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Thirty-Fifth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 23, 1992

The House met at 8 p.m.

COMMITTEE OF SUPPLY
(Concurrent Sections)

HEALTH

Mr. Deputy Chairperson (Marcel Laurendeau): Good evening. Will the Committee of Supply please come to order. The committee will be resuming consideration of the Estimates of the Department of Health. When the committee last sat, it had been considering item 1.(b) Executive Support: (1) Salaries $497,600, on page 82.

Ms. Judy Wasylycia-Leis (St. Johns): When we were last sitting, the minister was making some comments about the need for more health care reform and in fact was using a quotation about more health care reform, not more dollars.

I would like to ask some questions about his sense of health care reform in the context of what is happening with respect to our hospitals, at least our urban hospitals. As I said in my remarks, I do not think there is anyone who disagrees with the need for reform. There are big questions though about this government's health care reform agenda.

I indicated that I was having some trouble trying to find my way through this government's series of studies, statements, fairly secretive approaches to health care reform, so it was quite difficult to actually make conclusions exactly about the intentions of this government on reform. It certainly created for a situation of not being able to get a real handle on plans and intentions.

I want to ask the minister: What is the plan that he presented to the urban hospitals as referenced in that memo today from Mr. Rod Thorfinnson, President of Health Sciences Centre, where he references the work of that hospital in response to this government's intention to restructure the system?

Hon. Donald Orchard (Minister of Health): Mr. Deputy Chairperson, when I indicated this afternoon that we do not need more funding for health care, we need reform, what I was doing was—in case my honourable friend wanted to check the source, that came from a February 20, 1992, news release out of the Province of Saskatchewan, and that was a direct quote of Louise Simard, my counterpart in the new government of Saskatchewan, wherein she said: We do not need more funding for health care, we need reform.

* (2005)

In case my honourable friend thought that I claimed the language, no. I agree with that statement. It is an appropriate statement. It is a statement that is being made, I think, across the length and breadth of this nation. I cannot tell you what that means in Saskatchewan, cannot tell you what that means in Ontario, cannot tell you what that means in Nova Scotia, but in Manitoba, I think if you follow my opening remarks, and I know you did follow the opening remarks, there is an agenda of health care reform which we are embarking upon based on a pretty solid foundation of some research, some analysis of what we have been able to accomplish in the health care system. In essence, the challenge that we are putting before our health care system is to provide the appropriate service for the citizen requiring care and to provide that appropriate service in the appropriate setting.

That will mean a shift away from the institution, No. 1, to possibly other institutions. I will explain that further on in my answer, and also a shift away from the institution into community supported programming. The service to the individual, to meet the individual's need, is what is preeminent and on the forefront of the agenda for change, and let me give you a specific example.

I do not know whether my honourable friend has used this as an example, but many have, including the member for The Maples (Mr. Cheema).

The criticism has been appropriately levelled at government that we ought not to be occupying an average-cost, $800-per-day bed at the Health Sciences Centre with a panelled person requiring either admission to a personal care home or, in some cases, supports in the community. We think that is appropriate.

Now, my honourable friend will also recall when she embraced the first report of the Centre for Health

Policy and Evaluation, wherein it said that as you see the system change, you have not succeeded in the past or seen success in the past 20 years of making a true change of the system when all of your efforts to replace institutional care with community-based care have simply led to an increase in funding in the community and no replacement of services in the institution.

The observation made in the Centre for Health Policy and Evaluation was that to enable the shift to community to take place and to remain, as one moves the funding and the programming from the institution so that the bed is not occupied, the bed, for program purposes, ought not remain open; it ought to be closed.

That is the process, for instance, that went on in Brandon General Hospital, where the board, through two years of increased funding from this government, initiated outpatient surgery, for instance, initiated substantial programs that built upon increased home care funding so that the occupancy rate of a number of beds within their facility had dropped as low as 51 percent for one ward to 67 percent, 68 percent in other areas of the hospital.

What the management did was, with those lowered occupancy rates because of replacement of services in the community and double the funding on home care, for instance, in the last four years in Brandon as a city, they closed their beds. They consolidated wards. That led to probably 22 or so fewer beds. I do not know the exact number.

* (2010)

What in fact you saw was program changes moving services with the patient to the community resulting in a decreased need for those beds and occupancy of those beds in the hospital tracked over 18 months and a subsequent closing of some beds by consolidation of ward functions.

That is a process that we think has merit and will happen across the system. That is the essence of the overview of moving the budget and the service with the individual requiring care from the highest-cost institutions to lower-cost institutions and/or community.

In making that process reform and making that process work into the future, there will be a smaller bed count at some of our hospitals and, most notably, at our teaching hospitals.

Ms. Wasylycia-Leis: Mr. Deputy Chairperson, the framework is understandable. We have no quarrels, as I said earlier, with the general approach in terms of moving from institutional to community-based care. The reality or the actions of this government, we do have some concerns with and would like some clarification.

In essence, it appears that we have a scenario of budget reduction targets, bed closure targets and the plan being made to fit the budget requirements. I say that simply based on the failure on our part to get any clear-cut answers from this minister about bed cuts and budget cuts for our urban hospitals.

I would like to specifically ask how the plan, the overall health care reform, so-called reform plan of this government fits with the specific directives being made currently to urban hospitals, specifically since the minister referenced the teaching hospitals, the directive of 240 beds to be cut from the teaching hospitals as well as the significant budget requirement to be met in terms of this government's so-called restructuring plans.

Mr. Orchard: Mr. Deputy Chairperson, my honourable friend agrees with the process; at least that is ostensibly what my honourable friend has just indicated.

Point of Order

Ms. Wasylycia-Leis: I would not want the record to indicate I agreed with the process, or at least this government's process. I indicated that in terms of the broad theory and framework of a health care reform agenda that moves from an institution-based system to a community-based system, we have all expressed support for that. I did not express concern about the process, because I do not know what this government's process is, and that is what I am asking about.

Mr. Deputy Chairperson: Order, please. The honourable member did not have a point of order. It is a dispute over the facts.

* * *

Mr. Orchard: Mr. Deputy Chairperson, I did not mean to put words in my honourable friend's mouth that she did not want put there. The member indicates that on behalf of the New Democratic Party, they agree with the concept of moving services from teaching hospitals with the person requiring those services to a lower-cost institution

and/or the community. I remind my honourable friend that when she agreed with the Centre for Health Policy and Evaluation's report, that they recommended to make sure that you do not parallel fund the system, the beds must be closed, I presume my honourable friend the New Democratic Party critic is agreeing with closing of beds when they are inappropriately used to provide services to individuals in need of service.

That is what I was saying she agreed to. If that is not what she agreed to, then we have a fundamental disagreement over what—in fact, my honourable friend is trying to walk both sides of the fence, because I will tell you straight out, that is where we are heading. When services are moved from a teaching hospital to a lesser-cost institution or the community, beds that are occupied by those services will be retired from service, closed.

My honourable friend is nodding her head, understanding that is the process, and I presume she agrees with that.

* (2015)

Ms. Wasylycia-Leis: Let me clarify that and then repeat my last question. Our concern, expressed all along, has been with respect to this government's apparent move toward health care reform using the jargon, using the rhetoric, using the proper words, but without any real understanding of whether or not it is health care reform, so all I am trying to do is get to the bottom of that. We do not support, and nobody I believe in this room would support, the closure of beds unless you have got the means within the community to provide the services and meet the needs.

The concern that we have expressed, and I believe many of the hospital administrators in the urban setting have expressed, and many of the health care professionals that the minister is aware of in terms of specialists who have been outspoken, representatives of the MMA who have been outspoken, is they are all asking the question, and we are all asking the question, is this simply a cutback in an attempt to deal with a budget issue, or is there in fact a plan whereby as beds are reduced at any hospital—let us say that we are dealing with the teaching hospitals—as beds are reduced and budgets are cut back, is there an alternative system in place?

Have provisions been made to deal with people waiting for certain services? The minister says time and time again the patient is at the centre of his health care reform equation. I would like to get a sense of that and would ask again, what beds are being asked to be cut? Let us start with the teaching hospitals. What provisions have been made to deal with the pressures on the health care system and the means by which one can ensure the patient's needs and the service requirements are actually met?

Mr. Orchard: Mr. Deputy Chairperson, here the whole honest and open debate is beginning to come unravelled because, all of a sudden now, my honourable friend, when she realizes what the meaning of reforming the health care system, moving from institution to community, means, she now wants to end run the issue so to the community-based service providers she can say, you know, we support you, we want to do more in the community, and then she will go down to the teaching hospital and say, well, you know, we do not believe any beds should be closed in your institutions.

Again, my honourable friend would appear to be wanting to try to have it both ways, and that is why I sought clarification, because my honourable friend, in her first answer to me, said that she agreed with the general concept of moving funds with individuals requiring care from high-cost institutions to lower-cost institutions to community-based services. I reminded my honourable friend in my first answer that that meant the closing of those beds when those services are provided outside of a teaching hospital. My honourable friend nods her head now but try to not say that is what she meant last time around.

I am not going to delay the debate, because if my honourable friend does not believe that when you move services from a high-cost institution such as a teaching hospital to lower-cost institutions—my honourable friend believes that the beds should remain open and in service and occupied while we double fund the system, in the community as well as in the institution. My honourable friend is not talking the kind of reform that I am talking about in Manitoba and that every other province is talking about, including three New Democratic Party provinces.

British Columbia has already one of the lowest acute-care-bed-to-population ratios in Canada and, I believe—and I will stand corrected—have adopted the royal commission's recommendation to reduce that ratio by 25 percent further reduction in acute

care beds. The reason they are doing that is because the old power symbol of the bed is old think. That is why I say to you that as the system reforms over a two-year period of time in the province of Manitoba, you will see beds closed in our higher-cost institution, and the services that those beds used to deliver to individuals needing care will be moved to lower-cost areas of the system, be they institution or community. The beds will be retired from service at our high-cost teaching hospitals.

* (2020)

Those are discussions that have been under way, and where we can find lower-cost opportunities of service delivery, we will exercise today. In terms of the budgeting process, my honourable friend must surely admit a fairly significant increase to home care. That is a community-based service with which we hope to pick up some of those additional costs, and at the same time as beds are retired, for instance, for panelled patients at the teaching hospitals, the budget then becomes a greater enhancement to the community.

I want to remind my honourable friend that this process in Manitoba is going to be one that is staged over a two-year period of time, and it is not going to be staged without additional resources going to the hospital. Out of the $103 million that is the increased budget of my ministry, $53 million of that will go to the hospital sector. Now that is not a cutback that my honourable friend always uses in her language. That is an increase in funding to hospitals, acute care hospitals, of $53 million.

The similar figure this year in Ontario for nine times the population is approximately $75 million. Now, if a $53-million increase in Manitoba is a cutback for 1 million people, what would my honourable friend in opposition describe the government of Ontario's $73-million increase in funding to hospitals serving 9 million people?

So, you know, I recognize my honourable friend wants to have it both ways in this debate. She wants to be able to criticize government for moving toward the institution, for retiring beds at our high cost institutions when we replace those services at lower cost institutions and/or in the community, but if my honourable friend persists in making that kind of a criticism, then my honourable friend is really not making an honest statement when she alleges that the party of the NDP in Manitoba believes in that shift in care service delivery and budget, because that is where we are heading.

The end product and what the hospital configurations will be in terms of bed capacity, I cannot tell my honourable friend as I sit here now because as in the Brandon circumstance, I do not know. Six months ago, if you had asked me how many beds are going to be closed in Brandon—because the rumours were floating around Brandon at that point in time—I could not have answered the question. I can today because the management has made their decisions on reorganization within the hospital based on 18 months of analysis.

The Health Sciences Centre, St. Boniface and other urban hospitals are doing exactly that now. They have a portion of $53 million in additional funding to pay for their level of services this year, and there is an increase in the Continuing Care budget to access an enhanced level of services in the community. I think that this is a pretty reasoned and pretty open and pretty informed and pretty clear pathway of reforming the health care system in Manitoba.

I will put what we have before us in Manitoba before any other provincial jurisdiction in Canada, because it is (a) better funded; (b) better underpinned with research, such as the Centre for Health Policy and Evaluation; and (c) better discussed through the forum of the Urban Hospital Council. This is not a stage that we are at in health care change that is arrived at on the flip of a coin or instantly.

We have been working with the hospitals' professional groups and others for four years to develop this kind of an understanding of the system and where the system can change without compromising the individual Manitoban needing care. We believe we can do it, and we believe that it can be done with minimal disruption to the individual requiring care.

* (2025)

Now, I want to tell my honourable friend that we will not achieve it without a number of professional groups saying it will not work and crying foul, such as the MMA, but as I reminded my honourable friend Friday and I remind her again today, the MMA has another process that is ongoing right now. It is called arbitration, and the MMA is before our arbitration board asking Manitobans to pay them for

this current fiscal year, '91-92, a total of 12.1 percent more resource.

That, with all due respect, is not in the cards. If that kind of an increase goes out of a limited budget to one professional group, yes, there will be longer lineups for surgery, et cetera, because we are going to be paying more to the physicians to deliver less. I do not think that this is what any Manitoban would say would be reasonable. I have not heard my honourable friend's position on that, but I know she will share it with me.

Now you want to talk about the individuals who are throwing up the alarm bells at the Health Sciences Centre. We can deal with those too, because I can assure you that some of the information that from time to time becomes public is not necessarily all the information one would want to have at their disposal to make a judgment on the issue and, No. 2, is not always completely without vested interest, that the people who sometimes protest about change are not protesting about change because it might compromise care delivery to individual Manitobans, it might in fact compromise the program line and the program area that they are involved in.

(Mr. Jack Reimer, Acting Deputy Chairperson, in the Chair)

Those are two different issues, very different issues. Again, I simply indicate to my honourable friend that, as we move through the debate of the Estimates, she will find that we have researched the issue and that we are able to answer most of the reasonable questions that will come forward on the what-ifs, because we have thought the process through. We have not given a 1 percent increase in funding to hospitals. We have given $53 million, so that the process will be reinforced and enhanced and the ability to make it work for the individual requiring care in Manitoba, the opportunity is fully and squarely there. The only thing that will prevent it from happening is the expression of vested interests commandeering the media and commandeering my honourable friend, the opposition Health critic.

There are always two sides to the story, and if what we are doing is wrong, then let us talk about what we should change to do it right. Let us listen to the new ideas, because I am telling you what the process is. The process is, I believe, the correct one. It is founded in research. It has been given an opportunity of funding increase to work, and it can work. It will work for the individual requiring care.

Ms. Wasylycia-Leis: Mr. Acting Deputy Chairperson, the minister is right when he says that sometimes the opposition does not have all the information at its finger tips that it should have, and that is one of the reasons why we are asking some of these questions.

When I first raised this issue in the House, about the talk of budget reductions and debt cuts at our urban hospitals, I did not have all the right information. I had in fact from my sources a figure of 250 beds being proposed as a target bed cut for the two teaching hospitals. It turned out to be, by all other sources, 240 beds.

* (2030)

My question to the minister is: On what basis—he says all of the decisions are founded on research—was the 240 beds proposed to the Health Sciences Centre and St. Boniface Hospital as an appropriate target bed cut for this point in time?

Mr. Orchard: First of all, let me correct my honourable friend when she mentioned budget reductions. I mean, surely my honourable friend can get that inappropriate language out of her vocabulary. You cannot call a $53-million increase in hospital budgets a budget reduction. That is the first premise where my honourable friend is not right.

Now, I realize that my honourable friend will persist in using that language, and I can only show my dismay and my frustration, but there are not budget reductions. There is a 5.7 percent increase that we are debating in these Estimates. There is $53 million of increase to hospitals throughout the province of Manitoba.

We do not discuss bed targets in the Estimates process because, as I said to my honourable friend, had you asked me six months ago how many beds will close in Brandon General Hospital in downsizing because of a shift to the community, because of outpatient surgery, because of increased continuing care, the same sort of dynamics that are at play in the Winnipeg hospitals, including the two teaching hospitals, I could not have answered that question, just like I cannot tell my honourable friend that six months from now there will be 50 fewer beds at St. Boniface and 100 fewer beds at Health Sciences Centre, and a year from now it will be 75 and 150.

I cannot tell my honourable friend the time line and the numbers, but I can tell my honourable friend that

both hospitals two years from now will have a reduced bed count because of move of program from those institutions at an average cost of $800 per bed per day to lower-cost institutions and/or community care, and it will be a reasoned process of shift, of budget, to provide appropriate services in an appropriate setting, be it lower-cost institution or community.

I cannot give my honourable friend the absolute numbers that she wants, to do with whatever she wishes tomorrow and the next day and the next day, but I can tell my honourable friend that the numbers at both the teaching hospitals will be less two years from now as we debate Estimates than today.

Ms. Wasylycia-Leis: Mr. Acting Deputy Chairperson, I did not ask the minister to tell me how many beds would end up being cut at the end of this process. I asked him where the 240-bed-cut target for the two teaching hospitals came from. That is a figure which came from either the minister or his deputy minister or someone in his department. It did not come from the hospitals. It has been a directive issued to the two hospitals, a figure put before them for serious consideration. So I am simply asking: On what basis was that figure based? On what research is it founded?

Mr. Orchard: It was founded on the principle that our teaching hospitals undertake care delivery in sections of the hospital for which appropriate and equivalent and sometimes better care can be provided in other locations, such as long-term care, such as out-patient surgery procedures, et cetera, such as lower-risk operations, low-complication operations which can be carried out in less expensive and less complex teaching hospital areas.

Those services which can be performed elsewhere in the health care system instead of at the highest-cost centres in the system, i.e., St. Boniface and Health Sciences Centre, are targeted for delivery in less cost environments. Again, I harken back to the principle that when we remove a service from a teaching hospital environment and replace that service in a lower-cost environment, the bed used for the delivery of that service will be closed at the end of the process.

It is in research, in terms of the complexity of certain illnesses and procedures undertaken at the teaching hospital environment, done by the Centre for Health Policy and Evaluation. It is looking at panelled patient placement, which we think is less than appropriate in a teaching hospital environment, so that those services and the expense attached to them in an average cost per day are what is being targeted and moved elsewhere. That is the research that is underpinned. Now, do you want me to give you some specifics?

Let us deal with the distribution of cases at Winnipeg hospitals, and let us deal with one illness, pneumonia and pleurisy: Patients suffering no complications from pneumonia and pleurisy at Health Sciences Centre are 45 percent of their cases; at St. Boniface, 41 percent; and at other hospitals, 37 percent. Those with major complications, in terms of percentage of patients, at Health Sciences Centre with major complications in pneumonia and pleurisy are 15 percent of their patient load; St. Boniface, 16 percent; and the other community hospitals, 18 percent.

In other words, to take that example around pneumonia and pleurisy, the argument that the teaching hospitals deal with the most complex illnesses is not accurate in that case. It is a commonly held belief that that is the case, but upon analysis, we find out that is not the case with pneumonia and pleurisy.

Deal with another one, complexity of cases coming to Winnipeg from rural Manitoba. This is a one to 100 percentile complex gradient. In the least complex, rated one to 10, St. Boniface has 36 percent of their cases from outside of the city of Winnipeg in the one to 10 category. The Health Sciences Centre has 27 percent in the least complex one to 10. Our other Winnipeg hospitals have 23 percent. Okay, less than the two teaching hospitals.

The appropriate analysis made by the experts say that of those least-complex admissions from rural and northern Manitoba coming to the hospitals in Winnipeg, a third of them go to St. Boniface, better than a quarter to Health Sciences Centre and less than a quarter to other Winnipeg hospitals. Our cost centres are the two teaching hospitals, and they are dealing with the least complex cases.

We think that in the interests of providing appropriate patient care at a lower cost to the system, it does not make an unreasonable policy direction to move those cases of the least complexity to lesser cost delivery locations.

That is where we are discussing with both teaching hospitals how we can change what they do so that they are continuing their excellent role of dealing with the most complex surgical and medical cases that we have in Manitoba. That is their forte. That is what they are marvellously equipped to do in terms of technology, resource and physician expertise. Surely my honourable friend must see a little bit of a quandary where 36 percent of rural admissions to St. Boniface are the least complex, over one-third.

I will make the case to my honourable friend that we should be undertaking those procedures in Thompson General Hospital, Flin Flon, The Pas, Carman, Steinbach, Pine Falls and at a substantially lower cost per patient day than at our teaching hospitals, and do you know what? We will not compromise the quality of care one iota in those instances.

* (2040)

That is the direction that the reform has taken. That is the kind of research that is underpinning the initiative of moving services and budgets with the patients and with the people requiring care from the teaching hospital environment to lower cost centres of care delivery throughout the province and to the community.

Ms. Wasylycia-Leis: Mr. Acting Deputy Chairperson, I appreciate the minister finally answering my question about the 240 beds. He has finally indicated that it was a directive from his department, and that it was based on a number of factors.

I would like to know if, along with that directive to the hospitals, any decision or recommendation was made with respect to those beds being cut from rated beds, actual beds or setup beds. Could the minister give us any indication from what target those beds will be cut?

Mr. Orchard: Mr. Acting Deputy Chairperson, my honourable friend is well ahead of the process, because when I give her an answer of what research underpinned the reform direction of moving services from the teaching hospitals to lesser cost locations and closing the beds at the teaching hospitals, my honourable friend, when she is confounded with the fact that there is research underpinning that policy direction, she then uses a quantum leap in logic, and confirms that, in fact, it is going to be 240 beds, and now she wants to know whether it is from—I do not even know what all those different bed counts mean, so I cannot answer my honourable friend.

What I will tell my honourable friend again, as we identify those services to admitted patients in the teaching hospitals that can be provided in other areas within the system, and we achieve the move of the service with the patient, the budget will move with the patient, and the bed will close at the teaching hospital.

Now, that process will take over two years, and as I said to my honourable friend 10 or 15 minutes ago, I cannot give my honourable friend a figure of 50 beds at St. Boniface today, and 100 beds at Health Sciences Centre, and a further 50 and a further 100. I cannot give my honourable friend that number, but I can give my honourable friend the kind of general policy direction which I believe my honourable friend agrees with, and that is exactly the process that the senior management of the teaching hospitals and the health care system are trying to come around and put parameters to over a two-year process in which this change we envision can take place.

Now, is that a good enough answer for my honourable friend?

Ms. Wasylycia-Leis: Well, it seems for every little step forward we make in terms of getting some information, I guess we go a couple of steps backward. The minister did indicate that there was a target, and I use the word target repeatedly in my questions of 240 beds to be cut from our two teaching hospitals.

He has confirmed that and given us some insights into this government's rationale behind those bed-cut targets. He is indicating he cannot be more specific than that, and I am sure if we had long enough and we had enough patience to get through the long answers, we would probably get more detailed information.

We could then pull apart the details that his department has given to our teaching hospitals about the split, for example, of the 240 beds between the two institutions and he could be more specific in terms of the information about how many beds will be supposedly transferred to Deer Lodge, how many to be transferred to municipal, how many to Concordia and how many to rural hospitals since all of those figures are out there and many officials and individuals in the hospital system are aware of those figures.

I am sure the minister is quite well aware as well of the difference between rated beds and set-up beds. I am sure he knows that there is a big difference between 160 beds being cut off a total of 1,113 rated beds at the Health Sciences Centre as compared to 160 beds coming off a total of 978 set-up beds at the Health Sciences Centre.

He knows that there is a big difference in terms of the impact on patient services and on waiting lists for surgery and on the ability of the hospital to continue to provide the same quality of services in areas for which there is clearly identified need and research to establish the requirement for those services.

I will ask him, though, since the minister has been very clever in terms of the whole issue of the budget and the targets and the reductions and the increases, to clear up a very, I was going to say, quite devious—I will not use the word "dishonest" approach to all of this because I am sure that would be unparliamentary.

Let me begin by asking the minister, since he talks about his $53-million increase to hospitals, what will be the final increase to hospitals once they have received the increase, whether it be 4 percent or 5 percent, as the minister indicated in the House the other day, after they have reduced their base budgets by the targets requested of them from this minister and his department?

I would specifically like to know—and I use the word "reduction" because that is precisely the word used by his own department in referencing the same kind of budget exercise last year for urban hospitals, the target of $19 million, and from his own departmental briefing book, the word targeted "reduction" has been used. The urban hospitals are faced with the same situation this year and have been asked to find ways to come up with dollars to pay for the unachieved, overall targeted reduction from last year—that is the $19 million. They have been asked to, of course, accommodate their own deficit situations and deal with that in terms of their base-line funding, and they have been asked for a new target. Now the word is no longer for "reduction" purposes but for "restructuring" purposes.

I would like to ask the minister, when all is said and done, and they have been handed their 4 percent or 5 percent increase and then they have been asked to cut millions from their base-line budgets, what percentage increase will they be left with?

Mr. Orchard: I just want to go back because my honourable friend keeps using language that is unbecoming of her stature in the Legislature. Let us talk about the process. Am I assuming from my honourable friend's remarks that she believes we should continue with 36 percent of the admissions to one of the teaching hospitals from outside of the city of Winnipeg being in the least complex of medical requirements. On a scale of one to 100, 36 percent are in the one to 10 percentile, because if my honourable friend believes that this is appropriate, and we ought not even to question it, we ought not even to try and get around that issue and provide the care closer to home in a rural hospital, in the community, if possible, and thereby remove from service the bed required for that 36 percent of admissions from outside of the city of Winnipeg, if my honourable friend says that is not an appropriate goal to try and achieve with the hospitals, then I am afraid there is no point to this debate, because I do not believe that this is an appropriate use of a teaching hospital bed—more than one-third in the least complex percentile of medical complexity for admissions from outside the city of Winnipeg to a teaching hospital.

So if my honourable friend—and she is under no obligation whatsoever to say whether government should attempt through reform to change that admission pattern and to say whether in government an NDP government would do the same thing. She is under no obligation to say that whatsoever, but I want to tell you, silence will speak droves. If my honourable friend believes that this is an appropriate admission pattern, that we should not do anything to intervene with it—because that is where we are coming at for reform of the health care system, with an underpinning of understanding of what happens.

* (2050)

I want to tell my honourable friend that every time successive governments have talked downsizing to teaching hospitals, the argument has always been, oh, you know, you really should reconsider that because we deal with the most complex levels of care, and therefore we would compromise the care delivery to individuals being admitted if we were downsized.

Pretty persuasive argument. Not accurate, but persuasive, and when we discover the complexity of admissions and we say that this is inappropriate and we lay out a plan to move those services to a more appropriate location, remove the budget with it, close the beds that are used to service those lowest percentile complexity of admissions, all of a sudden my honourable friend seems to be dancing on the head of a pin and not agreeing, all of a sudden. Well, if my honourable friend does not agree with that as being an appropriate area for reform, including closing of beds at a teaching hospital, then I am afraid my honourable friend (a) does not understand the health care system, or (b) is not honest enough to be direct in saying that those should be pursued in any reform process in the province of Manitoba, because that is where we are coming from.

Now, to answer my honourable friend's question on specific increases to specific hospitals, I cannot give my honourable friend that information tonight. As soon as that information is available to specific hospitals, I will provide it to my honourable friend, and it will be when we hit the hospital line.

Now, let me talk about reductions, because my honourable friend is talking budget reductions again. Hospitals request a certain amount of money. Governments provide a certain amount of money which is less. That is the reduction that they are having to find in their budgets every year, the same thing when it was budgeted when my honourable friend sat around a cabinet table. You did not give the hospitals the percentage of increase they asked for. You gave them less because that was all you could afford to give them. That is the same circumstance this year, last year, the year before in the province of Manitoba.

Now, my honourable friend calls that a cutback, calls that a reduction, et cetera. Well, I guess if that is the language you want to use, and it is an appropriate language and it is accurate, then our cutback is probably in the neighbourhood of—what?—$50 million, because they requested maybe $100 million in total to the hospitals, you know, rough, rough figures. So our cutback, by providing $53 million more to the hospitals, was $50 million, using my honourable friend's language.

Well, let me tell you what the cutback in Ontario was this year. They requested $560 million, got $73 million, so the big, bad NDP in Ontario cut them back $480 million, if you want to use that language, if you want to use that analogy and that inaccurate presentation of political fact.

I do not use that kind of language. We have given them an increase of $53 million in the hospital line. It is not as much as they requested. It never will be as much as they request because (a) the taxpayers of Manitoba have said we cannot afford higher taxes and (b) we have said, as government, we cannot afford more deficit financing. So we are having to make the cloth fit. In doing that, we have made reductions in other departments across government to put a $5.7-million increase in health, $101 million, $53 million of which will go to hospitals.

Now, you know, I simply want to say to my honourable friend, that is not as much as they requested, and that is why we are approaching the change in the health care system from a standpoint of providing services to people needing care in the most appropriate environment, which will also be the least-cost environment. We think that makes very good patient sense and very good budget sense. That is the process that we are involved in. It will mean a reduced bed count at the Health Sciences Centre and the St. Boniface General Hospital, as our two teaching hospitals.

Ms. Wasylycia-Leis: I wonder, if I try a few short questions, if I might get a few short answers. Let me just ask. Of the overall targeted reduction to urban hospitals from last year, and this is from the minister's own briefing notes, what was not achieved, and how was the unachieved overall targeted reduction divided up for urban hospitals for this fiscal year?

Mr. Orchard: I cannot answer that. I would have, hopefully, that kind of direct answer as we get towards the hospital line later on in the Estimates because, you know, you must appreciate that we have not finalized figures for this fiscal year. We are debating funding to commence on April 1, and we have not closed the books on this fiscal year yet. There are going to be some unmet targets. There are going to be some deficits in the hospitals. We know that right now.

As my honourable friend well knows, she sat around a cabinet table in 1987 that issued the directive, there will be no deficits in the hospitals. That was at the same time that you ordered the closure, without consultation, without discussion, of 119 beds in the hospitals of Manitoba, including the Brandon General Hospital.

I realize that my honourable friend does not like to recall those glory days of the heady funding of NDP to health care, under Howard Pawley, but that was a policy directive my honourable friend acceded to at cabinet, I presume, because she was a cabinet minister when that directive, obviously discussed around the cabinet table, was made. She was also a willing partner and agreed to the 119-bed reduction at four hospitals, Brandon General Hospital being one of them, in 1987, as a budget measure, without consultation.

Now, I simply say to you that the process we are into right now—I cannot give those definitive answers because we have not closed year-end, but I simply tell you that there are hospitals which are going to have deficits. Those deficits, as my honourable friend well knows, are not allowed and must come out of, if they cannot be justified, subsequent years' operations.

I will not be able to give my honourable friend that answer. I may only be able to give her a ballpark answer as we resume Estimates in the first part of April because we will not have the final figures from the hospitals, but we will have some pretty good ideas. I will share those with my honourable friend when we hit the hospital line because—unless the NDP is now recanting on the policy they put in place in 1987 of no deficits in the hospital system, I am sure my honourable friend would agree that we have to make the type of management decisions around budget that they envisioned when they put in the no-deficit policy.

Ms. Wasylycia-Leis: Mr. Acting Deputy Chairperson, the minister knows I was not asking about deficits and the policy of this government on deficits or detailed figures on that. He knows I was asking about his own overall targeted reduction—these were his words, his department's words, with respect to urban hospitals for last year.

My specific question was—the unachieved portion of that which I understand to be in the neighbourhood of close to $12 million, out of the $19 million, a significant portion has gone unachieved for this fiscal year and has been assigned to individual hospitals for the coming fiscal year. I had asked him for details on that and for how it was to be divided up for each hospital.

Let me go on, since I do not expect an answer on that, although it would appear to me reasonable to request this information at this point and unreasonable for the minister to suggest we can only have this information when we get to the line on hospitals.

However, let me ask one more question on this issue, and that is, the minister has presented to urban hospitals a target similar to the $19-million budget reduction target for last year, only this time being called a target for restructuring purposes of $15 million for the next two years system-wide. I would like to know very simply where this $15 million comes from, what research it is based on and how it will be prorated or divided among urban hospitals.

* (2100)

Mr. Orchard: Mr. Acting Deputy Chairperson, these questions are answered at year-end when we find out whether hospitals have achieved their year's operation, either within the allocated budget, and if not, outside of it; i.e., as a deficit.

Now, my honourable friend may want an answer today, but I cannot give my honourable friend an answer today that would be accurate. Then my honourable friend would jump on my frame when the figure changed, so I choose not to play that kind of game with my honourable friend by simply answering that hospitals were asked to operate with given budgets last year.

Some did, some did not. Those that did not are in a deficit position. Deficits, as I indicated to my honourable friend, have not been allowed since 1987, before we were in government. We agreed with that policy and have carried it on. That makes the reconciliation of hospitals running deficits more difficult. The dollar figure of difficulty and which institutions, I cannot give to my honourable friend today.

Ms. Wasylycia-Leis: Just a last question on this before I hand it over to the Liberal Health critic. I would simply ask the minister if he could give us the rationale for the information and the targets he has given to urban hospitals. On what basis did he provide urban hospitals with a $15-million restructuring target for the next two years?

On what basis did he assign the unachieved target reduction to urban hospitals, and what are the details of that specific policy which is clearly at the heart of these current issues, these very controversial, current issues that we are dealing with with respect to the urban hospitals, particularly the Health Sciences Centre?

Mr. Orchard: Mr. Acting Deputy Chairperson, I am not sure I understand where my honourable friend is coming from now. Is she saying that the no-deficit policy is inappropriate now?

Point of Order

Ms. Wasylycia-Leis: I did not reference the question of deficits. I referenced the question of this government's reduction targets of last year and their targets for restructuring to urban hospitals for the next two years.

The Acting Deputy Chairperson (Mr. Reimer): The member for St. Johns did not have a point of order. It is a dispute of the facts.

* * *

Mr. Orchard: Mr. Acting Deputy Chairperson, a pretty important dispute of the facts, because if my honourable friend now, from the comfort of opposition, is abandoning the policy that her government put in place in 1987, I mean, then just throw away any kind of discipline and control in health care spending.

The budgets last year were struck to the individual hospitals at less than what they requested. Some hospitals maintained their operations within that struck budget, others did not. Those will have a deficit. That deficit will be known at the close of the fiscal year and the consolidation of their financial records. On the basis of their operations, they have made requests again this year. Those requests are not being acceded to in the numbers of dollars they asked for versus the number of dollars we can provide.

In addition to that we are saying, within the health care system and the hospital system in Winnipeg, that a restructuring of the health care system, a reform of the health care system is underway. It will involve, and I repeat myself for my honourable friend again, moving services which can be delivered in other than a teaching hospital environment to the appropriate, and I would say all of the time lower-cost environment of another urban hospital, nonteaching, a rural hospital, a personal care home or the community.

(Mr. Deputy Chairperson in the Chair)

With the move of those services and patients, two things will happen. Budgets will move and beds will close at the teaching hospitals. Now, we have been through that. My honourable friend wanted to know what underpinned it. I can take her through the percentile of care. I can take her through pneumonia and pleurisy again. I will give her another one so that she knows—

Mr. Deputy Chairperson: Order, please.

Point of Order

Ms. Wasylycia-Leis: I simply asked him for the basis. I already got an answer for an admission of the 240 beds for the teaching hospitals. I asked him for a clarification and a rationale behind the $15-million base-line cut for urban hospitals that had been designated for restructuring purposes.

Mr. Deputy Chairperson: Order, please. The honourable member did not have a point of order, it is a dispute over the facts.

* * *

Mr. Orchard: Mr. Deputy Chairperson, I appreciate my honourable friend and her attempts in confirming what she wants to believe. That is what she can believe.

But let me give you another underpinning of where we see the hospital system able to make significant changes in the use of that symbol of power called the bed. For bronchitis and asthma we have eight urban hospitals where the length of stay for the same complexity of case ranges from five days on average per individual admitted with either bronchitis or asthma in one hospital to seven and a half days in another. What that means is that hospital "A," in the time that hospital "H" cares for two patients, can care for three. Do you know what that means? That means we are inappropriately using acute care beds at hospitals with 50 percent longer stay for the same complexity of case.

That means the power symbol of the bed is being inappropriately used. If you bring the average length of stay down to the five, you save, you have empty hospital beds. You have not compromised the care to the patient.

Let us deal with psychosis. If my honourable friend wants yet another example underpinning the reform.

Point of Order

Ms. Wasylycia-Leis: Since the minister does not want to answer the question, I am quite prepared to now pass the floor over to the Liberal Health critic.

Mr. Deputy Chairperson: Order, please. I would like to remind the honourable member that a point of order is the correct method of calling attention of this committee on the use of unparliamentary language. It is not correct however to use a point of order to dispute the accuracy of facts stated in the debate. The dispute over the facts is not a point of order.

* * *

Mr. Orchard: I want to give my honourable friend one more example, because my honourable friend asks for information and then when the information happens to make sense as to the process we are under, all of a sudden she does not want to hear the information. That is exactly what has happened here tonight. Every time I have provided my honourable friend with concrete facts as to what is guiding the reform of the health care system, moving services from teaching hospitals to lesser-cost centres of care delivery without compromising the individual's quality of care, she does not want to hear that. But she is going to hear that because this is the basis of research for underpinning reform in the health care system.

Hospital A—for psychoses which are of equivalent seriousness, 24 days in hospital A. The range goes to hospital F with 39 days. Bear in mind these are similar patients with similar mental difficulties. The range of stay goes from 24 days in one to 39 days in the other. That is a significant use of acute-care capacity, and one could make the case that there are almost half too many beds in hospital F committed to that treatment of that same illness. That costs us dollars. It compromises the ability to reallocate those dollars to more cost-effective areas of health care delivery when they are being consumed in acute care hospitals for an inappropriate length of time, as the statistics would indicate.

* (2110)

Now, my honourable friend does not want to listen to those statements of fact, but that is what is happening in our institutions. That is why we are moving those levels of care to more appropriate locations.

Do you want to know who is going to kick and scream about it? First off is going to be the physicians who admit to those hospitals with a length of stay of 39 days versus 24, because all of a sudden, they are going to have to answer: Why are they significantly different than several other hospitals? Why is their treatment modality such that they have to keep their patients institutionalized that much longer for no apparent difference in the need of the patient, only in the length of time it took to achieve a similar outcome? Who is at fault in that circumstance? Is it government? Is it the patient? No, but my honourable friend would want to perpetuate a system that sees that carry on without analyzing and asking for remedy which is appropriate to the patient.

That is the kind of research that underpins the reform that we are undertaking. If my honourable friend thinks that it is inappropriate to research that to identify those difficulties, to identify those differences and try to remove them from the system, then my honourable friend does not believe in her own words of urging us on to reform of the health care system. They are hollow words, and they are a sham.

I do not happen to think that she comes from that standpoint. It is just the fact that when one presents legitimate answers to my honourable friend, legitimate research, founded principles that happen to confirm the direction we are taking so she cannot argue against it and make political points in the community and cry cutbacks and reductions and everything else, that in fact she has to, deep in her soul of souls, agree with what we are doing, then, well, I am not supposed to give that kind of information. Well, I am sorry. You are going to be asking those questions, and those are the kinds of answers that you are going to be receiving.

Mr. Gulzar Cheema (The Maples): Mr. Deputy Chairperson, thank you for letting me enter this very interesting debate.

Certainly I have a number of questions in this area, and I will start with them. One of the important aspects of the whole health care reform and one of the major areas is the Urban Hospital Council which is chaired by the deputy minister. I would like the minister to tell us how this committee was instituted, first question. Second is, how many times has the committee met? Third, what kind of consultation has taken place? Fourth, what are the professional groups and who are the health consumers who have actively participated? Simply, we are seeking some information.

Mr. Orchard: First question, how did the Urban Hospital Council come about? I have to say that it

had its roots back in January of 1991, where we, government and myself, would meet on a fairly regular basis during the nurses' strike of January. Through working together at the CEO level and discussing problems in each institution with myself and senior members of government there, my deputy and my associate deputy, we were able to resolve problems in one hospital by sharing resources, whatever.

I think it is fair to say that the genesis of the Urban Hospital Council was then formally constituted, I think, about May or June of 1991, thereabouts. Number of times it has met—the council involving the CEOs and my deputy minister and the regional director of Winnipeg services probably has met in excess of a dozen times. The various committees which are studying the some 40-plus issues are very much dependent on the issue with emergency hours and the Misericordia Hospital being the one decision. Those were emergency physicians that were on that committee, and it was chaired by Dr. John Wade.

Psychiatry—We had our ADM chair that one, and there were psychiatrists on it. There are issues where there are nurses and other care deliverers that are members of the various study committees. The last question was?

Mr. Cheema: The reason for all those questions is very important. They may sound like very primitive questions, but in the minds of the public and from our point of view, we have to understand how this process evolved and how you are reaching all the conclusions. We are not shooting down any conclusions. I want to be very sure that we are not accusing somebody here. We simply want to see how you are going step by step, how the decisions are going to be made, so that we can form informed judgment on behalf of the taxpayer. I think that is the issue.

The reason why we are asking the composition of committees is that there have been serious questions raised in terms of the representation on the committee. We understand that sometimes it is not possible to have each and every group be part of a committee that is studying major reform, but at least the minister should tell us if there has been a formal communication—not from the minister's office—to the various organizations that have members on the committee. They have argued that this so-and-so person is not a part of the active committee of the nurses or active committee of the MMA, but they are still physicians and the health care providers. Were those individuals selected on the minister's own choice or were they given to the minister by these organizations?

The reason is that when you go to these people they tell us they are not part of the committee. When we look at the whole committee we see those individuals are there, so we wanted to know whether they were selected by the minister's office or they were given to them by their organizations?

Mr. Orchard: Okay, an appropriate question. With all of the subcommittees that are struck to deal with the various 40-plus issues, the Urban Hospital Council, chaired by my deputy minister, are the ones that suggest and ask people to serve on those various committees. The chair is selected out of the Urban Hospital Council, and then the members of the various committees are then—I guess a list is drawn.

I just want to indicate to my honourable friend that I have not been asked and have not suggested a single member to any of those subcommittees. What we try to do—by we, I mean the Urban Hospital Council—is to bring together experts around the issue specifically, that may in some cases be physicians. Those physicians may well be members of the MMA, but they are not there representing per se the MMA. They may also be members of the College of Physicians and Surgeons on the governing board, but they are not chosen to represent the College of Physicians and Surgeons. They are there to represent their professional input.

Similarly, when nurses are being asked to serve on any of the committees, they are in all likelihood MNU members, but they are not there representing the union per se, or MARN as the professional association, because they are all probably members of MARN as well.

So that what the Urban Hospital Council has attempted to do in the striking of each of these study committees is to focus the best, I would like to say the best expertise that is available around the issue, to try and bring conclusions back to the Urban Hospital Council that they can consider.

Now the process then becomes—and this is where I have been indicating to my honourable friend that I have not received any recommendations from the Urban Hospital Council. A number of study groups have reported on issues,

specific issues, to the Urban Hospital Council, much like the Health Advisory Network, to assure that the institution, if an institution is involved and is affected by the decision. For instance, quite openly, the Misericordia Hospital emergency ward has been suggested for closing from ten o'clock till eight in the morning. That issue was then sent to the Misericordia board for their discussion, their input, their feedback to the Urban Hospital Council, and as well to other hospitals to get their comments, because naturally it may well have an impact on them.

* (2120)

It is only after that second round of feedback that the Urban Hospital Council will consider the suggestions, the feedback from Misericordia and other hospitals, and then provide me with a recommendation. My commitment has been to make a fairly quick decision on acceptance or rejection. If it is acceptance, I am going to have satisfied myself that the suggestion will work, No. 1, and No. 2, that the implementation of it is reasonable and has some program strength to it.

I have not received any recommendations to date from the Urban Hospital Council upon which I have to make decisions. When that happens, I intend to make those public as quickly as possible.

Mr. Cheema: Mr. Deputy Chairperson, I think the issue that I am trying to reach at this stage is basically the composition of the committee and how the process is proceeding forward, what is the public perception, what is the perception of the health care professionals and what is the perception of the hospitals.

I think we are missing something, a major component in terms of the minister and the office may have the right intentions, but people were providing care delivery in the active formation, and they may have their own interests. The best thing to happen is that if you can get those individuals from the actual organizations to be part of the committee, then I think they can make an informed judgment. If they want to participate in health care reform, there is a platform for them to make their voice known. They have to make sure that their point of view is heard, then you have a platform to make a decision.

So we would rather see representation from those groups in one, two and above all we have not heard other than COs and the hospital boards, is there any public participation? Have you selected a person, a taxpayer, a common person on the street to be part of the committee, somebody who has gone through the system, who has suffered some illness, has been in the hospital, knows the system, and wants reform? I would like the minister to consider that point, and make sure that when the decisions are made, they are fully participating, so they cannot accuse the government, they cannot accuse the politicians: You are making decisions behind closed doors.

There is no way that the taxpayers are going to tolerate any extra spending of tax dollars without their knowledge. I think it will be to the advantage of the minister to get them involved at the active stage rather than at a stage when they can come and say, well, we were not well informed.

Mr. Orchard: Well, Mr. Deputy Chairperson, I do not disagree with my honourable friend's suggestion. In fact, we have been sort of wrestling with that one, and I have had a meeting with some representatives, for instance of the Wolseley Residents' Association, and my deputy participated in a Saturday meeting, and my assistant deputy minister for mental health was there as well.

There are two things which need to be worked through. Yes, public input is appropriate, but it cannot also be used as a vehicle just to simply confound and delay decisions of government. If we are wrong, the next election, the results will prove we are wrong. Then a government which succeeds us perchance could do so on the basis of reinstating everything that was inappropriately changed, so that the greatest exercise in public input is at election time.

However, I am sensitive to public debate because generally I have found that where members of the public are informed of all of the parameters around decision making, they generally come to the same conclusions government does, because there are no magic solutions.

The taxpayers out there, the citizens at large, understand: a) they cannot pay any more taxes; b) you cannot deficit-finance. They have seen that undertaken by previous governments and they do not like it. When they understand the constraints that government is in and some of the expert opinion around decision making and some of the research that I have shared tonight in terms of how we can, I think, quite well get by with fewer beds at the

teaching hospitals because of a number of factors, they begin to understand that the decision is the right one to make and that, in fact, it will not compromise care, possibly improve care and access to the system, so that very much we are trying to open up that process of public discussion.

But, as I sit here tonight, we do not have a mature process around Urban Hospital Council decisions, which would involve members of the public at large directly. We simply do not have that mechanism because it has been mainly, to date, a mechanism where we have put sort of the experts around a table in a room thrashing through an issue to see how we can approach an issue. As I say, we have met with the—well, I have met with representatives of the Wolseley residents group, and my deputy attended a couple of meetings now in that area.

You may not have agreement around the process, but you sure have a greater understanding of what the challenges are. I think it is fair to say on that basis, the Saturday meeting that was held recently, was probably a pretty fair understanding of the direction we are heading. That is helpful that the citizens can feel part of that process.

Mr. Cheema: I just want to emphasize again that when such bold steps are being taken, bold in terms of—I think that the whole direction of health care is going to be changed there.

I think it will be worthwhile to exercise that approach because then nobody can blame the government, that they were not notified in time. You have two years of process. If you consult them now, I think, if you put everybody around the same table and tell them, we have $1.8 billion, and that is what has to be divided in terms of how to make sure the patient care is provided. I think that, when they are getting more information, they probably will understand.

I want to talk about the Wolseley association. This is a good example. We have been in touch with them. They have told us very frankly that no issue has to be made out of this unless they notify us. In turn, they think that they should be informed. They want to participate. I think that is one reason that you are seeing no political bashing over closing that place yet, because they want to know what will happen, how they can change, how they can participate. That is one example.

I think it is the first time they got the opportunity to speak to the deputy minister and the Minister of Health, and they have expressed their concern. We are sure by the end of the day, when the decision is going to be made about the closing of the emergency ward, I am sure the minister will change his mind. The rationale that they are giving and what we have done, what I did in my last year, those things have come to a conclusion. So the public participation, as I said from the opening remarks, has to be open and frank, and also it should be with the public as well. If they understand—and I am not saying that, if they have the right information, they will come to the same conclusion. Maybe changes have to be made, and see whether travelling five minutes this way or that is going to make a difference, and how they are going to fund eventually, and that they are going to pay for it. I think that that message is getting across.

That was the one reason that we have a strong objection. I want to make it very sure that people who are providing the health care in the active formation, whether they are a part of a union, whether or not it is a union, or the doctors or the MMA, and if the minister could get one person from each of those major organizations and ask them to be active participants, but then there has to be some understanding that this is not a place to have self interest, the self interest has to be taxpayers' money.

That is the message people tell us. I mean, we are saying that thing and initially it looks very strange, because they think you are a member of the Legislative Assembly, you are telling us something. Are you not supposed to make a noise?

* (2130)

That has changed now and is changing very rapidly so we are inviting the minister to get into that mood, because it will help us as a member of the Legislative Assembly to convey to the people of Manitoba that these are problems that are not done in isolation, they are done with consultation with active groups, other groups, and then those groups have the responsibility: (a) to justify the expenditures; (b) to justify the taxpayer; (c) to work with everyone else.

It is easier for two years to put each and every person in a different group and time will pass. It is a very easy thing to do. But then your direction can only be successful if everybody is participating, and at election time, those things, if you look at the mood of the population, they know what is happening.

We hear more positive things when we say positive things to the government than when we say negative things. I have seen it. I think that is the message. That is the No. 1 objection we had from the beginnning, we want to make sure that the message goes across.

The second question, I want to address the issue, the member for St. Johns (Ms. Wasylycia-Leis) has dealt in detail, and I do not want to be left out and have it said by the union or somebody that we were not participating in some of the concerns out there.

I want to ask the minister, he has given us two or three areas where he thinks that the admissions are done for a longer duration of time or the admissions are being sent from the rural communities to both these hospitals which are expensive. We would like to know more information in terms of the data in all of their diseases, because the prime aim has to be, as the member for St. Johns said, we have to preserve the critical area and the highly technologically advanced care in both hospitals.

I think there are a number of considerations that we would like the minister to attach to any future changes: (a) of course the critical care has to be the No. 1 issue; (b) the teaching component because we are training professionals, not only physicians, but nurses and other health care professionals, so they have to have an environment where they can continue to provide care.

Those things must be taken into consideration because people can sit in this building or the MSC building, but may ignore some of the components, but not by choice, but probably because they are not given the right information, same as the public, same as us, same as the health care providers.

We would encourage, if we can get the information, then we can make an informed choice, and not say that we are not very critical how many beds. What we are interested in is how cost effective it is going to be. The patient has to be the main goal.

If, for example, in Thompson the dialysis is saving so many transports, why not if you can use the Thompson hospital, just for an example, the O.R. more than what it is being used right now.

But then I think there are a number of issues that are going to come, and we will raise that, the availability of health care professionals, the availability of other professionals, not only physicians, nurses, but others. How are you going to use them effectively?

I would like the minister to tell us and share with us the information he has, if it is not too confidential, to see how we can make a judgment. Then we can answer to these professionals who are calling us every day, why you are not making noise. We want to explain to them that is the reason then that may not be the right approach.

Mr. Orchard: Mr. Deputy Chairperson, in my honourable friend's opening remarks in the afternoon, he emphasized the need for an opportunity to educate, to lay out the challenge, and as much as possible to lay out the reform agenda. I did that as much as I could in my opening remarks. I apologize for their being as long as they were, but the issue of changing the health care system and protecting the services to the individual is so fraught with raw politics that it will stop governments from doing it. Then the alternative is a knee-jerk reaction using the instrument of budget solely and clearly and unequivocally to make all your changes.

Later on in the Estimate process, I will share with you an analysis of how that will not work and how it is essentially wrong to approach reform of the health care system using purely the instrument of budget.

I was intrigued with my honourable friend's suggestion. I simply tell him that I hope to be able to do that next month in terms of laying out a discussion paper which will bring together all of the pieces of the system-wide change. The reason I want to do that is because it is easy in isolation.

I think my honourable friend the official opposition critic tonight tried to build her information case to go on a press conference or a press release, or whatever, around a number of beds that she has got fixed in her mind that are going to close the teaching hospitals, that being the only issue and used in isolation. That can be done, but that avoids the issue of service delivery according to need and meeting that need in an appropriate location. That is the kind of step-by-step structure that I think we want to lay out.

When my honourable friend says that education is key, I will give you a little example. Wolseley Residents' Association—I am kind of intrigued with that, that is a long-standing organization. I remember as a kid in school—I do not know whether I was in Grade 7, it was decades ago—the Wolseley elm fight. They were preserving elms along

Wolseley Avenue, and it got into one massive battle publicly and the Wolseley Residents' Association won the battle because they were informed and they were caring about their community.

I sense that the same sort of desire is there with the Wolseley residents' community because they are taxpayers. They are recipients from time to time of care from the health care system, and they want it to work right.

Maybe some of the things that are being proposed from the technical expert side do not have pragmatic application in the community, and they have got a better way to come around it. So be it. I tell my honourable friend the member for The Maples (Mr. Cheema) so be it. If they have got a better way to make the system change, because we do not have unlimited dollars, I am intrigued.

That is where I say I do not know where this can lead us in terms of input from the public because clearly I have been criticized for having too many committees and delaying any kind of decision making because we study, study, study. There is that danger if you involve ever-wider groups of people in terms of your discussion. But in general, the education of the public, I think, is a key and critical suggestion that we are going to take and have presentations similar to mental health reforms, similar to the Centre for Health Policy and Evaluation.

I would like to make an offer to my two critics that I had the Centre for Health Policy and Evaluation make a presentation of some of their findings to cabinet recently, and I want to establish an opportunity for members of the Legislature. Would it be appropriate to use this committee of Health Estimates to have the centre come in and make that presentation? It took about a half hour in total between the application. I have been quoting some of the data from that tonight in answer to questions from my official health critic, and I think it might be valuable. We can discuss this after committee and if mutually agreeable we can certainly have the centre in, because I think it adds that extra dimension of information around which we are trying to formulate good policy decision.

Key to where we are trying to head is to maintain our teaching hospitals as centres of excellence for very complex care delivery and an environment of teaching. But we know from experience, for instance, with Seven Oaks Hospital under the family practice program and the affiliation with Dauphin that they do not have to be the only centre in which you offer educational environment. Indeed, there are those who suggest that quite possibly a more appropriate environment for the teaching of medical students is one which more closely parallels the actual work environment they are going to be in, not necessarily a teaching hospital but community or otherwise.

* (2140)

When my honourable friend makes the suggestion that you are going to be as an opposition party very, very watchful of maintenance of levels of critical care in our teaching hospitals, I agree. I would not expect you to be otherwise. We hope that any change we make does not compromise that. Secondly, in terms of the teaching environment again, I agree, but I think my honourable friend would also agree that the Seven Oaks family practice program has been good, and its affiliation with Dauphin has been good. Maybe, as I suggested in the Barer-Stoddart report, that success is something that we can build on in other teaching programs. So I accept my honourable friend's advice.

Mr. Deputy Chairperson: Would it be the will of the committee then for the minister to arrange to have the centre for Health Policy and Evaluation to bring forward a report to this committee? This would require unanimous consent of the committee.

Mr. Cheema: Mr. Deputy Chairperson, can we discuss that with the minister later on after the Estimates are finished? We can have some discussion and then decide. We have to discuss it with the minister and how we could do it, and probably it may be worthwhile to have a different platform and invite them to explain to the other members of the House too. It is just the one suggestion, but I would like to spend our time mostly on the Health Estimates. The time is limited.

Mr. Orchard: What we could do though is set up another, say, a morning in the next number of weeks, rather than to take committee time, have it as a separate time. I mean, I am not wanting to take committee time, but I think it is a good enough analysis that all members of the Legislature would benefit from it.

Mr. Cheema: That will be one positive step. Because if all of the members can come and learn, and these are the messengers who go out and when

the messengers are ill-informed, they can kill many things, so I think that will be very positive.

Mr. Deputy Chairperson, I just want to go into the issue of Urban Hospital Council further now. As the minister has indicated that they are studying some of the areas, and No. 1 on their list was, of course, the closure of the Misericordia Hospital. We have discussed it in brief and we have told the minister—that was last year I made some of these points—that why we were opposing the closing of the unit, and I want to emphasize those points again in just a one- or two-point form.

Number one is that cost effectiveness for $150,000 is not going to made. The second, if you shut down that board of entry to a major hospital, it will kill the hospital eventually. The third point is that the admissions, the minister knows they are done through the emergency—a number of admissions. The fourth one was the number of cardiac emergencies in that hospital and it has seen a number. Fifth, where you shut down between 10 to eight, whatever time, then you are going to do your utmost to provide these services. It is going to cost you the same money because without the house officer in the hospital, you cannot function, you need for the intensive care, you need a house medical officer just to provide sometime coverage when the physician on call is not available. That is part of the hospital procedures, so I am not sure whether those things have been taken into consideration.

So eventually I am sure the Wolseley Residents' Association will convince the minister, but those are the very practical things, and certainly will not save any money as far as the emergency hour is concerned. The numbers we have seen, which hospital is the lowest and which is the highest, but if you compare the severity of the illness and the aging population in that area, there are a number of things that have to be considered. So I want to again register our opposition on the basis of the facts, not merely on the basis of opposing it.

Can the minister tell us now—the one issue was the review of psychiatric services, and we will discuss that when we go into Mental Health Services, referring some of the high-cost procedures out of province. That was one of the issues that was given quite a bit of discussion. Can you share with us some information, what are the services your department thinks can be referred out of province?

Mr. Orchard: Now, those are services that we refer out of the province that we do not perform here? [interjection] A couple of examples of out-of-province procedures: heart transplants, lung transplantation. My deputy informs me that they expect as soon as the next Urban Hospital Council meeting to have the first draft report with recommendations. That will have to be probably referred back to at least the teaching hospitals before it comes back to the Urban Hospital Council so they can forward any recommendations to me.

I will tell my honourable friend that in terms of heart transplantation, I have had discussions around that issue with a transplantation team from out of province. They make the case, and this sort of is contrary to what my beliefs were, is that it would be a relatively lower cost addition to our array of programming. That was just in terms of discussions, and I have not seen figures to either confirm or deny that. Now presumably the committee's report ought to be able to give us some rudimentary costing around these very, very expensive out-of-province procedures.

Mr. Cheema: Mr. Deputy Chairperson, certainly we will welcome that information because we also have to make our own judgment whether that kind of perception is right or wrong. Because what I have been told by an expert, that it is more cost efficient to have it in one place, the heart transplant, rather than the whole country, or you want to have a kidney transplant in every province, or you want to have a liver transplant in every province. Those cannot be only isolated in Manitoba, that has to be in discussion with all of the provinces. We look forward to the report in terms of other services, because it was referring to high-cost procedures so that may alleviate some of the fears.

The other issue that I would like the minister to provide for us is some information in terms of the one major area of this agreement. I made it very clear, that is, marketing health care to U.S.A. residents. Maybe we are missing something, because we have not seen the full proposal. What services are going to be offered to them? What analysis do we have to base that we can sell something and make money right away, and above all, whether we will be doing a disservice to taxpayers' money? If we are going to use their money and not get anything in return immediately, and then if those people have to wait for their own procedures, it does not make any sense.

The other side of the argument is that we are already doing some services for other provinces. Some provinces are sending patients here and we get money, and we send patients to other provinces, and they are getting some of the services. On this issue of marketing health care to U.S.A. residents, we need more clarification, because on a matter of principle we cannot accept anything that our taxpayers should fund for anybody. I think the minister would know that if he would check with the Health Services Commission many individuals come to our province and sometimes they do not pay their bills. They have this phony insurance, and then they leave and we have no way of tracing them. I think we have to be very careful that that issue is addressed because somebody can simply come and say, I have insurance from this so-and-so company. When you are lying in the emergency with cardiac pain, nobody is going to be really looking for that. It is just the way the people are here, very compassionate. By the time everything is done, maybe a $10,000 bill, and you are searching for the person all over the United States, you may or may not have even the correct address.

So I think that a number of issues need to be further discussed and looked into: how many people have not paid their bills yet, how many companies, what patient can tell us here, they may not be fully covered. So those are some of the issues, I think, that have to be considered. But I would like the minister to tell—we have 10 minutes, he could explain to us his basic reason to implement or move into that direction.

* (2150)

Mr. Orchard: Mr. Deputy Chairperson, let me deal just briefly with the very high-tech procedures like the transplantations. If I sense my honourable friend is saying that those appropriately can be developed in centres across Canada for referral by other provinces, yes. I agree with him there, because when you take a look at the range of service provision that we undertake in Manitoba for a million population, I mean, we currently do not have the volume which would justify heart transplantation, for instance. So to maintain clinical skills, it makes appropriate sense that you develop a centre of excellence like University Hospital in London. I believe we should do more of that.

But here again is one of those Catch-22 situations, because if we start entertaining discussions with Saskatchewan and Alberta to choose a centre to undertake some emerging technology, and that centre is not Winnipeg, there would be some would say we have lost, you know. It is always that treadmill that has driven each province to try to be everything that they can be for everyone, and that is not possible in today's environment. So if I read my honourable friend right, he is correct in saying that we should seek out provincial centres of excellence.

That leads me right into the answer on the second question. The Urban Hospital Council membership wanted to investigate health care services as a potential for revenue generation from U.S. customers. I did not have any objection to that. I knew it would be a hot political topic, it would get everybody revved up and raring to go, which is fine. But the one area that comes to mind as a potential, hypothetically, is our current excellent program in cardiac open-heart surgery, in the pediatric field, not the adult program. We have probably one of the best in Manitoba as a pediatric cardiac surgeon, and right now he is serving the needs of Manitoba, a number of youngsters from Saskatchewan and northwest Ontario.

In discussions with him, there are only so many procedures you do, and they are below what optimally he as a professional can do for two purposes, sheer time to undertake the process plus skills maintenance. For instance, we do not have any question that the quality of care that we provide in pediatric cardiac surgery is as good as any place. That is not even questioned. If that were viewed as an opportunity to add another series of cases which the program can handle, because it is not at capacity right now serving Saskatchewan, Manitoba, northwest Ontario, we could do it at some return on investment, some profit to the health care system of Manitoba, so we could invest those funds in other program enhancements, so be it, is the attitude I take.

I believe the committee, by and large, that is chaired by Jack Litvack, is also taking that approach to taking a look at the system. The last time I talked about the issue, they were developing a list of suggested program offerings—I guess you could call it that way—and trying to, as a committee, come around which were feasible.

Let me just indicate to my honourable friend, as I have before, that the prime consideration that we have given is that no Manitoba citizen will be displaced by someone from the United States if we

were to ever accept recommendations to pursue out-of-country customers.

I simply give that assurance, and I really do not have to because the Urban Hospital Council itself and its subcommittee also have that as an underpinning to any recommendations they would make. So that it would be only in an area where we have substantial skills in an underutilized program such as pediatric cardiac surgery that I think the committee would even consider it, and ever make a recommendation to government.

Mr. Cheema: I think we will have some more discussion on that topic. Can the minister, through his office, provide us information about the uncollected bills out of the country for the last two or three years, so that we can at least know how much taxpayers' money has been taken away just for this purpose of being not, probably, well-informed?

We have to have a mechanism put in place so that when somebody comes here, they must pay their bills. We are not running a charity here, taxpayers are paying for those bills. So I wish that we could have a system—well, I mean if our taxes are being just thrown at somebody flying out of California because they can see either Manitoba or Ontario are good places to simply change their card—that was even happening in Ontario. Ontario cards were being sold and some people will come and use those cards. So I think we have to have some discussion, but I have some idea of how we can do that. We will discuss it when we go to the MHSC so I hope we can get some more information.

Mr. Orchard: We will try to get our best answer about uncollectable out-of-countries from the commission. Good point.

Ms. Wasylycia-Leis: Can the minister tell us whatever happened to the Teaching Hospitals Cost Review?

Mr. Orchard: The Teaching Hospitals Cost Review, I believe, is at the hospitals.

The report has been crafted by the study group with the aid of the consultant. That report has been before the two teaching hospitals for their reaction and response which is coming back to the Health Advisory Network, and it may take as many as two more meetings at the Health Advisory Network to finalize their report which they will forward to me.

The consultant has completed his work and provided a report to the two teaching hospitals.

Ms. Wasylycia-Leis: Do any of the issues that we have been discussing tonight and some of the issues before the urban hospitals, or the teaching hospitals pertaining to beds and bed-target reductions, and so on, have any relationship to the teaching hospital reviews?

Mr. Orchard: No, that was not the purpose of analyzing the teaching hospitals in terms of that cost overview. You have to recall that back in—what?—'85 or so, again, your government commissioned Evans and a couple of others to do the report, Manitoba and Medicare; '75 to '83, I think were the analysis years.

The analysis in that report had our teaching hospitals going from below the national average cost indicators to above the average national cost indicators in that period of time to such an extent that it meant several tens of millions of dollars. That was an important issue to get around, to find out how accurate that analysis was. That is what the consultant has done in terms of trying to find similar comparable teaching hospitals so that they can make an accurate analysis between comparable teaching institutions.

That is the report that is currently before both teaching hospitals with their critique and feedback to the Health Advisory Network and then with the final report to myself.

* (2200)

Mr. Deputy Chairperson: The hour being ten o'clock, what is the will of the committee? Carry on?

Ms. Wasylycia-Leis: Ten o'clock is the normal hour of adjournment.

Mr. Orchard: We can sure get a lot more done tonight if you wanted to carry on.

Mr. Deputy Chairperson: Is it the will of the committee then to adjourn?

Mr. Cheema: Mr. Deputy Chairperson, I think it is worthwhile to have a discussion among House leaders to make that decision. I do not think I have the privilege to make that decision. I have to talk to my office and so probably we can continue maybe next Monday.

Mr. Orchard: I am not going to be here next Monday.

Mr. Deputy Chairperson: Committee rise.

EXECUTIVE COUNCIL

Madam Chairperson (Louise Dacquay): Would the Committee of Supply please come to order? Would the First Minister's (Mr. Filmon) staff please enter the Chamber?

Mrs. Sharon Carstairs (Leader of the Second Opposition): Madam Chairperson, we were talking just before we adjourned at five o'clock with respect to the NAFTA agreement and some debate with regard to GATT. I just would like some further details if it is possible for the Premier to give same. With regard to the next two days, is the NAFTA agreement to be a specific part of the program that has been to this point laid out for the First Ministers?

Hon. Gary Filmon (Premier): It has not been formally placed on the agenda, but given that we will be talking about, and one of the papers does involve international trade, I would believe that it will be raised. I personally would be seeking an indication from the Prime Minister of where the talks stand and some clarification as to what aspect of all the media reports is accurate, the expected timetable, decision time frames, and all of those things which I hope they could give us in the course of the discussion.

Mrs. Carstairs: The Premier indicated earlier that if his conditions were not met, obviously, and it would not matter how the timing progressed, and if they were met, then the timing would not be of any concern either. At least that is how I interpreted what he had to say.

Can he give us any reason tonight why, other than because of the United States election campaign, everything seems to be fast tracked or has that not been information that has been made available to the Premier?

Mr. Filmon: Again, I am not expert in all of these things. It obviously is a matter that is primarily under the responsibility of the Minister of Industry, Trade and Tourism (Mr. Stefanson).

My recollection about the fast-track process is that it is a result of Congress giving authority to the President to be able to seek an agreement within a certain period of time. If that timetable is not met, then that authority to the President lapses. They would then have a very lengthy process of having any agreement pass Senate and Congress and be amended. All sorts of things that enter into their ability really to make an agreement and probably negate their ability to make an agreement. It is because I believe the President has that fast-track commitment that they are going on that path. I do not think it has anything to do with any other timetables.

Mrs. Carstairs: Well, certainly, there seems to be general agreement in the United States, at least from commentators, that they would want this over and done with long before the final three months of the campaign were underway in the United States.

In the FTA agreement, between the United States and Canada, there were a number of statements made by the Prime Minister that he would have to have the support of at least the majority of the Premiers representing probably 50 percent of the Canadian people. Is he looking for that kind of approval this time around also from the majority of Premiers representing that kind of percentage?

Mr. Filmon: The Prime Minister has made no similar statement this time. In fact, I would say candidly it is my impression that the Prime Minister is prepared to enter into an agreement that he feels is in the best interests of Canada, recognizing that international trade is solely within the domain of the federal government. That in effect the views of the provinces, although they are encouraged, may not have the final sway at all on any decision that Canada makes on this agreement.

Mrs. Carstairs: Well, we obviously know that it is within the purview of the federal government, but there also is a moral suasion at work here. There is no question that the support of Mr. Bourassa was considered very important and significant to the Prime Minister last time round and many believe, rightly or wrongly, that it was part and parcel of the entire constitutional debate that came shortly thereafter. One was traded, if you will, for the other in terms of strengths and weaknesses.

This time around, I have heard very little out of the province of Quebec as to how they are feeling about this. If anything, they seem less enthusiastic about the Free Trade Agreement than they were just several years ago. The NAFTA agreement, obviously, if it is going to be debated at this particular meeting, is also going to be debated without the presence of the Premier of the Province of Quebec.

Can the First Minister tell us if he or if any of the Premiers have shared with him their feelings to date with regard to NAFTA? Do they have similar concerns and points that the Premier has detailed?

Mr. Filmon: Our letter to the federal government outlining the six conditions for acceptance of any

agreement with respect to a North American free trade agreement has been shared with all the other provinces, and they are very well aware of our position.

I am not familiar with the position of the Province of Quebec, although I am certain, in fact, I think that he has quoted from it at some point in time. The Minister of Industry, Trade and Tourism (Mr. Stefanson) has a summary of the positions of all the other governments. If fact, if you will give me a moment, it may be what has been slipped before me.

This is a summary to the best of our knowledge at the present time. Alberta has come out strongly in favour of a North American free trade agreement. Ontario is actively opposing one. Most other governments have been cautiously supportive of an agreement but hold a number of particular concerns in areas such as environmental standards, labour costs and adjustment assistance.

Ontario is clearly opposed to a trilateral free trade agreement, and it is expected that the governments in Saskatchewan and British Columbia will take a similar position, although I think Saskatchewan has come out strongly opposed; British Columbia I think is still looking at the essence of the agreement. In fact, I think the latest letter that we have seen indicates that they will give no final position until they see the details of a deal. They will not even give a position I believe on the drafts at this point.

That seems to be the summary of positions that our Minister of Industry, Trade and Tourism has on the issue. He does not seem to have anything on the Province of Quebec.

Mr. Gary Doer (Leader of the Opposition): I would like to move to a couple of other issues if I might, just in completing the North American free trade agreement, the proposed agreement. Is our minister co-chairing any federal-provincial committees on the issue of international trade, our Minister of I, T and T on the Mexico-Canada-U.S. trade agreement?

* (2010)

Mr. Filmon: Not to my knowledge. The breakdown in this area of trade is that our minister chairs the interprovincial trade committee amongst ministers. On international trade, certainly from the viewpoint of the First Ministers, we assigned that responsibility to Premier Harcourt, and I know of no other areas in which our Minister of Industry, Trade and Tourism (Mr. Stefanson) is involved as chair.

Mr. Doer: I would like to move now to the co-ordination of the health care major decisions that are facing the province.

There is quite a lot of concern—we have been asking a lot of questions in the House since the session started, and we are quite frankly not clear of exactly what is proceeding and what is not proceeding in terms of the health care system in the province.

As I say, we have been involved with health care reform before. We define health care reform, as opposed to cutbacks, as providing alternatives, health care, to people and patients across the province in terms of their needs. What we are concerned about is the confusion between the answers we get on health care reform from the minister in the House and the feedback we are getting from professionals, and I would say professionals that do not have a vested interest.

The minister the other day mentioned the MMA, which obviously is in a bargaining position with government. It does not have to be. You have other legal prerogatives available to the government. Notwithstanding that, the government decided to proceed with that negotiating exercise, but we have a number of professionals that are not even attached to the MMA fee schedule who are telling us that the waiting lists are going to get much more acute and much longer for patients in Manitoba in some needed surgery areas.

We are talking about potentially hundreds of beds at the Health Sciences Centre, St. Boniface, and we do not know what else in other facilities. We have heard from Misericordia; we have heard from Seven Oaks; we have heard from Brandon. I would like to know at what stage is the decision-making process proceeded with in government?

The Premier mentioned that hospitals are getting 5 percent. Does that mean that all hospitals will be given 5 percent by the cabinet or will some hospitals be given quite a bit less and some given more as this process proceeds? At what point will we know what is actually happening, because we do not know how many beds, where they are located and how many staff are going to be impacted, and besides the health care impact we do not know the economic impact of those decisions as well?

Mr. Filmon: With the greatest of respect, we are now getting totally into the Estimates of the Department of Health. Those allocations will not be made by cabinet. They will be made by the Manitoba Health Services Commission. It is not a matter of political decision making as to what one hospital will get versus another. Those allocations will be made based on the analysis of the budget submitted to the Health Services Commission and the amount of dollars that have been allocated by cabinet, by virtue of the Treasury Board decisions.

As I indicated earlier, something in the range of 5 percent or slightly better has been allocated to that section. Decisions within the allocation of that section will be made by the Health Services Commission.

I caution the Leader of the Opposition when he talks about professionals not having a vested interest. The reality is that when you talk about numbers that are three times the rate of inflation increase being passed along to the health care sector, it, I think, under normal circumstances, should allow the institutions to be able to budget and live within their means.

At the same time we recognize that the increase in funding for nurses will be something in the range of 7 percent to 8 percent this year as a result of the contract that has been entered into. The doctors are pressing for 12 percent this year overall. So we are giving what would otherwise be in comparison to the rate of inflation, in comparison to what other provinces are giving, a generous allocation of funding to health care, which will indeed be destroyed by the demands and the expectations of the various professionals who are working in that field.

When the crunch comes, as it may indeed come, those people who are taking much more out of the system than it can afford to give are going to be the first ones trying to deflect attention from what they are taking out of the system and try and somehow place it on the head of government. There is no group of professionals that does not have a vested interest.

When it comes to things such as waiting lists, I think the member should know from his own experience that long waiting lists are not new to this province or any other province with respect to surgery for various procedures. You can tell him that from the investigations that I have done, the indication is that we are spending more money for the various surgical procedures for which there are long waiting lists.

We are spending more money than ever before in the history of this province, and we are performing more of these surgical procedures than we ever have in the history of this province. But the waiting lists continue to be very large, unacceptably large to a great extent. It is not because there are cutbacks. It is because the volume, which is being driven by a whole series of factors, continues to increase.

Mr. Doer: Madam Chairperson, the government has a piece of legislation in place dealing with salaries for last year, so it has legislative means at its disposal.

The Premier mentioned that it would not be political decision making or government decision making, yet Mr. Rodger, in his letter to all staff at the Health Sciences Centre, said that, after pursuant to the "retreat," and the funding options that they are reviewing, ultimately the decision on how many beds would be closed and how many staff would have to be redeployed based on layoffs and how many could be expected to be redeployed in the health care system would be up to government. Is it not the case that ultimately the decision will go from the Health Services Commission to the minister and to cabinet, to government, as Mr. Rodger has indicated in his own letter or was Mr. Rodger wrong in his letter?

Mr. Filmon: I would assume that in the generic use of the term government, he is referring to the Manitoba Health Services Commission which is an arm of government that ultimately handles the funding decisions after the global amounts are allocated to it by the Treasury Board and cabinet. That is the process that prevailed when the Leader of the Opposition was in government and it remains the same process today.

I just wonder if he could clarify for me when he says that we have legislative options that we passed whether he is suggesting that we could deal with the demands of the doctors or the commitments to the nurses by use of Bill 70 from last year. Is that what the reference was to?

Mr. Doer: My position has been on the record for a number of months, in fact, going back previous to the last settlement that the government negotiated with the MMA back in August of 1990. So if he wants to search Hansard, he will find our positions

on all of these issues. He knows what is in the legislation. The fact he chose to pass the legislation, he chose to exercise that legislation with nurses aides in the hospital, and he chooses not to exercise his option with the doctors, that is for him to defend to the public. He has in fact established one standard for nurses aides. It is his legislative prerogative, and he should be accountable to the public for that.

A further question to the Premier.

* (2020)

Madam Chairperson: Order, please. The honourable First Minister on a point of clarification.

Mr. Filmon: Yes, to be absolutely sure, the member is saying that he would apply Bill 70 to the doctors then.

Mr. Doer: Yes, Madam Chairperson, I would not have brought in Bill 70 which would have contravened my word. I would have negotiated very, very sincerely with people persistent to our word and hopefully would have, as I have done in the past, negotiated zero percent agreements with people. So that is the way I would like to go. The Premier knows that. What I also would say to the government is we have also in our criticism of Bill 70 pointed out the double standard that is inherent in that bill and so be it.

A further question to the First Minister then. Is he saying to us that cabinet will not be involved if 160 beds are closed and 300 to 500 staff are being laid off in the Health Sciences Centre? Is he saying to us, Mr. Roger is saying that they are looking at up to 160 beds being closed and they are looking between 300 and 500 staff, and he is also saying the government would be involved in those decisions ultimately. Is he saying the cabinet would not be involved in those decisions?

Mr. Filmon: I just want to respond to the preamble of the Leader of the Opposition and say to him that like the MGEA, the MMA chose not to negotiate. They went directly to arbitration and the first time we saw the 12 percent position was when we got to the arbitration hearings.

If we had somebody as reasonable as the Leader of the Opposition (Mr. Doer) across the bargaining table from us, we would never have had to impose Bill 70 on anyone, but we did not have those choices. Maybe the Leader of the Opposition should perhaps consider going back to his former position and making it a lot easier on us to negotiate.

The question he asked about whether or not cabinet would be involved in bed closure decisions, I will say to him that those decisions will not be made by cabinet.

The global funding decisions are made by cabinet; the allocation of those global funding decisions to the individual hospitals is made by the Health Services Commission; and then the choices of how to make ends meet within that global funding becomes the choice of the individual hospitals. That is the way the process worked throughout history in the past when the Leader of the Opposition was in government, and it will remain that way.

Mr. Doer: Madam Chairperson, I would think, in previous times and in current times that major impacts of health care decisions and government decisions that affect the public interests would be communicated to cabinet.

Certainly whether it is decisions to lay off between 300 people and 500 people, even in the private sector the government is advised in time—in months ahead. Even in the private sector, even if it is a private company, the government will try to do everything in its power to forestall those kinds of decisions, or try to find other creative ways of dealing with these decisions.

Mr. Rodger is clearly saying that the government will be involved. The decisions of major magnitude to the public of Manitoba dealing with waiting lists on surgery, dealing with the allocation of beds in major communities in the province, the decision to affect the livelihood of, if you say, in one hospital 300 people to 500 people, I cannot believe that the Premier does not have some say or some input into those ultimate decisions.

I cannot believe the Premier (Mr. Filmon) is going to say today that it is being made at a level quite a bit below him, or his cabinet, that decisions of that magnitude in the public arena, given that the government of the day pays for about 99.5 percent of the funding in our health care system, and it is accountable to this Legislature for those spending decisions, if today some facility made a decision to cut something that was vital to the people of Manitoba, would not the Premier and the cabinet be involved in those decisions?

They have been involved in decisions on opening emergency areas of hospitals before when there were problems. I remember something of an acute care nature came to our attention on emergency

wards at one point—in fact at the Grace Hospital—and everyone was involved in a proposal because of the resources allocated to government doctors, or hospital doctors at a certain place not adequate enough. We took measures as I recall—I am going from memory—to try to resolve that. What has changed?

If two or three years ago the situation of emergency doctors at the Grace Hospital would come to the cabinet's attention when there is obviously a shortage, what has changed in terms of decision making in government that would not allow those kinds of decisions of 10 times the magnitude to come to the Premier's attention and the government's attention today?

Mr. Filmon: Madam Chairperson, I find the management style of the Leader of the Opposition to be very, very questionable. He obviously does not believe that there is any delegation of authority.

If we were to take all of the decisions of how to operate the hospitals ourselves in cabinet, we would not need an MHSC and we would not need the administration of any of the hospitals. All that would happen would be that decisions would just be funnelled up to cabinet. Cabinet would decide who is going to work shift work this weekend, who is going to be on call, who is going to do anything in the hospitals. That is an absolutely foolish position for the Leader of the Opposition to be taking.

That, to me, says exactly that he would repeat all the same mistakes of the Pawley administration in which they got their hands into every aspect of government. They made decisions as to what things would be shown on the balance sheet of the Manitoba Public Insurance Corporation. They politically got involved with the decisions to go into Saudi Arabia and MTX because it was a matter of Mr. Saul Miller saying that this would allow the Manitoba Telephone System to retain employment levels in the midst of a recession in 1983, and all sorts of things that totally discredited and ultimately led to the defeat of the New Democrats under Howard Pawley.

This would be repeated. History, and all of the mistakes would be repeated because you would ignore the best advice of the all the professionals that are hired and paid by government, and you would make political decisions on everything from bed closures to shift changes to employment levels to everything else. I reject that totally.

Mr. Doer: Perhaps this is why we are going from a $55-million surplus to a $530-million deficit. Nobody is in control. Nobody is driving the car, Madam Chairperson. The Premier knows, in any management system, that authority and responsibility go together. If the Premier wants to extrapolate 500 layoffs and 300 bed closures at a major urban hospital into deciding the shifts, if he wants to make light of that situation in the city of Winnipeg, no wonder he will not stand up in the House and answer the questions about how many jobs and how many beds are at stake. He just does not want to take any responsibility for those decisions.

The Provincial Auditor in 1979 wrote a report, and I would refer it back to the Premier, raising the issue that two-thirds of money that this Legislature appropriates had become outside of the decision-making authority in terms of standards and performance for members of this Legislature. He was referring to Health and Education.

I do not expect the Premier to have answers to shift work and all these other very, very minor items of administration, but on major standards of health care, when he is responsible for a cabinet that is funding 99 percent of the money, I do expect the government would be aware of the implications of those decisions and would know what is happening with the taxpayers' dollars that they are responsible for stewarding in the province of Manitoba. So if the Premier (Mr. Filmon) does not know and his Minister of Health (Mr. Orchard) cannot give us an answer, no wonder the public of Manitoba is frustrated with the decision making of the government.

* (2030)

I do not expect the government to tell us every minute detail on a health care facility, but I do expect them to know if it is going to be 500 people laid off, as the administrator said, or is it going to be 300, or is it going to be nobody, is it going to be 300 beds in two hospitals, are we going to redeploy staff to another hospital or whatever? The Premier says to us that he is not going to be involved in those decisions. I suggest he should be, in terms of those major initiatives and those major thrusts, involved in those.

The Premier himself got involved in negotiations, I would remind him, in 1988 with the foster parents of this province. How can he have one deal, so personally involved in those negotiations, and not

be involved in something equally as important as health care beds and staffing at the 100 to 500 level? How can he not be involved in those decisions in terms of the public of Manitoba?

Mr. Fllmon: I think it is only fair to remind the Leader of the Opposition, because he seems to be confused, that I am not the Minister of Health, that the Estimates for the Department of Health are being debated at this very moment in the adjacent committee room, and that cabinet and the Premier set broad policy, that the operations and the individual decisions within those broad policy guidelines are the responsibility of the minister and delegated through the various groups under his aegis, including Manitoba Health Services Commission, including the management of the hospitals.

I think I have been patient in allowing questions that are clearly out of order in this set of Estimates here to try and indicate my willingness to be co-operative, but we are now getting into an area that I think gets us nowhere. This Premier is involved in all the ultimate policy decisions, and this Premier respects the professionals who have to make choices in the efficient and effective operations of the system.

He ought to go and talk to his friend and colleague in Ontario, to his former Clerk of the Executive Council, Michael Decter, who is dealing with situations that will involve closure of 4,000 or more beds, who has given 1 percent increase to his hospitals, who is performing so-called reform of the health care system there that is clearly going to cut patient service, beds, staff, thousands of jobs. If he does not think that there are major challenges in health care, if he wants to blithely just follow the old line which is just simply criticize, criticize, criticize, inflame, frighten, do all the things that you can do for political purposes, but do not be willing to look at any of these things in a co-operative, constructive way, he should go in and debate that matter with the Minister of Health (Mr. Orchard). That is the appropriate place for that kind of action.

Mr. Doer: Yes, what I was trying to determine is where are the decisions made. I am not debating the decisions. I do not know what they are. I am not criticizing those decisions.

Mr. Fllmon: I do not know what they are either. We have no plan from them. We have your rumours and media reports.

Mr. Doer: Thank you for the—now you can see why we are frustrated. We do not know, and the patients of Manitoba do not know.

Mr. Fllmon: I do not know, because I have not seen a proposal.

Madam Deputy Speaker: Order, please.

Mr. Doer: Madam Chairperson, so we do not know, nobody else knows. The Premier does not know, but he did say to us that he is the ultimate decision maker, and it will come to cabinet prior to those major decisions—

Mr. Fllmon: No.

Mr. Doer: The Premier is telling us that these kinds of layoffs, the 300 to 500 people if it comes about and the numbers of beds we are talking about, up to 300 between the two teaching hospitals will not come to cabinet. It will not come to the Premier's attention. If that is what he is saying, this is what I am trying to get straight. Will it come to cabinet? Major changes in the health care system, will they be approved by cabinet and the Premier, or will they be approved at a lower level, as the Premier has indicated, at the Health Services Commission? That is all I want to know. Who is making the decisions? Where does the buck stop?

Mr. Fllmon: Cabinet directs broad policy such as shifts in emphasis towards health promotion, towards community-based care, but not detailed management operational decisions. Those are within the purview of the individual hospital administrations in consultation with the Manitoba Health Services Commission. That is the way it always has been.

Mrs. Carstairs: Madam Chairperson, while I might agree that the broad policy issues are made by cabinet, what we seem to be hearing is the decision to make one of those fundamental shifts. Are we going to, in fact, shift resources out of our two major teaching hospitals and move those resources, because certainly the budget line is 5.9 percent for hospitals? We are going to move those resources into community-based hospitals.

At the same time, we hear of one community-based hospital, i.e., Misericordia that is going to have some of its resources closed down, be it for psychiatric services or other services, emergency services which have been certainly debated. When we see such a fundamental shift in direction then from a teaching hospital mode of delivery which is a very expensive mode, the most expensive hospital

care in the province of Manitoba, is that kind of thing debated by cabinet? Is that kind of a change in direction put on the decision of the cabinet as opposed to MHSC?

Mr. Filmon: At the moment, there are proposals being developed by the Urban Hospital Council. Those proposals are in, and I emphasize, the development stage. They have not been the subject of cabinet discussion. If there are major shifts and changes that do involve restructuring of the overall resources for patient care within the city of Winnipeg or the province of Manitoba, they will indeed be debated by cabinet.

The difficulty that we have is that everybody is evaluating a whole series of alternatives in their individual hospitals. Those matters might then be discussed within the Urban Hospital Council so that they try and take into account the redeployment of resources within the metro area. There may be other discussions and other proposals. This is not an uncommon thing.

I know that in metropolitan Toronto when the Liberals were in government in Ontario, decisions were made about closing of certain facilities that were duplicated in adjacent hospitals in Toronto. Some kept the emergency wards open, some closed, some specialized in certain types of treatment, others in others. These decisions are being made regardless of political stripe. I might say that those of all political stripes in government are looking at all these reform measures and not wanting to throw out any possibilities, not wanting to discourage good administrators from examining all alternatives. I do not think we are any different.

We recognize that if we are to preserve the principles of medicare as we have come to know them, we are going to have to be as concerned about efficiency and effectiveness of delivery of services in health care as we are in any other area of government. Health care, because it is the most prized public service that is given by our government, is provided by all of our governments to the people of this country. Health care is going to have to be examined just as every other service is. I mean, that is the whole principle behind it.

* (2040)

The details of what may or may not happen as a result of this year's budget exercise will not be known to us until each hospital goes through its determination of priorities and its weighing of alternatives. The first person who will know about that will be the Minister of Health (Mr. Orchard), and if as a result of the evaluations, these are matters that cause disruption in the health care system or lack of service in particular areas that would cause his intervention, then that matter might come to cabinet, but we are a long way away from that as far as I am aware. All we are dealing with is rumours and alternatives that are being examined. We have not seen a specific proposal.

Mrs. Carstairs: I suppose that, because it is health care, and because it is indeed the fundamental service that is provided to citizenry, whenever there is a story, an article, a rumour with regard to health care, there is an unease that is created in nothing else, no matter whether it is education, whether it is highways or whether it is whatever. When all of a sudden somebody is concerned that maybe a service will not be provided to an individual when they are ill or when they need that service the most, it arouses all kinds of concerns.

The issue that I raised in my opening comments is one that I would like to specifically address, and that is, while all these groups and committees are meeting and coming up with proposals and the hospitals are making their own individual decisions, what group of individuals is making sure that the tenor of fear does not increase and escalate? Is there a communication strategy that is going to be put into place? Is there something in terms of government ministers meeting and having public meetings so that something can be done so that this level of fear is not allowed to escalate unduly?

Mr. Filmon: Knowing that it is in the political interest of the Leader of the Opposition and his party to foment those fears, I do not see any way in which we could stop them from escalating.

Mr. Doer: I would ask the Premier to read Hansard. Most of our comments have been, quite frankly, asking questions, and the only rumour we are dealing with is one in which Mr. Rodger indicated to us publicly, to the rest of the public, that they are in fact looking at another 160 beds at St. Boniface and anywhere from 300 to 500 staff could be laid off. Those are the only indications we have, from one of his administrators in his health care system. We do not know what is going on; I will be very honest about that.

We have only asked the questions, and that is our responsibility. That is why we have a parliamentary

system. People are elected to answer questions of the House, and people are elected to ask questions. We do not apologize for that whatsoever. The Premier may call that whatever he likes and impugn motives, but I suggest that, when he was Leader of the Opposition, and I suggest when we are in opposition, it is our job and our responsibility to ask those questions. Hopefully, the more answers we are given, the more definitive all of us can be, and the more assured the public can be that there is a process in place. The public will not be concerned about what the government is doing if they trust the government in this area.

I say to the Premier that he has nothing to fear from the opposition or anyone if he is proceeding on a trusted process. If it is a process that the public do not trust, then there will be lots of concern, and right now we are getting lots of concern in our office. I hope it is unfounded and ill-founded, but time will tell.

I want to move on from health care to some other issues dealing with the Premier's responsibilities in bilateral negotiations. Can the Premier advise us of the status of discussions—he indicated in last year's Estimates that he had bilateral negotiations or bilateral discussions with the Premier of Ontario on Shoal Lake and the mining development at Shoal Lake.

Can the Premier give us an update? He has met with the Premier of Ontario, I think, on three occasions since his last Estimates that I can recall. Can the Premier advise us of the status of those bilateral discussions?

Mr. Filmon: Madam Chairperson, the Premier of Ontario remains committed to protecting the water supply for the city of Winnipeg from Shoal Lake. Following on discussions between the Premier, myself, the Minister of Environment and our Minister of Environment (Mr. Cummings), officials continue to work on the development plan for the management plan for the watershed. In addition to that, there have been initiated some discussions with another one of the Indian bands on Shoal Lake—I think it is 39A—who have demanded compensation for protecting the shoreline in their reserve on Shoal Lake. That matter is currently under discussion with the federal government, the City of Winnipeg, provincial officials and the Indian band.

Mr. Doer: I thank the Premier for that answer. We certainly support the watershed concept, the proposal to deal with the total watershed including all the stakeholders on the watershed, with the largest stakeholder obviously being the city of Winnipeg in terms of their supply of water. We wish the Premier well in his discussions on that watershed kind of proposal with the province of Ontario.

The former Premier of Ontario, Premier Peterson, promised an environmental assessment and the environmental assessment was the last promise that I recall on the official basis from Ontario. Is that going ahead as part of this process, or is it separate, or is it stalled with the watershed negotiations that are proceeding?

Mr. Filmon: There are a couple of tracks that are being pursued. The environmental assessment and review was with respect to the specific proposal of Consolidated Professor. I do not have any recent information as to whether or not they are carrying on their proposal for the development of a mine or whether it is stalled or whether or not Ontario has engaged in the process for public environmental assessment. That is separate and apart from the watershed management, which is the long-term way in which we hope to restrict any development proposals on the watershed.

To my knowledge, Ontario remains committed to the same things that the previous government had proposed with respect to Consolidated Professor.

Mr. Doer: I respect the fact that there could be possibly two tracks, and the most desired track is the first track that the Premier outlined. The second track is the more kind of specific proposal, which of course is a much more dangerous track than comprehensive management review.

In the second track, the potential second track, and I respect the fact the Premier indicated that he has to get more information, can the Premier provide us, perhaps not tonight, but at a future date whether the recent federal changes in legislation impact at all on the environmental assessment process; two, whether the ability to have joint environmental panels, whether that in fact will allow for Manitoba to be part of that; and three, whether the government in fact will join an environmental panel if Ontario offers it; and four, whether the federal government—I am asking a number of questions, but I think they are very, very important ones. It is

our water supply—and four, whether in fact the federal government will be part of any panel, recognizing Manitoba's own legislation was changed to allow for joint panels? Other provincial legislation allows for joint panels. I just want to know the specifics of that.

* (2050)

The Premier perhaps can supply those answers later, but certainly the recent federal legislation may have some impact. I have always believed in the drinking water legislation that was proposed by Bill Blaikie and not supported by the Minister of Environment, but perhaps answers to those specific questions. If the Premier has them, I would appreciate them. If he does not, I can understand it and get it at a later date if that is possible.

Mr. Filmon: I just can indicate to the Leader of the Opposition that the new federal legislation I believe gave greater certainty to the ability to establish joint panels. This is something that we have promoted right since 1988 when we had been at the table and the issue came up with respect to Rafferty-Alameda, with respect to Oldman River and other issues in which there were downstream effects on other jurisdictions.

We argued that there ought to be the ability for us to have status, if not the coparticipants in environmental assessment review processes.

I would indicate to you that we have talked informally with Premier Rae about having joint reviews on, for instance, the transmission line which may link Ontario and Manitoba. Because of the fact that Indian lands might be involved and other federal matters of concern, we did envisage having two provinces and the federal government all involved in a joint environmental assessment review process. It would seem to me that this is an ideal example of a situation in which again there is the federal interest, because of Indian lands, and two provinces, because we share the watershed, and the specific interest of Manitoba and the water supply for Winnipeg, but this would be a particularly appropriate application for a joint panel.

As I say, there has not been recent discussion on the environmental assessment and review, so I cannot say at what stage it is, but certainly we would be very supportive of having that kind of joint panel and I think there has been some preliminary discussion. At the time it was not a feasible thing back in 1988; it was just a concept. Today, by virtue of our changes to legislation and Canada's changes to legislation, I think that the option is open to us. We will certainly pursue that.

Mr. Doer: I wish the Premier well on the first option, the first track. As I say, it is more certain to have a watershed management agreement with Ontario than it is to have project-by-project decisions. I think the mine will be followed by another mine, which will followed by another mine, and ultimately the watershed way to go, I think, is the best way to go.

Moving on to another bilateral waterway issue, the government with the province of Saskatchewan did not intervene in the courts on the Rafferty-Alameda project in Saskatchewan, but has recently decided to intervene on the Saskatchewan River project.

Can the Premier indicate to me why the government did not intervene in courts for the Rafferty decision, and why it is proceeding to intervene on the damages alleged in the Saskatchewan power project in northern Saskatchewan affecting communities in Manitoba?

Mr. Filmon: In the case of the Rafferty-Alameda, we had an agreement for management of the river system, a trilateral agreement, which we believed would provide us with means of redress for downstream effects.

In the case of the Squaw Rapids situation, the Saskatchewan government totally rejected any involvement on our part in the management of the river regime or in the assessment and redress of downstream effects.

In the one case we thought we had legal redress and protection for our interests, that being the Rafferty-Alameda case. In the Squaw Rapids case, Saskatchewan acted unilaterally and refused to give us any opportunity for involvement in the river regime or for assessment of downstream damages and acknowledgement of responsibilities. Since there were a number of downstream communities that could potentially have been affected, we felt we had to take court action.

Mr. Doer: I have a couple of more questions about the environment. Is the Premier confident that the trilateral agreement dealing with the Rafferty-Alameda project will provide for any damages that were outlined in the environmental report that was produced some four months ago?

Mr. Filmon: The Rafferty-Alameda downstream effects can be very much influenced, ameliorated, mitigated by the operation of the Lake Darling regime, the reservoir which is in North Dakota.

We have an international agreement, or we are part of the development of an international agreement, that also involves Saskatchewan, Manitoba, and the United States and Canada in that endeavour to regulate the Lake Darling in such a way as to protect the downstream interests of Manitoba.

We believe that there has been sufficient indication by Canada that any negative downstream effects will be either mitigated or compensated, that we are protected by it and that is the current status.

Mr. Doer: One last question, I support the government's position on the—not on Rafferty—but on the basin-wide negotiations on the Shoal Lake water drinking supply. I was wondering, dealing with the Assiniboine diversion project, will the government be utilizing a basin-wide review of that project and its impacts on the various users or potential users of that project, or will it be scoping in a much more narrow way, which I think would be contrary to the position the Premier is articulating for Shoal Lake?

* (2100)

Mr. Filmon: Madam Chairperson, it is my impression that basin-wide issues would be considered in the course of the assessment of an individual project proposal. There is a great deal of information, and it is a much more managed regime than many river systems in this province because of various elements on the river, the Shellmouth reservoir, the Portage diversion and various licences for irrigation and for municipal water supply along the river.

It is a river regime that is both managed and also has a great deal of accumulated data on it, so the basin-wide considerations would obviously be brought up in the course of discussion of any project proposal. I am satisfied that the Clean Environment Commission will be able to deal with those basin-wide questions in the course of their evaluation of the particular project.

Mrs. Carstairs: Madam Chairperson, I would like to move into the area of the Constitution. Obviously, this is going to engage a great deal of effort on behalf of this government as well as members of the opposition for the next couple of months. I know that there was the original meeting of the ministers responsible for the Constitution and Mr. McCrae attended, but there was a meeting of officials.

Who is in fact leading our negotiation team with respect to these official delegations?

Mr. Filmon: I am not sure if the term "leading" is appropriate, but the two officials who attended on behalf of Manitoba are Mr. Eldridge and Mr. Leitch.

Mrs. Carstairs: Has it been determined that the meetings will break down various sections? For example, will Charter issues be dealt with at one particular time? Will issues affecting economic union be dealt with at another time, or are the meetings to deal with the entire package at each and every one of these meetings?

Mr. Filmon: I believe that the officials have been broken off into four groupings to deal with four sets of issues—Senate reform, Charter issues, aboriginal issues, and division of powers—so that they can try and refine positions on those areas. They will then report back to ministers who will report back to Premiers, who will ultimately in some form or other be called into the final negotiations for our position. Just in order to regularize the workload and enter into a process that seems to be coherent and efficient, that is the way in which they have broken up the division of responsibilities.

Mrs. Carstairs: To the best of my knowledge, unless they have hidden talents that I do not know about, I do not think that either Mr. Leitch or Mr. Eldridge is a constitutional lawyer. Who will be our constitutional legal person on these negotiations?

Mr. Filmon: I think it is fair to say that none of the provinces are represented by officials who are constitutional lawyers—not generally speaking, very few. They generally are senior public servants, as Mr. Leitch and Mr. Eldridge are. Each of the provinces is backed by a team of constitutional lawyers, a similar team to what we had in the past, including having on contract Professor Schmeiser of the University of Saskatchewan, who has worked for this province both in the 1981-82 discussions and again in 1990. They would have the entire Constitutional Law Branch plus Mr. Yost from our Justice department.

Mrs. Carstairs: There has been a clear differentiation in Dobbie-Beaudoin or Beaudoin-Dobbie—whichever one you want to call it these days, depending on whether you listen to Air

Farce or not—with respect to the Charter and how it is going to affect aboriginal peoples vis-a-vis how it is going to affect the distinct society clause. I do not know if the Premier has ever indicated his position with regard to the issue of Charter. I think I have been quite clear in terms of the inherent right to self-government. I think it should be subject to Charter.

I know that some of the aboriginal groups do not agree with me, but quite frankly I think that it is absolutely essential for protection, particularly of vulnerable people who are aboriginal, and I refer primarily to women and children, that they be subject. However, there seems also to be the recommendation that the distinct society clause for Quebec will be included in Charter.

Can the Premier tell me if he sees any conflict between those two positions, that one group of so-called distinct peoples will be subject to Charter, the other group of distinct peoples will have their rights included in Charter?

* (2110)

Mr. Filmon: Our view is that all Canadians should be subject to the Charter and that is consistent with the position that the Leader of the Liberal Party is taking.

The aboriginal people of this country should, in our judgment, be subject to the Charter, and the distinct society clause will be used to interpret the Charter. But, our legal advice is that in no way exempts Quebec from the Charter, that in fact it still applies.

Mrs. Carstairs: I think it depends on what legal opinion one gets on that issue. I mean certainly, if one enters into a dialogue with Bryan Schwartz, you get quite a different legal opinion which is that by placing the distinct society clause for Quebec, even though it is defined, you in fact exempt parts of those things from the Charter or at least say it has to be interpreted in light of the distinct nature of the society of Quebec.

The opposite of that is if you put the inherent right to self-government in a phrase that is nowhere in the Charter, then their inherent right does not become interpreted along with the Charter. It becomes subjected to the Charter, and the clear differentiation is that the distinct societies are recognized differently, one in the Charter and the other not in the Charter.

Mr. Filmon: I can only indicate to the Leader of the Liberal Party that there does not appear to be any clear answer on that and that is why we employ constitutional lawyers. They will be there to help us in the final determination of wording, and I am sure that other provinces will have those similar concerns. We are going to have to attempt to resolve those concerns.

Mrs. Carstairs: Can the Premier inform us as to what kind of process will be in place to keep those of us in the Legislature informed of what kinds of negotiations are going on in these four different groups, what kind of proposals are being made so that before the final proposal is agreed upon that we will have been able to provide some input?

Mr. Filmon: As the Leader of the Liberal Party will know, when the minister returned from the first meeting of ministers he reported back to the House by way of a ministerial statement. I would expect that each time there is such a meeting that we will have a report back to the House.

I will take whatever other opportunities are available when we do get down to specific proposals, concerns that have to be addressed to engage the opinions of the Leader of the Opposition (Mr. Doer) and the Leader of the Liberal Party to try and ensure that we are operating on a consensus basis as we move toward the final positions that we may have to take.

Mr. Doer: Yes, I only have a few questions on the Constitution. When the Beaudoin-Dobbie report was made public, the Premier commented at the time, on the Sunday, and it was reported in the Monday media at his press conference that he held prior to his national interview, that we are going through the document—I am just going by memory—with a fine-toothed comb and our legal advisers are going through the document with a fine-toothed comb. On the Monday in Question Period, I asked the Premier whether those documents could be tabled and the Premier indicated that they were still completing the legal analysis of those documents. Are those legal analyses completed and can we receive a copy of those assessments as committed to by the Premier in Question Period here a couple of weeks ago?

Mr. Filmon: I do not have any single document or any complete analysis of the Dobbie-Beaudoin proposals. We have had various opinions from various people who have looked at the document;

some of them may be legal, some of them may be advice from senior staff and together they represent words of caution, words of concern, in some cases legal interpretations, the kinds of things that are normally the privileged briefings of cabinet and Premiers.

I do not have any single document that would represent the final position on it because it is a bit of a moving target. We continue to get more information on what is intended. I do not recall what sort of commitment I made that particular day, and I will have to check Hansard to see.

Mr. Doer: I have my Hansard here, I can point it out to you directly, but I specifically recall the Premier saying that he would make this material available to us, the material that was provided by legal advisers on the Beaudoin-Dobbie report. I will ask his staff to search Hansard. The Premier did indicate, I thought in a positive way, that he would share it with us. There were some items, for example, that were a bit of contention, for example, the issue of whether changes in Section 36 dealing with certain rights of equalization and EPF that were justiciable now, as opposed to the social charter in the Beaudoin-Dobbie report that were not justiciable.

The Premier had indicated in the newscast that he was worried about—his legal advice was that we should be worried about—that section affecting all of Section 36. Therefore, we would, if the social charter does affect the rest of equalization and EPF, be concerned about it and would agree with the Premier. If it does not, then maybe that is one less worry that we as opposition members can carry forward in our debate. So I would ask the Premier, notwithstanding his previous commitment which I thought was generally positive, to please review that matter, and if he can make it available to us then it would be helpful. It would be about March 2, because February ended on the 29th, on Saturday, and they were one day late, and as I recall it was the Monday.

A further question to the Premier (Mr. Filmon). He indicated the clock is ticking, and I am curious how long does he believe it is ticking? There are two scenarios that are possible. One is the scenario that says we are going to have a quick proposal before the October referendum, and therefore a proposal before this Legislature if one is possible. The second scenario is that we will go through a referendum in Quebec, and then a proposal will come forward to Legislatures and the Parliament some time in the spring of '93. Can the Premier indicate, based on his discussion with other Premiers, what is our clock ticking to? Is it ticking to this summer, this October, or is it ticking to next year?

* (2120)

Mr. Filmon: Well, the Leader of the Opposition is correct. There are certainly two schools of thought on it, and it is very, very difficult even for one who is presumed to be an insider to determine where this is heading. The process that has been set in place is to lead to a proposal prior to the Quebec referendum. That proposal presumably would be available some time in the late spring or early summer of this year. There is another school of thought that suggests that Premier Bourassa will be essentially asking for a mandate to negotiate when he goes to a referendum, and, therefore, the final proposal that Quebec will be dealing with will not be presented until some time next year. I honestly cannot predict which way it will go, because at this point the process almost seems to be developing as each week passes, and changing as each week passes. There is no question, as I said in my opening remarks, that without Premier Bourassa at the table it is like shadowboxing. We really do not know where this is heading.

Mr. Doer: Yes, the Premier indicated in question and answers at the Joint Senate Parliamentary Committee that he met with the Premier of Quebec in Montreal just recently. Did the Premier indicate any timing that would be helpful to us in this Legislature of those two scenarios in the meeting that the Premier had with the Premier of Quebec? Or was there anything else that arose from that meeting that the Premier had that would be of significance to this body?

Mr. Filmon: I can only say that privately the Premier of Quebec indicated to me what he has said publicly, and that is that, by law, they must have the referendum; and that the process entails them having something upon which to base a referendum in place by August sometime; and that it is a very firm deadline; and that, in his view, there was absolutely no way they would change the process. I think he said that publicly.

Mr. Doer: I would refer the Premier to page 820—

Mr. Filmon: Yes, I am reading that right now.

Mr. Doer: —and I would refer him to the middle of the page, pursuant to the question: "I see no reason

why I would not share that advice with the opposition leaders or whichever representatives we want to have to ensure that all parties' views are brought together on this issue." So it was certainly my understanding, based on the question of legal opinion requests under the headline, that the First Minister would make that available, but I will not belabour the interpretation of our question and answers. I will just leave that with the Premier.

I want to move to the Aboriginal Justice Inquiry—and, as the Premier has indicated, the Constitution is a bit of moving target. I would be a lot happier if I knew where it was moving to and when it would be moving there, but I do not and, as the Premier has indicated, very few people do.

The Aboriginal Justice Inquiry, I am very concerned—we will have disagreements with the government, and we will have lots of disagreements with the government, but I do not think I have ever seen in a disagreement, a public disagreement, on certain recommendations of certain reports, a tone of a government minister that was so, how should I say it, confrontational, with some of the leaderships of various groups mandated by Manitobans, and making very, very serious comments about elected representatives of various groups, elected representatives, I might say, whom the government has to deal with on a whole range of other issues, not just the Aboriginal Justice Inquiry, the constitutional issue, the issue of Repap divestiture, the issue of Conawapa, and all these other proposals on the table.

I could not believe that a government minister of the day was on this sort of verbal rampage, as what the Minister of Justice (Mr. McCrae) has been over the last number of months without somebody reining that individual in, in terms of all the items that must be dealt with in partnership with our aboriginal leadership and with our aboriginal people.

I cannot understand how a minister can go on, as the Minister of Justice had, with obviously deliberate motivation, without somebody saying, hold it, we have got a number of items that we have to deal with in partnership with the aboriginal people of this province, not only the morality of dealing with them, but a number of economic proposals, a number of environmental issues, a number of legal issues and to be making comments as if this person is not entitled to be speaking because they are not really elected by their people, et cetera, et cetera, to even attack the various institutions of the other side, I thought was very, very wrong.

I was wondering whether the Premier has had any discussions with his Minister of Justice to try to get an even-tempered—how should I say it?—response to a number of the issues that are before the government of the day because recognizing that there are legitimate people elected, whether they are city councillors or mayors or leaders of organizations or whatever, none of them are infallible. No one in this Chamber is infallible even though we are elected. Some of us have been elected by 25 percent of the people of our own constituencies if you take into account turnout and other things.

I was wondering whether the Premier has any strategy to develop a partnership rather than a confrontation with aboriginal people, not just with the Aboriginal Justice Inquiry, but also with the many other areas that surely must be of concern to the Premier and the government ministers.

Mr. Filmon: I think it is fair to say that the Justice minister has been regarded by most people as being a very calm and sensible individual in the way in which he deals with his responsibilities. He takes them very, very seriously. I do not know what the motivation of the Leader of the Opposition is in kicking the Minister of Justice around.

He can go and do that in his Estimates where the Minister of Justice will very ably defend himself, I think, against those criticisms. We as a government have indicated our desire to engage the four aboriginal groups in this province who represent aboriginal people in dialogue on the implementation of the Aboriginal Justice Inquiry recommendations as the government has accepted them and has committed to them, and we have not had any response yet from those groups. We are awaiting, I suppose, further discussion. We will continue to be open to further discussion and dialogue with the representatives of various aboriginal groups in the province as we have been.

I think the development of the aboriginal women's policy was something that occurred as a result of a good deal of co-operative effort between our government and aboriginal women's groups in Manitoba.

A number of initiatives have taken place in this province, whether it be agreements on taxation on reserves, agreements on gaming authority on

reserves, agreements on co-management of resources, all of these things that were never able to be achieved by the previous NDP administration that have been achieved as a result of a great deal of consultation and co-operative effort.

* (2130)

I think the Leader of the Opposition (Mr. Doer) knows that there is a good deal of politics involved in much of the public posturing and pronouncements of the leadership of the aboriginal community, and we cannot avoid that. I am not criticizing it. I am just saying that the difference between what is being said in terms of the sort of public dialogue by some of the aboriginal leadership and what is actually happening is vastly different.

We were able to achieve the agreement on the northeast or North Central Hydro transmission line to the seven remote communities in north central Manitoba. That, I think, is an outstanding achievement of this government, because of its commitment to resolving a number of issues and concerns with respect to aboriginal communities.

The progress that is being made with respect to settlement of outstanding issues on the Northern Flood Agreement, I believe substantive progress, all of these things are an indication of the continuing discussions and dialogue that we have with aboriginal people. So there is no lack of that, and there is no lack of good will on our part to resolve issues. I do not think that would ever preclude there from being a lot of posturing and politics being played with respect to issues that involve the aboriginal people of this province.

Mr. Doer: I would ask the Premier whether he supports the Minister of Justice's (Mr. McCrae) statement that the Grand Chief is questionable in his authority, because he is elected by chiefs and not the members of the bands themselves, which is the way in which aboriginal people choose their leader, as all of us are elected by convention, as well, by our own people before we go before the public.

Mr. Filmon: The concept and the practice of aboriginal self-government is certainly evolving, or the representation of the aboriginal groups in society, because we deal with both elected people within the aboriginal community, the Assembly of Manitoba Chiefs, the Manitoba Metis Federation, and appointed groups, the Indigenous Women's Collective and so on, representing aboriginal people. We have to deal in a balanced way with all of these groups to gather their input, and that input is not always consistent. There are varying views, for instance, on whether or not the Charter should apply to aboriginals. Various groups and the aboriginal community have conflicting views on that.

The Globe and Mail, in one of their editorials, referred to the aboriginal representation as being less than a government, more than an interest group. You know, that is, I suppose, the conflicting analysis of exactly who we are dealing with when we deal with the aboriginal leadership. It is in some cases elected, in some cases nonelected, and yet clearly we accept them as being the representative leadership of the aboriginal people when we invite them into our offices and our cabinet room for meetings, and when we listen to their presentation on any numbers of issues in which we have common interest.

Mr. Doer: Well, I would suggest to the Premier that if he reads back, or watches the tape from the debate that he and I and the Leader of the Liberal Party (Mrs. Carstairs) attended in August of 1990, it was not the same tone that we hear now from his Minister of Justice (Mr. McCrae) in terms of dealing with aboriginal people, and a lot of the content since then, I am somewhat disappointed in.

I would ask the Premier, one of the most fundamental recommendations of the Aboriginal Justice Inquiry was to create a commission of equal members from the government and the aboriginal community. It left the issue of the chairperson open. Obviously, one would want somebody credible with everyone. Why did the government choose to not follow through on this most fundamental recommendation of establishing a joint commission, and why did it in fact go ahead with something that we were fearful of last year in Question Period, that is, just the technical working committees? Why did they not follow through on that one fundamental recommendation in the report for a partnership in implementing the recommendations in the Aboriginal Justice Inquiry?

Mr. Filmon: I might indicate, in respect to the preamble of the Leader of the Opposition, that the tone with which the aboriginal leadership deals with us as a government has changed since that debate as well. Chief Phil Fontaine was, I thought, very fair and reasonable and referred to me in very honourable terms as Premier, and then when he was running for the position of Grand Chief of the Assembly of First Nations, called a news conference

to pronounce me a racist. So, you know, the tone of the aboriginal leadership from time to time has not been very appropriate in their dealings with this government either. That does not mean that two wrongs make a right. We are committed to deal with the aboriginal leadership in as fair and as reasonable a way as possible.

Mr. Doer: I thank the Premier for his explanation on the tone. Can the Premier indicate why his government chose not to implement the joint commission and rather proposed that we go to technical working groups? This is very much opposite to the total thrust of the recommendations of the Aboriginal Justice Inquiry that we have developed a system of justice based on social and economic deprivation in many communities, a justice system that is overrepresented by aboriginal people, underrepresented in terms of participation at the other levels of the justice system, and that a starting point—you know, there are lots of other areas I could understand the government disagreeing with, there are lots of areas he and I will disagree on, but what I could not understand is why we could not start off at the most fundamental level, agreeing to a joint partnership of a joint commission which is recommended by the committee, rather than going back to the proposal the government made on technical groups.

Mr. Filmon: Well, it seemed to us that the Aboriginal Justice Inquiry, by virtue of its recommendations, led us to a series of policy decisions. We made those policy decisions as a government, as to what was within our jurisdiction and purview, what was outside of our jurisdiction and purview, what we were capable of implementing immediately or in the foreseeable future, and what we felt we could not go on in the foreseeable future.

* (2140)

Having made those policy decisions, we then acknowledged that the best way to oversee the implementation of those various policy initiatives was by a series of working groups that would work on each one individually and carry them through to implementation phase. We felt that was the most efficient and effective way of achieving it.

Mr. Doer: I would ask the Premier, how is he going to get this thing back together again? I mean, we have the chiefs and Minister of Justice (Mr. McCrae) over the last six weeks exchanging very, very major disagreements. The Premier now has invited the Grand Chief, I think, of Manitoba to a meeting. What strategy do we have for the Premier to start getting the government of the day and the Minister of Justice working with our aboriginal people on this very important report?

Everyone agrees that the analysis is correct. I mean, the solutions the commissioners may propose may be in disagreement, but the analysis is very, very, very thorough. So how do we get this back together again?—I guess is my question to the First Minister, which is very important, I think, for Manitoba.

Mr. Filmon: Well, we have an outstanding invitation to the leadership of the four main aboriginal groups in Manitoba to meet with myself and the Minister of Justice and the Minister of Northern and Native Affairs (Mr. Downey) to get on with the process of establishing working groups to oversee the implementation of the recommendations that we have undertaken. We are awaiting their response on that. I think they are perhaps to some degree preoccupied with constitutional issues, because in fact I, just yesterday, had a request for a meeting with them on constitutional matters but not on the Aboriginal Justice Inquiry. So I assume that has now become the No. 1 priority.

Mrs. Carstairs: Well, that could of course very well be, because you cannot separate the two things. I mean if our aboriginal community is going to be granted any constitutional framework, the inherent right to self-government, then what will flow from that is a series of powers and authorities. I would like to ask the Premier why the decision was made in the province to reject a justice system for the aboriginal people, and do they not think that such a justice system may well be one of the aspects that will require a negotiation under a recognition of an inherent right to self-government?

Mr. Filmon: That matter may well flow from the discussions of aboriginal self-government, that it may lead to the establishment of the justice system for aboriginal people. At the moment we have one Criminal Code, for instance, in Canada and we have a Charter of Rights and Freedoms and various things that the justice system deals with and makes decisions upon. At this point I do not think we have enough information on how a separate justice system can or should work, because there seems to be conflicting ideas as to whether or not the Charter of Rights would apply as to whether or not

the Canadian Criminal Code is acceptable to the aboriginal people in their own justice system. A series of very, very practical questions were asked in a lead editorial in the Globe and Mail following that recommendation that I think highlighted the great uncertainties.

For instance, if a crime is committed against a nonaboriginal by an aboriginal person, will the person be tried in an aboriginal court or a nonaboriginal court, and vice versa, if a crime is committed by a nonaboriginal on an aboriginal person, will that person be tried in an aboriginal or a nonaboriginal court? Whose laws will apply and how do we decide? If, indeed, the aboriginal people say that the Charter of Rights and Freedoms is unacceptable to them, which rights and freedoms will be suspended? And so on.

We just simply are not in a position to proceed with the establishment of a justice system until a great deal more information is agreed upon, a great deal more in the way of principles. We believe that that is very properly the outcome of the establishment of self-government. There is a great deal more work to be done before we could ever move into that with any confidence.

Mrs. Carstairs: But it is not quite as complicated as all that. We already have alternative systems of justice. If one looks at the military courts in this country, it is quite a totally different judicial system than we have in regular courts.

Those difficulties that the Premier alluded to have been worked out, as to what group will look after it in one particular circumstance and what group would look after it in another, different circumstance. So it is not that it cannot be done through a series of negotiations. My concern was that I think that the whole process of reconciliation with our aboriginal people has been derailed to a very great degree because this government said, that is one of the things we will not even discuss.

By indicating their lack of willingness to discuss that, my concern is that the aboriginal people have now got their backs up and said, well, we will not discuss any of the other things either. So the reality is that somebody is going to have to start making some noises about getting back to the table on a broad variety of issues, and one of them may well indeed be an independent justice system.

Mr. Filmon: We have invited them back to the table, as I said earlier, and we are awaiting their response.

Mrs. Carstairs: In the invitation for them to meet, has the Premier also indicated his government's willingness to consider once again an independent aboriginal justice system?

Mr. Filmon: No, Madam Chairperson.

Mr. Doer: Moving to Federal/Provincial Relations, we have discussed some of these and some of the components that the government has discussed. I wonder if the Premier could advise us—on the budget day he indicated that they would find out about the lab in terms of its capital construction for the '92-93 years. The Estimates now have been tabled in Parliament. Can he indicate whether the lab will proceed in '92-93 as hoped for, obviously, by all Manitobans?

Mr. Filmon: There is money identified in the federal estimates for the virology lab, and it is greater money than was originally projected for this fiscal year and next, that we have had no official announcement or word as to whether that implies an acceleration or what the explanation is for the greater amounts that are shown in the estimates for this and next fiscal year.

Mr. Doer: I thank the Premier on that issue. CN has been moving a number of head office jobs to Edmonton. It has been a matter of debate in this Chamber for a number of years.

* (2150)

Can the Premier indicate why he would not join his Minister of Transportation (Mr. Driedger) in meetings with the federal minister of transportation and the chair of CN when they were here in the building some months ago? Would he not have thought his intervention at the meeting would show some support for CN workers and CN staff in Manitoba, where we have been decimated in terms of the federal government moving jobs and components of jobs over to Edmonton, Alberta?

Mr. Filmon: I say a couple of things to the Leader of the Opposition that, firstly, I have made my views known about cutbacks in employment levels in CN all the way up to the Prime Minister.

Secondly, I have met with Brian Smith, the chairman of the CNR on numerous occasions. In fact, he is a relatively regular visitor to my office. He was there Thursday of last week, and every time I

seek assurances from him that we will not be disadvantaged by any moves that CN makes—I am smiling because I remember one of the times that he was there, the Leader of the Liberal Party was in my office in June of 1990, he was in my office in June of '91. I could find the exact day. He was there, as I say, again last Thursday. He arranged for me to meet this fall with two senior vice-presidents, one for the western region and one for the Manitoba region, Mr. Campbell and Mr. Walker.

I do not know what kind of a straw man issue the Leader of the Opposition (Mr. Doer) is trying to raise, but I meet very regularly with many, many people, and I have taken great pains to ensure that the CN people know of our concern about maintaining employment here.

I just suggest that the Leader of the Opposition could have done a lot more in his tenure in government, if he had counselled some common sense to his government who jacked up the tax on diesel fuel for locomotives to the highest level in the country. When challenged in this Legislature, his Minister of Finance and his Premier said, what are they going to do, tear up the tracks? Well, what they can do is remove wholesale, large sections of employment in the province because of the fact that we put a punitive and discriminatory tax on their use of diesel fuel in this province. That is one of the reasons why we have reduced that diesel fuel tax and that will do more to keeping good relations and employment levels up in the CN than all of the rhetoric of the Leader of the Opposition (Mr. Doer).

Mr. Doer: The chair of CN, the former member I believe of the Socred government, did he promise any—did the Premier get any guarantee that no further head office or regional office jobs, headquarters jobs, will be moved from Winnipeg to Edmonton as we have seen over the last three or four years under his administration, a mass exodus of jobs and key jobs over to Edmonton?

Mr. Filmon: I will say this, that in response to the punitive and discriminatory taxation of the former NDP government, many things negative to Manitoba were done by CNR. We have worked very hard to reverse the relationships between ourselves and the CNR that were severely damaged by the inappropriate policies of the former NDP government, of which the Leader of the Opposition was a part. In re-establishing those relationships, I think it is more than fair to say that we will get much more reasonable fair and equitable treatment from the CN than we did as a result of the poisonous relationships that were caused by the NDP government and its policies.

Mr. Doer: We will check the record on May 7, 1988, on employment levels and head office functions with the performance right now of employment levels in CN.

A further question dealing with jobs going to Alberta. Can the Premier inform Manitobans: Have there been any more jobs lost to Stettler, Alberta, under lotteries, and are there any more contemplated?

Mr. Filmon: Not to my knowledge.

Mr. Doer: Did the Premier, in his co-operative environment with the Premier of Alberta, ever get any satisfaction on the jobs that were lost to Stettler, Alberta, out of the Western Canada lotteries for Manitoba?

Mr. Filmon: The fact of the matter is that more than half the tickets in Western Canada Lottery foundation are sold in the province of Alberta. Alberta is the dominant factor in that foundation, and if Alberta were pushed to withdraw, as indeed they threatened over a period of three years, as B.C. previously did, to withdraw from the foundation, we would have lost several hundred jobs in this province. In the interests of fairness, as dictated by their proportion of the lottery sales, 58 jobs were moved to Stettler in the interest of saving a couple of hundred more jobs for Winnipeg and Manitoba.

If the Leader of the Opposition (Mr. Doer) wants those jobs to be destroyed completely and moved out of this province, regardless of who is in government in Alberta, I would suggest to him that if they are not dealt with fairly but inequitably we stand to lose far more jobs. If he wants to try and come up with some kind of bravado and macho approach to this, he can kiss a couple of hundred more jobs good-bye.

Mr. Doer: The per capita percentage of reduction in employees in Manitoba for federal public employees was the largest in Canada. Has the Premier stopped the erosion on a per capita basis of federal employment in Manitoba?

Mr. Filmon: Our analysis shows that federal government employment has declined in every province and territory in the last half decade. Although the decline was larger in Manitoba than in other western provinces, Manitoba's decline was interestingly lower than the decline in Quebec. We

are not alone in the decline of federal employment levels in provinces across the country.

Perhaps, more important, Manitoba remains the only western province with a percentage share of total federal employment which is larger than our percentage share of population. That does not mean that we should not continue to be vigilant. We should and we are, and that is why the Minister of Justice (Mr. McCrae) led the delegation to Shilo last week, and I think that the participation of both opposition parties was extremely important in that endeavour. We look upon this as a nonpartisan issue. I think that the contributions of the member for St. Boniface (Mr. Gaudry) in ensuring that our words were heard in both official languages at that delegation meeting were very important.

Mr. Doer: A couple of more questions. The forest fire issue, has the Premier got that resolved yet? In which fiscal year will the revenues flow?

Mr. Filmon: As the saying goes, the cheque is in the mail. The agreement that we have is that the funds will flow before the end of this fiscal year March 31.

* (2200)

Mr. Doer: Good. Will the equalization indications under Federal/Provincial Relations alter next fiscal year?

Mr. Filmon: They will not alter our bottom line in this fiscal year because they were actually booked in the '88-89.

The Auditor has already certified, or at least indicated that they are receivable in a previous year, so they would not in any way alter this year's bottom line.

Mr. Doer: Yes, $18 million was receivable. If you get more than that, we may see it in the Fiscal Stabilization Fund yet.

The final financial matter, equalization numbers: Has there been any reduction in the estimates in the fourth quarter on equalization from the federal government?

Mr. Filmon: Sorry.

Mr. Doer: Has there been any reduction in the fourth quarter projections of equalization for this fiscal year?

Mr. Filmon: The Leader of the Opposition knows those estimates change many times throughout the year. The last information I have is that which the Minister of Finance made public when he tabled the—is it the third quarter financial statement?—yes, and that is as recent an estimate as I have seen.

Madam Deputy Speaker: The hour being 10 p.m., what is the will of the committee?

Some Honourable Members: Continue, just a few more questions.

Madam Deputy Speaker: Agreed? Agreed.

Mr. Doer: I think we have an agreement to go every night till at least midnight. However, I am not suggesting we go that long, because we also have an agreement about how long we are going to have you on the barbecue.

One last question, the French Language Services area is under the Premier's jurisdiction. I was wondering when can we expect an announcement on French language governance in our education system?

Mr. Filmon: Soon, Madam Chairperson.

Mrs. Carstairs: I just have a couple of questions on the whole issue of sustainable development. I raised these in my opening remarks, and if the Premier wants to elaborate, we can have it all done in one question.

Essentially, I want to know if the federal government is maintaining its level of contribution to the centre, and secondly, why are we decreasing in areas of sustainable development in our provincial budget while maintaining our same level of commitment to a Centre for Sustainable Development?

Mr. Filmon: Yes, the federal government is maintaining its contributions and basically the agreement calls for about a three-to-one ratio, federal to provincial contributions to the centre. Because they draw from us to meet their cash flow needs, it has actually been working out closer to four-to-one in federal contributions during the past year.

It may well be that in the foreseeable future, although this year, because of their activities with respect to the world environmental conference in Brazil, they may use their full budget needs.

With respect to silviculture, that is an example of exactly what is meant by sustainable development and if the Leader of the Liberal Party wants to have some debate—I intended to speak on some of what I regard as misperceptions that are being put

forward by her and members of the official opposition on sustainable development.

Sustainable development involves the replacement of that which is harvested by—if we use, for example, forestry—newly planted and maintained trees. So, if you are harvesting fewer trees as indeed, given the recession and the low prices of pulp and paper, Repap has been doing, then they are drawing fewer seedlings from our Clearwater supply of trees. Therefore, we do not need to pay as much for the development of seedlings if fewer are being required by Repap to replace that which they are harvesting. The Minister of Natural Resources (Mr. Enns) indicated in the House, last week or the week before, the tremendous volume increase that this government has had versus what the previous government had by way of new tree plantings in this province.

It was a substantial increase which is on the record in Hansard. We are indeed meeting the test, which is to have a living, growing tree replaced for every tree harvested. That is sustainable development, not some artificial figure that says you plant so many trees. It is really in relation to what is being harvested, so that we are always at least replacing the harvested trees, and in recent years, I think we have done much better than replace the number of trees harvested. The dollar amount in silviculture is simply a reflection of what we expect to have to grow by way of seedlings in order to meet the needs in a time in which fewer trees are being harvested.

I might just indicate that somehow there is a perception attempting to be floated by opposition members from time to time that sustainable development is an environmental concept. It is fundamentally a development concept. That is why the word is "development." It does not say sustainable environment. It says sustainable development. That is development in harmony with the environment, development that meets the needs of the present without jeopardizing the ability of future generations to meet their needs by way of the development of our Earth's resources.

That concept, which has a long history in the world, was essentially brought forward again by the Brundtland Commission. When faced with the question of what does that mean in terms of—does that mean that you stop all development? The Brundtland Commission said, absolutely not. If you were to stop all development in the interests of ensuring that there was no alteration to the environment in the world, you would forever condemn the Third World and underdeveloped countries to poverty, because the only way in which we can increase their standard of living is if we allow them to develop their resources and their opportunities. That development has to be sustainable, meaning that we always ensure that where these are resources that can be replenished that they are replenished.

Somebody, for instance, and I think it was regrettably a member of the media, tried to lead the representative of the Chamber of Commerce on that, I guess, environment or sustainable development committee, into a commentary on Conawapa. How can Conawapa be in harmony with the government's commitment to sustainable development? Well, very simply Conawapa represents the development of a totally renewable resource. As long as rain and snow fall upon the Earth and the rivers run throughout western Canada, the water flows down the rivers and through the turbines and generates electricity in the cleanest, most efficient form that is imaginable. Unless something occurs to stop the rains and the snows from falling upon this Earth, that is a very great example of a continuous, replenishable, sustainable type of development.

* (2210)

The only question is whether or not there are environmental damages that cannot be mitigated that are associated with the development of Conawapa. My understanding of the project is that there will be less than one square mile of flooded land in the total development of that project. That compares to some previous projects that were done in the '70s by NDP governments in which there were hundreds of square miles of flooded land. Then ultimately the concept of sustainable development says that you should have a process in place by which there is an objective third-party review of the proposal. For Conawapa, for instance, there have been two third-party objective analyses and reviews, the first of which being the economic review that was done by the Public Utilities Board, the second of which will be the Clean Environment Commission review on the environmental aspects of it. That, too, fits absolutely perfectly with the concept of sustainable development which involves a process for public evaluation and review of the project.

In all respects these things are perfectly in harmony with the principles and concept of sustainable development, and yet somehow some members of the opposition are trying to argue that just because a development is taking place that automatically contravenes sustainable development. It does not.

Mrs. Carstairs: Madam Chairperson, just to put a few corrections on the word, in order to guarantee a replacement tree you have to plant five, not one, because nature being what it is, four of them will not grow to the height of the tree that was cut. You cannot replace one with one, and Manitoba has the worst forest planting record in all of Canada bar none, and cutting the silviculture budget may in fact be better than what the previous government did. There is no doubt about that, but that is why we were 10 out of 10. Unfortunately, we still remain 10 out of 10, and unless we use our dollars effectively we are going to remain 10 out of 10.

The definition which the Premier gave of sustainable development, which puts development prior to the environment is certainly not the definition that Madam Brundtland would give, which is to put the environment first, and when the environment can be satisfied in an effective way, then there is nothing to stop the development from taking place. Having read the Brundtland Commission report, there is nothing that would persuade me that she did not put the environment first and not development.

In terms of my questions tonight, Madam Chairperson, I have no further questions to ask, and I am not going to make a closing statement, because I do want the minister to get a good night's sleep. I would not want him testy at the meetings the next couple of days.

Mr. Filmon: Madam Chairperson, I just want to invite the Leader of the Liberal Party to read what I said. I said the Repap agreement calls for a living, growing tree. That means they have to keep replanting as often as it takes to get a living, growing tree for every one they harvest. That is the agreement, and it is the most progressive agreement in terms of forestry that has been entered into by any province in this country. I am fully aware of the fact that a planted tree does not necessarily replace a harvested tree and that is why the agreement is so worded. We will be happy to have further discussion on it.

I just say to her, I do not know why she thinks I should be different than my normal testy self going to a First Ministers' Conference.

Mr. Doer: I was just going to end off by saying that I hope the Premier is his normal testy self, because I think this country needs a real testy First Ministers' meeting in terms of the real challenges. I wish him well.

Mr. Filmon: I just thank the two opposition Leaders for the tenor of the debate and the examination of Estimates. As I said earlier, with the exception of getting too far into the details, I think it was very appropriate for us to be examining the particularly key priorities of this government and the areas that will come under greater scrutiny. I have no hesitation in explaining and defending, to whatever extent I can, the priorities that we are choosing. I thank the two opposition Leaders for the tenor and the civility with which they examined these Estimates.

Madam Chairperson: 1.(b) Management and Administration: (1) Salaries $1,702,600—pass; 1.(b)(2) Other Expenditures $569,000—pass.

1.(c) Intergovernmental Relations Secretariat: (1) Salaries $312,200—pass; 1.(c)(2) Other Expenditures $70,000—pass.

1.(d) Government Hospitality $15,000—pass.

1.(e) International Development Program $474,600—pass.

1.(f) French Language Services Secretariat: (1) Salaries $95,800—pass; 1.(f)(2) Other Expenditures $23,000—pass.

At this point I would request that the First Minister's staff leave the Chamber.

1.(a) Premier and President of the Council's Salary $26,600—pass; 1. General Administration $3,288,800—pass.

Resolution 5: RESOLVED that there be granted to Her Majesty a sum not exceeding $3,288,800 for Executive Council, General Administration for the fiscal year ending the 31st day of March, 1993—pass.

This concludes the Estimates for Executive Council.

Committee rise.

Legislative Assembly of Manitoba

Monday, March 23, 1992

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