainly no deficiency payment or special grains payment or any major cash inflow this spring—there was some, but nothing to reflect not only the normal operating costs in view of the fact that grain prices have been so low, but also now the additional burden of a major premium payment for GRIP.

Did the minister not think that was a bit onerous under the circumstances, dealing with arrears in crop insurance—and I will apply this to GRIP under these economic circumstances—to insist that you could not join GRIP unless you came up with the money?

\* (1600)

**Mr. Findlay:** Well, Madam Chairperson, we are talking about premiums owed for the 1990 crop. The vast majority of farmers do pay it in 1990, the very vast majority. You know, the farmer had the crop of 1990 which was quite good, the volume of crop. Grades were good. Prices were in comparison to today's real value of the grain. Prices were very good, over \$3 a bushel for wheat compared to what it is really worth today. We all know that it should have been four or five, but it was three, and grain sales have been good.

The volume of movement of grain has been good. Elevator space has been ample here in the spring, because maybe some people were not getting their deliveries made. Probably the space will be a wee bit of a premium right now, because the seeding is over, and deliveries will happen, and there may be a bit of a slowdown in terms of going to the West Coast with the slowdown that the workers have put in place there and the lockout that occurred for a week.

I think there was reasonable cash flow from the crop; cash advance was in place; grain delivery opportunities were there. The corporation cannot act as a financier. A producer has got to get his

financing somewhere else. He has got an operating loan in place that is a source of funds for him. We all know he has to pay that off as time goes by. I do not think it is fair for you to say that the corporation should not ask their accounts be paid. You cannot run any business that way, including the crop insurance business. You cannot run it that way, not collecting your premiums. There have to be deadlines. You have to meet them.

**Mr. Plohman:** I understand that there have to be deadlines and premiums have to be paid, but I was talking about the situation that farmers found themselves in, without a major deficiency payment this spring and, certainly, low prices of grain and high interest rates—which now have come down but are still affecting the vast majority of farmers—that it might have been difficult.

I would not look at everyone who did not pay their crop insurance premiums with being somehow trying to take the corporation for a ride or trying to beat the system. Many of them are hard pressed and just had to choose between paying the local fertilizer business or fuel dealership or whatever, or the grocery bill at the co-op or whatever it was. I believe and I have heard from people who have had very difficult circumstances in that regard.

I wonder whether the minister has a number of how many have not paid their premiums and therefore were refused GRIP because they had not paid, however small their arrears for crop insurance for the previous year.

**Mr. Findlay:** Madam Chairperson, we do not have all the figures that he has asked for, but the two options that we gave earlier, one, paid it by the end of March and your record was clean. Some people fell out of that category. They did not pay by the end of March, but they could re-enroll in crop insurance by the end of April. So they had a month to come in and try to re-enroll and, of course, to re-enroll they had to pay their past premium.

We do not know how many of those who were in arrears at the end of March came back and paid their premium by the end of April and got into crop insurance and, therefore, into GRIP. We will get the hard number for him.

There are approximately 400 people that took the second option, the 25-75 option. Approximately 400 producers took that option, but we do not have the figures as to how many in the final analysis were refused crop insurance and, therefore, GRIP,

because they did not meet either of those two options. We will get that number for him.

**Mr. Plohman:** Madam Chair, I just wanted to ask the minister to get that as soon as possible, if he can, the numbers that were actually refused. If 400 people took the second option, we are talking of considerable numbers in arrears then. I mean, 400 is a significant number. There are others who did not take that option so there may have been the same number there. Then, we have some who did not pay up at all, so we might even be talking of 1,000 farmers. I do not know. We are talking 400, though, who took this option.

I just wondered if the minister could get those figures by tomorrow if possible, before we finish certainly the Estimates, or whenever it might be, within the next few days.

I wanted to ask also whether it was the policy of the Manitoba Crop Insurance that anyone in arrears for more than one year was absolutely refused coverage.

\* (1610)

**Mr. Findlay:** Madam Chairperson, I have given the member the two options, pay by March 31, or you go to the board and you get the 25-75 option. If you do not get either of those—you do not pay or do not get the option—you are cancelled. You can come back later and reapply. To be accepted, you have to make all your past payments and pay 25 percent of the expected premium in the future. Pay it up front.

If you come back the second time after the second cancellation, and we are talking over a bit of time here now, two cancellations, you are required to pay 100 percent up front of your expected crop insurance premium plus all of the back premiums. That policy has been in place for some time.

**Mr. Plohman:** Madam Chairperson, that is getting to the very onerous policy that makes it almost impossible for a farmer to take GRIP this year, if it was required, because he came back twice, did not pay his premiums on two occasions for crop insurance. Now he would have to pay 100 percent of his GRIP up-front which might be \$5,000 or \$10,000 in order to get the program. It would be to the point of being almost impossible for anyone who was having trouble financially and juggling his finances to try and meet the most urgent payments.

I am not saying this is his fault that he is in this situation either. I think maybe some might be, but a

lot of farmers who are in financial distress are there because of the circumstances. We have discussed this before. I mean there are a lot of reasons why they could be through no fault of their own basically.

The minister said that they would be required under those circumstances to pay 100 percent of the GRIP premium. Is that policy—now that would be the first year for GRIP because it is the first year that this program has existed—but has that policy always existed both in terms of the 25, 75, and the 100 for crop insurance? If not, how long has that been in place?

**Mr. Findlay:** That policy—just to backtrack for a minute—crop insurance is not a financing organization. They have premiums; they have got to be paid. The policy of dealing with people in arrears, the way I have just described, has been in place for at least five years and maybe even as much as 10 years. The policy has been there.

If a farmer has got himself in a situation where he has not paid his premium in the fall, it comes around to the following year and he still has not paid it and he gets into a cancellation situation, he has got a serious problem. It is not up to the Crop Insurance Corporation to solve that problem for him.

There are other vehicles to go to. You can go through refinancing, deal with his bank or his credit union or whoever is financing him. There is the voluntary process through the mediation board to help those kinds of people; that is where he has got to go to get the financial guidance, the management, the guarantees that may be necessary to keep him viable. It is not up to the Crop Insurance Corporation to be his financier.

Guidelines have been in place for a number of years. They have been applied on a regular basis; and, if he has got that kind of financial problem, it is not only going to be with his crop insurance contract; it is going to be with a lot of other things. He had better be seeking the other professional help that is available to him to deal with his circumstances.

**Mr. Plohman:** Madam Chairperson, that is certainly correct that a lot of farmers would have other difficulties if they were having trouble paying their premiums. I guess it is a matter of what vehicles government chooses to use to assist in difficult financial times, to ensure that we keep as many producers on the land as possible.

So I accept that generally that would not be the role of the Manitoba Crop Insurance Corporation.



There may be more lenient policies put in under certain circumstances and maybe this would have been, particularly when you are dealing with such a huge increase in premium, because we are dealing with revenue as well here. So for a penalty before, it makes it impossible for that person to join GRIP, pretty well impossible to put those GRIP premiums up front. That is why we suggested right from the beginning that the minister should be considering deducting the premiums at point of sale.

Would the minister agree that would eliminate this problem?

**Mr. Findlay:** Well, certainly, very simplistically it would sound like that would be a solution. In many of those cases, if there is such financial difficulty, almost guarantees that they have their sales assigned as security somewhere, or they may be people that feed all their grain, or if they decide while they want the benefits of the program, they do not want to pay the premiums, they will not sell it directly through the Wheat Board. They will sell it some other way, so you cannot collect.

So there are certainly a lot of loopholes in that process that the member is talking about. It is not as clear cut and as simple as he may like it to sound. The problem would be the assignment and the producer then choosing not to sell at point of sale, or not to sell to an elevator through the Wheat Board where it is easy to collect at point of sale.

**Mr. Plohman:** Certainly, that is true if the Wheat Board is not selling grain, but in most cases farmers are not going to sit on it if they have an opportunity to sell it. I think, by and large, the minister would have to admit that most of these difficulties with the payment of premiums would be eliminated if the deduction was simply made at point of sale.

Would the minister agree that in the vast majority of cases where there is a problem with this—and the minister just talked about it. I think it is not just the farmers' problem. It is the minister's problem then too, because we do not want to see those 400. The minister said those 400 took the time-payment plan. I think for all those who could not join and get some degree of support from GRIP this year, it has to be a loss for the province, because we may be putting those farmers in further jeopardy.

A lot did not join by choice. I am not talking about those who did not join by choice. I am talking about those who wanted to join, but could not join because they could not afford the premiums, particularly when they had to put them up 100 percent.

**Mr. Findlay:** Really, what we are talking about is not whether people can afford or they cannot afford the premiums, they just have a serious cash flow problem. There is a shortage of funds. If they did not have it before and to say that they will have it at point of sale, and we are talking about the same dollars, they did not have it before, they are not going to have it now. So I do not see that would quick and instantly solve their problem.

They have a serious cash flow problem. They have a management of cash problem that the mediation board voluntary process is there for them to use, and many have taken advantage of that opportunity to figure out how they can cash flow their commitments with or without GRIP. I would suggest anybody in that position should take that process or should have taken that process.

The mechanics of how to deal with accounts in arrears is not a new policy. It has been in place for some time. It is not a surprise to anybody. It has been there, and farmers who have been in that position are clearly aware of what the policy has been.

**Mr. Plohman:** Madam Chairperson, is it the Canada-Manitoba livestock feed security program where the Crop Insurance Corporation would use the services of the feed lab to determine the extent of coverage levels, quality of feed that was grown? Therefore, payouts would be based on analysis by the feed lab?

\* (1620)

**Mr. Findlay:** The feed lab is used to determine quality of the forage, and then the quality is used to factor the level of production. It is not used to determine the payout; it is used to factor. If the quality is low, you will factor the production down. If the quality is average, it should stay at the measured level.

**Mr. Plohman:** In any event I understand that, up to this point in time at least, the Crop Insurance Corporation has used the services of the feed lab to, as the minister said, determine the quality and, therefore, determine the production levels based on that quality, if I understood it correctly, in terms of the coverage that would be available under this program. Therefore, there is a cost element based on the analysis that is done by the feed lab, and it has to be reliable.

Can the minister indicate how many tests are performed by the feed lab on behalf of the

corporation each year under this program, or any other program that the feed analysis would be done for crop insurance? How many tests are done by the feed lab? While the minister is getting it, what is the average cost to the Crop Insurance for those tests?

**Mr. Findlay:** We do not have the exact number of samples that are tested each year for the corporation, but the costs that they pay are the regular costs that a farmer would pay, paying the same thing as a farmer on a per-sample basis.

**Mr. Plohman:** Those rates would be set then by the government?

**Mr. Findlay:** Madam Chairperson, the rates are set by the feed lab.

**Mr. Plohman:** The rates are set by the minister, or if I am wrong let him tell me that, that the feed lab sets it independently. Then I would be rather surprised if it is an operation of his department, because all fees are set by the minister at Treasury Board through regulation. Is that right?

**Mr. Findlay:** That is right.

**Mr. Plohman:** So the rates are not set strictly by the feed lab, they are set by the minister and the government. Could the minister tell me what those rates are and how they compare to competitive rates available?

**Mr. Findlay:** Madam Chairperson, the number of samples—I now have it here, in two years '88-89 and '89-90, in both years it was very similar at 3,800 samples done for Crop Insurance.

**Mr. Plohman:** Thirty-eight hundred?

**Mr. Findlay:** Thirty-eight hundred. Total samples done by the lab is 8,000 in each year, very close. The fee schedule in Manitoba in 1990 was \$18 a sample for grain, \$20 a sample for mixed feed and \$26 a sample for forage, which is what ours would be would be forage. In terms of Crop Insurance getting those samples done, the first year they were done was '88-89. It was done really for the crop years of '88, '89 and '90, so for three years they have been using their feed lab to determine feed quality as one of the components in determining this level of production in livestock feed security. It had not been done prior to 1988.

**Mr. Plohman:** Could the minister indicate if this is a \$26 figure for forage? Is it basically a competitive figure? Are there other places that the Crop

Insurance Corporation could be getting these tests done reliably and where and at what costs?

**Mr. Findlay:** I cannot give the member a figure for competitive rates. We do not have competitive rates. There is really no other place in Manitoba that they would take their samples to at this point in time. You could take them to the States or to Saskatchewan, but we do not have rates that would be charged there.

**Mr. Plohman:** Did the minister say that he did not know what the rates were in the States or in Saskatchewan? The minister seems to indicate he does not know what those rates are. He does not know whether \$26 is competitive or not, in other words. The minister's figures would show that the Crop Insurance Corporation then does about \$98,000, pretty well \$100,000 worth of business with a feed lab each year.

**Mr. Findlay:** We paid \$112,000 last year.

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Madam Chairperson, I would like to get into the area of Mr. McAuley's statement with regard to a toll free line, which would indicate farmers could report on other farmers for potential violations of production in terms of not using the right input costs. Can the minister tell us today if there was any debate or discussion in Manitoba Crop Insurance about instituting any such program?

**Mr. Findlay:** Madam Chairperson, the corporation has two compliance officers. It is their job to investigate where there might be deemed to be some reason to investigate maybe something worth investigating. They do it from the accounts that they have in front of them, the information that the corporation has, maybe something that an agent will know that he will feed into the compliance officer.

They also receive and have received for some time anonymous calls or calls from producers pointing out certain situations. They will directly or indirectly do some follow up to see if there is any validity to the calls that are made, the conditions or situations that are pointed out to the compliance officers.

**Mrs. Carstairs:** Madam Chairperson, can the minister tell us if they keep any records of the kind of anonymous calls that are made? Generally speaking, indications are that, frequently, anonymous calls are done out of spite rather than out of any purpose. I mean, if there is an individual who genuinely has a complaint they are usually

prepared to give their name. Have they discovered in the Crop Insurance Corporation if in fact many of these anonymous calls are spite calls? What kind of discretion do they use in investigating that kind of call in order to ensure that they do not become the basis for a continuation of that kind of spite phone call?

\* (1630)

**Mr. Findlay:** The two compliance officers of the corporation are ex-RCMP officers who have a considerable amount of training, knowledge, and expertise over years of on-the-job work with the RCMP, to be able to do a pretty good job of screening out those that are crank calls, those that are spite calls from the realistic calls that should be acted upon. As I said earlier, they will act to determine, from the agents, if there is any potential validity to what comments were made.

Naturally, they would like the person's name if they are prepared to give it. I think that in a very professional way they do the right thing in dealing with the calls as to whether they should act and to what extent they should act. They will do the background work to determine if there is any validity to the call, whether it is a crank call, or whether it has some basis for action.

So I give them credit that, because of their previous professional training as RCMP officers, they are very capable of sorting out the vast majority of harassment-type calls, as opposed to those that are really talking about something that realistically needs their kind of investigation.

**Mrs. Carstairs:** Does the government have any intention of adding additional compliance officers as a result of GRIP?

**Mr. Findlay:** There had been one compliance officer up until early this year; there is now a second one. There are no plans at the moment to expand any further than that unless workload deems it necessary, but those compliance officers work in conjunction with the agents to do some of the leg work. If a case is in the process of development, they will develop it to a certain stage and then it is turned over to the law enforcement officials to eventually prosecute a case if it comes to that point.

No, we do not see, at this point in time, the need for any more than we have at the present, using the existing agents to some degree plus the workload that they see in front of them.

**Mrs. Carstairs:** Madam Chairperson, I am assuming then that the government has no intention of putting into place a 1-800 phone line so people can phone in their complaints about abuses of the system.

**Mr. Findlay:** Madam Chairperson, at this time the answer would be no. If there is strong representation to the contrary we will give it consideration but, as I said earlier, the voluntary phone calls have been happening for some time and I would deem them to be appropriate to deal with the circumstances, rather than any other more formal way of doing it, like a tips approach. It is not being advocated. It had just been suggested by the farm community, and I have no formal representation on it. If one does happen down the road we will deal with it then, but we have no plans at this time.

**Mrs. Carstairs:** Madam Chairperson, last Thursday the minister indicated that while they have had some concern about the input costs, such as fertilizers being decreased, that in fact had not been the case, that their early indications were that fertilizer sales were indeed up.

The minister has provided some warning to farmers that if they reduce their fertilizer, herbicides or pesticides they could find themselves in conflict with their GRIP contract. Can he elaborate further as to how they could be in conflict with the GRIP contract, in that there does not appear to be anything in the contract itself which indicates that farmers must use certain quantities of fertilizer or pesticides or whatever?

**Mr. Findlay:** Madam Chairperson, Section 21 of the revenue insurance contract states that the corporation has the right to declare that all or a portion of the loss or damage caused to an insured crop is due to negligence, neglect, misconduct or poor farming practice of the insured. So there is a provision in the contract, I guess, reasonably similar to what is presently in the crop insurance contract itself. If an inspection is done on land and it is obvious the weeds were not controlled, or something of that order, and a claim comes in an area where all the people around are not putting in claims; it is a protection for the Crop Insurance Corporation that somebody does not try to abuse the privileges in the contract, in other words, not use normal and acceptable farming practices.

Just in terms of the individual farmer, if he chose to reduce his inputs of fertilizer or chemical, there is no question in my mind he will reduce his yield.

Under individual productivity index of the future, he will reduce his coverage. It will affect it very drastically. So it is in his best interest not to purposely try to reduce his ability to produce.

We think that this kind of statement is consistent with protecting the corporation and the contract. As well, when I make that kind of a statement, it is to the farmer's own advantage in the long run to keep his production up, keep his yield up, keep his record up, because he will be the loser in the long run because his level of coverage will go down if his yearly production goes down.

**Mrs. Carstairs:** Madam Chairperson, the minister is quite right. There is some self-disciplining built into the system, because the value decreases if, in fact, the yield is not particularly high. The minister himself, and I will quote back to him something he said on the 18th of April, said that and I quote: emphasize the farmers must do what they can to lower their own production costs and increase revenues.

Since so much of what the farmer does is controlled, it would appear the only things they can do would be to reduce fertilizer, pesticide and herbicide used to farm. They certainly cannot reduce their fuel costs, their machinery costs, the cost of commercial seed, so they are rather caught in a dilemma. I mean, if they are getting one instruction from the minister saying that they have to, in fact, bring down their production costs. At the other hand, they are told by the minister that they must not bring down their fertilizers, herbicides and pesticides costs because that is, in the long run, going to hurt them in terms of their yields. Where are they supposed to find these cost-of-production costs that the minister is talking about?

**Mr. Findlay:** Madam Chairperson, we are really getting into the essence of making management decisions on farming. You can do both, I clearly believe you can do both and I can speak from experience now. When you are doing your annual budgeting, what you are going to do for this crop year, you should have started last September or October. You should have known what weeds you would have in your field. You should have known what pre-emergent chemicals to put on. You should do your soil test to know what level of fertilization to put on, rather than just take a broad across-the-board level of application of fertilizer. You may find, for certain crops or in certain fields, you did not need to put on the average or the normal

level, so you could maximize your production by putting the right amount on. So those are the kinds of decisions.

With regard to machinery, she says you cannot control the costs. Well, clearly, a farmer can control his machinery costs. There is lots of fancy paint sitting on dealers lots that is very attractive to go make those purchases, but the astute farmer over the last five years has found out that with a little more repair, keep the equipment longer, maybe go to an auction sale and buy something a little older rather than buy something new, you can clearly control your machinery costs.

\* (1640)

In regard to fuel costs, more and more farmers have gone to more minimum tillage, zero tillage that does decrease your fuel costs and it is, by and large, more conservation conscious to do that. You can control your labour costs so it is not a matter of making decisions to reduce costs, does not automatically reduce the level of inputs you make. You can maximize cost production at the least cost figure, and that is so critically important in terms of efficiency, cost efficiency in farming. I look at a lot of producers who have made those decisions in the last five years, kept their overall costs down, their fixed costs particularly, and their operating costs as low as possible and still have been able to maximize production by using good seed, good knowledge of their land, effective and careful use of fertilizers and chemicals. You can lower your costs \$20 or \$30 an acre by that process and still not affect yield potential for the crop.

In some cases it is just a matter of starting your seeding a little earlier. To have some of your fall preparation done you get the crop in a week earlier; it makes a tremendous difference in yield. It is management that has a big part to play in terms of being able to keep the costs down and maximize the production.

**Mrs. Carstairs:** I think the minister will have to admit most of the farmers in Manitoba are already doing all of those things because they could not survive without doing those things, particularly in the past few years that they have experienced. The minister is still telling them to do more and more and more and we will get into that a little bit more when I talk about some of the cuts that he has done in some of the programs that might in fact help them to do more of those kinds of things.

I would like to get into the whole premium issue which I left the other day. One of the commitments that was made to farmers signing up for GRIP, that premiums would not be increased by more than 2 percent per year, producers signed up on the basis that a 2 percent increase would be financially manageable. We certainly had calls into our office which would indicate that when they phoned the GRIP line they were told that the 2 percent did not necessarily apply to individual producers, that that 2 percent was an overall premium rate, was a blanket increase for either crop insurance for either an area, or indeed for the entire province.

Can the minister tell us today whether he believes that 2 percent premium can be applied to the individual producer, or what he thinks the range might be in the province for the individual producer?

**Mr. Findlay:** Madam Chairperson, the premium is calculated like it was this year. Just take wheat as an example. Province-wide it is 24.3 percent full premium; producer pays 8.1 percent. The 2 percent would apply province-wide to all producers. If every farmer is exactly the same in terms of coverage year in and year out, the same premium rate will apply to them year in and year out. You could have a farmer in a position where he qualifies for Superior Management Adjustment this year, then where he has a higher yield, his level of coverage will go up next year.

If every farmer, on average, has a 2 percent increase and he raises his level of coverage, naturally his increase will be a little more than 2 percent, because the percentage premium you pay is dependent on the level of coverage you obtain. For the same level of coverage year in and year out, the 2 percent would apply to all farmers across the province.

We are not saying there will be a 2 percent increase, but that is the ceiling and, of course, there is a minus 2 percent, too. It is province-wide by crop as the 2 percent sleeve that has been talked about.

**Mrs. Carstairs:** To clarify, Madam Chairperson, is the minister saying then that an individual who does not increase his coverage or her coverage would not experience more than a 2 percent increase under any circumstances?

**Mr. Findlay:** I think the thing to get very clear here is whether we are referring to premiums as the gross amount you pay or premium rate. When I am talking the 8 percent, I am talking premium rate. So let us

just talk premium rate. I am not aware of any circumstances that would drive you up other than your coverage went up, and then your premium rate would go up relative to—multiply it by the bushels, and that would then give you your total premium. We are talking 2 percent on premium rate.

**Mrs. Carstairs:** If we are talking premium rate, then let us talk premiums. Can the minister tell us what would he expect to be the range in premiums? Would there be any maximums placed on the increase? You know, just so we can go further down the line, obviously the farmer is locked in except under very clear circumstances of where that farmer can get if he opts out of farming or whatever. If the premium for an individual farmer starts escalating by 8 percent or 9 percent or 10 percent, that farmer does not have much choice. They cannot get out. They are locked in. Yet, the premium rate is probably getting a little too rich for their blood.

**Mr. Findlay:** The business of determining total premium to a large extent is in the farmer's hands. Different crops are going to have different premium rates relative to risk. If he does not like the premium he pays on a certain crop, which is a factor of what level of yield coverage he has in the crop and the acres he sows to that crop—just take wheat as an example.

If you are going to pay an 8 percent premium this year and maybe a 9 percent premium next year in wheat and you have normally put half your acres in wheat and you say I cannot afford that total premium, then you look at another crop like maybe barley at 5 percent or canola at 5 percent and sow those same acres to another crop. That way you can pull your premium down and still have, in terms of dollars per acre, pretty good coverage in those alternate crops too.

The only thing that will change for the producer is the acres he sows and the bushels per acre that he will be able to raise himself up to. Then you multiply the acres times the premium rate and you look at the total premium. If he says that is too high, he can change his cropping mix to have a more affordable premium relative to the risk protection he has in both crop insurance and revenue insurance.

We do not see any other factor really that comes into play right now other than what he can do to control himself in terms of his level of coverage and his choice of crop and the acres he sows to each crop.

**Mrs. Carstairs:** Madam Chairperson, the other option, of course, he could have would be to opt out of the program, which has been prohibited to him.

**Mr. Findlay:** In terms of getting out of the program, we have left it open to the producer. If he retires, he leaves. If he wants, he can buy his way out, if he pays back his net benefits. Then he can walk away from the contract.

If he paid, let us say, a \$5,000 premium this year and he gets an indemnity of \$10,000, he just pays back \$5,000 and he walks away from the contract. So he can walk away, but he has to pay back his net benefits. So he is not locked in. It is his choice whether he is locked in. If the indemnity he gets back continues to exceed the premium, it is obviously in his advantage to stay in. If he chooses to get out he can still pay back the net benefits and walk.

**Mrs. Carstairs:** He pays an insurance coverage. He gets a benefit because of a premium that he has paid. He then decides he does not want in for the next year. He has to pay back the premium. That is a pretty heavy penalty to assess an individual who wants to opt out of the program. Virtually you have tied their hands. They cannot opt out.

**Mr. Findlay:** I said he paid back the net benefit. If he paid a premium of \$5,000 and he received an indemnity of \$10,000 he only pays back the difference between \$10,000 and \$5,000, or \$5,000. So he is zeroed out. It has not cost him anything.

\* (1650)

**Mrs. Carstairs:** Well, let us make an analogy. If I buy car insurance and I smash up the car, I may get \$30,000 for that car. That does not stop me from buying insurance the next year, particularly if it was not my fault. If somebody smashed into me, I certainly get a benefit. I do not have to pay out that benefit in order to stay in the insurance the next year. If I do not want to have car insurance, that is fine. I can get out of it. I do not have to pay back the insurance corporation the \$30,000 benefit they paid me.

In fact that is what you are saying to the farmer. You buy insurance. It is there for your protection. If you receive a benefit, well then, you have bought into the program and that was what you were entitled to, but if you want to opt out for the following year then you have to pay the benefit back.

What was the basis for that kind of a decision? I mean, it is certainly contrary to any other insurance program.

**Mr. Findlay:** In setting up programs like this you have to, as insurers, assess liability. On crop insurance, you buy it annually because the event of failure can happen on an annual basis. When you are drawing price insurance, you can predict ahead maybe in some cases with a better level of certainty to make a decision whether you can really get great personal benefits by making a decision not to go in next year.

If we had given everybody the option that, in this year, take your benefits and walk away next year, it would increase the liability for this year tremendously, so that the premium rate to cover our liability would have to be significantly higher. By spreading out the risk on premium over more years than just one, from an actuarially sound point of view you could lower the premium in the initial years, because everybody is going to be in for a longer period of time. The probability that they will pay back a portion of their indemnities through future premiums is increased by this process. This was a trade off.

We do not want high premiums, but we want coverage to be very high in the first year or two. It was a trade off, and this was the basis upon which the recommendation of signing people up was put in front of the ministers. Do it on this option, that they can give three years notice or they can pay back the net benefit. Otherwise, we want them in for a period of time. We think it is to their best advantage to stay in for a period of time because the future is maybe not as predictable as they think, and it allows lower premiums to be in place at the beginning. So it is more affordable than it would have been otherwise.

**Mrs. Carstairs:** But meanwhile, of course, the government could change the rules. Meanwhile the government can change the rules with some consultation, because the minister has promised consultation; but in essence the final decision is made up by the government if they choose to change the rules with regard to the particular program.

When a benefit is paid out under GRIP, which is a combination crop insurance and revenue insurance program, and the claimant is asked to pay back the benefit; are they asked to pay back the benefit that comes both from the crop insurance

portion as well as the revenue insurance portion, or only from the revenue insurance portion?

**Mr. Findlay:** Madam Chairperson, only from the revenue portion.

**Mrs. Carstairs:** Can the minister tell us if there will be any producer representatives on the panel that ultimately determines what the premium increases will be?

**Mr. Findlay:** Madam Chairperson, it will be a Signatories Management Committee that will make the recommendation as to what the premium should be, upon which there are the eight or nine producer representatives out of the total.

As I said earlier, it will be around eight or nine provinces, each with a rep—eight or nine provinces are represented by producers. As I said earlier, I will be arguing that the producer representation be spread across the province's base of participation, plus four federal government representatives. It is to that, the Signatories Management Committee, they will make recommendations as to what the future premiums should be on a crop by crop basis.

**Mrs. Carstairs:** I recognize that they will exist, that they will make recommendations, but who will ultimately make the final decision as to what that premium rate is going to be? Will that be made by the federal government, by the provincial government, by the provincial and federal government jointly? Ultimately, who makes the final decision that it will be a 2 percent increase or a 1 percent increase or what it is going to be?

**Mr. Findlay:** Madam Chairperson, the actual so-called final authority of making the decision rests with the federal government, as it does on crop insurance now, on setting rates. The Signatories Management Committee will clearly be involved in the methodology and the recommendation, but right now we have a joint relationship on crop insurance and there is a lot of discussion that goes back and forth, but ultimately they can make the final decision.

**Mrs. Carstairs:** As the minister knows, with regard to Crown corporations at the present time, be it the Manitoba Telephone System, be it MPIC, they have to go before the Public Utilities Board which acts as an independent board, if you will, and they are the ones that ultimately decide what the premium is going to be.

Does the government not believe that this board would not in the long term be in the producers' better

interest to be making that decision, rather than having the government make it?

**Mr. Findlay:** Madam Chairperson, the member makes an interesting analogy as to a relatively independent process that weighs all the facts to make the ultimate decision. With MTS or MPIC you are talking strictly in the province and the local Manitoba Public Utilities Board can make binding recommendations, I guess, you might say or regulations on rates.

If you are talking a federal-provincial agreement, which this is, if you had something like that it would have to be national because the federal government is one of the players in here, but it is an interesting approach.

I guess I would see the Signatories Management Committee as playing that role with the kind of producer representation it has on it. You know, we are trying to work out the federal-provincial agreement right now that regulates that whole process.

It is an interesting angle, maybe one worth exploring a little further as to whether they would make recommendations to a broader national independent body that would finalize the decision. You cannot do it on a provincial basis because of the federal partner in here, but on a national basis, I guess, on MTS the national regulator is CRTC and we have PUB here. It is not one that has been discussed to my knowledge nor have I had anybody else make any recommendation in that direction, but I would prefer to start with to see how this works and maybe we have to evolve that additional process down the road.

**Mrs. Carstairs:** I only raise it because I think we all have some concerns as to whether the federal government may want to offload more responsibilities on to the province in this area than they already have done. This is, you know, an area that if the federal government maintains the ultimate flub, if you will, then obviously they can do it in such a way that it puts more and more onus upon the producer and less and less onus upon them to come up with their adequate percentage of the formula, or is their percentage so locked in that even if there is a change in the premium rate, they would still have to produce their percentage of it?

**Mr. Findlay:** The percentage share between the federal government and the provincial government and the producer is locked in, whereas in revenue

insurance it is 42 percent, federal 35 percent, 33 percent producer and 25 percent province, that is locked in.

The 6 percent sleeve—out of the 6 percent the federal government will pay 42 percent, we will pay 25 percent and the producer will pay 33 percent, which is the producer's 2 percent, so there the proportionate distribution between the three partners—it cannot change, that is locked into the agreement. It is not open to discussion.

\* (1700)

**Madam Chairman:** Order, please. The hour being 5 p.m. and time for private members' hour, I am interrupting the proceedings. This committee will resume at 8 p.m. this evening. Call in the Speaker.

### IN SESSION

**Mr. Speaker:** The hour being 5 p.m., it is time for Private Members' Business.

### PRIVATE MEMBERS' BUSINESS

#### PROPOSED RESOLUTIONS

#### **Res. 25—Convention of the Rights of the Child**

**Mr. Reg Alcock (Osborne):** Mr. Speaker, I move, seconded by the member for Crescentwood (Mr. Carr), that

WHEREAS in all regions of the world there are children living in exceptionally difficult conditions, and that such children need special consideration; and

WHEREAS there is a need for national and international co-operation for improving the living conditions of children throughout the world; and

WHEREAS the United Nations with the support of Canada has adopted a Convention on the Rights of the Child; and

WHEREAS each jurisdiction has been asked to adopt the convention; and

WHEREAS a recent survey of an inner city Winnipeg school indicated that one-quarter of the students eat no lunch and 5 percent go without breakfast and lunch; and

WHEREAS 4,800 children a month access Winnipeg foodbanks; and

WHEREAS one in four Manitoba children live below the poverty line; and

WHEREAS Manitoba police files indicate child sex abuse cases have jumped 50 percent over last year and the rate has been increasing since 1985; and

WHEREAS Child Find of Manitoba says the number of teenage runaways is growing steadily.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba recommend to the government of Manitoba that it consider adopting the Convention on the Rights of the Child.

#### **Motion presented.**

**Mr. Alcock:** Mr. Speaker, it gives me great pleasure to be here today to speak on this particular resolution.

I think I should start today by saying that I do not think that this is a political issue. I think this is the sort of issue that should receive the support of all parties in this House. Liberals, New Democrats, Conservatives—one group does not love, or not love, their children any more than anybody else, and I had hoped in bringing this forward—I consulted with the government in the hopes that we would be able to bring this forward as an all-party resolution with the complete support of this House, and say to the rest of Canada: It is time to get on with the job of ratifying this very important UN convention.

There is a long history in the acquisition of rights by children, and it is not one that I think any of us when we look at it can feel terribly proud of.

I am reminded of a story that was often told at the old Children's Aid Society about how that organization came into being, and I think it is interesting to note that it was sometime after the creation of the Humane Society in this province that we decided to create an organization that would give equal protection to children. It was our community's intention—when they noticed the neglect and abuse of farm animals and livestock, they moved quickly to build an association that would intervene when people were not caring properly for their animals.

It was only after some years of existence of that organization that someone at an annual meeting said, well, should we not be doing the same thing for children? There arose a great clamour and a great battle in the meeting. Finally, one wise person stood up and said: All of those who are in favour of protecting the rights of animals, step to one side of the room; all of those who are in favour of protecting the rights of children, step to the other side of the



room, and out of that group the Children's Aid Society of Winnipeg was formed.

It is interesting to note that in the articles of incorporation of the Children's Aid Society of Winnipeg is the first statement in the context of this province, a statement of rights for children, because we said to people in this community, it is no longer appropriate to let your children go without adequate food; it is no longer right to see that they are not clothed before they go outside in this climate; it is no longer possible to beat your child.

Mr. Speaker, those were important statements, and I think the reason they took so long in coming—in fact, it was not until 1985 when we passed the new Child and Family Services Act that we even considered a formal statement of children's rights in the laws in this province.

I want to step back from Manitoba for a moment, and I want to share with the members of the House the work that has been done by the United Nations. I brought sufficient copies of the information package on the Convention on the Rights of the Child, which has been prepared by the United Nations, and I would wish to table them at this point and ask the pages to distribute them to each member of the House because what has happened here is some time ago a committee, driven by UNICEF, decided it was time that we began to confront the question of child poverty, malnutrition, illness and child abuse in a global sense, that the world, through the United Nations, had to begin to make statements on this. In fact, a working group was struck and a little over a year ago this convention received the largest vote of support that the United Nations has ever given to any such convention; 161 countries signed this convention in the first instance. Now that signing simply meant that they agreed, the United Nations agree with the intentions, the language, the direction that this convention set for countries around the world.

For this convention to come into force, 20 countries had to sign it. They had to ratify it and accept it within the context of their own legislation, and again this convention had the largest immediate acceptance when 61 countries signed right at the time it was proclaimed last fall.

Now the remainder of the countries of the world have been working to review their legislation, to review their programs to see where similarities or conflicts might arise. The United Nations has asked each jurisdiction to do that, to look at its legislation,

to look at its programs for children, to look at the principles that are contained within the convention and to go through a process of formally accepting the convention.

Now I frankly believed that we would be dealing with this at the time of the United Nations signing of this convention, and I was surprised, in the previous session, when we did not come forward with a resolution. I was more surprised when we brought forward the discussion to have the government rebuff us at that point and to say that they were not interested in bringing forward such a resolution. They were not interested in making it a nonpolitical, all-party action. I guess I am calling on the government today to reconsider that action.

\* (1710)

There is a fear. There was, in fact, a letter to the editor written some time ago, and when I consider what some of the concerns are that have been raised by various people in the province about adopting such a convention, I think it comes down to one central concern. That is a fear that by embracing this convention we are somehow interfering with the rights of parents, the rights of parents to raise their children in the manner consistent with their own beliefs.

I wish to approach that from two perspectives. The first is just a quote from the convention itself and to say that what the convention has done is to stake a claim for children at the top of national and international agendas, while placing responsibility for meeting their needs in the hands of the family in the first instance.

This convention is not intended, as some people would have you believe, to usurp the natural rights of parents or to step aside from the family as the first venue for receiving guidance and nurturance and values, but in fact it reinforces that. It would be wrong of me, I think, to suggest that it does not step into the question of parental rights, but we do that now.

Back in—I think it was 1983, I attended a conference on the rights of children. One of the people who made a presentation was a philosopher, interestingly enough from Halifax. He started off the discussion saying, you cannot give a right to anybody without taking a right from somebody else. When you are establishing rights what you are doing is establishing a balance between the rights of two individuals, two groups, two interests.

Indeed, that is what we do today. We say now in this province that you cannot neglect your children. We say right now that parents do not have the right to starve their children. We say parents do not have the right to not educate their children. We say parents do not have the right to physically or sexually abuse their children. We do that now, and we do it as a society in all sorts of areas. We make decisions all the time in this Chamber that balance the rights of people, that balance the rights of individuals. That is what this convention does.

This convention establishes a series of statements on the rights of children that I do not think many of us disagree with. Mr. Speaker, this convention makes statements like: the state must respect the rights and responsibility of parents and the extended family to provide guidance for the child which is appropriate to her or his evolving capabilities.

That is in the convention. That is not a statement against family rights. It is a recognition that families have the first right to raise their children. It is only when they exercise that right in a manner inconsistent with the individual rights that the child acquires through this convention that the state is empowered to move.

Mr. Speaker, might I ask the member for Lakeside (Mr. Enns) to conduct his conversation someplace else. I am having trouble hearing myself.

**Mr. Speaker:** Order, please.

**Mr. Alcock:** Harry, come on; I cannot hear.

Mr. Speaker, what this convention does is it says that children who are our—I mean, everybody who speaks about children talks glowingly how they are our future. They are what we are to become. They are our hope for this earth. They, as a body of individuals on this earth, need some consideration separate from their parents, separate from us, so that we can enact that belief we have that their preservation, the optimizing of their education, their care, feeding and raising and their values is going to produce a better world.

What this convention attempts to do is to provide some guidance. It says things like: the child has the right to a name at birth. The child also has the right to acquire nationality and, as far as possible, to know his or her parents and to be cared for by them.

Surely, that is not a statement that is inconsistent with the values of this Chamber. It says: a child has

the right to live with his or her parents unless this is deemed to be incompatible with the child's best interests. The child also has the right to maintain contact with both parents if separated from one or both.

Surely, that is what we do now within our child welfare legislation. Again on parental responsibilities: parents have joint primary responsibility for raising the child, and the state shall support them in this. The state shall provide appropriate assistance to parents in child raising.

It is interesting. One of the things that this government may fear is that there are statements within this convention that may broaden the discussion about some of the services that a state provides. It may broaden the discussion about the sort of support the state provides to single parents, that the state provides in the way of daycare or financial support.

The convention goes on to say: the state shall protect the child from all forms of maltreatment by parents or others responsible for the care of the child and establish appropriate social programs for the prevention of abuse and the treatment of victims. The state is obliged to provide special protection for a child deprived of the family environment and to ensure that appropriate alternative family care or institutional placement is available in such cases. Efforts to meet this obligation shall pay due regard to the child's cultural background.

Mr. Speaker, that is the very debate that we had in this Chamber six, eight years ago as we looked at the creation of aboriginal agencies. It was the right—and we wrote it into our legislation. We said that a child has the right to service that respects their cultural identity.

I am not going to go on and simply read the convention. I want to try to impress upon the government two things. Governments around this world, more than 70 of them now, have signed this convention, governments such as Chad, Columbia, Korea, Ecuador, El Salvador, France, Germany, Honduras.

There was a concern raised, actually, when this debate first came before the House and when I began to speak to the House leader of the government, and I said, do you have any concerns with this? He mentioned some concerns about the impact on family and he said, I will be guided by what Adam Exner says. If the Catholic Church and Adam Exner are prepared to support this resolution, I am

prepared to support it. The Catholic Church, the Holy See, the Vatican, ratified this convention some six months ago. I spoke to Adam Exner myself, and they are prepared—I mean not prepared, they support it. They believe that the world should adopt this convention.

So, if countries as impoverished as Chad and Bangladesh can embrace these conventions and say that they are important for their children, why can a country that is as favoured as Canada not do the same thing? I would urge the government to pass this resolution and to urge Canada to ratify this convention as soon as possible. Thank you very much, Mr. Speaker.

**Mr. Speaker:** Is the House ready for the question?

**Hon. Harold Gillieshammer (Minister of Family Services):** Mr. Speaker, I am pleased to be able to speak on this resolution today and thank the member for providing us with copies of the Convention of the Rights of the Child for all members. I am sure that while we might not all have time to look at it today, over the next few days people will have an extensive look at this.

Certainly, I am aware of the member's strong concerns for children and families in Manitoba. As I indicated last week, the member has an extensive history in working with children and families in the province and still is very involved as a consultant to Child and Family Services groups and others who work with children.

\* (1720)

As I said, he represents in many ways the current system and has a long history in Manitoba of being quite involved with the setting of policy both as an employee of government and an employee of some of the facilities that the government operates in the province. I am always interested in reading his comments in Hansard or other publications that carry his words and look forward to his contribution to issues such as this.

So I am pleased to be able to speak today on this resolution. I know the member likes to bring these resolutions forward as quickly as possible, because his resolutions are often ones that are very substantial and that he wishes the members of the House to deal with.

This is a very complex issue and, of course, has many legal ramifications to it that the legal community must look at. I know that in the past we have passed resolutions in this House without

perhaps giving some of them the due consideration that is necessary. We do that based on the ideals that are put forward by the proponents and the interpretation of the resolutions at face value.

There are times with certain pieces of legislation that implementation becomes a problem, because they have not been carefully researched. I am sure that this is a resolution that many members will want to speak on, and I appreciate the opportunity to get involved.

Canada, of course, is a very proud member of the United Nations and has an admirable reputation as an international peace-keeper and a supporter of human rights. During the course of its long and distinguished relationship with the United Nations, Canada has supported many of the resolutions, conventions and declarations aimed at improving the human condition around the world. The Convention on the Rights of the Child, as adopted by the General Assembly of the United Nations in 1989, reaffirms the principles of the Universal Declaration of Human Rights. Specifically, the convention underscores the fact that children because of their vulnerability need special care and special protection.

The family unit is recognized as the fundamental group of society and the natural environment for the growth and the well-being of all of its members. It and particularly its children should be afforded the necessary protection and assistance to assume its responsibility within the community. This, of course, requires a special emphasis on the primary caring and protective responsibility of the family unit. There is a clear need for the legal and other protection of the child. International co-operation plays a major role in achieving the realization of children's rights.

Here in Manitoba my department, this department of government of Family Services is involved in upholding this commitment to the families and to the children of our communities. This is extremely important and a serious duty we have assumed on behalf of the people of Manitoba. Our children are the future of this country and of this province, and we fully recognize the importance of giving them every possible protection, an advantage to prepare them for the day when they will assume their role in our community as adults.

We do not regard this task lightly. It is an area of such serious importance that there exists within Family Services a specific section of the department

known as Child and Family Services. The division through its various branches and programs provides for the co-ordination of a range of high quality social programs to strengthen and support Manitoba families. The primary goal of divisional programs is to support the family unit and family unity. However, we recognize the fact that in these times there are situations that arise where families are unable to fully carry out these responsibilities. When these situations do arise and the rights of children and families are in conflict, the Child and Family Services Division ensures the needs of children are met.

In meeting the demands placed upon it and in carrying out its responsibilities to the best interest of the members of this community and the families in distress, the division works with four major objectives to guide it. These objectives are: to provide central program management for Child and Family Services programs; to provide administrative program and funding support for child protection and family support services delivered by Child and Family Service agencies, regional offices, and other specialized service agencies; to provide program direction for the Family Conciliation services of the Family Division of the Manitoba Court of Queen's Bench and co-ordinate the family violence program for the province and to provide program direction for services provided to children with mental and physical handicaps and their families. As I mentioned earlier, there are several branches within Child and Family Services Division, and each one plays a vital role in carrying out the mandate of this department.

The Child and Family Support Branch has program responsibility for the administration of The Child and Family Services Act. Services under the act include support to community groups, assistance to families, child protection and child placement.

This branch is also responsible for the operation of the Seven Oaks Centre, a secure child protection facility. Services are provided under the act primarily by external Child and Family Services agencies and service organizations. There are currently 20 mandated agencies with authority to protect children. These include nine private agencies, five Native agencies, five rural and northern regional offices of this department. The Churchill District Health Centre is also mandated to provide services with the exception of adoption.

In the 1989-90 period, approximately 80 departmental staff, 48 institutional staff and more than 1,200 private agency staff served about eight and a half thousand families with 4,167 children in care and 18,000-plus children supervised in their own homes throughout Manitoba. Services are also provided to over 700 single adolescent parents.

The act provides for the licensing and funding of foster homes, group homes and treatment centres. Foster homes are approved by the mandated agencies. We have said before that the foster families are the backbone of the child care system in Manitoba, and we rely on those foster families to look after many of the children who are in care in this province.

Group homes and treatment centres are licenced by the department and are funded through the Child and Family Support Branch. Provincial support is also provided to other services that promote the strengthening of families. These include preventative services and services to minor and single parents especially those under 18 years of age who need help in planning for their children. The majority of services and programs funded by Child and Family Services Support Branch are cost-shared under the Canada Assistance Plan, and we, of course, have concerns of the future of the Canada Assistance Plan.

\* (1730)

Child and Family Support is also aware of the need to be aware of changing situations and demands amongst its family clientele. To this end, it has been an active participant in a major legislative and policy initiative concerning child protection and abuse issues. In conjunction with the Department of Education, Family Services reviewed existing policy provisions on the identification, reporting and investigation of children in need of protection. The resulting report and recommendations on legislative and policy change were the subject of extensive consultation with representatives from the school system, the Child and Family Support Services system, agency legal counsel and others. The outcome was the eventual passing of Bill 30. I am happy to acknowledge an all-party agreement in June of 1989.

The Family Services department continues to meet the needs of the community through a wide range of approaches such as the establishment of a major child abuse treatment initiative with funding of more than a quarter million dollars. My

department has also responded to the special needs of unique groups within its clientele. In 1985, the Children's Special Services branch was created to consolidate responsibility for community-based services to children with mental and physical disabilities. I am sure that all members have had an occasion to deal with families and children who needed the support and attention of Children's Special Services branch and found that there are unique situations of physical and mental disabilities where that particular branch could become involved with the family to deal with the special needs that those children have and probably have found that there were supports there that were put in place for special needs children.

The creation of the branch reflects Manitoba's understanding of the UN convention's premise that handicapped children have the right to special care, special education and training designed to help them achieve the greatest possible self-reliance to lead to a full and active life in society. That branch is now celebrating its sixth anniversary as a separate program within my department, and it has done an outstanding job in meeting the needs of special clientele.

The rights of the child are a part of this understanding, and the services of this department strive to respect those rights both in spirit and in letter. I would at this time stress the fact that not all the government's actions in meeting the needs of Manitoba families and children are concentrated in Child and Family Services Division.

Through the Daycare, Youth and Employment Support Division this government has become very active in the development of a child daycare which is recognized as an essential service in support of the family unit. Developing quality child care that meets the varied needs of families, promotes the positive development of children including those with special needs, and encourages parental participation in daycare operations and the continuing goals of the Child Daycare program.

Child care services in Manitoba are provided in a partnership where parents, care providers and government all fulfill important roles. Each member of the partnership shares responsibility for ensuring the highest quality of care is achieved for each Manitoba child. The government is responsible for establishing and enforcing child care legislation to protect the health and the safety and the well-being of children. Our role is to provide families with

access to a range of realistic daycare options and ensure the information necessary to make appropriate child care choices is available.

We, as the government, must also take steps to ensure daycare—

**Mr. Speaker:** Order, please. The honourable minister's time has expired.

**Mr. Gilleshammer:** Thank you, Mr. Speaker. I notice there is another resolution coming up. We will get a chance to discuss this further in the near future.

**Ms. Becky Barrett (Wellington):** Mr. Speaker, I am pleased to rise in support of the resolution as brought forward by the member for Osborne (Mr. Alcock) recommending that the provincial government sign the UN declaration on the rights of the child.

I was quite interested in the Minister of Family Services' response to the resolution, interested in the sense that it appeared to say—well, it did not appear to, it does say nothing about the actual resolution itself. It would appear to be a response from the annual general report of the Department of Family Services about the role of Family Services and speaks nothing to the issue at hand. However, that is not something we on this side of the House are unfamiliar with.

The resolution on the Convention on the Rights of the Child is an extremely important document. It is also a very complex and wide-ranging document. Both the Minister of Family Services (Mr. Gilleshammer) and the member for Osborne (Mr. Alcock) have spoken about the fact that Canada is a have country, certainly in respect to many of the vast majority of the nations of the world. On virtually every indicator, we are among the top 10 and in some cases even higher than that in our provision of service or our ability to provide services for the people of Canada, particularly those least able to provide services or safety and security for themselves.

The convention deals with a large number of articles, many of which, as I went through them, have thankfully at this point very little to do directly with the Canadian context. They speak about the rights of children not to be imprisoned and tortured. They speak about the rights of children to their own name, although I guess we could historically talk about the rights of our aboriginal community to their own names, but many of these articles are speaking

directly to Third World or developing nations, nations that have yet to come to grips with the rights of their members, including the most vulnerable members of their society, the children of the countries. I find it very interesting that 61 of these nations, the majority of which are developing, have seen fit to sign the proclamation to become full partners in understanding the importance of the Convention on the Rights of the Child.

We in Canada, particularly in Manitoba, are still not at that point. Six months ago, in the House, shortly after the Prime Minister trumpeted the Canadian signing of this convention, I asked the minister in Question Period to recognize and sign the convention, and his response of November 27, 1990, was, and I quote: A great deal of information has come forward on that convention. We have had correspondence from people right across Canada indicating either concern or support. This department, of course, is very concerned with the rights of children and the protection of children. We will be looking very closely at that information.

Now that is actually more than six months ago, and we have to date seen no action on the part of this government when asked. I believe I also asked the Minister of Justice (Mr. McCrae) later in the last session about the actions that were being undertaken and again received: We are in the midst of. It is very difficult. Many departments need to be talked to about this. There are legal ramifications, et cetera.

I would hope that this government is not choosing not to do the necessary work to sign this convention out of fear of retribution from a certain group of people or groups of people who have concerns about the rights of parents to raise children. I, frankly, cannot imagine any other group or any other concern that someone might have about signing this convention.

I would like to have had from the minister this afternoon, rather than a reading from the annual general report of the Department of Family Services, some indication as to progress that has been made in this regard and some specificity as to the areas of concern that have been given to the minister from across the country.

\* (1740)

In lieu of that, it appears to me that there might be some concern—and I am certainly open to the minister correcting me on this if I am wrong—on the part of the government that they have not performed

as well as they might have in regard to some of these articles, and are choosing not to finish the necessary work to sign from that regard.

I would like to go back a bit to put into perspective what our record is as a country in regard to the rights that our children have in this country. As I have stated earlier, they are far better in most regards than many developing nations, but we do have some major areas of concern about children and their rights and how we as a nation are protecting those rights.

One-sixth of all Canadian children live in poverty. That is one-sixth of all Canadian children who live in poverty. Even though the child population has fallen by almost 4 percent between 1980 and 1986, the number of children living in poverty has increased by over 13 percent in that same period. So the number of kids in Canada is down by 4 percent, but the number of kids living in poverty is up by over 13 percent.

In some provinces, the number of children living in poverty is as high as 26 percent. Those are not good figures. Those are not the figures that a country that has the, on some indicators, second, third or fourth highest standard of living in the world should be proud of. Manitoba, while not as bad as some provinces are, certainly has no right to stand up and be proud in some of our situations.

There are 625 Ronald McDonald's across Canada and 1,100 soup kitchens and food banks, almost twice as many food banks and soup kitchens as there are McDonald's. Last year in Canada 560,000 children—40 percent of the people who used food banks were children. Fully 20 percent of food bank recipients are under five years of age.

Article 18 of the UN document requires Canada to ensure that children of working parents have the right to benefit from child care services and facilities for which they are eligible. I would like to spend a few moments on this because the minister has spoken about the child care system in the province of Manitoba and how excellent it is, and he and I have disagreed on this on numerous occasions and will continue to do so.

This is one area where not only the provincial government, but the federal government, must take some responsibility. The Conservatives in their election campaign of 1988 promised a national daycare strategy, among many other promises, and like many other promises, they have failed to live up to that strategy. There is no national child care

strategy. The only national child care strategy there is, is one by indirection where the federal government is capping the Canada Assistance Plan support to provinces, is cutting back, is downloading onto the provinces their responsibilities for health and education and social services.

The Tories not only have not brought in the child care program at the federal level, but actually cut \$1.75 million from the Child Care Initiative Fund in their 1990 budget. This is not a strong recommendation for the children of Canada.

In the provincial arena, as well, we have had problems, major problems, with our child care initiatives. The government talks about the need for accessibility for the child care system at the same time that they are bringing in, against all of the recommendations of the working group, against all recommendations of child care workers, of child care executive directors, of child care boards of directors, and of child care users, parents and users, against all those recommendations they are bringing in a system of fee structures that will very quickly mean that our child care system, far from being accessible, affordable, and a model, will be a two-tier system that only the rich and those who are eligible for full subsidies can afford.

It will mean closings of nonprofit daycare centres. It will mean parents going to less adequate, and having fewer choices in where they are going to send their children for, daycare. It is going to be a major backward step, instead of a forward step, that this country and this province should be undertaking if they are truly interested in and believing the declaration on the rights of the child.

Article 19 of the Declaration on the Rights of the Child talks about protecting children from all forms of physical or mental violence, injury or abuse, neglect or negligent treatment, maltreatment or exploitation, including sexual abuse while in the care of parents, legal guardians, or any other person who has the care of the child.

Again, this is an article that I believe no one in this House, or no one in this province who cares about children, would argue the importance of. What I suggest is happening in this province is that the actuality of service provision in this area has been declining. We have seen the cutbacks to Child and Family Services agencies in their financial support, which has meant that they have had to reduce their prevention, reduce, and in some cases get rid of entirely, their prevention programs where their

children, if they are older, are told do not come to us until you are in a crisis. There has been a huge increase in child sexual abuse reporting, but no concomitant increase in resources to deal with this enormous increase.

Another article talks about the requirement that nations that sign this will provide for a basic standard of living. I would suggest that these statistics that I have read into the record on child poverty in this country, and the fact that they are increasing rather than decreasing, means that we are not doing a very good job in this regard either in providing a basic standard of living for our children.

There are other articles that deal with education, drugs, various areas where we as a province and a nation are not providing the resources that we should be providing and, unlike most of the other nations of the world who have signed this declaration, we have the resources to provide it if we make the choices to do so.

I would urge the government to support this resolution and to get on with the business of expeditiously signing the Convention on the Rights of the Child.

**Mr. Jack Reimer (Niakwa):** Thank you very much, Mr. Speaker, for allowing me to stand on this resolution put forth by the member for Osborne (Mr. Alcock), the Convention on the Rights of the Child.

In addressing the concerns of the child, we are talking on a subject that is of a very deep and provocative concern for not only the government but each individual. As an individual and as a father with children, the concept of rights and of having children and protecting them is always of prime concern and prime importance.

This resolution put forth by the member is worthy of strong discussion because the member himself has had a very deep conviction and a very admirable conviction to the welfare and the well-being of children in and out of government. I have come to know this since coming to the House, and I have a lot of respect for the member for his work and his diligence in the conviction that he does have for the rights of the children.

\* (1750)

I thank the member for passing around the information package on the convention because it does bring back some memories, the memories of the fact that when the convention was first called back in September of 1990, and I believe—I may be

wrong, but I believe there was a young girl who represented Canada. She was designated as the child of the year at that particular convention, and she was a Canadian child. It was sort of an ironic situation because, as it was mentioned by the member for Wellington (Ms. Barrett), Canada has a very strong nation in the fact that it is a very vibrant and a very wealthy nation in a sense of having strong rules and strong protection for children. The fact that the child did come from Canada—when we look at children of the world and we see some of the terrible abject poverty and terrible misuse of children that we read about and hear about in South America and other countries where children are exploited and used for monetary gain and for exploitation of all kinds of various and despicable acts, we have to have an empathy for trying to be aware of our children and the rights that we should try to bring forth to protect them.

The passage and the resolution that was put forth at the UN was a very profound statement and, as was pointed out, I believe, in the—I did not have too much time to peruse the information package—but there are some very profound statements in it, in which it describes it as sort of a Magna Carta or Bill of Rights for children. But the one thing that does come strikingly clear is that when we talk about children the perception we have of children is usually of small people in the sense of very young people, children in arms or children who are of infant age, but we must look at the content of the convention where it is children under 18 years of age.

We talk about children in a broad sense, right up to 18 years of age, and the rights of these individuals which are, when you look at children at 18 years of age we are talking children who are already very, very close to adulthood. The views and the opinions of older children, if you want to call them, teenagers or pre-adults, has a very profound effect in the fact of their thinking. Things like their rights and their attitudes have to be respected in the sense that these are people who are getting up in age. So that to have a total consensus and a protection of their opinions and viewpoints, is something that has to be taken into consideration because of the fact that the primary responsibility is within family.

The family as a unit is controlled, which is a strong word, but it is overviewed by the parents. The parents' rights and the parents' responsibilities have to come into view because of the fact that the child

is at home, or the child is responsible to the family until the child becomes of age to leave.

There are the different ages of respect and concern that have to be brought forth not only for the small baby, the baby in arms, then into walking, then into school, then into teenage years right up to the age of 18. There is a very vast and wide range of rights that come into play when we talk about the rights of a child. It is not just the perception of a small child. We have to take into view the rights of the teenagers and everything like that.

The parents' rights do come into play and have a strong overview in the fact that there are religious overtones as to how that individual should be, possibly, guided. You would think that the parents, because of their socioeconomic background, their religious background would want to guide their child in a certain direction that they feel is a benefit to them and at the same time taking into account their maturation into adulthood. They would have to have a role in it, because parents and the family unit are the strength of this country and all countries.

Yet we are imposing, if you want to call it, a western viewpoint as to what is right or wrong for children. The children, as they are raised in countries that we may not have exposure to, are held in a different respect and a different venue because of their socioeconomic background; their religious background, their ecological and their climatic backgrounds all dictate how that child is raised. The Western view of what is right or wrong for a child may have a completely different type of interpretation for a child that is born or raised in a different part of our world.

The political climate, a lot of times, has a strong influence on the children. It was unfortunate in watching a program last night on TV which showed the exploitation of small children who were 13 and 14 who were carrying guns down in South American countries and El Salvador. The child there is not a child, but already forced into a position where they are making life-and-death situations and decisions. The child is put into a different type of context.

The rationale and the independence of the child has to be recognized and the fact that possibly circumstances and situations dictate that a child gets into an adoption situation. The parents should have an avenue of decision making that possibly has to look after what they feel is best for the child at that time. The rights of the child may come into play which overview or put certain type of laws or



restrictions on decision making regarding trying to help that child because of the restraints of the rights of the child.

The definition of the rights of the child is a very noble resolution but, at the same time, how do we define the rights? What do we call the rights of the child? We talk about the protection for sexual exploitation and children with trouble with the law, but we must always go back to the parents. The parents have the primary responsibility for the standards of living. The parents must guarantee the children's physical, mental, spiritual, and the moral and social development so that the child, because of its commitment, with the parents is something that has to become paramount.

The child, as a matter of interpretation, somewhere in his or her maturation point, may feel that he or she is not being treated right. At the same time, it is an interpretation of not only that child or the child that is making the interpretation based on the certain circumstances that they are confronted at that time. That does not mean that these children are not put in situations that this dictates, but at the same time an interpretation must come about as to which is best for the child.

So it becomes a state of interpretation in which the state gets involved with the decision making. Then, when the state gets involved with it, the bureaucracy gets involved with decision making. The bureaucracy of decision making sometimes can get tied up into the situation where the dictates of the state will come into the meaning and the relationship of children with parents. I think that brings a bit of conflict, because the last thing that we should have is state control of our children, because of the fact that the freedom of a child is as paramount and the raising of a child is a parental obligation. If the state feels that it should dictate how and when a child should or should not do something, we are getting into a very totalitarian and very dictatorial type of situation.

**Mr. Speaker:** Order, please. When this matter is again before the House, the honourable member for Niakwa (Mr. Reimer) will have three minutes remaining.

The hour being 6 p.m., I am leaving the Chair with the understanding that the House will reconvene at 8 p.m. in Committee of Supply.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 17, 1991

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