

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 29 April, 1985.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - MUNICIPAL AFFAIRS

MR. CHAIRMAN, C. Santos: Committee please come to order. The section of the Committee of Supply will be dealing with the Estimates of the Department of Municipal Affairs.

We shall begin with a statement from the Honourable Minister responsible for the department.

HON. A. ANSTETT: Thank you, Mr. Chairman.

Mr. Chairman, members of the committee, it's a pleasure tonight to introduce the Estimates for the Department of Municipal Affairs for the next fiscal year. Members will note that we distributed in the House today the supplementary information that's been distributed the last couple of years and later on in my remarks I'll speak briefly to that supplement.

Before moving into specific detail regarding the Estimates, I'd like to recognize the continuing contribution made by elected municipal councils throughout the Province of Manitoba. I'm certain members will join with me in recognizing the dedication and achievements of those people who serve local government in our province. That recognition can also be extended to the many staff who support municipal councils in all of our municipalities.

I'd also like to take an opportunity now to recognize the contributions made by my Deputy Minister, Gerry Forrest, who is back full time for the first time today, having taken a vacation that he didn't plan for the last several months or parts thereof, and also the staff of the department of Municipal Affairs. Our full executive board of directors is with us tonight to observe the Estimates and help out the Minister every time he has trouble with the difficult questions from members opposite.

In general summary, the Department of Municipal Affairs Estimates are up 8 percent. I'd like to allay any fears of any of my colleagues who happen to be here or read these Estimates, that the Department of Municipal Affairs didn't get a whopping big increase this year of 8 percent, but rather those Estimates changes relate primarily to grants and most particularly to grants in lieu of taxes which are up from \$22,651,000 to \$23,617,400.00.

I'd also like to advise members that some reorganization did take place in the Department of Municipal Affairs during the past year. The Estimates figures have been adjusted for ease of comparison, so that similar functions are presented in the adjusted vote for last year, as if the change had been in place one year ago.

As we proceed through the detailed examination these functional adjustments will be apparent. The primary change in structure relates to the emphasis

newly placed on assessment reform and the requirement for the development of systems to support assessment reform.

Members may recall that during Estimates last year, I indicated the department would be moving to establish uniform standards and procedures throughout the province. I'd like to advise members of the committee that officials of the Assessment Branch have been working with the City of Winnipeg Assessor to develop uniform standards. In addition a technical steering committee involving the acting Provincial Municipal Assessor, Mr. Bob Brown, who was appointed last fall and his Deputy are co-ordinating this activity.

Three joint working groups involving the City of Winnipeg and provincial assessment staff are directing their efforts in three specific areas: First, a single land valuation manual; second, a single building valuation manual; and third, a mutually compatible computerized process for assessment.

In the specific area of computerization for assessment, there are four basic phases to the overall process. The first is a needs analysis which is critical to establish proper foundation for any new system. This will require review, revision and definition analysis to frame the whole of the new system.

For example, there are approximately 200 forms used in assessment recording now. Each of these forms has to be analyzed and restructured to fit the new computerized format. At the same time, procedural questions must be examined to ensure compatibility, following the changes.

Analysis is also taking place to determine what information will have to be kept in the data base and who should have access to that information. At the same time, we're examining other computer systems with a view to establishing future tie-ins with the municipal assessment system, for example, the computer systems now in place in the Crown Lands Branch and in the Land Titles system in the Attorney-General's office.

The second major step and link in the process of computerization involves the actual system design. Once we've done the needs analysis, we can look at the parameters that have to be linked, in terms of the technical specifications, and we then have to design the system, the system's design based on the analysis of the actual requirements.

The specifications then, form a basic road map of the functions to be contained in the computerized system. Following the design of the system, a process of probing or walking through or testing the system is required to ensure that the systems perform appropriately; and obviously the whole process of assessment reform and the addressing of policy issues, the whole process of change will take place on a continuous basis while the new computer system is designed.

We've already established contact with other jurisdictions throughout Canada that use computerized assessment systems to see whether or not any of their

existing systems, ideas, concepts or parts thereof are either useable or modifiable to meet Manitoba's specific needs.

Obviously, if we can find or readily adapt an existing system, time and effort could be saved. If not, then we'll go on to continue to the final steps of developing our own system, perhaps borrowing here or there from systems that have proved successful.

Following system design, we move on to a phase of system development involving the conversion of all the technical data into working computer programs. This is the most labour-intensive phase of the exercise and it will consume a great deal of time. Specifically, all of the existing records will have to be converted to the new format. Daily operating procedures and staff training will be required during this phase.

The final phase will involve system testing. The system will be run in parallel with the current system so the results can be monitored for efficiency and accuracy. An intensive and continual examination of the system will be required so that any necessary changes can be made to the computer programs before final implementation.

At present, we're currently in the needs analysis stage, documenting all of the requirements for assessment reform. Various computer languages are being evaluated for possible useage and staff are being familiarized with computer useage in our various district assessment offices where on-line systems for data keeping have been in place for a number of years.

Prototypes of land and building valuation functions have already been developed and we're receiving input and also feedback from the field staff and the district offices, so the system will incorporate the practical requirements of the work they do out there.

While the primary emphasis, at present, is on needs analysis and system design phases, we're also continually conscious of the other facets of assessment reform involving both computerization and the field of assessment generally.

For example, members will have noticed the assessment pamphlets which were contained in the Estimate's supplement package. I hope members will agree that the assessment reform must include determined efforts to enhance public understanding about the assessment process.

Last year, I indicated the department would begin this public education program to explain the basis of the assessment system and to provide guidance on many of the frequently encountered problems which occur with the existing legislation.

To date, you will note that in addition to the general pamphlet which describes assessment reform, there are informational pieces on farmland, farm buildings, residential property, commercial property, industrial property and the appeal process. Members are probably aware that this material has already received very wide distribution through municipal offices, the assessment offices, and by assessors at the doorstep of ratepayers throughout rural Manitoba.

As the process of assessment reform continues, we'll be preparing material to update municipalities and the general public. The changes we'll be proposing during the current Session for The Municipal Assessment Act, which has now received first reading, will be detailed for municipal councils and members of the public so

that people can be made aware, as quickly as possible, of the procedural changes once they've been introduced in the Legislature and, hopefully, subsequently passed and implemented.

The department is also working to prepare a pamphlet which will deal with the differences between assessment and taxation. This is an area which has traditionally presented difficulty for all of us and we're hoping to assist the public in making the vital distinction between these two very separate and yet related processes.

Members will have, I am sure, specific questions regarding the assessment reform process and I hope to be able to address those when we get to that item in the detailed examination of the Estimates.

I'd also like to now move on to a couple of other areas involving my department.

Generally speaking, the Estimates themselves this year reflect a continuation of existing programming. Members will note, though, that the funding for Main Street Manitoba does include a certain amount of carry-over reflecting the ongoing nature of the Main Street projects. And if members refer to the Estimate's supplement, Section 3, Page 7, (3-7), you will note an outline of the Main Street Manitoba projects which have been completed, those where agreements are in place, those that are approved in principle, and those awaiting approval. I'd also like to mention that in addition to all of those categories, there are 14 projects which are still in the design stage.

I would like to acknowledge the contribution of my predecessor, the Member for Ste. Rose, with regard to the Main Street Program. I think the detail in the supplement indicates the tremendous response that municipalities have given to a program he designed and fathered.

While we're looking at the supplement, perhaps we should draw your attention to some of the other contents. For example, the Centennial Grants Program is outlined also in Section 3 on Pages 9 and 10; grants in lieu of taxes are outlined and considerable financial information is displayed.

As well, also in Part 3, an outline of the status of assessments and proposed reassessments right through to 1989 is included. We've also outlined the general status of our planning programs from our Municipal Planning Branch and I'm certain members will note with interest, the movement of the planning process in those charts, from the planning scheme to basic planning statement and development plan and zoning bylaws and substantial progress is being demonstrated at the local level to assuming full responsibility for the planning process in the hands of local government in the form of planning districts. The grants paid to newly-formed districts are also indicated in that same portion of the supplement.

The services traditionally performed by the Department of Municipal Affairs in consultation with municipal governments throughout the province are continuing as usual. We've been involved in a variety of seminars and training programs, both for elected officials and also for appointed municipal staff. The feedback generally received indicates that further involvement by the department in these kinds of activities will be well received and has been worthwhile to date.

I believe the consultative approach, which has traditionally been taken by the Department of Municipal

Affairs and by Ministers in Municipal Affairs through several decades has proven to be of benefit for local government and for the province as a whole. I trust that the existence of specific problem areas, and there will always be those, will not cloud our vision of municipal government and of the services provided by the Department of Municipal Affairs, so that we don't lose sight of the significant progress which has been made in municipal government, not just in the past year, but in the past several years.

In presenting my 1985-86 Estimates for the department, I'm conscious of the many areas where my department will continue to work with municipal people to improve conditions and services from local government throughout rural Manitoba. The economic conditions which all Manitobans have faced during the past few years and which we are all concerned about for the coming years have, nevertheless, demonstrated the willingness of municipal people to participate in joint efforts at sound management and fiscal responsibility. I look forward to their continuing support and work with the province in those efforts.

Gentlemen, ladies, that concludes my introductory comments. I'll be pleased to detail any of these program initiatives or the existing Estimates Program when we get into the detailed line-by-line discussion.

MR. CHAIRMAN: As is customary with this Committee, the Chair now calls upon the leading opposition critic to make his reply.

The Member for Virden.

MR. H. GRAHAM: Thank you very much, Mr. Chairman.

At the outset, I would like to, first of all, turn my attention to the staff of the department and in particular to the Deputy Minister and welcome Jerry back. We hope that the mild setback he had is one that is completely behind him and we're looking forward to his work in the future.

It's also, I think, significant to note that at a time when the municipal assessment has been in the forefront for the last number of years, that when we are approaching this subject we are in the position of having had senior positions change in, not only in the province, but in the city as well; so that probably was, at one point, a concern to people to see the head of the Assessment Branch resign, both in the province and in the city. It did cause some concern. However, I think that is behind us and we're looking forward to the changes that should be announced - or should have already been announced - by the Minister and have not, as yet, taken place.

Before I get into Assessment though, there are one or two things I think I would like to address. This comes about as a result of talking to many people in the municipal field and, Mr. Minister, I think it should only be fair to point out to you that the change that has occurred in the past few months with respect to policing in the Province of Manitoba and the fact that the province has decided to assess across the province for police cost has caused a fair degree of concern in various municipal jurisdictions.

It is a basic change in policy that has occurred and it doesn't - I have to say to you, Mr. Minister - meet with the approval of all of the municipal people. It meets

with the approval of some, but not too many. I wish the Minister well in his relations with the various municipal corporations in that respect, but I thought I should mention it now that it is a concern to many.

The other thing that bothered me a little bit is that, in general, municipalities have for years complained that they unfairly get the brunt of the criticism of the ratepayers when the taxes are being paid. The ratepayer doesn't really care whether it is school tax or whether it is municipal tax, but the fact that taxes are always increasing at a rate far faster than the ratepayer would like to see has unfairly reflected on municipal corporations because, by and large, the municipal corporations, I believe, have kept their costs relatively well in check and it has been the school portion of municipal taxes that has run fairly rampant in the last few years.

I know that does not belong in this particular ballpark. It is only fair though to point it out, that municipal people are getting a lot of criticism from the ratepayers and they are not to blame for the problem. I have been hearing it with increasing frequency over the last eight or ten years. More and more municipal people are openly stating that they wish that school taxes were paid directly to the school division office and take that load and that responsibility off the municipal corporation. We know what the results would be; that many would be willing to pay their municipal tax immediately but would be somewhat reluctant to pay their school tax. So there is a problem there and municipal people are more and more becoming fed up with being the collector of school tax for the school divisions.

The Minister, quite properly, I think, spent a great deal of time in his introduction dealing with assessment, because assessment is the biggest problem facing us in this province at the present time and it is going to get worse unless something is done and done fairly quickly. We've seen what has happened in the City of Winnipeg with the review board rulings and the upholding of that by the municipal board, the resultant loss of \$6 million to \$9 million to the City of Winnipeg, and that is just the start because we understand now that there are a number of businesses on Main Street that are now talking about going through the same process of appeal.

That basically falls directly on the problem of assessment. I think we cannot hold back much longer without implementing some change, even if the machinery is not all in place to do it. When we do get to that area, I think we'll be spending a fair bit of time dealing with the problems of assessment and the fact that so far we have seen no clear direction from this government, of what their purposes are, what their intent will be. We have had some advertising, some pamphlets go out. No doubt there will be more, but that doesn't solve any problem.

There is no item in the Minister's presentation here dealing with advertising so we may have to ask on every single line, how much advertising is involved there. I'm just giving the Minister warning that I would hope he would be able to give us a figure on what his projected advertising costs for the coming year will be.

In listening to the Minister's presentation, I got the impression that the work that is being done in the planning for the changes in assessment may be done

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in a manner that might cause some concern to us. It appears the Minister is putting forward developing a manual for the use of assessors and I don't know whether the manual will be the basis for the changes in The Assessment Act, or whether the manual will be based on the current Assessment Act, and again the Minister shakes his head.

So I have a suspicion that maybe the changes that will occur in The Municipal Assessment Act will be based on the manual that he is putting together. That does cause me some concern, because some of the pamphlets that have gone out would leave that impression with the person that reads them.

So without saying any more at the present time, I'm quite prepared to go into the Estimates and examine them line-by-line and when we get to Assessment I think we will be spending a fair bit of time on that particular subject.

MR. CHAIRMAN: Thank you. Before we go to the Estimates the Chair now invites the members of the department staff to kindly take their respective places.

Deferring the consideration of Item No. 1(a) relating to the Minister's Salary, the committee now begins its deliberation with the consideration of Item No. 1.(b)(1) Administration and Finance, Executive Support, Salaries; 1.(b)(2) Other Expenditures.

The Member for Virden.

MR. H. GRAHAM: Mr. Chairman, perhaps the Minister could now give us the figures that he has for advertising for the coming year?

HON. A. ANSTETT: Yes, Mr. Chairman, if the member will turn to Page 2-6, Section 2 - the detailed estimate breakdown - 2-6, the member will see that the total amount there for public information is \$100,000.00. That is the total amount for the whole department for advertising. It is broken out that way for the first time.

In the past there have been small amounts here and there, because we've never done a lot of advertising, public education, public information in this department. Very little of it is for what would normally be called "advertising." About 80 percent of the money, therefore about \$80,000, will be used for public information, the pamphlets and other things to do with assessment, the existing process and assessment reform.

The balance, about \$20,000, is used for purposes of planning; purposes of Main Street Manitoba, the advertising associated with that; special signage, work of that sort. I can get details on all of that for the member if he wishes, but that's the rough breakdown.

MR. H. GRAHAM: Thank you.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, could the Minister advise the committee how much the material cost - the pamphlets that we received with supplementary information and the pamphlets that were distributed in January?

HON. A. ANSTETT: Yes, that's out of last year's Estimates and I estimated last spring that that would

cost about \$20,000 and it came in at that price. I can be more exact if the member wishes, but that's very close.

MR. G. MERCIER: Was that amount budgeted for last year?

HON. A. ANSTETT: Yes it was.

MR. G. MERCIER: Could the Minister indicate the areas again that this money will be spent on advertising?

HON. A. ANSTETT: About 80 percent of the money will be used in public education with respect to the existing assessment system and the assessment reform process. The balance, about \$20,000, will be used in such things as Main Street Manitoba, and planning education.

There's a whole program with regard to the planning process of education, dealing with local municipal officials, that sort of thing. There's advertising for the Civil Service Commission bulletins; there's advertising for the formation of planning districts, boundary changes. Those things that aren't the responsibility of local municipalities, but that relate to the operation of municipal government, for which the department accepts responsibility, have to be advertised. The Manitoba Municipal Board, for example, has to advertise their hearings. That's in that \$20,000.00.

All of that was spread all over before. I wanted to pull it altogether so that we had a handle on it, because members last year asked the same question and said, "It's buried all over, where is it?" So here it is, all in one spot.

MR. G. MERCIER: Could the Minister explain how this \$80,000 is going to be spent then, in a little more detail? He's already spent \$20,000 on pamphlets.

HON. A. ANSTETT: Basically the expenditures will follow the reform process over the next year. For example, there will be a new pamphlet on the bill which will be before the House shortly, which deals with The Municipal Assessment Act. That will require another pamphlet. There will be audio-visual aids produced, which will assist staff of the department in going around and briefing municipal councils on the changes in the Act and the operation procedures that will result from that.

Without breaching a privilege of the House, I don't know how much more detail I can go into, in terms of what's in that new Act, but there will be a fair amount of money go into informing both ratepayers and municipal officials and municipal staff on the changes that will result from that.

There will be a new brochure that will be a rather detailed and complex one, more detailed than any of the ones you see today, on assessment and taxation explaining the differences and how they are interrelated so the people can appreciate the distinction, as Mr. Graham quite rightly pointed out, not only between assessment and taxation, but between the various types of taxation and how it's used and where it goes.

All of those things will be backed up with an increasingly sophisticated audio-visual work to help

both ratepayers, but more particularly, local councils, because they're the people who have to deal regularly with ratepayers about assessment and taxation issues.

MR. G. MERCIER: Will any money be spent on radio, television or newspaper advertising?

HON. A. ANSTETT: Not to my knowledge. None of the planning that I have seen for the communications program includes radio or television advertising. In fact, I believe the only money that would be spent on newspaper advertising, Mr. Chairman, would be that associated with the Main Street Manitoba Program and that is the other \$20,000.00. It's not in the 80 percent.

MR. H. GRAHAM: You put that under the Jobs Fund.

MR. CHAIRMAN: Is the member asking a question? The Honourable Minister.

HON. A. ANSTETT: Yes, Mr. Chairman, just for the member's comment from his seat, I wish to reiterate that none of those funds flow from the Jobs Fund. It's completely separate, departmentally administered. We have no connection with any of those programs for purposes of our programs.

MR. CHAIRMAN: The Member for Swan River.

MR. D. GOURLAY: On Page 1-1 of the material that the Minister tabled today, it has an organizational chart. Has there been some minor changes in the structure since last year with respect to the Municipal Services and the Provincial Assessor?

HON. A. ANSTETT: Yes, Mr. Chairman, I'm glad the former Minister of Municipal Affairs asked that question. It gives me an opportunity to comment on the retirements of two of our directors, who were with us a long time and gave great service to the province; Mr. Roy Fulsher who is Director of Municipal Services, and Mr. Jake Reimer who is the Provincial Assessor. I want to point out to the Member for Virden that Mr. Reimer retired, he did not resign. I just wanted to make that clarification.

On the retirement of these individuals, an opportunity presented itself to rationalize some of the services we were providing. In a nutshell, what we found was that municipalities are reaching a different degree of maturity than they had 15 or 20 years ago. It was found that combining the advisory services, which tends to be procedural and interpretive and administrative, with the purely financial services would be advantageous and rather than creating another new directorship, we merged the Municipal Services Branch with the Financial Services Branch, Budget and Finance, and created a new branch referred to here as Municipal Advisory and Financial Services.

The previous Deputy Director of Municipal Services joined this branch when it merged to become the Deputy Director there. So now when our Municipal Services officers go out, they go out under the direction of the director of this branch and provide, over time, a broader scope of advice. I guess you could say instead of having a one-two punch, it's just one good punch.

MR. CHAIRMAN: The Member for Swan River.

MR. D. GOURLAY: Yes, is Mr. Brown now the head of Assessment? Is that position an acting position or is Mr. Brown in charge of this?

HON. A. ANSTETT: Yes, Mr. Chairman, Mr. Bob Brown was appointed Acting Provincial Municipal Assessor last fall to succeed Mr. Reimer. It is an acting position for the specific reason that as Director of Research and the directors's position at this point in assessment reform is primarily a developmental and policy one as opposed to an operations job. For that reason, Mr. Brown has assumed these responsibilities, doubling in his role of Director of Research, for purposes of overseeing the assessment reform and policy development process.

MR. CHAIRMAN: The Member for Virden.

MR. H. GRAHAM: Mr. Chairman, I notice under this we do have a rather detailed expense account system here. I'd like to ask the Minister to what extent his department and his department personnel are used in the planning and the setting up of visits of the Premier to the various parts of the province?

HON. A. ANSTETT: To my knowledge, they're not involved in the planning of visits of the Premier. I can tell the honourable member that on occasion when I have had special municipal business to conduct, such as the signing of a Main Street Agreement and the Premier planned to be in that same community at or near the same time, my office has ensured that the Premier could be there, for example, for the signing ceremony, but that's done through the Minister's office. I don't know of any involvement on the part of the department in the planning or making of those arrangements. I know a couple of occasions where the Premier has participated in events that normally the Minister of the Municipal Affairs would preside over, but the presence of the Premier certainly is important to those local communities and where that opportunity's presented itself, I've certainly given the Premier an opportunity to avail himself of that opportunity.

MR. H. GRAHAM: Mr. Chairman, it was not too long ago that the Premier and possibly the Minister paid a visit to Russell and the arrangements that were made for the meeting originally were made for the town hall annex and that was subsequently changed to the Central Hotel Conference Room, I believe, and in order to do that, I believe three of his department made personal calls at the municipal offices to advise them and make the necessary changes. It may have just been sheer coincidence that they happen to be visiting at the same time. I was just wondering if his department had been used for the setting up of visits by the First Minister, or whether it was just accidental that it should happen at the same time.

HON. A. ANSTETT: I'm not aware of that particular incident. I could canvass the department and determine what contacts they may have had, but certainly not a regular function. There may be occasions where a

member of my staff has contact with the Premier's Office. I can tell the member the last time I recall a member of my staff having any such involvement, it was when I was in Dauphin to sign the Main Street Manitoba Program and Marvin Borgfjord, our planner for that region, gave me a ride following that in his car up to Winnipegosis for the signing ceremony at Winnipegosis, and because Mr. Plohman's car was full, the Premier rode in the car along with Mr. Borgfjord and I.

I can tell the member I'm not aware of any function that my staff would perform in that regard. That kind of co-ordination is handled strictly through the Minister's office but there will be instances where staff of various departments provide services to the Premier if the Premier is on visits around the province. If the member could be more specific, I'll get any details he wants.

MR. H. GRAHAM: I gave the Minister the case, I believe, originally they had set it up in the town hall annex and, subsequently, they changed it to the Central Hotel Conference Room or something. I believe it was the Municipal people that were making the arrangements.

HON. A. ANSTETT: I'm not aware of the details. I will check that out. It could have been staff from my office, my personal staff. If it was staff of the department, we can check that out and find out what the nature of the arrangements was, but it's certainly not something that is an ongoing function of my department. They've got enough to do.

MR. CHAIRMAN: 1.(b)(1)—pass; 1.(b)(2)—pass.
1.(c)(1) Personnel Services: Salaries; 1.(c)(2) Other Expenditures - the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, in the breakout that the Minister provided us, the supplementary, I noticed that there's a fair bit of money involved in the Minister, both for aircraft and auto. Could the Minister give us the breakdown on how much is auto and how much is aircraft, for last year? He must have it for last year and can't tell us what he's expecting to spend . . .

HON. A. ANSTETT: Mr. Chairman, we don't have the detailed breakout on that handy, but we can get that for the honourable member.

The vast majority of that will be aircraft, and the largest sum of that will be used in the month of June, flying to all the district meetings, because the House is in Session during that time and you get back for afternoon Session after speaking in the morning. I run up a pretty large bill for aircraft in about two weeks time and that's when probably half of that money is spent.

The automobile expense is a fairly constant amount, allowing for increased costs of operation. If the member wants to know how many miles I drove last year, I can tell him. It's about 40,000 kilometres.

MR. H. GRAHAM: Mr. Chairman, I believe this is a change in policy that has just occurred in the last couple of years, of charge back, is it?

HON. A. ANSTETT: No, not for aircraft. Aircraft was always paid for by the department as far back as I can remember, at least the last dozen years.

MR. H. GRAHAM: I wasn't thinking about the aircraft - the auto. That is purely operational cost. That doesn't cover depreciation or anything. That's covered by Government Services, is it?

HON. A. ANSTETT: Mr. Chairman, the member is correct. There did not used to be a depreciation factor charged back to departments. Within the last couple of years - I believe last year was the first year - that occurred; so both figures the member sees on Page 23 reflect that system, although in years previously the depreciation cost was not there.

That probably accounts for somewhere in the neighbourhood of \$4,000 in the expense. Prior to that, only the maintenance and gasoline costs showed up as a departmental charge. The member will see the same thing in, for example, the Assessment Branch, where there is a fairly high use of automobiles and a high charge there.

MR. H. GRAHAM: Mr. Chairman, under the second line there, auto and aircraft for employees, it's a sum of \$4,900.00. How many automobiles are involved there?

HON. A. ANSTETT: There is one automobile. That's the automobile operated by the Deputy Minister and he does a lot less flying than I do and usually when he's flying he's going with me so it gets charged to my account.

MR. H. GRAHAM: He must have a pretty cheap car then. I would presume that the depreciation would be fairly low on that.

HON. A. ANSTETT: My car is a 1984 Aries K-Car wagon. The Deputy Minister's car is a 1980 Pontiac - it's only a Parisienne; it's not a Catalina, and it was one of those Red River College rebuilds and it didn't cost us a lot and we're actually getting a real deal.

MR. H. GRAHAM: The depreciation is next to nil.

HON. A. ANSTETT: But the gas cost is higher than on mine. He only gets half the mileage I do and the tape deck in his car he paid for himself.

MR. H. GRAHAM: No further questions from me, Mr. Chairman.

MR. CHAIRMAN: 1.(c)(1)—pass; 1.(c)(2)—pass.
1.(d)(1) Research: Salaries; 1.(d)(2) Other Expenditures - the Member for Virden.

MR. H. GRAHAM: Under Research, can the Minister give us an indication of how many people are involved in Research and what their specific responsibilities are?

HON. A. ANSTETT: Mr. Chairman, before I do that, in answer to the question from the Member for Swan River, I neglected to point out when he asked about the organizational chart, that the computer systems section was pulled out of the budget in Finance Branch and merged with the Research section because of the heavy involvement of the Research section in

computerization related to assessment reform. He asked about organizational changes; he'll note that systems has been moved out of budget in Finance, the old budget in Finance and merged into Research.

For the benefit of the Member for Virden, I would point out that there are four people in the Research section. Their primary focus is on assessment reform. They've also been involved in some other special projects. The member will be aware of the two Ministerial Advisory Committees I set up in the last year that have reported: one on the emergency response problems experienced by some municipalities and the other one on police grants. This section looked after the research and support services to those two Ministerial Advisory Committees, but to be quite honest, I would say 75 percent of their activity right now is dedicated to assessment, the other 25 percent to project of that type and other projects that we do on behalf of the department and on behalf of municipalities.

MR. H. GRAHAM: Is 75 low?

HON. A. ANSTETT: Well, if the member turns in the Supplement to Page 3-51, he'll see a more detailed description of what the section is doing. It's the very last page of the supplement. Perhaps 75 percent is low; I don't know; I'd have to ask the Director of Research. I don't know that he keeps that kind of tabs on every minute of his employees' time that he could tell you it's 70 percent or 80 percent, in any given month, but certainly that was the last figure I was provided when I asked what the time distribution was for that section.

MR. CHAIRMAN: 1.(d)(1)—pass; 1.(d)(2)—pass.
1.(e)(1) Financial, Communications and Administrative Services: Salaries; 1.(e)(2) Other Expenditures - the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, I notice in the Supplementary Estimates given to us, is there a position presently vacant in that department or is the \$7,200 because of new people brought in?

HON. A. ANSTETT: That is an estimate that's applied to all branches for cash flow purposes. You'll have a vacancy for a period of time and that's where it's picked up, because this is the administrative section so this applies to all branches. I was wondering what the member was after, but actually, in answer to his original question, the 7,200 doesn't reflect a vacancy specifically, but there is one secretarial position currently vacant and being held vacant in the Administration section.

MR. G. MERCIER: The heading for this area is Financial, Communications and Administrative Services. How many people are involved in Communications?

HON. A. ANSTETT: I guess you could say about half of one position. Our librarian, Judy Stephenson, also assists in the preparation of the pamphlets for assessment reform, in the writing of press releases on Main Street and planning districts. She does the newsletter, Informat, which goes out to members of the Assembly, as well as all municipal officials across

the province. The short answer to the member's question is, no, I do not have a communicator.

MR. CHAIRMAN: 1.(e)(1) - the Member for Swan River.

MR. D. GOURLAY: Yes, when was the last Informat publication? I don't recall having received one for quite a while now.

HON. A. ANSTETT: It was about one month ago. If the members were, for any reason, inadvertently not on the list for that mailing, I'll certainly see that they get them tomorrow.

MR. H. GRAHAM: Mr. Chairman, I note under Other Expenditures that the grant to the union and to MAUM has been cut in half. Was that at their request?

HON. A. ANSTETT: Yes and no. There are two associations; I had two different requests. After lengthy deliberation at the UMM meeting, there was - how shall I put it? - a lack of consensus and I drove a tough bargain by compromising right down the middle.

MR. H. GRAHAM: I won't ask anymore questions.

MR. CHAIRMAN: 1.(e)(1)—pass; 1.(e)(2)—pass. There will be no resolution on this number.
Item No. 2(a) Municipal Board, Salaries; 2.(b) Other Expenditures - the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, I think the Municipal Board has been fairly active - I haven't got their report with me, unfortunately, I forgot to bring it. Can the Minister indicate how many cases are presently still pending before the board?

HON. A. ANSTETT: No, Mr. Chairman, I don't have that information. I can provide it to the member tomorrow. Those numbers change regularly. The best reference point is the annual report, but unfortunately I don't have it with me either.

MR. H. GRAHAM: As of December 31st there were some 45.

HON. A. ANSTETT: I would expect, Mr. Chairman, now that the member has a report, that he would find that that's basically a continuing number. I don't think it changes year-in, year-out. There are always references by the Minister or by application by municipalities to the board. It really doesn't change seasonally except for an absence of applications in the summer months and the board seems to be keeping apace of its responsibilities fairly well.

There are occasions when municipalities want something done yesterday, but with the hearing process and the advertising and everything else, it takes time. So there are always decisions in the mill, hearings to be held, board deliberations to take place, decisions to be written and then rendered. So there is always something in that neighbourhood outstanding.

I'll get the exact figure from the board offices tomorrow, for the member for tomorrow afternoon. If they can calculate that quickly, I'm sure we can have it here.

MR. H. GRAHAM: Mr. Chairman, I note in that same report that the Municipal Board seems to be fairly strict on planning. I think there were only two cases where they allowed any variance on cases that were brought before them. Is that fairly consistent with former years, or is it a tougher policy that they're developing on planning?

HON. A. ANSTETT: That is fairly consistent since the promulgation of the Provincial Land Use Guidelines in 1978 by the Lyon Administration. Once firm guidelines were established, that the Municipal Board and planning districts had as reference points, there became much more consistency and uniformity, because the board had very clear guidelines on which to operate. I don't think there's been much variance year-to-year. It depends on the applications, of course. We can't assume that they're all going to be uniformly good or bad in any one year.

Let's put it this way. Those people who don't get subdivisions are complaining as loudly as they were six years ago; those councils who see their decisions backed up by the board are just as happy as they were six years ago.

MR. CHAIRMAN: 2.(a) - the Member for St. Norbert.

MR. G. MERCIER: Could the Minister indicate what salary classification the chairman is in, and is that the same as he was receiving in his previous job as Chief Executive Officer of Manfor?

HON. A. ANSTETT: I can't comment on what salary the Chairman of the Municipal Board received in his previous position, but I believe - if the member will bear with me for a moment - the salary classification is Senior Officer 6, and the . . .

MR. G. MERCIER: That's good enough.

HON. A. ANSTETT: Did the member want the actual dollar figure budgeted for the current year?

MR. G. MERCIER: No, that's fine.

MR. CHAIRMAN: 2.(a)—pass; 2.(b)—pass.

Resolution 111: Resolved that there be granted to Her Majesty, a sum not exceeding \$304,500 for Municipal Affairs, Municipal Board, for the fiscal year ending the 31st day of March, 1986—pass.

Item No. 3.(a) - Mr. Minister.

HON. A. ANSTETT: Yes, as we start this item, I'd like to take this opportunity to introduce to colleagues the new Director of the combined branch of Municipal Advisory and Financial Services, who was Director of Budget and Finance before, Mr. Roger Dennis; and leaving us now is our Director of Administration, whom I neglected to introduce, Mr. Ken Cameron. I thought he was actually going to stay up here throughout, since he's got all the figures.

MR. CHAIRMAN: We are now considering Item No. 3.(a) Municipal Advisory and Financial Services - Salaries; 3.(b) Other Expenditures; 3.(c) Grants to

Municipalities in Lieu of Taxes; 3.(d) Urban Transit Grants; 3.(e) Centennial Grants and 3.(f) Police Services Grants - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, this is the area of the department that works with the Finance Department in establishing the provincial-municipal tax sharing payments?

HON. A. ANSTETT: Yes, this is done through this branch.

MR. G. MERCIER: Is the Minister satisfied that a full and accurate accounting has been rendered to municipalities, of the monies raised through the two points of personal income tax and 1 percent of corporate income that is distributed to municipalities?

HON. A. ANSTETT: Yes, Mr. Chairman, I am satisfied that on a retrospective basis that accounting is provided. Certainly it is not possible to provide municipalities on a current year basis that accounting because we only operate on the basis of federal revenue forecasts and those forecasts, of course, do change on occasion as they did this year, reflecting a dramatic increase - not in corporate tax - but in corporate taxable income; and on that basis we sometimes see amounts change in ways that may not have been forecast. But on a retrospective basis, when the dollar figures are actually in, that is provided in the accounting system, yes.

MR. G. MERCIER: Can the Minister indicate when there was last a change in the per capita grants between communities over 5,000 and under 5,000?

HON. A. ANSTETT: There was a change last year. This year the increase in the grant was applied uniformly, but last year there was additional monies provided for smaller urban centres and, even more than that, provided for the larger urban centres.

MR. CHAIRMAN: 3.(a) - the Member for Swan River.

MR. D. GOURLAY: I wonder if the Minister can bring us up to date on the Municipal Advisory Services to municipalities? How many service officers are there and do they operate in specific areas of the province or is it arranged in another system?

HON. A. ANSTETT: There are six Municipal Advisory Services Officers or Municipal Services Officers, MSOs, as they're generally called. They tend to operate in specific geographical areas, although there are cases where you don't get exact fits, in terms of region, because of the workload assignment, but generally on a regional basis, yes.

MR. CHAIRMAN: 3.(a)—pass; 3.(b) - the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, under this item, the municipalities are required to have an audit done. Do they have the say in who they select for municipal auditors?

HON. A. ANSTETT: No, the auditors are assigned on a rotation basis. The auditors spend a certain number of years with each municipality, after which a rotation takes place. The auditors are required to meet certain specific standards that are monitored by my department because we deal with, in the former Budget Branch, with the Financial Services Section of this branch, all of the municipal budgets. The auditors are paid a set fee, based on the level of skill and certification of the auditor, from student right through to fully qualified C.A. Those fees are negotiated by the representatives of the auditors' group, the two municipal organizations and the Manitoba Municipal Administrators' Association. I have met with that group on occasion to discuss those fees and then when those fees are finally approved they are passed by Cabinet Order-in-Council, so there is no competitive tendering system and municipalities do not get to choose an auditor on any basis related to fees or particular familiarity, although obviously working relationships are established. There's a high degree of independence there.

MR. H. GRAHAM: What are the criteria that the department uses to hire municipal auditors?

HON. A. ANSTETT: The basic criteria are education, training and experience. The program has been in place for in excess of a dozen years. I think it goes back into the mid '60s.

The auditing community is eligible to apply for municipal work. A set number of auditors with what we think is a good distribution of local, provincial and national firms are on that list. There are always others who want to get on the list; we attempt to keep the list as up-to-date as possible and as people retire and new auditing firms are created or formed opportunities for them to take on municipal work present themselves.

I think it's fair comment that since auditors must take work as assigned, some firms aren't interested in municipal work, particularly since the fees are substantially below the current commercial rate.

MR. H. GRAHAM: Can the Minister indicate how many firms are presently employed in doing municipal audit work?

HON. A. ANSTETT: There are approximately 30 separate auditors now.

MR. H. GRAHAM: Does the Minister have a waiting list?

HON. A. ANSTETT: Yes, there is a waiting list of firms that would like to do municipal audit work.

MR. H. GRAHAM: How many names has the Minister got on his waiting list?

HON. A. ANSTETT: 22, as of today.

MR. CHAIRMAN: 3.(b) Other Expenditures—pass.
3.(c) Grants to Municipalities in Lieu of Taxes - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, these amounts cover both municipal and school taxes. Is that not correct? Grants to Municipalities in Lieu of Taxes.

HON. A. ANSTETT: Yes, they cover both and they are in the exact amount that would be reflected had the property, real estate been taxed by the municipality.

MR. G. MERCIER: I'm looking at Page 313 of the supplementary information. Could the Minister indicate whether those properties - how would they be classified for tax purposes? I think they'd be commercial.

HON. A. ANSTETT: They fit into the other category, which is commercial, industrial and odds and sods, including government buildings. They're neither farm nor residential, so they're in the other category which most people refer to as the commercial industry category but, basically, it's commercial, industrial, government buildings, railways, you name it.

MR. G. MERCIER: Can the Minister indicate, first of all, is the figure predicted for Winnipeg of 16,690,000, is that an accurate figure or was that prepared prior to the establishment of the mill rate by the city? Is that subject to change?

HON. A. ANSTETT: Those are estimated figures based upon anticipated increases. Some cases were high, some cases were low but, generally, it works out fairly close.

MR. G. MERCIER: Is the department advising the Minister that this figure will likely not have to be changed in any significant way?

HON. A. ANSTETT: Mr. Chairman, there are a number of factors which enter into this in addition to the local mill rate. One of them, for example, and this is particularly apparent in the City of Winnipeg, is occupancy in new buildings. Depending on the date of occupancy, you bring a large new building on such as the South Winnipeg Vocational School, the date of occupancy bears some relevance to the actual amount of money that has to be provided here.

I believe last year we were a little over and our estimate came in 700,000 or 800,000 low in the final payments required. I guess my department might be described as generally conservative and make sure they've got enough money in the budget - with a small "c".

MR. G. MERCIER: You are from time to time.

When the heading is used, 1984-85, that actually means taxes paid for the tax year 1985 does it not?

HON. A. ANSTETT: Mr. Chairman, those figures are historical. We do not have the breakdown the honourable member would be looking at for this year at this point. That's the historical breakdown by the recipients. Well no, they're both '83-84 and '84-85. So, the '84-85 is paid in the '84 municipal calendar year since they operate on the calendar financial year.

I do not have here a detailed breakdowns I don't believe for grants in lieu for the current year. We haven't paid them although we have budgeted for them.

MR. G. MERCIER: Mr. Chairman, in 1985, obviously, the figure will have to go up. The mill rate has gone

up. You mean the Minister is budgeting on the basis of last year's actual?

HON. A. ANSTETT: Yes, Mr. Chairman, I should clarify. The 16,690,000 is not an estimate. I believe I may have inferred earlier that was an estimate. That is an actual. The figure for next year will be even higher because it will reflect one of the largest new buildings to come on, two of them are in Winnipeg. The South Winnipeg Vocational School will come on at least in part this year and the largest single factor in the increase is the addition of the new Law Courts Building in Winnipeg.

MR. G. MERCIER: When was this amount paid to the City of Winnipeg?

HON. A. ANSTETT: Last year.

MR. G. MERCIER: It was paid last year.

HON. A. ANSTETT: In July 1984, grants in lieu of taxes are paid in July of the municipality's fiscal year, basically mid-point in the year.

MR. G. MERCIER: Well, Mr. Chairman, then on July 1, 1985, the department is going to have to make another payment. Do you not have that figure?

HON. A. ANSTETT: What I have here is the total of all of those figures and that's 23.6 million. The member will see that on Page 2-9 of the actual financial breakup.

MR. G. MERCIER: Then in developing that 23.6 million figure, what figure is the department estimating will be paid to the City of Winnipeg?

HON. A. ANSTETT: We haven't broken out that figure independently. What we do is estimate an overall anticipated increase in municipal taxation and budget for that when we're budgeting in the fall of the previous year. At that point we can't anticipate. Until we get all the mill rates in, some will be the same. In some cases, believe it or not, they've actually gone down. In the City of Winnipeg, obviously, they've gone up. Then when all the mill rates are in, we can determine by applying the assessment to the mill rates the amounts due to each municipality in the province. So, when we produce the estimate based on a percentage increase over last year's figure, we don't do it by individual municipality. We do it by the aggregate amount and then when the mill rates come in, we determine how much is required to each municipality. If this year is like last year, hopefully, we'll have a little left over.

MR. G. MERCIER: What was the actual amount paid to the City of Winnipeg in lieu of taxes in July 1981?

HON. A. ANSTETT: I'll have to provide that information tomorrow. I don't have that with me today.

MR. G. MERCIER: We can come back to this item then when we receive that information, is that the understanding?

HON. A. ANSTETT: Yes.

MR. CHAIRMAN: The Member for Virden.

MR. H. GRAHAM: Mr. Chairman, under Grants in Lieu of Taxes, can the Minister indicate whether or not the Department of Natural Resources are now paying actual tax or are they paying grants in lieu of tax on land that has been designated for wildlife?

HON. A. ANSTETT: Last spring, I announced that starting in municipal fiscal 1985, we would be paying grants in lieu of taxes for wildlife management areas. That amounts to, as I recall, about 160,000 additional monies into the pockets of municipalities this current year. I don't know if the exact figure is available. I believe, again, that will be reflective of local municipal rates, but based on last year it was in that ballpark. This is something municipalities had been asking for and I was very pleased last year to announce that it would be available starting this year.

MR. H. GRAHAM: In that 160,000, has the Minister got a breakdown as to the various municipal districts?

HON. A. ANSTETT: I don't have that, Mr. Chairman. The distribution of the wildlife management areas by municipality, I believe - I recall seeing something at some time in the past as to what the allocation was, but that's not something we have here. I may have seen that in context of the Department of Natural Resources Estimates a couple of years ago. I know that is available. I suspect it's available in the Department of Natural Resources. They would give the location of the wildlife management areas, the number of acres in each, and the municipality in which they're located.

I have seen such a list. If the member wishes, I can try and get that from the Minister of Natural Resources for him.

MR. H. GRAHAM: Under that, does that also include land that is under the management of Ducks Unlimited or is that a separate thing?

HON. A. ANSTETT: No, this does not cover any land privately owned, nor does it cover parks. It's strictly wildlife management areas.

MR. H. GRAHAM: What happens with land that is under the control of Ducks Unlimited?

HON. A. ANSTETT: That land is taxable as real property in accordance with the mill rates established in the local municipality. Certainly its assessment would reflect its use.

MR. CHAIRMAN: 3.(c) - the Member for St. Norbert.

MR. G. MERCIER: My question would be, under what item would the Transit Bus Purchase Program come?

HON. A. ANSTETT: The capital provision for transit buses is under Capital. This is the operating deficit provision that you see here as 3.(d).

MR. G. MERCIER: Sorry, I thought the synopsis was put together in the order of the Estimates Book.

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MR. CHAIRMAN: 3.(c) - the Member for Virden.

MR. H. GRAHAM: Now under the Urban Transit Grants can the . . .

MR. CHAIRMAN: Can we pass 3.(c) now?

MR. H. GRAHAM: As far as I'm concerned.

MR. CHAIRMAN: Mr. Minister.

HON. A. ANSTETT: Mr. Chairman, we can pass 3.(c) now but I will be bringing information back tomorrow for the Member for St. Norbert, and if further discussion ensues on that, I'm certainly amenable to have that take place, if necessary, when we get to the Minister's Salary at the conclusion of that.

MR. G. MERCIER: Just one other question. What was the actual figure for last year for Grants to Municipalities?

HON. A. ANSTETT: Which grants?

MR. G. MERCIER: The Grants to Municipalities in Lieu of Taxes.

HON. A. ANSTETT: You'll see that on Page 3-12, \$21,587,732.00.

MR. G. MERCIER: I'm sure Mr. Dennis could do a better calculation, but that would appear to indicate that there has been a 10 percent increase in municipality taxes in these areas.

HON. A. ANSTETT: Mr. Chairman, actually it probably reflects a very nominal increase in local mill rate, because it reflects all new construction that takes place and in many municipalities with very small parcels, only recently have they begun to apply for the grants. And the member will see that the grants jumped by over 1,000, a dramatic increase, but most of that increase was small parcels on which grants hadn't been previously paid. Not new buildings, we didn't build that many new facilities but every new building, as it comes onstream, creates a tax liability to the province and grants in lieu of taxes and the number of applications has increased.

MR. G. MERCIER: Mr. Chairman, could the Minister undertake then to bring forward information as to the amount paid with respect to these additional new applications over last year?

HON. A. ANSTETT: I'm advised that most of the additional new applications were in respect of unpatented lands, on which grants had not previously been paid, so they would be relatively small. The major increases would be new buildings.

MR. G. MERCIER: Could the Minister give us some sort of a general breakdown then? How much the new buildings would cost?

HON. A. ANSTETT: No, Mr. Chairman. I would have some difficulty providing that. I can make a commitment

to provide it to the member - well I think we'd have to examine how readily available the data is. To provide what the member is requesting would require a pulling of all of the files and applications to determine on each one what was new, what was old.

If the member is specifically looking for mill rate increases, perhaps if that's what the member is looking for in the Grants in Lieu of Taxes increases, we have that information and can provide that to the honourable member. He doesn't have to extrapolate it from this data.

When we get to assessment, I believe we have a sample base that we used to reflect changes in mill rates province-wide and I can provide information for the member on that.

MR. G. MERCIER: Well, Mr. Chairman, the figures clearly indicate approximately a 10 percent increase in taxation from one year to the next. The Minister says, well it's not accurate because there are all of these other applications. When asked for information with respect to the other applications and what the new ones are costing, he is unable to give those to us.

HON. A. ANSTETT: Mr. Chairman, first I would point out there is a \$1 million increase, slightly less than \$1 million increase, on a \$21 million budget, which is actually slightly less than 5 percent, not 10 percent, first of all.

Secondly, I would advise the member that . . .

MR. G. MERCIER: . . . compared to the actual.

HON. A. ANSTETT: Well, \$1 million on \$20 million, one-twentieth which is 5 percent.

MR. G. MERCIER: Not compared to the actual. The actual was 21.5 last year.

HON. A. ANSTETT: The actual was 21.5 compared to 20.6, so slightly less than \$1 million increase in excess of \$20 million budget. I see that as about 5 percent. I can advise the honourable member that the bulk of the new applications was with respect to unpatented land without doing a complete count through the files - we didn't keep that data. We break out and tally the major recipients which are the larger communities where there are large government buildings.

The Grants in Lieu of Taxes for all the small holdings are very minor, very small payments paid to most of the other communities. The member can see that approximately 5 percent of the money is paid to all those other communities. That's where the bulk of that unpatented land is going to be picked up, in that 5 percent and it would have been in previous years, small holdings in towns and villages and unpatented land. The major communities, other than Northern Affairs, basically the cities and large towns that are listed there, get 95 percent of the money.

The other thing I can point out for the benefit of the honourable member is that some of these increases will be entirely reflective of a reassessment. We could go to the reassessment chart and match up any communities on which a reassessment was implemented in 1984. That being the case, for example,

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an increase in a particular community might be reflective solely of reassessment.

Now we know that is not the case for example in Winnipeg, unfortunately, but it could well be the case, for example in the LGD of Churchill. There may be no change in the LGD of Churchill, but there appears to be in the neighbourhood of a 50 percent increase from 1983 to 1984 in the grants paid. So there's half a dozen different factors here. I'd have to pull 3,500 files to provide the kind of detail the honourable member wants and I'm not sure that that would be a fruitful utilization of staff resources.

MR. CHAIRMAN: 3.(c) - the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, while we're dealing with Grants in Lieu of Taxes, I notice on Page 3-11 of your supplementary that you have listed during 1984, 210 abandoned railway parcels. Can the Minister indicate what has happened with rail line abandonment, railway property in general, and how long it is going to take before we get a clear resolution to the ownership of those properties.

HON. A. ANSTETT: I should point out to the honourable member that these properties are directly under the jurisdiction of the Minister of Highways and the disposition of those lands is under his jurisdiction.

Most of the parcels are still under the direct jurisdiction of the Federal Government, but as they are transferred and we take ownership of them, then we acquire these unpatented parcels and must place them as grants in lieu until such time as we effect disposition. My understanding is that the policy is in place but the member would be advised to, more directly, ask the Minister of Highways for detail. I can't tell him much more than that.

MR. H. GRAHAM: Mr. Chairman, I raise the issue here because the Municipality of Hamiota just approached me last week and unfortunately it was after we had completed the examination of the Highways Department Estimates. I believe the property they're interested in does not fall under rail line abandonment, as such. It is railway property that is within the town limits and they are running into a blank wall every place they go because I believe the community is interested in developing an arena and they would like to obtain title; and if there is anything the Minister of Municipal Affairs can do to assist them I would ask the Minister to use what influence he has in his good office to assist the Municipality of the Town of Hamiota in clarifying the ownership of that property and assisting them in the transfer to the title of the town.

HON. A. ANSTETT: Now that I understand where the member was coming from, he used this item as a back door to put in a plug for something my department is already working on and were involved in some discussion, so that the Town of Hamiota can acquire land which is former railway land; and my staff are actively engaged in assisting them in going through the hoops and hurdles, both provincial and federal, in assuring that this will take place.

I should point out, as the honourable member has, that this has nothing to do with grants in lieu of taxes

or with abandoned railroad right-of-way, but I appreciate his question nonetheless.

MR. CHAIRMAN: 3.(c)—pass. 3.(d) Urban Transit Grants - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, could the Minister, first of all, indicate what the policy is for Urban Transit Grants? Is it 50 percent of the net operating costs?

HON. A. ANSTETT: Yes.

MR. G. MERCIER: Could the Minister indicate what the fares have been in Brandon over the last four years?

HON. A. ANSTETT: No.

MR. G. MERCIER: Why not?

HON. A. ANSTETT: I don't know.

MR. G. MERCIER: Would the Minister undertake to get that information?

HON. A. ANSTETT: I believe we could, yes.

MR. G. MERCIER: Has the Minister imposed any conditions on the City of Brandon with respect to raising fares?

HON. A. ANSTETT: No.

MR. G. MERCIER: Has the Minister discussed that with the Minister of Urban Affairs?

HON. A. ANSTETT: No, but I would point out that the City of Brandon has to go to the Public Utilities Board with regard to their fare increases and I would not presume to, in any way, influence the City of Brandon when they are going before a quasi judicial body.

MR. G. MERCIER: Did the Minister recommend to the Attorney-General that the people who took that matter to the Public Utilities Board receive legal aid funding?

HON. A. ANSTETT: No, I did not make such a recommendation.

MR. G. MERCIER: Mr. Chairman, I note that the ridership in Brandon has decreased from virtually 2,100,000 in 1981 to 1.7 million. Has the Minister reviewed that decrease in ridership and can he advise the committee of the reasons why the ridership has dropped by 300,000 in four years?

HON. A. ANSTETT: I understand there were some revisions to the routes. Those have subsequently been changed back, at least in part, to what they were originally. I also understand that this whole matter is the subject of a current appeal respecting the Public Utilities Board.

MR. CHAIRMAN: 3.(d) - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, the Minister, I take it, has no other policy with respect to Urban Transit

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Grants other than to pay 50 percent of the net operating costs. Whatever fares are established are up to the municipality.

HON. A. ANSTETT: Mr. Chairman, as a matter of policy, I believe in the autonomy of locally elected municipal government. I believe that the citizens of those municipalities, as ratepayers and as users of services, have mechanisms to appeal decisions made through the Public Utilities Board and I would not presume to reflect on either the decisions made by those locally elected officials or the adjudication done by the Public Utilities Board.

I expect them to spend their money wisely, and when they do so, I'm prepared to pay 50 percent of the operating deficit.

MR. G. MERCIER: Could the Minister explain why he has this philosophy and it is so much different from the Minister of Urban Affairs in this government?

HON. A. ANSTETT: I believe there isn't statutory provision for the reference of transit fare rates or rate increases in the City of Winnipeg. Therefore, the same degree of autonomy provided to municipalities outside of Winnipeg, through the Public Utilities Board, is not afforded in Winnipeg. I cannot explain the genesis of that provision; it pre-dates perhaps both the Member for St. Norbert and myself, in the Legislature.

MR. G. MERCIER: Mr. Chairman, the Minister's comments were much broader in scope than simply dealing with fares established by the City of Brandon Transit operation and I do not disagree with that position. I think perhaps what I'm trying to do is encourage him to discuss that position with the Minister of Urban Affairs.

HON. A. ANSTETT: Mr. Chairman, I think the Member for St. Norbert knows well enough that the Minister of Urban Affairs and I both share a great respect for municipal officials and their decision-making responsibilities and the way they carry out those responsibilities at the local level.

MR. CHAIRMAN: 3.(d) - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, could the Minister explain why the Handi-Transit service grant, which is also part of this, is separated from the other support for Handi-Transit programs in other municipal jurisdictions?

HON. A. ANSTETT: That's been an historical division. One of the first Handi-Transit grants and it was paid out with the deficit provision because it was operated initially by the Brandon Transit. So, for that reason, being one of the first - I guess it was the first outside of Winnipeg in the province - it was operated by Brandon Transit. It was paid by Municipal Affairs. Since that time, Handi-Transit has expanded into areas where there is no municipal transit system and the Department of Highways is providing those grants. Why this particular one is still here is really history rather than any specific rationale.

It would be logical, I suppose, to look to see that transferred to the Department of Highways in future years. There's no explanation for it other than history.

MR. G. MERCIER: Does the City of Brandon receive the same or different support from Municipal Affairs than other municipalities receive from the Department of Highways?

HON. A. ANSTETT: Mr. Chairman, staff are unable to provide me with advice on that but, as I recall - and I'm going now from memory from the Cabinet papers put forward by the Minister of Highways - the formula applied is identical. I can verify that.

MR. G. MERCIER: It would make sense to put them all under one department, I would think.

MR. CHAIRMAN: 3.(d) Urban Transit Grants—pass.
3.(e) Centennial Grants - the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, I note by the supplementary figures that the Minister listed only two communities for the present year for Centennial Grants. Has there been an update on that that he could provide us with?

HON. A. ANSTETT: No, Mr. Chairman, those are the only two.

MR. H. GRAHAM: Well, Mr. Chairman, perhaps I'm rather unduly conscious of centennials because of last year. I take a look at the list and I find that five of the ones listed for last year were within my constituency. I think the Minister was out to most of them.

I can report, as I'm sure he is already aware, that the Centennial Program exceeded the expectations of almost every community and everyone who took part. In particular, the municipal people that were involved were very happy that the populace in general responded so well to the celebration of centennials. I expect that it's probably something much deeper. It's a sense of pride in their community and a pride in being a Canadian, I guess, that has caused these centennial celebrations to have such wide acceptance. The Minister may want to think it's because he is the Minister, but I don't think that is truly the case.

The Centennial Grants system has been one that has had tremendous approval from the population in general, and while I notice that only half of the money that was in the budget last year was spent, and we see the same amount in this year and we know for a fact that it will be considerably less, we can't change it because these things only happen once every 100 years and the settlement of Western Manitoba took place in a very short time frame as the West was populated just a little over 100 years ago.

With those few remarks, I know that we will not require the \$100,000 unless there's a rash of applications in the next few days. I can't see that happening.

HON. A. ANSTETT: Yes, Mr. Chairman, there is actually only one confirmed centennial for next year. That is the R.M. of Thompson. The other two, Roblin and Cartwright, are based on settlement dates and we

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expect that they may celebrate centennials in '85-86 based on the settlement dates.

When Estimates are prepared, we're not aware of how many municipalities will be making application. In view of, as the Minister said, a rash of centennials in the last few years, we had to ensure that we provided sufficient funds.

I do agree with the statements the honourable member made with regard to the importance of these celebrations. I know that his remarks tonight closely paralleled his remarks on the speaking circuit last summer when we were together and we were both saying much the same thing about pride in our communities, in our country and in being Canadians. So, I appreciate that he shares with me those sentiments.

I know that neither he nor I take any credit for any of those centennials seeing as how we're both at least about half that young.

MR. H. GRAHAM: I just wanted to make a small comment on it because I think it was a very important part of the Department of Municipal Affairs. It was certainly well received wherever it was acted on.

MR. CHAIRMAN: 3.(e) Centennial Grants—pass.
3.(f) Police Services Grant - the Honourable Minister.

HON. A. ANSTETT: Yes, Mr. Chairman, I have some material for the committee. Staff have copies here of an informational piece which describes the change that's been made in the grants and attaches some tables showing the impact on various municipalities, the actual amounts raised by the levy, the increase required centrally by the province into the Grants Program, and a detailed breakdown by individual municipality of the exact impact of the levy based on one-half mill on equalized assessments.

Members may want to take a moment just to look at the top summary sheet which sets out the program. Most of that information was contained in the press release in late March, but this will provide members of the committee and the media with sufficient detail, I believe, to examine and discuss this new initiative as fully as they wish.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Just a question here firstly, Mr. Chairman, to the Minister. On the front page of the material he's just distributed, he refers at the bottom to the 8.4 percent increase in the 1985-86 provincial-municipal tax sharing grants. I don't think "grant" is the appropriate word to describe something to which municipalities are entitled by law, to whatever amount of money is raised with the 2.2 points of personal income tax, etc.

HON. A. ANSTETT: Mr. Chairman, I accept the member's point. I think you could easily change the word to "payment" just as an equalization payment from Ottawa is not a grant, it's a payment. Good point. The bottom line is still the same. One-half mill grant, depending on the municipality, is either completely or mostly offset by the rather dramatic increase in the provincial-municipal tax sharing payments.

MR. G. MERCIER: I don't want to pursue it because it's a bit semantic, but the argument for implementing that change was that municipalities wanted to participate in revenue sharing; municipalities, of course, acting on the belief that revenues will always go up. The fact of the matter is that they sometimes go down and they must be prepared to accept the good with the bad. That's, frankly, the point I'm trying to make.

MR. CHAIRMAN: 3.(e) Centennial Grants—pass.
3.(f) Police Services Grant - the Minister of Northern Affairs.

HON. H. HARAPIAK: Mr. Chairman, I'd just like to make a comment on this Police Services Grant. I know the community of The Pas has been lobbying for a fairer distribution of police costs amongst municipalities for many years. I know they have been after Municipal Affairs to allow them to put a tax on liquor in order to cover some of their police costs, which they felt was not a responsibility of theirs, because people coming in from the surrounding areas were contributing to the Town of The Pas's police costs.

I would just like to commend the Minister and his staff for the work that they have done in this area because I think it is a much fairer system, because the Town of The Pas was, I believe, paying in the vicinity of a 20 mill levy for their police costs. I see that they are one of the towns that is receiving the maximum \$100,000 towards their police costs and I know that they appreciate it and I appreciate the work that has gone into the studies which was dealing with police costs in all parts of the province and it's something that is going to help the taxpayers of that area.

MR. CHAIRMAN: Thank you.
The Member for Virnden.

MR. H. GRAHAM: Mr. Chairman, can the Minister indicate if he has the figures on the number of municipal communities or corporations in which they have their own police force rather than using the RCMP contract?

HON. A. ANSTETT: There are approximately half-a-dozen.

MR. H. GRAHAM: Can the Minister indicate which ones they are?

HON. A. ANSTETT: Brandon, Morden, Winkler, East St. Paul, Deloraine.

MR. H. GRAHAM: Is Deloraine correct?

HON. A. ANSTETT: Technically, the Grants Program comes under this department; the providing of police services and the extension contracts comes under the Attorney-General's Department. We're not generally seized of this information, so perhaps since the Department of the Attorney-General's Estimates come up next, the honourable members could save that question for him. I'll stand by about half a dozen and leave it at that.

MR. CHAIRMAN: Other questions?

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The Member for Rupertsland.

MR. E. HARPER: The Minister doesn't mind me asking some questions? This is in regard to the tax sharing grant given to the reserves. What kind of a formula is used since the reserves are not assessed by property taxes or any kind of that sort? I believe it's based on a per capita grant. I was wondering what the amount is.

HON. A. ANSTETT: Yes, these grants are paid by the Department of Northern Affairs, not by Municipal Affairs, but the Department of Northern Affairs uses the Municipal Affairs calculation system and this is not based on equalized assessment, but rather it's a per capita grant and therefore population figures are used. In accordance with generally accepted statistical practices, we use the 1981 census.

MR. E. HARPER: Yes I've had complaints about the 1981 census figures because . . .

HON. A. ANSTETT: Really?

MR. E. HARPER: One example I can give to you is the Garden Hill Reserve. It's about 2,000 I believe right now, but they are being paid on a per capita grant based upon population of 800 people, so there are 1,000 people that are being left out. I was just wondering how this can be resolved, since the municipal department is the one that assesses or determines the figures.

HON. A. ANSTETT: There is a provision in the formula that municipalities will not receive less as a result of population drops through census change, and this applies for example to the City of Thompson where those kinds of changes have taken place. I take it the honourable member is not suggesting that there was a dramatic drop in population from 1976 to 1981, because that would have been covered by that provision in the formula, as I understand it. But rather that since 1981 the population has increased, if I heard him correctly, 150 percent.

There is no provision in the way the program is set up, to take that into account. I trust that in the census next year that higher level will be reflected and then the amounts paid will be based on that higher level, but there is no provision under the act or in the operating formula to take measurements of population between the various censuses. I should point out to the honourable member that the Department of Municipal Affairs did, following the 1976 census, conduct a special census because there was some concern about the accuracy of the federal census.

As I understand it, the total variation between the federal census data and the Northern Affairs data, although it did affect some communities, was not great enough to justify a special census again after the '81 census; so I accept the honourable member's statistics with regard to one particular community but there is no provision in the formula, nor do I believe there is one in the administrative framework set up by the Department of Northern Affairs for payments to communities under their jurisdiction.

MR. E. HARPER: What I was trying to clarify was that there were initial payments prior to 1981 census based on a population of 1,800; but the following year they received a payment, population based on 800, so they've lost a thousand people, per capita grants. That's what I was trying to clarify, so I don't know whether it's been rectified at this point.

HON. A. ANSTETT: I think I misunderstood the member. I didn't realize there had been a higher figure of 1,800 which then dropped to eight. There is provision for transitional payments. I believe the honourable member should take that up with the Minister of Northern Affairs. If there is a technical problem in terms of the transition, then my department, which prepares the detail for the payments, as I understand it, can discuss that with the Department of Northern Affairs and see if that can be addressed, if there is an error. But if this is based on the actual measure by Statistics Canada and the transition formula does not come into play, then there's nothing that can be done.

MR. E. HARPER: I will follow that up. Last year's Estimates I asked the same question to Northern Affairs and they said that the thing will be resolved through the Municipal Affairs Department so I left it at that and I hadn't received any information as to whether it was rectified or not; but I wanted to make sure and clear the point that there are some bands that still would probably be receiving per capita grants at the much lower level and than would result later on in the year.

HON. A. ANSTETT: I'm prepared to have staff look at it in consultation with the department responsible for the payments but I can't promise the honourable member anything. I'm not completely clear on exactly what the data is and we'll have to look at what changes have taken place over time, whether they were eligible for any transition payments during the period of population change and check it out further from there.

MR. CHAIRMAN: 3.(f) - the Member for Roblin-Russell.

MR. W. MCKENZIE: Could I ask the Minister, Mr. Chairman, of the \$119,309 in subsidies paid to rural and urban municipalities, can he tell us those rural and urban municipalities that are involved in the subsidies?

HON. A. ANSTETT: Mr. Chairman, if I can ask the member a question. He was referring to \$180,000 in subsidies now?

MR. W. MCKENZIE: On the placing costs and grants formulas presented to us on the bottom of the second last, at the bottom, it says, "Approximately \$119,309 in subsidies will be paid to rural and urban municipalities." I'd like the Minister to tell us which are the rural and urban municipalities he's referring to.

HON. A. ANSTETT: If the honourable member will turn to Page 1 of the long sheets, the two 8.5 by 14 sheets, he will see the provision for phase-out grants. Those are the grants that are in brackets that will be payable only in one year; and if the honourable member adds the figures on that column, the bracketed column, he

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will see it's \$77,624 to those communities. On Page 2 there are some rural municipalities which receive Policing Grants, for a total of \$41,685.00. Those two figures added together give the \$119,000 and that's the complete list.

MR. W. MCKENZIE: Could the Minister now list the municipalities receiving free services?

HON. A. ANSTETT: No, Mr. Chairman, I can't. It's a very long list. Basically, everyone who was not on the list for a grant was paying. If the member turns to the list of municipalities to which the half-mill levy will apply, in effect, that is the list. It's basically all of the rural municipalities.

MR. W. MCKENZIE: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, that list on Page 1 then, the last column on the right-hand side, shows a phase-out grant. If you were not shown as having received or going to be receiving a grant, does that mean that those municipalities received something last year but aren't going to receive anything this year?

HON. A. ANSTETT: Mr. Chairman, those municipalities that under the new provincial average formula would not be eligible for a grant because their mill rate is below the provincial average of approximately 15.3 mills for 1984 actual, will not be eligible for a grant in future years, but this year we are paying the grant to assist them with their budgeting so that they have a one year phase out so that there is no untoward impact in the first year and so that they can plan for it.

MR. G. MERCIER: For example, looking under towns and cities over 5,000, there's shown no grant for Dauphin, Flin Flon, Steinbach, Thompson and Winkler. Did they receive a grant last year?

HON. A. ANSTETT: Just to clarify, the previous formula provided grants only for municipalities with populations between towns and villages with populations of between 750 and 1,500. No community with more than 1,500, that was incorporated in the province, received a grant in the past. This was one of the serious inequities in the formula. It is why I appointed the special Ministerial Advisory Committee which came up with the unanimous one-mill levy recommendation last fall; and which, because of the imposition that might have meant on rural municipalities and on our farming community in a time of some severe farm income stress, I reduced to one-half mill, after consulting with the executives of the two associations.

The member can appreciate that members of the larger urban municipalities were pleased to see some assistance, would have liked the whole mill in the formula. The rural municipalities, whose executives on the committee had unanimously participated in the work and the recommendation, were also pleased that the impact was going to be a very modest half-mill levy.

What we have now is a system in which everyone above 750 population is treated equally. There still are

some anomalies with those communities below 750 or those who allege to be below 750.

MR. G. MERCIER: It's proposed that these phase-out grants will be for one year only, will not be repeated next year?

HON. A. ANSTETT: Yes, the phase-out is for one year only. The member will notice, and this is why it's one year only - I'll be quite frank - it would have been an administrative nightmare to try and work it over several years because the mill rates change, the provincial average changes, and some community which had a grant previously and I point out, for example, the Village of Ste. Anne had a grant which is being phased out, of 3762, but under the new formula, they're going to get a grant of 5983. Some communities were eligible both under the old system and are now eligible for more under the new; some are eligible for less under the new; some who were eligible before are no longer eligible; some who did not acquire grants before will be getting them under the new system.

MR. G. MERCIER: There is no change in the grant - or does it come under here now? - for the resort communities?

HON. A. ANSTETT: Yes, Mr. Chairman. The resort communities come under the formula the same as everyone else. They are all rural municipalities or towns or villages such as Winnipeg Beach, and they will come under the formula. If their mill rate for policing is above the provincial average, a grant to bring them down to the provincial average will be provided.

MR. G. MERCIER: Which communities are affected there then? Victoria Beach?

HON. A. ANSTETT: Well, for example, Winnipeg Beach - the Village of Winnipeg Beach on the village list - I don't see it here. Winnipeg Beach isn't on here because it's less than 750 people so it will continue to receive free policing for all intents and purposes except for the half-mill levy.

Victoria Beach had received a grant before on Page 2 of the long sheets, will no longer receive a grant because its levy is below 15.3 mills.

MR. G. MERCIER: Could the Minister advise if he's received a budget from the Town of Emerson?

HON. A. ANSTETT: Yes.

MR. C. MERCIER: What amount is shown for policing?

HON. A. ANSTETT: We have received a budget but those staff who are here have not seen it, so I can't tell the honourable member what amount is recorded for policing.

I understand, though, from other sources that there is no provision for policing in that budget.

MR. C. MERCIER: Does the budget have to be approved by the department?

HON. A. ANSTETT: Yes.

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MR. G. MERCIER: By when?

HON. A. ANSTETT: It'll be approved within the next week or so.

MR. G. MERCIER: Is there a specific date for approval?

HON. A. ANSTETT: No. Mr. Chairman, if I may, perhaps I could be of some help to the honourable member rather than going through a question and answer routine. I can advise the honourable member that staff of my department along with staff of the Attorney-General's Department have met and held discussions - and I believe since then there have been further discussions - with the Town of Emerson with respect to their obligations to provide policing for their ratepayers. I hope to be announcing an arrangement in that regard shortly although I am not able to do that tonight, but I believe that matter is capable of resolution.

MR. CHAIRMAN: The Member for Virden.

MR. H. GRAHAM: Mr. Chairman, the Minister, I believe he said the level was 15.3 mills that was established for policing.

HON. A. ANSTETT: For 1984, the average mill rate of all communities who are paying for policing was 15.3 mills.

Mr. Chairman, at the bottom of Page 1 of the long list, it shows 16.3, but the figure I have had all along was 15.3. I think the sheet may be in error. I believe the figure for 1984 - it's now confirmed - is 15.3. You can correct that sheet; I think it was a typographical error. Maybe we should just throw this all away and I'll go from memory. That will be the average for '84.

Next year that average will change - it may go up, it may go down - depending on the needs in consultation with the communities and their local police departments or with the RCMP who are providing extension contract service. The grant, then, will be reflective of that change.

MR. H. GRAHAM: Mr. Chairman, is the Minister indicating that there is going to be an annual parade on advisory committee meeting with the various municipalities to establish an average each year and on the basis of those meetings you're going to then set the mill rate? Is that what the Minister is suggesting?

HON. A. ANSTETT: No, absolutely not, Mr. Chairman. The mill rate for policing is established reflective of the actual mill rate assigned to policing costs within each of these municipalities this year. This year's grant is based on last year's mill rate assigned for policing. This has nothing to do with the municipal meetings in June of each year. This report came from a ministerial advisory committee consisting of representatives from the two associations and staff both from the Attorney-General's Department and my department. I don't propose that they would perform this task every year. I hope to see this formula in place for a number of years.

I do not propose that the levy be increased though. I hope that the levy will be in place until we get assessment reform and no longer have to rely on

equalized assessment, then we can address this in a much more fair and equitable way.

There's no question this is a stopgap measure. It reflects the need for a more equitable distribution of policing costs while at the same time, the base unit we measure municipal-fiscal capability, the equalized assessment basis, is not the fairest and best there is. It is the best we've got, so we're using it now to address a problem that local municipal government has recognized and been asking the senior government in this province to address for more than half a dozen years.

MR. H. GRAHAM: Mr. Chairman, what assurance can the Minister give that the levy next year will be one-half mill?

HON. A. ANSTETT: The member has my personal word on it.

MR. H. GRAHAM: There is no formula in place, though?

HON. A. ANSTETT: I announced and the member - if he has a copy of the press release from last March - will be aware that we announced at that time there would be an amendment to The Municipal Administration Act, specifically providing for the levy.

MR. H. GRAHAM: We'll have to wait until we see the act.

HON. A. ANSTETT: Well the amendment will not specify one-half mill.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, that was . . .

HON. A. ANSTETT: Your next question.

MR. G. MERCIER: The Minister is indicating that the legislation will allow the Minister the discretion to increase it by Order-in-Council?

HON. A. ANSTETT: I'm not purporting to describe the legislation. I didn't say it would be by Order-in-Council or by ministerial order. The provision now - and there is some question as to whether or not the amendment's even needed - but I wanted to give members of the House an opportunity to review the program and make the legislative authority very clear. But The Municipal Administration Act now provides for authority for ministerial levies of certain types, including levies in consultation with the two municipal associations.

I would remind honourable members that this levy flows from a unanimous recommendation of the two associations requesting a 1 mill levy. I have given them my personal assurance to a full meeting of the executives of both associations that it would not be my, nor the government's intention, to increase the one-half mill levy until assessment reform was in place. The big problem with policing costs is reflective of - and the Member for St. Norbert as a former Attorney-General is aware of this - a transfer, an off loading of policing costs from the Federal Government to the provinces and to municipal government.

I suspect that after assessment reform the actual amount of the levy would drop because assessed values will be reflective much more of market reality and therefore the amount raised by a mill or a portion of a mill will increase dramatically. I have assured municipal government it is not my intention until the 10-year contract is renegotiated - and that's 1991 - to examine in any detail the question of changes to the levy or to the program. They responded with utmost confidence by assuring me that they expected me to be the Minister in that year and be able to keep my word right through till 1991.

MR. H. GRAHAM: There may be changes in store.

MR. CHAIRMAN: 3.(f) Police Services Grant—pass.
The Honourable Minister.

HON. A. ANSTETT: Mr. Chairman, before we pass this resolution I would like to thank members for their contribution on this item and I would like, as we finish the item, to say good-bye to a Municipal Services Officer who has been with the department for a very long time, was our first Municipal Services Officer. He's been ill lately and has chosen to retire next month on May 16th, Mr. Morris Hay, and those of you who have been involved in municipal government and interested in the Department of Municipal Affairs over the last several years will know him as a very dedicated civil servant who had a wide range of abilities and provided a great deal of leadership to municipal government.

Since we are now ending the discussion of this section of of the Estimates in a branch in which he worked for quite a number of years, it's an opportunity to pay special tribute to a retirement that's noteworthy and thank him on behalf of all of the municipalities in Manitoba, and I trust on behalf of all the members of this committee, for his dedicated efforts in improving municipal administration across the province. I'm sure all members want me to convey those sentiments to him as well.

MR. H. GRAHAM: Please do.

MR. CHAIRMAN: Resolution 112: Resolved that there be granted to Her Majesty, a sum not exceeding \$25,910,700 for Municipal Affairs, Municipal Advisory and Financial Services, for the fiscal year ending the 31st day of March, 1986—pass.

What is the pleasure of the committee?

HON. A. ANSTETT: Committee rise.

MR. CHAIRMAN: Committee rise.

SUPPLY - HEALTH

MR. CHAIRMAN, P. EYLER: Committee come to order. We are considering the Estimates of the Department of Health, Item 7, the Medical Program line - the Honourable Minister of Health.

HON. L. DESJARDINS: It was requested of me the estimated population per position. The last information that I have, we're pretty close to the average, I guess.

Newfoundland is 597 - that's one position for 597 people; Quebec is 487; Alberta, 603; Nova Scotia, 524; Ontario, 500; British Columbia, 493; Prince Edward Island, 812; Manitoba, 499; Yukon, 723; New Brunswick, 810; Saskatchewan, 646; Northwest Territories, 1,369; and the average in Canada is 519.

Psychiatry, we are in fifth place. The time recorded in minutes is 60. Nova Scotia is top with \$80.90; British Columbia, \$82; Ontario, \$80.10; Alberta, \$78.50; Manitoba \$68.80; New Brunswick, \$68.40; Saskatchewan, \$67; Newfoundland, \$58.86; Prince Edward Island, \$56.60; Quebec, \$49.60, so we're fifth, as I mentioned.

I would want to emphasize again that the MMA is responsible for the allocation of the funds that they receive between different groups. In the last agreement that we have, there was half a million dollars to shore up specific areas and, of this amount, they took approximately one-third to go to psychiatry or \$164,000.00.

The take-home pay or the net revenue, we'll have to check on this with the income tax thing to see what we can find.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, were all of those psychiatric fee schedules basis a 60-minute hour?

HON. L. DESJARDINS: Apparently this works by . . . quarter of an hour, but it is possible in certain areas to work as low as the 46 minutes and get paid for that fourth quarter . . . In other words, they're all maximum up to 60 minutes and then . . . (inaudible) . . . Nova Scotia 46, British Columbia 60, Ontario 46, Alberta 60, Manitoba 60, New Brunswick 46, Saskatchewan 53, Newfoundland 46, Prince Edward Island 50, Quebec 55.

MR. D. ORCHARD: Mr. Chairman, given that there are variations in the minutes, does that still mean that Manitoba's fifth, if you factor in the time allotment?

HON. L. DESJARDINS: It's pretty hard to tell if somebody is just out to see the minimum minutes, I guess all they have to do is set the alarm clock and quit at 46 minutes and get paid for the hour. As I say, it's in quarters and it is only in that case that they would receive more.

Apparently, there has been a report from the Health Information Division of the National Health and Welfare and they've got us fifth there also taking everything that was done. It's very, very difficult to assess.

MR. D. ORCHARD: Well, Mr. Chairman, no doubt it is very difficult to assess. In negotiations, no doubt, the profession itself makes the point that you can't go solely by the hourly rate when the hourly rate is based on varying lengths of time to accomplish that billing for whatever the hourly rate is. I suppose that will be a problem that is going to face MMA as well as MHSC, but I think and, I didn't have a chance to write down the numbers the Minister gave, I'll look forward to reading them in Hansard and maybe we'll have an opportunity at a later time to make a comparison.

Mr. Chairman, the Minister is aware of a problem in British Columbia where they have attempted to direct new physicians into areas which presumably are understaffed in terms of the patient to doctor or per population to doctor statistic, and that has been ruled unconstitutional. They had to stop giving their billing numbers only to areas where they wanted the doctors to locate.

In terms of our average distribution of medical doctors in the Province of Manitoba:

1. Do we have any areas that are significantly underserved in terms of medical doctors on the population ratios, and

2. If that's the case, what sort of programs or incentives, if any, are available to attempt to rectify that?

HON. L. DESJARDINS: Mr. Chairman, the MMA and the staff of the Commission were looking at the manpower situation just to try to arrive at some way of remedying that. I think that someday there'll have to be some rules made. Manitobans are paying for the costs and I don't know of any other position where you just say well I want to practice there and that you pay if they're needed or not. You take teachers and so on, you don't see people going in and taking Education and so on and then say here I want to teach in St. James, or Carman or St. Boniface. The business is, there has to be a position.

I find it very difficult that government can't come up with something that will be accepted to say fine you might be able to practice right outside of the plan. We need so many doctors in certain areas.

There has been all kinds of suggestions made. I even remember reading something from an American medical review, I think it was, they suggested they should draft the doctors like they did during the War and say this is where you'll go.

I think there's more to it than that. I don't think it's just that they don't want to go in the rural area for social reasons. I think there's more than that. I think it is the training. I've suggested also and discussed, briefly mind you, with the Dean of Medicine the possibility of looking at the situation, the teaching and training of doctors. Now it's done for specialists and for all these facilities and for large hospitals and they feel that they are robbed if they haven't got all these facilities besides the social thing, which is another problem, and then to be with some of their peers also where they could discuss things and work together and so on. I think it's the whole thing.

I'm not saying it's necessarily wrong, but maybe we should look. Maybe the universities and the medical schools should be looking at the situation. Are people really trained in the right way or is their education proper or should there be a different emphasis on being able to have G.P.s or people in family practice and so on that could go on and work and not necessarily have all these specialists and all these facilities. I don't know.

It sounds pretty good what I think B.C. was doing. B.C. said we'll give you, and I know that they'll have to bring legislation - I know because of the Constitution - to be honest with you, I must admit I'm starting to have second thoughts on this business of Constitution. I don't know, pretty soon we won't need any Legislatures

at all. It'll be all the courts that will decide. — (Interjection) — Well, I'm starting to — (Interjection) — I'm admitting that I have concern. It seems that we're elected to bring legislation and more and more the court decides. So, the situation could be somewhat difficult if that is the case. I think you'll be afraid to bring in any legislation at all. That is a situation.

I think that the intent was to do something like that. Right now, and especially in Psychiatry - and watch me catch hell tomorrow morning - I think the situation it is so lucrative compared to working where I think they really need a heck of a lot more, working with the programs like some of these institutions or with the youngsters, psychiatric schools, psychiatric adolescent, psychiatric hospitals or institutions.

I think this is what B.C. was talking about one time, that they would say, well you could make so much money, you could build a commission, for instance, up to a certain amount, then you'll be - you know we're not saying then you can't work. That's not what they are saying. I think the possibility would be that then they would have generous, very generous sessional payments.

In other words you would work in your sector, the people that think, well it's a great thing to have your own private psychiatrist and that, but you would give certain time to maybe Selkirk Hospital or the Adolescent Institution, and so on, and then you would be paid besides, once you've reached the maximum, that you would be paid, as I say, generously, but through sessional fees. I think if that could be done, I would like to discuss that. I intend to discuss with the . . . it's no use talking with them now until this business of extra billing is decided, one way or another, because the majority of them do not want talk.

When that is settled I think we'll have to talk. I think they're certainly entitled to proper fees, but I think we're also entitled to see where they're needed and where the money is spent. I would much sooner work with the MMA and the Commission to see if we can get together and have some voluntary thing or something can be done without bringing in this kind of legislation.

But I do understand how some provinces and some government bring in legislation like that. It's okay to talk about the freedom of the individual but the taxpayers have to pay for that also. It should be something that profits the population in general, as much as possible, and to emphasize where certain specialties are needed more.

MR. D. ORCHARD: So is the Minister saying that is a problem which is under review, but the Minister doesn't have any proposals on the horizon to attempt to resolve the problem, or is he actively pursuing some process by which the underserved - or at least the statistically underserved areas - will be able to avail themselves of a new medical practitioner? Is the Minister saying that nothing is in place right now and nothing is being done?

HON. L. DESJARDINS: I certainly didn't say that. But I mean over the period of years by the former government, the Schreyer Government before that, it hasn't been always all that successful. Now Dr. George Johnson, the former Deputy Minister, this is his main

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responsibility to work on this manpower business. He's been working very hard with the MMA and so on.

Now we have programs in place but those are being reviewed to see if things can improve. Summer work experience, first and second year medical students. There are loans to third and fourth year medical students. These are different programs that would provide some incentive. Post-graduate assistance for rural Manitoba residency in the Faculty of Medicine. There are incentive grants for positions commencing practice in a designated medically underserved area. There's Family Residence Placement Program.

These are some of the programs that we have and this is being reviewed to see if some of these programs might be useless and to see if we direct our programs and our incentives better or find other ways to cope with it.

MR. D. ORCHARD: On the programs the Minister has mentioned tonight, has he got a ballpark figure of what those programs cost the taxpayers in an attempt to spread the doctors to areas that are underserved right now?

HON. L. DESJARDINS: Approximately a total of \$200,000.00. There's summer work experience, first and second year, at approximately \$4,500 per year, that's \$32,000; incentive loan, third and fourth year medical students - six at \$9,000 - \$54,000; rural Manitoba residents, \$75,000; incentive grant to physicians beginning service in designated medically underserved area - two at \$7,500, that's \$15,000; family practice, rural placement, \$10,000; administrative cost, quarterly meetings, advertising, etc., \$14,000 for a total of \$200,000.00.

I would like to inform my honourable friend that tomorrow I'll bring him a document that will spell out, in more detail, the work of the Standing Committee on Medical Manpower.

MR. D. ORCHARD: Mr. Chairman, let me attempt to explain a situation that I believe exists - the Minister can correct me if I'm wrong.

This may well apply to doctors who are graduated outside of Canada, foreign doctors, for instance. Hospitals, the major hospitals in Winnipeg all have committees, I believe struck of administration, plus the medical staff, heads of the various medical departments and basically it's that group which establishes admitting privileges for surgical procedures primarily, but establishes admitting privileges in the various hospitals in Winnipeg.

I don't know how stringent the admitting privileges and the ability of a doctor to get admitting privileges to a given hospital is, as a new practitioner to the city. It has been pointed out to me from time to time that that can be a limiting factor for a medical doctor to take up his practice, for instance, in Health Sciences Centre or possibly even St. Boniface.

I don't know whether the same almost restrictive ability is there at Misericordia, Grace, Concordia, Seven Oaks or Victoria Hospitals in the city but it almost, from the outset, would appear as if there is a certain amount of relocation effort - shall I put it that way? - or effort to get particularly newcomer doctors, doctors new to

the country into areas other than Winnipeg simply by restricting or not allowing access and admitting privileges to some of the major hospitals in the City of Winnipeg. Does that, in fact, happen and is that doing something to move some of the medical doctors into the rural Manitoba in particular?

HON. L. DESJARDINS: Mr. Chairman, it's true that usually the method followed is that the doctor will apply to a hospital for admitting privileges and the medical committee there, the medical staff will decide, but there is also a medical appointment review committee, Manitoba-wide, province-wide, provincial-wide that is quite representative and if they have trouble and if they feel that they were treated unfairly or if nothing is advancing or if they've been suspended or if their privileges have been reduced or suspended, they can appeal to that.

But I think, like everything else, there's a time where you have too many of them. That is not conducive to good standards and some of them will have to be refused and especially when we know that there's too many doctors around; and that is one of the reasons now - that might be denied - but strongly, one of the reasons why people are always talking about beds. I think you will see in the Evans Report that, for instance, you have 25 percent more G.P.s in Winnipeg than you had 10 years ago, roughly the same population. You had pretty well enough beds then and now, look at everybody is yelling for beds. I think that is one of the situations. I guess it could be said that there's enough beds for the patients but not enough beds for the doctors and I'm not saying this to criticize anybody.

That's what I'm talking about when we say we have to change the motivation of some of these people, when we have to work with them, like any other groups, and it might be that this has to be done and that there's emphasis on doing more of this work, maybe in the doctor's office and not for admittance services, that there's early discharge and so on, so that some of these things could be done.

But there's no doubt in my mind that the way it is set up now is not the best possible way, so I really don't know if some people - I would hope that this should happen, that if someone is refused admitting privileges that they might want to stay in Manitoba and go to an area where a doctor is needed and I suspect that might happen in some cases, but not too many. I think the reasons that I gave earlier are some of the reasons. As I say, it's not just the social displacement and so on that these people don't want to stay in the city. There's other reasons than that.

MR. D. ORCHARD: Mr. Chairman, the Minister made an interesting comment, that it appears as if there's enough beds for the patients but there isn't enough beds for the doctors. Of course, we can probably discuss that more fully when we get into the Hospital line.

Mr. Chairman, I think - and the Minister can correct me if I'm wrong - in terms of surgical procedures, particularly elective surgery, the waiting lists have increased over the last several years and I'm given to understand that the possibility of cancellations is increasing. I had a discussion with a medical doctor

recently where three out of four scheduled procedures for one particular time period of a few weeks back were cancelled because the beds weren't available and the operating theatre space wasn't available as well.

Mr. Chairman, that, I think, will do more to solve the Minister's problem and the province's problem of not having enough doctors in some of the underserved areas. I think as we discuss the hospital Estimates, we will find that there are probably enough beds to go around in acute care in the province, given our current complement of medical doctors, if a sizeable number of those beds weren't blocked by chronic care and extended care patients.

When you have the circumstance where physicians are trying to book elective surgery and slot patients in to get elective surgery done and they find at the last moment that the procedure has to be cancelled because a bed never freed up and, therefore, that particular physician, of course, has nothing to do and, I suppose, that's a disappointment from a monetary standpoint for him personally, but I think his greater concern definitely lies with the fact that his patient has to wait another period of time to get rescheduled.

Under those circumstances, where that certainly appears to be a phenomenon that's increasing rather than decreasing and you have those same physicians with some control, not the entire control, but some control over whether new physicians can have admitting privileges for surgery or other processes in the hospitals when you've already got the existing admitting physicians having difficulty looking after their present patient load and the present patient need for hospitalization and surgical process or whatever, you're going to find those same physicians being, I would suspect, very cautious about giving anybody new admitting privileges when, as I say, their own patients aren't receiving the kind of prompt attention, the prompt care that they had been able to provide just a few years ago.

Now, Mr. Chairman, that may be drawing a long bow, so to speak, to say that the two will be related enough for the one problem to solve another problem, so to speak. In other words, the problem of disparity of doctors throughout the province, that problem being solved by the fact that new doctors or doctors that are emigrating to the province may not be able to get admitting procedures in the Winnipeg hospitals and if they want to carry out their profession, go elsewhere. I wonder if the Minister might see that as a growing reality and a growing phenomenon.

HON. L. DESJARDINS: Mr. Chairman, the immigration policy of the Federal Government is that no doctors would have any extra points to emigrate to Canada because they are doctors. Now, that policy, the government has been quite concerned about. It's not just that you want to discriminate but, in effect, there is actually discrimination against Canadian students also who have a hard time going in if somebody comes in by the back door. These are all legitimate concerns. You don't want to discriminate and, again, you can't discriminate against your own people either.

The fact is there are too many doctors now. They won't allow them in unless many of them come in understanding and signing a document that says fine,

they know that they're not going to have room to practice medicine, but once they're in it's a different thing.

Others will be recruited and get the okay because a certain community wants a doctor and they've been able to recruit one in another country - in England, in Pakistan, whatever. Too often, they might be in the rural area for one year and then they're back in the city. So, it's not that cut and dried. It's not that easy.

When the statement was made, I want to make that clear if it wasn't clear, I said that the statement - I think it was Dr. Evans who made the statement and I was repeating a statement that was made - that there might be enough doctors for patients, but not enough for doctors.

I would tell you right now and this will not be accepted, I suppose, by the members of the community, but the economists are pretty well all in one voice say that there are too many beds in Canada. You can just imagine telling the public that there are too many beds in the hospital. They will tell you that there are too many beds and they will tell you that's where the cost is. The cost is not with the doctors, it is the beds. Mind you, they generate revenue.

Now, having said that, I don't think anybody is saying that everybody that is looking for a bed should not have a bed. It's true that some of the wrong people are in the beds at times, that there should be other incentives, other things. Now many in the medical profession will tell you themselves that there is too much surgery being done. Those are not my opinions. I'm just saying some of the things that make it difficult because of all these things that you hear that it's a good thing.

I've had a cardiac surgeon and I've had cardiologists tell me we must have a waiting list and that is what controls us. If not, we would be in trouble. There has to be a waiting list for cardiac surgery.

Now, you read from the medical journal and they are saying that. I read an article not that long ago that, fine, you've got to treat more maybe with medicine. You don't automatically figure, well, this is great - you have open-heart surgery and a bypass and everything is fine. These are the points that are being made.

Then they're talking about to use the beds wisely also. I don't know how many times it was mentioned in this House in the time that I've been here; I've mentioned it myself and it doesn't seem to get anywhere. People are talking about admitting privileges, but maybe the younger ones who are trying to break in should have admitting privileges on the weekends, maybe with the beds. I don't know if it's possible but everybody seems to resist the idea that that theatre should be open seven days a week instead of five days week. It's a possibility. It would be interesting what money you would save in beds. There are a lot of people that are going in on a Friday or something and they won't have surgery till the Monday, or there's people that are ready to go home on the Friday and might say might as well stay another weekend because they don't need the beds and that there are not that many new people coming in. So, these are all factors.

The point is, it is difficult. It's not that cut and dried. It is quite difficult. The waiting list, as I say, the guidelines that we have in beds and in the personal care homes, because we're saying that they're the ones backing

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down in the personal care homes, we have one of the most generous guidelines and we've passed our guidelines. We have more beds than our guidelines would indicate that we need. Look at the waiting list. There are all kinds of reasons for the waiting list. It's not just all of a sudden that there are no beds. If you have more staff, I could control this waiting list very good. All I have to do is not to get them to drag their feet and not panel people as fast, then there's no waiting list. People are just there and they need the bed just as much, but there's no official waiting list of people that have been paneled and they say yes you should be in a personal care home.

Then, as I said many times, it is just like a big jigsaw puzzle and you can't see the picture until all the pieces are in there. Let's say with what's going on and it has gone on every year ever since I remember - the same thing, different hospitals, different people, different Ministers, different members in the opposition, we've had all the same thing in an area. Then at times in the summer, many doctors are on holidays. You're not using it as much so they're closing wings. That has been done, this is the same pattern that's happened so many times.

Now, what do we do? So on the one hand they're telling us you're going to go broke, you're going to blow it if you keep on building beds. The operating costs - what is the operating cost for an acute bed? - an operating cost for one acute bed is about \$300 a day and I think extended treatment bed is around \$150 or so, or \$100, and \$60 for a personal care bed.

So the thing you say, well all right, we need, if we're not careful we say fine, these people cannot get these operations. You need more hospitals and you need more acute beds, so you bid on acute beds and then you realize - and I think my honourable friend mentioned that - that we would probably have enough acute beds if they were used wisely and that's probably quite true. But even then that doesn't mean automatically you build personal care beds either, because personal care beds, many of the other programs are there to make sure that you don't need as many beds.

So it's all a factor and this is what I was talking about awhile back, this planning and working together and changing the incentives and the motivation of everybody to change the program. We've had this program because it's been one of the best ones. It doesn't mean that we can keep on adding and adding forever. We just have to say, hey, where are we going with this, because there's no way that we could. And does that mean that you shouldn't have change. I think pretty well everybody agrees with change. I know the former Health critic and Minister of Finance from the opposition used to say the same thing and that's what we're doing. It is difficult now.

I don't think it's true. I think the member might have exaggerated a bit in thinking that the people that decide who have admitting privileges are only the doctors in the hospital. It is the board that has that — (Interjection) — Well, all right. It is the board, it is the guidelines for the beds and a specialty, they know they should have so many doctors and that has to be filled. I don't think there's one doctor that can say, well you know I'll have more work or I'll have more beds if we get less and then they try to get the very minimum number that they can get. I don't think it's that easy and besides

that, as I said, there's also a committee that would review that.

MR. D. ORCHARD: Mr. Chairman, the Minister has indicated a couple of times this evening that there are too many doctors. Could the Minister indicate - basis the range of statistics - give us the interprovincial comparisons of physicians per population and with the average for Canada at 519 and Manitoba at 499 - if 499 represents too many physicians, what does the Minister see as a more ideal population-to-physician ratio?

HON. L. DESJARDINS: I don't think I could or I'd want to give that information because there's too many factors. It is the people that are in training; it is the residents; and it is the population make-up; the age of the people; the setup - are they all in the city or are they dispersed? There are a lot of other factors.

All I can say is - and don't quote me - I agree with this from everything I've seen. I think it's obvious, but I mean that has been made by every single Minister of Health in Canada now and in the days when my honourable friends were in office. It's not something new. It's not political. It's not a question of parties.

The Federal Government was very very concerned with that and that's where they changed the immigration policy because there were too many doctors here and too many wanting to come in. So it is a known fact. Now to say what would be the ideal thing, that's one of the things that's being studied now and it would depend on a lot of factors and I would hope that they would fund that. That again is the medical manpower committee and as I have stated, I'll see that the last report that I have, that my honourable friend gets a copy.

As far as the information, I gave that information earlier on as I recall.

MR. D. ORCHARD: Mr. Chairman, the Minister says that everybody has been saying for some time across Canada, etc., etc, that there are too many doctors. Now that leads one to the next logical thought process - and maybe it's not so logical and if it isn't the Minister will certainly correct me - that in making that statement one would follow that if there were fewer doctors we'd have a lower expenditure line on our Medical Program. So that one would assume that if there are too many doctors, and although the Minister says he can't pick an ideal figure of what would be a reasonable ratio to try to obtain - whether it be Newfoundland's or whether it would be Saskatchewan's or New Brunswick's - which are all slightly higher than Manitoba's - New Brunswick's quite a bit higher than Manitoba's.

If the Minister can't indicate a level which would be preferable to the one we have right now - and I appreciate that he may not be able to put a figure or may not want to put a figure on that - but is the statement that is made and indicated to be made by all the people across Canada or most people across Canada who are involved in the funding of health care and involved in the government circles, when they make the statement there are too many doctors, are they making it from the standpoint that if there were fewer doctors that our costs of medical services of Medicare

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would be less? Is the natural follow-through of the statement that there are too many doctors?

HON. L. DESJARDINS: I think it would be, not just that I don't want or I can't, it would be completely irresponsible for me to make a statement tonight and say we need so many doctors in Manitoba . . . more research than that. But I think it is factual to say that, in general, we, like other provinces, maybe not as much as certain provinces - certainly not as much as B.C. for one and probably Alberta and Ontario, they seem the ones that are hit the worse or that there are too many doctors - I think it is safe to say yes there are too many doctors.

Now who makes these statements? I think that you will find the people that are charged with the costs certainly, the administration, the people that are realistic and say, we want a good service and we don't want a price it right out of existence, that is one of the things, certainly the people that are looking at the standards will tell you the same thing because there could be, as I said before, they're some of them are quite worried of certain surgery and so on, that they feel that there's too much.

Certainly some people who were very defensive before, deans of schools are talking about reducing the schools and so on, the school of medicine.

Now there's another factor. I think that most of the people are saying - in fact the act was changed to incorporate that - that we should be looking at using our providers of medical services, the professionals - but I'm not including just the doctors now - in a better way and probably reduce the cost. I think that you'd have the definition in here.

We've talking about LPNs. The nurses are saying they could do more primary care, they could do some of this work, and the people say, what's the use? - you've got too many doctors. I think that a lot of the work now, and probably more in the future, will be done by the doctors who are so afraid, in general, to even look at the role of the nurse, what could be done under the supervision of a doctor and so on, and I think that has to come.

I think that the nurses - who are pretty well controlled by the medical profession - are now saying, hey, we're standing on our own two feet. Politically, they're a very dynamic group and they're a large group and they mean business. I'm very pleased to know that we are having the co-operation here in Manitoba, these people, as well as the medical profession, who for the first time that I heard of are saying, fine, we're going to address that together. The nurses and the doctors are talking about addressing that, but these are all factors, that some of this work, maybe that is being done. I say maybe; I don't know. That is being studied, but I say that some of this work, now they're saying well what's the use, because you have too many doctors and that is one of the reasons why maybe the medical schools should be reduced.

What scares me and most economists that have any experience in that, it is not so much the salary of the doctors. You hear a lot about the doctors and so on. It is what is generating the work in the hospitals and so on and that is the cost and that is what's scary, more than anything else; and of course the hospitals generate more revenue also.

So, as I say, I will ask the standing committee on manpower to see if they have any idea what should be the right number here but those are all factors, right number for what, to do what? The way it is now or to look at the role of the different providers of services and so on. These are all different factors and this is the kind . . .

You heard me say that . . . I think that I've probably talked more than I should, but you've heard me say many times, I can't tell you now, and I make no bones about that. There was no research; there was nothing set up and this is what we've done the last few years and that's coming up. Some day somebody will have to make a decision. That's why I was saying so seriously, privately and publicly, in public to my honourable friend that I would hope that we look at the situation and that there is a need for politicians of all stripes working together up to a certain point because we cannot afford. It could be that my friends will form the government in a year, a year and a-half and you start it all over again; and if you're replaced by another party later on and if they start it all over again. I think that's a waste of money and it's a waste of time and I don't think we can get anywhere like that. I think there has to be some kind of a practically independent group that are doing, that keep on working, no matter what the Government of the Day is and that has to out of partisan politics as much as possible, because then if you start all over every year you're not going to get anywhere.

We're going to lose the good plan that we have and believe me, you can criticize it all you want, you can talk about the failures, the problems, even scandals - which I don't think you'll find - there is no way you can compare, I think, the service of any country, in general. If so, not too many of them with the service we get here in Canada.

MR. CHAIRMAN: The Member for Lakeside.

MR. H. ENNS: Mr. Chairman, I've listened with considerable interest to the Minister of Health. I've not participated in his Estimates, but his remarks just made do conjure up some deep concerns that I've had and I'd like to put them on the record.

I agree with the Minister that since the event of Medicare and bringing that into the public domain, and he was in this Chamber, that experienced a relatively successful Medicare Program carried out privately by the doctors, known as MMS. He participated in some of the debates that led to the formation of Medicare, where there were alternatives suggested to us and you, in fact, voted against it, the present Minister.

Mr. Chairman, I'm perhaps motivated more so by entering this debate for very personal reasons, partly because I had the sad experience of attending the funeral of a former colleague of this Chamber, a former Premier, Mr. Walter Weir, who spent a good period of his short 18-19 months as Premier of this province debating and worrying about how Medicare should be introduced into the Province of Manitoba. He held out the view, for instance, that Medicare should be introduced much as the Pharmacare Program is, which pretty well all of us acknowledge as being a very successful program - and I'm the first one to acknowledge it - introduced by an NDP Government,

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administered by those who provide the service, it would have, regrettably, done without the services of the staff that you have before you, the Manitoba Health Commission. It would have been administered by the doctors themselves, as it was for many years, and some of them worked with them.

It would have kept the Minister out of the debates and confrontations about arguing about fee schedules. No Minister of Health would be arguing with doctors about fee schedules had that proceeded. However, Mr. Chairman, that's gone and past. I'm simply saying to the Minister, as the Minister sends out messages to us, and he reaches out to my colleague, the critic for Health, he says, come on, help us; you might be government 18 months from now or five years from now or 10 or whoever. I'm not trying to be overly political about it. He is, I think, legitimately suggesting that there is a problem for all of us.

I think earlier on, if I recall - while I read my grain news and cattle prospectus - I do listen to what's coming from across the way, but I think the Minister said, if we don't do nothing, your department by yourself will be spending some \$3 billion in a decade and be spending a very major amount of the resources of this province.

I happen to know that this province is not going to grow in like proportions. A decade from now, two decades from now we're not going to have two million people in this province. We'll still be likely arguing like your Premier argues from time to time, where there is good times . . . The trouble with Manitoba is if there's good times in the West or in the East, then a lot of our young people go looking for those big jobs and they out-migrate; and there's not such good times in the rest of the country, then they come back. What we essentially have is a static population, but the problem is - and you, Mr. Minister, spelled it out for us - we're facing costs that are just . . . Well, quite frankly, I don't think you're getting the attention that you deserve. I think you've warned us about it; I think my former colleague, Bud Sherman, has warned us about it. You're simply doing what a Minister of Health in this province has to do, is say, look, we've got some very serious answers to resolve about the resources that we have to spend.

I'm prompted to make these remarks because of what you said just a few moments ago. You said, what about challenging some of the other paramedical people involved, the nurses and others, into maybe expanding their responsibility in the delivery of health and medical services. My question to the Minister is, what is he doing about - not just telling my Member for Pembina or this opposition, what is he doing to show some leadership in this area? I will tell you and I want to be not unfair with him because you see the game of politics is always there. You see, dentists aren't that highly revered in the pecking order of health services as doctors are; so you see, this government is quite prepared to introduce paramedicals or parodontist service in the dental field, but I'm asking him, what is he prepared to expand the role of nurses in that hallowed field of delivery of medical care, not just as he is - and the Minister is a nice guy - he likes to embrace my friend from Pembina in his tent of friendship, his arm of camaraderie, but tell me what you are really doing? I mean what you are doing about

breaking down some of the traditional barriers with respect to medical service? Because I will tell you, Mr. Chairman, in my judgment, the medical professional gave up a great deal when they accepted public financing for their services. When they accepted that, they also accepted the direction from people like the Minister, from people like me, from people like the Member for Pembina to tell them, to some extent, how those services are going to be delivered.

I am going to remind the Minister of a period of his life that he would like to forget, I'm sure. — (Interjection) — Well, yes he will, because it was a traumatic occasion for him and I'm referring to the Autopac debate, when the member made his transition from a Liberal to an Independent and to a New Democrat. You see, Mr. Chairman - and I made that suggestion at that time when I was on the committee - we could have made the private companies do everything that Autopac is doing today. We could have said, don't unfairly charge the young people 25 and under, simply because they're 25 and under, with higher premium costs. Don't do this, don't do that. We could have told them where to get the cars and something like that, but I can remember at that time there was still a Sidney Green in the NDP and he said, "I will not legislate a private group of people to make money." That's what he said about the independent insurers in the Autopac debate, and you know, Mr. Chairman, there was a considerable amount of truth to that. And I have to say that.

I hope my brother-in-law forgives me, who is medical director for Concordia Hospital for many years - that's Dr. Peter Enns, not Sig Enns, he's executive director. But I happen to think that the doctors, the medical profession has not fully matured into recognizing what they gave up when they accepted full public health care, and they have to accept the fact that it will be a Minister of Health or it will be a legislative committee of health that will decide the parameters, to some extent, of what the public purse can bear.

We are the ones that have to go and knock on the doors and collect the taxes. We are the ones that have to raise the sales tax, the personal income tax, the corporate tax . . .

A MEMBER: The payroll tax.

MR. H. ENNS: . . . or impose a payroll tax. Now, if we're charged with the responsibility of doing that, then we have to have some acknowledgement of our responsibility in directing where Medicare services go. So I am interested. When the Health Minister says that perhaps health providers such as registered nurses and the other paramedical groups should play a greater role in the delivery of health services, and perhaps sometimes at some savings to the public cost, I don't want him just to issue that as a platitude, I would like to see what in fact he's doing about it.

A MEMBER: Real commitment.

HON. L. DESJARDINS: Mr. Chairman, I don't know how long it has been since I welcomed remarks as those made by the last speaker and I accept his challenge. Let me give you a little bit of history to start with. Yes, I was in this House when Walter - well it was

the Federal Government who pretty well brought in the Medicare - and I voted against Medicare.

A MEMBER: Really?

HON. L. DESJARDINS: I voted against Medicare because I felt that in Manitoba and I want to look at the — (Interjection) — there's a lot of things on the record and I'm not going to run away from it, so don't worry about it.

The situation is that you had to look at the situation at the time and it's absolutely true, Manitoba had one of the best systems of health care and my point was - and I think that the Conservative Government, at least when it was started under Mr. Roblin, felt pretty well the same thing, at least that statement was made. Then for some reason they supported it and Walter Weir came after that.

I wasn't against the universal or the Federal Government getting involved, but I wanted the flexibility to stay in Manitoba, you want universality and we just had a very small group that weren't covered. And we were saying, give us that amount of money, help us on that, and put conditions that you have to have universality or 90 percent or 95 - we haven't got universality now - we're trying to but we'll never have it in this country. We were talking a while ago about the shortage of doctors, so I don't apologize for that at all.

I think if you scrutinize the news reports you might have even had me - not lately, I deny that that was done when this was brought in lately - but I even talked about utilization fees at one time and I believed it. I've somewhat changed my mind on that because - and I think that might be the difference between the two parties and that might be a very honest debate and a different ideology on that - I think that what we're saying - I'm not going to try to decide who's right today. If I ever want to change, I'll have to change parties again, because it's very clear that the NDP are saying that they do not want to see utilization or deterrent - especially the word "deterrent fees" - and the reason for that is that it will not deter the people that you want it to deter.

There is no chance in the world that charging \$5 more, either to see a doctor or get in the hospital, will get me to cancel one visit to the doctor, or will get me to ask my doctor to release me from the hospital in a hurry because I want to leave. Not one minute of the time, it will not deter me and it will not deter too many people in this House, but it will deter the people that haven't got the money, the people that need the help, and by deterring them it is going to add to the cost because they will not get the service and the health care when they need it. Then they will develop into more serious problems and it will be more costly.

There is no doubt - and that's what I was saying awhile ago - that some of my colleagues, the Ministers of Health in other provinces are saying, you know this is crazy. They are saying now, there is no way that we could get hold of this thing and be realistic; it's going to go right through the roof. Some of them are saying that.

I choose to say, well, it's certainly worth a try and I think the majority of them are saying that. I think if

all I'm going to say, especially when I'm in government and I'm the Minister of Health, that I'm going to say, which would become a platitude very fast is, well, we've got to work together - make this pious statement - I would agree with my honourable friend. But I will tell him what I've done and what I intend to do and what I've tried to do, and the situation is this.

Here again, because I was asked to tell him - let's say this is not a criticism of anybody - I'm going to tell him the facts the way they were. When I took over this time as Minister of Health, I had no facilities to plan, to research at all. There was nobody. The research, the planning was done by directors, the people that are selling, that are coming in for the money to run the program; they were doing the selling, the administering and the evaluation. — (Interjection) — All right. So we set up the facilities of a Director of Research - and I'm not talking about research now - we had a good nucleus of people re the construction of beds and so on. I'm not talking about the Commission and Al Getz and this group at all; I'm talking about the research, Pascoe, and this group.

Now, we started working with them and my colleagues had the same reaction. You know, what the hell was I doing? They never heard for a couple of years? — (Interjection) — Well, you've lived a little longer than some of my friends, maybe you know what I'm doing on the side, but these people didn't know that. Anyway, the feeling is I wasn't producing, and all of a sudden it started going so fast that people were dragging their feet and saying, whoa, whoa, whoa, not so much.

I'll give you an idea, for instance, which I think is very important. We have been dealing with the MMA, and you know the reputation that I was supposed to have, that I was knocking doctors, I was against professionals, and all these things, well, I worked with the MMA and I'll read you a statement of intent that was issued by both the government, through myself, and the MMA. Well, it's only three pages.

I'll just read the part that deals with what the MMA will do:

"In consideration of commitment by the Government of Manitoba," and the commitment was fine we're to try to develop a binding arbitration and we did, that was the thing that we agreed to so we can get down to business and quit fighting, especially in view of the fact that nobody would be extra billing so it made more sense than if people could be in and out.

This is what they would do, "Undertake a review of past and current experience of annual increases in medical utilization and recommend a method of controlling unwarranted utilization."

What was so interesting when my honourable friend was speaking is that two people from across the aisle here were saying the same thing. This is where we've been beating ourselves and this is why people have had no respect for the politicians because we'll take every edge, every chance that we have to knock each other. You'll have lawyers that work against each other, but then they'll close ranks when they're in danger. We're not doing that and we're not respected. I think that's one thing.

"A review of the existing fee schedule to identify those procedures or service that do not appear to be reasonable, based on the amount of time and effort expended when compared to other procedures for services in the fee schedule.

"While the MMA may wish to review a fee schedule from other provinces during this process, it should be doing so to determine inter-provincial relativity between fees and services only. In other words, this review may result in MMA redistributing monies within the fee schedule, but such redistribution will be subject to zero economic impact." So, they were accepting responsibility.

"In consultation with the Manitoba Health Services Commission and other parties designated by the Commission, that is, the Faculty of Medicine, the College of Physicians and Surgeons, review the medical manpower requirement of the Province of Manitoba and to advise the Government of Manitoba accordingly. Such a review will take into account, not only the current supply of physicians, in total, but will also take into account the distribution of physicians geographically, by speciality, the age of existing physician, on the supply and demand for medical services.

"It is anticipated that a limited to no-growth population in Manitoba will impact on the recommendation of this review. The aging population will, on the other hand, place increasing demands on medical manpower. It is further anticipated that this review will impact on the size of the medical school in the Province of Manitoba in the number of post-graduate interns and residents position funded by the Manitoba Health Services Commission.

"The review would also take into account the impact of emigration of foreign physicians on overall medical manpower requirements; this review should result in a recommended policy respecting medical manpower in this province for a ten-year period; undertake to advise the Manitoba Health Services Commission on the desirability of adding new high technology, services and equipment to the system, bearing in mind the cost effectiveness of the new procedures.

"At the same time, the Manitoba Medical Association will advise the Commission what procedures or services have been replaced by the new technology and, hence, may be deleted," - which is never done - "either from the fee schedule or from insured hospital services.

"In arriving at recommendations, the MMA should bear in mind the relative importance of the procedure in terms of the overall number of patients that will benefit from the procedure or service.

"Provide an interim progress report on its various reviews by December 31, 1985; assist the Manitoba Health Services Commission through participation in the Health Services Review Committee and various sub-committees in determining major changes to the current system that will result in a health delivery system that is less dependent on in-patient institutional services.

"At the same time issues relating to medical manpower are being reviewed, the issue of the changing role of nursing manpower should be considered. The MMA will continue discussions with the nursing profession in this respect and, together with the Government of Manitoba, will examine the role of nursing manpower, particular as it relates to the provision of primary health care.

"Under to conduct through an independent consultant a ballot of all practicing physicians in the Province of Manitoba that seek their position." Well, that was on the binding arbitration.

So, I don't think there's ever been that kind of a relationship before, and this was accepted by both the MMA and the government.

Then also, there is a Health Services Review Committee. I think that when I talked about the Capital Program I referred to this group, the study for recommendation.

"The Health Services Review Committee undertook during 1984 a review of Manitoba's health industry and were to report its findings to the Minister of Health. The committee is made up of individuals whose professional backgrounds are varied and whose organizations include representatives from the Manitoba Medical Association, both urban and rural, the Manitoba Association of Registered Nurses, the School of Medicine, teaching and non-teaching hospitals, rural hospitals, the College of Physicians and Surgeons of Manitoba, social and preventative medicine, Manitoba Health and the Manitoba Health Services Commission.

"This committee established its terms of reference which include the following: identify major cost centres and explore the possibility of consolidation; look for alternatives to in-patient services delivery system, not for admission or ambulatory care service; review current bed allocations and the appropriateness of numbered utilization of this resource.

"In order to undertake its work, the Health Services Review Committee identified 16 areas which require considerable review regarding the service delivery system that is in place today and what, with the expected shift in the population base over the next 10 years, can be expected in the future.

"Sub-committees established include the following topics: administrative efficiencies, cardio-vascular disorders, community health services, elderly health services, emergency health services, gastro-intestinal disorders, Indian health care, intensive care, not for admission surgery, obstetrics, oncology, ophthalmology, out-patient services, pediatrics, and terminally ill services."

I don't want to take advantage of this opening that was given to me, but I think it is — (Interjection) — I don't think you should be sorry. I think it is very important. I know that we're in the spirit of friendship today and everything is going well, but this is very important. I mean every word that I say.

I can tell you the same thing on the nursing manpower, that we're working with the nurses and so on. Now, these things will come in and I would say that starting fairly soon they will not be just what could be, especially if you keep on repeating just platitudes, but they will be at least ideas that will provoke people, that will be provocative, and that will be a study and some changes, maybe some pilot project. Maybe I'll fall flat on my face in many of the instances, but I'm ready to go ahead because I think it can be done.

I've expressed the same concern to my colleagues from this side of the House - maybe a little differently - but I reminded them that they don't want premiums. I've reminded them that they want to be very careful not to increase the deficit too much or to raise taxes, that they don't want deterrent, that they don't want utilization fees. I reminded them that some pretty darn, tough decisions will have to be made, tough decisions like we did - and I don't apologize for that - some of the decisions like we said, well, you want to be fair,

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you're charging people in the personal care homes and that's along the line why we said we go along with that because that is their residence, it's not the same. We said people who get the same pension, who need the same care - plus, in mental institutions should pay the per diem rate.

Some of these decisions were made, and those are difficult ones, but we can't have the best of everything. We can't have the best service, the best standards, pay the doctors the highest fees, get more beds than we need and then reduce the tax, have new premiums, have no deterrents and so on and that is why the challenge is there.

But I certainly accept the challenge, I think it was a good question because maybe we'll be understood. Maybe that will provoke or challenge us to try to work together. We'll still, as I say, find enough places to argue. It might be that the Conservative Party will come in and say, fine, this is fine, but you must pay part of the shot and that will have to go to the public; the same thing as we might say, no, there can't be any utilization fee. It was the same thing on Autopac. That is not the reason why I changed parties, I was already here.

Autopac, in fact, caused me a lot of problems, because at no time did I think that Autopac would be taken over without competition, but I did accept it later on. It was very difficult, and my honourable friends know the emotional turmoil that took hold of me in those days. They were very difficult days, but then I realized that you had to have the control or that then, as usual, the government would have the difficult cases and the free enterprise and the monies that are in there for profit would milk the top, they would have the best cases.

I think that, sure, private enterprise could have done that, but how many times were they told to do it, to clean up their act and they never did. They needed one government to start that and this government has kept many of the other provinces in the industry. I bet the costs would be a lot higher if it wasn't for this socialist government in Manitoba and this Autopac thing, and I bet you the cost would be much higher because then they realized they could lose the whole ball game and I think that changed.

That is an honest diversion. The people have said that, fine, the free enterprise, although you didn't dare change anything when you came in, you had said that you would, but you didn't dare and I don't blame you a damn bit. I think the same thing now, that it's going to be very difficult to change some of the key things in Medicare. The things that we could have done years ago, when I said that I voted against it, give us the money and we'll see that it's universal, but we'll keep on the good things that we have. So some things are impossible to change and I think that you're the first one to admit that you don't want to go back to the pre-Autopac system.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Chairman, I want to make it very plain to the Minister that any comments that I made weren't meant to - what's the phrase - to go back to huggybear, kissyface relationship. I think we still are

on the same course that we have a responsibility of examining this Minister's Estimates. You know, Mr. Minister I just want to put on the record that this Minister has had the unique opportunity that not all Ministers have had. He's had, in the words of the song that Frank Sinatra popularized, The Second Time Around is Better everytime or something like that, this Minister has had the opportunity, the people of Manitoba have given him the opportunity, this government has given him the opportunity of being the Minister of Health the second time around; and so I would take the lesson that he just read us with a little more credibility, except that this is his second time around on this show, in this portfolio and this responsibility, and we're still waiting for the delivery.

HON. L. DESJARDINS: Next year I'll probably sing, "I Did it My Way."

MR. F. FILMON: When you retire, Larry.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, the Minister indicating to his caucus that he had to remind them that their party stood against premiums, that the NDP was against deterrent fees or user fees. You reminded them, as the Minister of Health, that you couldn't tolerate higher deficits and that higher taxes weren't an answer.

Mr. Chairman, the Minister has been, for about seven months, or six months, been indicating that if we do nothing more in the Manitoba Health Services Commission budget, except maintain the status quo, that by 1995 we will have a \$3 billion-plus budget in the MHSC. Given that he is saying his party doesn't like premiums and his party doesn't like deterrent or user fees, and given that larger deficits and higher taxes aren't going to resolve the problem, would the Minister be telling us that what we're going to be finding, as a solution to our problem, is a rationing of service and a capping of the ability and the access to the medical service?

HON. L. DESJARDINS: Mr. Chairman, nobody in Canada has the answer. I'm not going to pretend that I have the answer. I said that we would be looking at it. The challenge that I have, the direction that I would be giving, is that none of those things change and that we have to change the delivery form, the waste, the motivation; and I think the motivation is probably the most important thing, and make some tough decisions that will not be harmful to the public; forget and cancel old methods or old equipment, instead of getting in the new equipment, keeping the old and being responsible for the maintenance and so on; taking advantage of all the people that are providing the service, not just the medical profession and the challenges.

Maybe we can't do it. I think we can. I think it will take tough decisions. It might defeat one or two governments, but I think it can be done. What other choice have we got? We've got that we just keep on the way we're doing and that is where I've said, and I keep repeating, that that in 10 years would cost us

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\$3,044,000,000, and that is for nothing more than we're doing now. You would have the same newspaper articles, that there's waiting lists and so on, it might even be increased. Our bill, just for the Commission, not even the department, would be approximately \$3,044,000,000.00. Obviously we'll go bankrupt if we do that.

The second one is we say we cap it like the Federal Government has done and, if we cap it, it'll actually be a reduction because of the way the wages are going, the operating costs and the new methods and everything and you can just imagine, we don't want that. So then the option that's left to this party, and I would say most Canadians are - all right, you change it, and you want to change it without sacrificing the standards. So, therefore, that's where I say the motivation is. Now people will not be able to just yell, I want a bed, and go in the hospital. You'll have to change that like it's done in other countries. You'll have to rely less on that. You'll have to be innovative; you'll have to find ways of having a lot of the things that are now performed when you're admitted to the hospital, that we've done, without being admitted to the hospital or in doctors' offices. You'll have to do a lot of these things. That's an option.

Another option might say well, all right, we can't have this program, now everybody will pay premiums. It could be that you reinstate the premium, after all it's done in certain other provinces and it was done here prior to 1973. So that is a possibility, or you would reduce the services, or that you would have certain things that would not be covered, wouldn't be insured at all. The tendency is that you want more. My friend today talked about these pumps which made a lot of sense, and that's a possibility, it's something that we look at.

But the point is, if nothing else, if today and these few months, that we can agree and if I've been successful in saying to the people and getting them to sit up and say something has got to happen, then we might all agree on what we want to see done or what we think should be done. You might come in with this study and if we share this information and the concern, you might come in.

That's what I said, there's a lot of places to disagree. You might come in with a completely different program than we had and it might be good. It might be part of your platform in the next election, be part of ours, and that's what it's all about; that's what democracy is all about. We could still share certain things and where we disagree, fine. If we agree, so what?

You know it was a real damn good gesture or good policy for Mulroney to accept the act. I don't know if he believed in it that much but he took it right out of the politics of the last Federal election, it was a non-issue; it would have been an issue that would have hurt him, but it became a non-issue because they said, me too, and that might be something that the two parties might agree on certain things, then nobody has the edge; it's right out of the politics.

But my honourable friend is certainly not serious when he expected me to be able to give him the answer today of what could be done. I can tell him the problems, and I have, and I can tell him that I wish that people would work together, what we've done to get those answers. But eventually I will run out of time and I will have to be able to say, here this is what we suggest.

I think we could start that pretty well around early next year, because many of these reports will be coming in and the recommendations will be coming in.

MR. D. ORCHARD: Mr. Chairman, the Minister has mentioned a couple of words, "waste" being one I think that I suppose we all can form an opinion on, and we can probably all identify areas where there is ways to help delivery system.

The motivation end of it, that requires debate at a later date.

HON. L. DESJARDINS: The what?

MR. D. ORCHARD: The motivation end of it requires debate at a later date because I think that is also a perspective that can be individually held and maybe based on misconception.

Mr. Chairman, I simply remind the Minister that, given the four parameters that the Minister laid out for us this evening of no premiums, no deterrent or user fee structure, and that's a pretty loose definition. I mean user fees - what was that famous writer in the Free Press, say that one person's user fees is another person's legitimate charge, or however she worded it - but basically the NDP user fee wasn't a user fee because NDP's don't believe in user fees.

But, at any rate, the Minister tells us that premiums and deterrent or user fees are out, larger deficits aren't practical and higher taxes won't work. I made the observation to him that there's one thing left in order to control his rapid move to the \$3,044,000,000 costs of 1995, and that being the rationing of service. The Minister got into the waste and the motivation, etc., but I don't think it takes too much analysis in the system to find out that today we are seeing the system being rationed.

The system is being rationed out there this evening because there are people who are on an extended waiting list for elective surgery. It is much longer than what it was three years ago. The Minister has indicated in his opening remarks that the panelled patient waiting list for a personal care home placement is greater than it was three years ago by 300 to 400 people.

HON. L. DESJARDINS: And more people to be panelled too.

MR. D. ORCHARD: And the Minister says, and more people to be panelled. And what we are, in fact, seeing right now is the system is controlling costs by rationing service, by denying immediate access, or even close to immediate access to the services that Manitobans have become accustomed over the past few years to take for granted.

Even though the Minister may make the point and say that it's in universal agreement across Canada that there are too many doctors, you don't have to go to too many doctor's waiting offices to see that the patients that had a 3:30 appointment and are still waiting at 4:30, necessarily agree that there's too many doctors.

As I indicated earlier, the hospital system and the personal care home system is in fact - particularly the hospital system - is in fact rationing its service right now and, in effect, if you will, denying access by simply

not having beds available for the kind of elective surgeries. The levels of cancellation today for elective surgery are higher than they were three years ago and that is the natural outcome of a system where, if you don't inject new source monies, either from a premium or from a deterrent fee, and you don't throw more dollars at it, either by taxing other areas of the economy or driving the deficit up; if you ask the system to operate on a relatively fixed schedule you are, in effect, going to get a rationing of service.

Now if we take the waste aspect of it - and this I must admit I'm not fully able at this stage of the game to comment on the waste aspect of it, of the health care system - I find it maybe a little bit interesting and maybe a touch ironic - if I can find my note here - where one of the people who indicate that there are too many doctors are the administration levels in the various - presumably hospitals and health care delivery - fields.

I would venture to say that if you took a percentage increase in the number of administration staff and people throughout the health care system at the same time you've taken your medical doctor statistics, you would find that the administration has grown at a much faster rate than has the medical doctors, and here they are one of the groups that are saying there's too many medical doctors. And the medical doctors, rightfully or wrongfully, indicate that there's too much administration. I can't comment legitimately on the numbers of physicians as to whether there are too many or too few; I simply don't know.

But in terms of administration, it is a growth industry and has been for all during the Seventies. And that may well be one of the areas where the Minister can legitimately identify waste and find an area of savings; in terms of the motivation, depending on what the Minister means, that may be another area of saving.

But there's no question that over the last three years of this government's administration, they are solving the problem in terms of demand on the system by de facto rationing because hospitals, particularly, are unable to admit patients for various reasons - just last week was yet another example at the Misericordia and the emergency wards - because of a number of factors, but basically the four that the Minister laid out are probably the ones that are pointing to it.

Now, Mr. Chairman, unless the Minister is going to respond, I will go on to another area and if he's going to respond I'll sit down and listen.

HON. L. DESJARDINS: There is some information that I was trying to put my fingers on, and I've got it now, it is a federal-provincial Manpower study to suggest that Canada will have a surplus of 6,000 doctors by the end of this century and that these extra doctors will cost the taxpayers an additional \$600 million a year. So this is the statement that I was making, that wasn't my idea, it was pretty well accepted by everybody that there were too many doctors.

As far as administration, at least the Commission, I can tell you, has been going down steadily. Even in '69-70 we thought it was terrific that the administration costs, of course, the total is increasing, but was 4.11 percent; now it's 1.49 percent of the total cost. I know that the cost is high of some of the things that are done at the hospital.

I refute some of the things that were said and this is why I couldn't let this go. There's no way my honourable friend is going to get away with saying that there's more rationing now, or give the impression that this is something new.

The Commission has been delivering service exactly in the same way for years. Now, the situation is that things are changing. Pick any one of them - the question of doctors, if there are too many doctors. When my honourable friend was talking about before Medicare, remember when the doctors used to examine you and say come back and see me in six months. Now, they'll say come back and see me next week. These are the changes that have taken place. Now, these are the things that I'm taking about, make sure that this is not waste, or things that are not needed.

Now, you'll have an argument with some of the doctors, no doubt, who might say well that's good medicine. In other words, the only way get the hell out government, economists, administrators, just send us a blank cheque and we are the only ones that know. They might be trained to practice medicine, but I don't think that makes them administrators. It is exactly like my honourable friend from Lakeside said. I think he said, at the risk of offending my brother-in-law or my cousin or whatever, he says I've got to tell him that they've got to smarten up, that they've got to realize that the politicians or somebody will have to tell them, hey you're spending too much money, we can't afford that.

My honourable friend, a few years back were they talking about CAT Scan, for instance, for some of these facilities? How much does he think those things cost? They've still kept all the other x-rays and everything. Oh yes, we must have that and these are the things that are done. Now, you add this and as soon as you build enough of that they're practically obsolete and there's something else. Those are all very difficult programs.

You heard my honourable friend, a member of the socialist party, on Friday who felt that we should let them go all over the world, that it was wrong to say that you can't go and get the best, and the people in Mayo Clinic were a lot better than others and, therefore, we should let them go there at no cost. These are things that we can't do. It would be great.

The thing is that there's more expectancy; there are more doctors who need more services to deliver the service to their patients; there's more people hospitalized for less reasons than ever. These are the things that have to be looked at, but if my honourable friend wants to try to leave the impression that all of a sudden we've cut down, he's all wet. I hope that he is not going to try to mislead the people of Manitoba, because it won't stick at all.

Let's look at the problems at Misericordia Hospital. My honourable friend said that I had chances, that I went there on two different occasions. One of the things I did in the Schreyer years is starting the construction of Misericordia Hospital. One of the first things that was done was that it was frozen under the former government and it was only the last year, just before the election that the architectural drawing was allowed. One of the first things I did when I came back is authorize the construction of Misericordia Hospital. We were told there's no limit, go start it - I'm not talking

about the funds, I'm talking about the time - go ahead and build as fast as you can. But, because of the situation at Misericordia, they haven't got a brand new piece of land, it'll take awhile, take about six or seven years. If that had not been stopped it would have been built. It wouldn't answer all the problems, but it would go a long way to do it. You'd have a new hospital there. That is one of the things.

During the debate on hospital construction, I will give the figures of how many beds were authorized or how many beds during the last administration and we'll see what I said awhile ago, that we are paying now, up to a certain point, for the things that weren't done then. I wasn't going to bring these things up until my friend was trying to give the impression that we're cutting down, and that is absolutely wrong; we're spending more money any way he wants to look at it.

What we've done, because it's picking up and it's a percentage of a larger sum all the time and it's multiplying, and that is the concern that we have, that in 10 years it would be \$3,044,000,000.00. This is the concern that we have. We don't want to panic.

I've recognized many of the problems that were done. At the time what we said, in opposition, was that they had cut. One of the first things they said, you've got too many civil servants; they cut so many of them that they didn't have people that could go ahead and panel the people to see who had to be in a personal care home. Of course, the list was a lot less; of course the list was a lot less if you don't panel the people. That is a very easy way, you can't detect that too much. If you don't panel as many people, you're going to have less of a list. There's no doubt about that at all.

So, we can talk about the beds and we can look at it any way you want. We can look at the beds that were approved, although you might say well that's easy to approve beds. We'll look at the beds that were open also under the two different groups. I've got this information that I intend to share with the committee when we get down to discussing that.

To say there's problems, there's changes, but to give the impression that you are rationing the program is absolutely wrong. Of course, you haven't got all the beds; of course, you've got more people that want more because of the changing conditions, but there's more money spent now than ever before.

There's only one way that you could satisfy the medical profession or the good Sisters of Charity who came here and want to serve all of the public, and they're doing a terrific job, but they will say we want to treat people as patients. We're not going to exclude anybody and we'll give them the best, but they don't have to pay the bills.

My honourable friend from Lakeside is absolutely right when he says that we'll have to wrestle with that problem and there'll have to be a solution made. I'm looking forward to the discussion when we get to the hospital and personal care homes. I don't want to necessarily prolong that or look for an argument, but if my honourable friend is going to continue to try to make the point that we're rationing and, all of a sudden, we're coming down on service, well then I certainly will have to set him straight.

MR. D. ORCHARD: Mr. Chairman, now I've heard the ultimate argument and excuse from any Minister I've

listened to in the House, that the reason the list of panelled patients for personal care homes are going up is because . . .

HON. L. DESJARDINS: See, you're misleading again.

MR. D. ORCHARD: That's the only reason you stood up and gave tonight so don't give me that garbage. — (Interjection) — He stands up and says the reason the list was low in 1981 is because we didn't have staff to panel patients. — (Interjection) — The problem with this Minister of Health and this government stems right back to their 1981 election promises which they have broken, and the Minister can stand up and he can talk about numbers, he can talk about dollars, he can talk about funding, he can talk about 3 billion in 1995; he can do all of those things, but there are medical doctors who just had a press conference last Wednesday or Tuesday, in Brandon, talking about how this government has not lived up to its election commitment of restoring the health care system. It's not me standing up and saying that; it's the doctors in Brandon and they're not alone. — (Interjection) — Now, we've got the Minister of Business Development saying, oh, well, it's the doctors that are abusing the system. You know, that's really an intelligent comment; that's part of the reason why this government and this Minister have difficulties in getting things done from time to time, is because they always have to find somebody to blame their problems on.

Mr. Chairman, the Minister, a year-and-a-half ago was asked by the Member for Turtle Mountain whether the elective surgery waiting time in Brandon Hospital has increased and, to his embarrassment, at that time - and I compliment him for his honesty at that time - he said, yes, it had, there were problems, and yes, the waiting list for elective surgery had increased. It has gone up even more since that time. It's much longer than it was in 1981.

Given the background of what this government committed to do for the health care system, this Minister can't stand up today and say, well, the reason there are more panelled patients today is because we've hired a whole bunch of staff to panel people and, therefore, we're panelling more, and the waiting list is longer. That is the most bizarre argument I've ever heard. I mean that is just an incredible argument for a Minister to make to try to cover up his government's failures.

I mean you can't simply get away with those kinds of facetious arguments, and you can't avoid the issue that your elective surgery has gone up. Mr. Chairman, I don't think the Minister can even avoid the issue that there are more beds blocked in the hospital system today by chronic care patients, and that is part of the reason why his elective surgery lists are longer.

You know, for the Minister to attempt to smooth this over and leave the impression with the people of Manitoba that they've done very well, thank you, and that anybody that complains is on the lunatic fringe because they just don't understand, they're not listening to what we're saying, is belittling the basic intelligence of people out there in Manitoba who know that the system is not the improved system they were promised; that the system has more problems today that it had in 1981.

And, you know, the Minister wants cooperation in resolving the problems, but yet he won't admit the problems are there; he won't admit that they have gotten worse.

Mr. Chairman, the Minister has never yet admitted that there's a possibility he hasn't lived up to their election promises. He won't do that.

HON. L. DESJARDINS: No, I won't do that.

MR. D. ORCHARD: You see, no I won't do that, he says.

HON. L. DESJARDINS: Because it's not true.

MR. D. ORCHARD: Because he says it's not true. Mr. Chairman, that's a problem the Minister has and, politically, I can't blame him for trying to deny it, but the reality is there.

HON. L. DESJARDINS: Call an election and we'll see who's right.

MR. D. ORCHARD: Mr. Chairman, the Minister of Health cannot stand up in his chair tonight and say that the length of waiting time for elective surgery in Brandon, and in most of our hospitals, is shorter today than it was in 1981, he can't stand up and say that. He simply cannot stand up and say that.

He admitted, with some unfortunate comment; he said, unfortunately, I have to say that our waiting lists for personal care home placement are longer than what they were. So, you know, Mr. Chairman, that was as close to an admission as he got. I just have to say that when he blames the list of panelled patients on the fact that he's put more staff on the panel of senior citizens for personal care home placement is the most bizarre argument that I've ever heard.

Mr. Chairman, if the Minister wants to reply, that's fine, I'll sit down and allow his reply, otherwise, I'll get on with another aspect, another series of questions.

HON. L. DESJARDINS: Mr. Chairman, to say that I do not admit that there are problems is hogwash. I've said that there are problems, and what is the reason for the importance and the seriousness of this research and coming up with a different system. The system is going to be priced right out of it, we'll go bankrupt. That's the statement that I made.

Two days ago, or three days ago, I announced a five-year program. I recognized there was a problem and what we did, we said we will as fast as we can - I'm not going to be accused of an election thing - we will go ahead with up to 250 beds, but because of the importance of planning correctly we will ask this committee to make recommendations within six months. I admitted there were problems, but why were there problems? There are many reasons, and it'll happen to whoever is in government, some may be our own, but it is not true that we cut down and that we are abandoning the program. We have been very careful. I'm not going to panic and build a bunch of acute beds because somebody is asking for it, because there's a press conference in Brandon.

Let me tell you a few facts. First, I made the statement that there were less people working, less paneling, and

that is absolutely true. Doesn't it stand to reason that people phone, they want to be panelled; if you wait three months, well then they're not on the waiting list, and the more people you add the better you serve them, and we're not doing it perfectly either. The more you see people, the more that are panelled, the more that are placed on the register, therefore, there's more people in the personal care homes.

Then I say that I'll tell you, that's one of the reasons. You talked about the Misericordia Hospital. I gave you one of the reasons that Misericordia Hospital is not built today, you accept the responsibility.

SOME HONOURABLE MEMBERS: Balderdash, balderdash!

HON. L. DESJARDINS: Those are facts and you don't want to get them straight. Those are facts, those are straight. You will keep saying, no, because you don't want to accept that.

Now, there's another situation and I'll give you other facts. You talked about Brandon; let's talk about Brandon. You talked about the list in Brandon; let's talk about Brandon.

MR. D. ORCHARD: New Democratic hogwash!

HON. L. DESJARDINS: Now, you're going to start your personality, because you haven't got the guts to listen. — (Interjection) — You don't have to make faces, you're ugly enough with your own face, without being . . .

MR. D. ORCHARD: Cut your blab and give us the facts if you've got them.

HON. L. DESJARDINS: I'll give you facts. Now we'll talk about the following data about Brandon, and I exclude not for admission patients, excludes the newborns, includes patient and extended treatment facilities, exclude patients with a length of stay greater than 60 days, so we can compare apples and apples, and oranges and oranges.

Now the patient days per 1,000 population - he's not even listening, he's asked for the facts, he won't listen - the patient days per 1,000 population, the age, sex adjusted to Manitoba's population; the residents of Winnipeg in 1982, it's the last information we had, had 931; Brandon had 1,340 - that's patient days per 1,000 population; rural Manitoba had 1,247.

Now make Winnipeg 100 percent, so Winnipeg 100 percent; Brandon 143.9 - they practically had 50 percent more beds, more than in this city and they still have a waiting list.

Let's look at that report. You didn't get that report for nothing, use the damn thing, and you will see what they tell you about Brandon. You will see how many more Brandon . . .

MR. D. ORCHARD: When are you going to give me my copy?

HON. L. DESJARDINS: When hell freezes over.

MR. D. ORCHARD: Oh, you're breaking your promise now, eh?

HON. L. DESJARDINS: Well, you had it.

MR. D. ORCHARD: You said you were going to give me one when it was printed.

HON. L. DESJARDINS: Oh, you want to divert from this, you don't like this. Let's talk about this thing. Didn't you tell the police that you had it, that you were going to read it that night? So what the hell did I give you another copy for?

MR. D. ORCHARD: Just live up to your word.

HON. L. DESJARDINS: Mr. Chairman, let him look at the situation, he'll see the number of doctors and the way that this thing has been set up. If you got the bed, you will use it; I have already said that. There are more beds in Brandon than anywhere in Manitoba. They have 143.9 if you want to call Winnipeg 100 percent; and rural Manitoba is 133.9; all of Manitoba is 115.4.

Mr. Chairman, they are a number. I don't think we're getting anywhere with this discussion, but my honourable friend started getting personal, my honourable friend started making accusations. He is living in the past, he's not looking at the next election; he's looking back and they cannot accept that they lost the bloody election in 1981. They cannot accept that, and they will try, because they know that we have a good record on Health, that we have an excellent record on Health. Certainly I'm not perfect, certainly there's a lot of mistakes, and there's a lot of problems, and we admit it. We're extending and asking for help from all concerned. We've got to work together and we'd like to get it out of the political arena, if you want, but if you're going to try to misrepresent, you're not doing any good either. You're not improving the situation, you're not getting anywhere, and there's no way I'm going to stand here and let you make those statements.

I know that when I say anything, you say, oh, yeh, it's not true and it's a lie and it's this. You will always do that, but let's put the facts on the table and let's look at the facts. Either we will discuss that, we will have this debate, we will have this argument, I can it either way, I told you that, or we'll be more constructive. We'll do it any way you want.

I would think that the way to worry about the next election is not to point out the last election. There's no way that you'll make it stick that we've neglected. You will maybe, which I've been trying to do, just use my speeches if you want to, it'll help you - I hope it will - that we're going to let the people know that there's problems, that we're worried, that we would not keep on going the way we're going, that we'll be bankrupt. I have said that; I'll admit that. I'll admit that there is a lot of concern and we cannot go on like this. You can't even say that we have played for the next election, because we have increased - and I haven't got the figures, I'll have them when we discuss the beds - when we did in 1982 and so on, it was approximately 17 percent or around 18 percent, then about 16. Now we're talking about 4 something; it'll be more than 4, I told you that also, that it was more than 2 when your Minister said that it was 2, because when we honoured the contracts, the contracts that are being signed,

including the one with the nurses and so on, it'll take more money than that.

We can't even be accused of playing for the election, because the first year we spent more money, we've been having less, and you did exactly the opposite, you started with the lowest figure, you actually cut down on the amount of money, if you count the money that you had from the feds. You cut down, you froze the construction of personal care homes for a few years, and now you've got the gall to blame us for that.

How many years does it take to build a home? You can't just say, hey, there's an 18,000 waiting list, therefore, we're going to build 18,000 beds. I'll give you those figures, also. We'll talk about figures. I can give it to you privately, if that's what you want. I'm not interested in having a debate on this. I think this has been going on for a long time, I'd sooner that we be more constructive. But if you feel that your job is to discredit this government, and myself, be welcome to try, but there's no bloody way I'm going to stand here and not defend this government or not defend my actions; there's no way at all. I'm accountable for it and I'll defend it, so you take it any way you want and I'll play ball with you.

The situation is that there are problems. There are more waiting lists, there's more expectancy. The people expect more; the more you give the people - that's true. That's one of the concerns that I have about universal programs. The more you give, the more people want, and the best work that you do, the more they want, the more they demand.

You cover some kind of drugs, they want something else; you cover something else, they want these pumps; then they want mechanized wheelchairs, not the ordinary wheelchair, the mechanized wheelchair. They want those things.

That is what I'm saying, we've to stop, to look, and to see where we're going. It's a helluva lot more important to the future of this province and to the people of Manitoba than the question of who's going to be the Minister of Health, Desjardins or Orchard. I don't think that means too much. I don't think that in a few years anybody is going to worry, or even remember those names at all.

The situation is that I think at times we should put things over partisan politics. It's fair to try, there's an election coming, but wouldn't it make more sense to just work together, to share what we have and then that we go on and each put our plan on the table and that it become an important plank in the platform of the two parties in the next election? Isn't that what it's all about? That we might say this is the way to go, and that you might say, no, this won't work, and that we can argue without worrying about what was done 20 years ago, or 10 years ago, or 15 years ago.

Everything was going well until my friend wanted to give the impression that we cut down and that is not true. There has been more problems this year than there were last year; there'll be more next year; there'll be more in two years; there'll be more in ten years; there is no doubt about that, even if you put more money. As I said, if we just do what we're doing now, in ten years there'll be \$3,044,000,000 billion more. You won't solve more problems, there'll be the same problems, because the problems are multiplying. There's more demand, there's a different way, and more

and more the people are saying we must have the best, we must have this, where the people used to say when you pay . . . And you're saying that, this is what you advocating.

I mean my honourable friend said a while ago, and that's a strong position and it's worth making, maybe it is the right position. What the Member for Lakeside said was that we might have to go back to the system like Pharmacare, where you'll have to pay the first part and the deductible. That is a position, that is an honest position. We will have to try to tell you why we can't accept that, and you'll tell us, well, you don't accept our position. Let's not pretend that there's more problems since the government has cut down. How would that make sense in your accepting my statement that in ten years, if we don't change anything, it will cost four times more than it costs now. Why? Because there's change, there's more expectancy.

Nobody said because there's going to be a larger population - in fact, the opposite was said. The Member for Lakeside said, I dare say that in 10 or 20 years you'll have approximately the same population, they come and they go. You might have a mega project in B.C.; they're going to go there and that falls dead and then they'll come here. That's the statement that he's made.

So the situation is, definitely there is a problem. There's not another area, there is nothing more important in life than health. You can have all the money in the world; if you haven't got your health, it doesn't mean a damn thing. It is very important.

I don't think for a moment that there's one person in this House that's not interested. We might think that we serve better in a certain way, we don't all have the same priorities, that's for sure. But, Mr. Chairman, there hasn't been any curtailment of services, the services go as usual. More problems are coming up. There's more doctors and the doctors want more room.

That is what I was saying a while ago, this motivation has to change. There has to be a way. The doctors are paid well, good money, but not motivate that they'll have to do it by putting people in the hospital. In the States they have tried something else. They have a doctor that looks after an area and they are paid to take care of these people. If they put more people in the hospital, they lose money. You know, they have - I don't remember exactly how many - 40 percent less usage of beds for the same comparison, not take the stillborn, take those things out, and there's 40 percent less beds that are needed. We point out to the place in the States - maybe for some reason that's not good. There's a problem there, there could be an excess there, too. But these are some of the things that are coming out, pending the motivation.

If you motivate people to get money and to keep people out of hospital, they'll keep them out of the hospital, if that's the way they're paid. I'm not saying that it's the way it should be, and if they earn their living by putting more people in the hospital, by more surgery, that is a temptation. I'm not blaming the medical profession, I'm not blaming anybody, I'm saying that the motivation has to change.

First of all, there has to be an understanding with the medical profession that they are not going to be the scapegoat, that you are going to work with them, but that the motivation will have to be changed.

The receiver of services, the consumer will have to be motivated differently. There are more people now that are encouraged to go the Admitting Offices, if you want to get in and then they say you're waiting in the hall, go the Emergency Room. Half of the people in the Emergency Wards should not be there at all, maybe they should be at some kind of a community clinic where there's prevention, or maybe it would be a nurse that would look at somebody who's got a cold or headache and so on and could reassure them, or if there was somewhere that they could phone during the night without bothering the doctor.

Those are the things that we must look at. It's not easy and there's no way that I'm saying there's no problem. There's more problem now than there was last year and there's going to be more next year, but it is not necessarily because a government is doing less. It is that those problems are coming and if you don't make any changes - I've admitted that, that it's going to be prohibitive come the next few years.

MR. D. ORCHARD: In all of that long answer, can the Minister indicate, because I missed it when he answered this, whether the waiting time for elective surgery in Brandon is less today than it was three years ago?

HON. L. DESJARDINS: No, I've already answered that, that it's more today. I think that some of the things that we're doing now are going to reduce that. This is exactly what I've been talking about for the last half hour, that I recognize there are problems, but I can tell you this, there's not more people living in Brandon, and they've got the same beds, they've got improvements since then. So what's the answer? You've got the same beds for the population but, all of a sudden, there are more people waiting.

MR. D. ORCHARD: I thank the Minister for indicating to the Committee that the waiting time for elective surgery is longer in Brandon . . .

HON. L. DESJARDINS: You don't have to repeat it, people have heard what I said, don't just take part of it, take the whole answer.

MR. D. ORCHARD: I thank the Minister for that answer.

HON. L. DESJARDINS: Thank you.

MR. D. ORCHARD: It's very kind of him to finally give me that answer.

Mr. Chairman, the Minister was talking about procedures and elective surgery - not elective surgery, but outpatient procedures in surgery. I guess I'd like to broach a subject with him. I have, in my discussions, come across an interesting circumstance in terms of - I guess you would have to say it's new technology in terms of treating patients with kidney stones. Up until the last, I suppose, year or two, I'm not sure when this new procedure has come in, but up until the last year or so, basically open surgery has been the method for treating kidney stones. A new process has been pioneered, and I'm led to believe that in terms of national expertise that Manitoba now is basically showing Toronto physicians how to undertake this new procedure in the removal of kidney stones.

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The new procedure basically is not an open surgery, not an incision operation, but somehow penetrates - I don't know the process, I'm not a physician - penetrates and breaks the kidney stones up without opening the patient up, and I guess presumably they're fractured into such small sizes that the patient passes them naturally.

To give you an idea of what I'm told is the comparable hospital time, etc., etc., and patient recuperative time for the two procedures - the open surgery, I'm told, takes 13 to 14 days of hospitalization on average; the new procedure take six days. The patient under the old surgery, the incision-type surgery, would take some five to six weeks after leaving the hospital before he would go back to work, recuperating time. The new process indicates probably one week and then the person could be back on the job; maybe even less if he so desires and it's essential.

Now I'm told, and that was one of the reasons why I was quizzing the Minister earlier on about the process of fee schedule setting, that the new procedure - outside of the training the physician has taken, or the physicians have taken in order to become expert in it - the new process takes a longer period of time for the surgical procedure than the old process of open surgery, but yet the fee schedule has been set so that it is a higher fee schedule for the open surgery, which takes less time.

Now apparently the fee schedule was set by taking a look at the Ontario fee schedule for the process, when there wasn't very many physicians undertaking the process in Ontario, and the physicians, the MMA and the MHSC are currently working on a method of resolving the problem because it would seem to me that if you gave a patient the option of open surgery versus the new process, and you tell him he's going to be in hospital less than half the time, and he's going to be off work 20 percent of the time, the individual is going to opt for the new process, but it doesn't appear as if the fee schedule adequately reflects the new process.

Even though there are two different pies, so to speak, that the fee schedule presumably comes out of the Medical Program for the surgeon, and the extra six or seven days that the person is hospitalized under the old process comes out of the Hospital Program, it seemed to me that it is substantially economic to encourage the new process. I'm led to believe that the new process is basically taking over most of the kidney stone surgery.

It appears to me that the fee-setting schedule - and I wouldn't want to call it counter-productive - but it's not efficient in terms of allocation of resources in this case, because the new process obviously is much more economical to the hospital system in total from the standpoint of the amount of time that the patient spends in the hospital at a cost to the taxpayers and a cost to the medical system; and secondly, in terms of its cost to the economy, if you want to consider the amount of time that the individual is off work.

I'm not being critical of MHSC because the process is under review I'm led to believe, that the MMA and the individuals involved in MHSC are attempting to resolve the process.

Here we have a procedure that certainly is beneficial, I think, to most everyone involved in the medical delivery

field, but it has the potential of being somewhat retarded in its introduction because of difficulties in getting the process understood through the bureaucracy.

I wonder if the Minister might have any comment because I realize the demand is there for the utmost in modern technology and the Minister has indicated earlier on that the demand for new technology has to be analyzed to determine whether its cost effective, and we can't necessarily keep up with every single new process that comes in because maybe it's not cost effective.

I agree that there has to be a method of balancing off the new investment versus the net benefit to it, but in a circumstance like this - and I don't suspect that this particular process is all that necessarily unique - that there's probably a lot of processes that fit similarly.

It would seem to me that the Medicare system benefits from this new system, but the ability to adjust the surgeon who is innovative enough to bring it in, doesn't appear to be there.

HON. L. DESJARDINS: Mr. Chairman, I'll take that particular question as notice. When we try to co-operate and have this flexibility, it makes it difficult because of the different staff that you have here normally - and I'm not defaulting anybody - certainly the premiums come under that, but the machine probably would be in the hospital. Anyway, we'll get the information, it might be a very simple answer.

I want to say, though, that this is something I've said, that there is a joint committee of the MMA and the Commission. We have doctors on there also and I know for a fact that they're looking at ways to save money also, so this is not something that they're not going to worry about at all.

The fees also, as I said, have been the responsibility of the MMA, and some of new methods - all of these things have to be approved by the College of Physicians and Surgeons before anything can be done about it - and then these committees, some of them are new and some of them might be changed. I said there should be incentives and I agree, but I would not say that automatically - and I don't think my friend said that but just to make it clear where I stand - I want to get savings, especially when something like this would give a saving and an improved standard. There are certain areas where a saving will improve standards. There will be less suffering physically and mentally; less strain; less beds - that's what I was talking about a while ago - of using less beds, early discharge, that's exactly the programs that I'm talking about.

The situation is that I'll have to take that as notice and give the answer later, with the understanding that my honourable friend - if my honourable friend was listening when I read that Letter of Intent from the MMA in answer to the Member for Lakeside - that in one of the committees they would be looking at new equipment, and looking at equipment that would be obsolete. They might say fine, to give you that incentive - and they're saying that themselves - maybe they would suggest that okay, insure this but pull this thing out of the insurance.

I hope my friends, if that is done, don't come back and say, here, you are pulling money, because these are the things that we've got to start doing. There's

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going to be more money going in, but in general to be able to do this, you might have to save money somewhere else. In a case like this it would be the best example of improving the standards and reducing the costs and be able to modernize.

I'm glad that this was following our little bit of exchange that we had today that he's brought in an area like this, which is one of the problems that are coming up. A little while ago there was no talk about this machine; now they're talking about other machines instead of - well, that existed for a while - instead of open heart surgery or a by-pass, they're talking about inserting like a balloon and pumping that and pushing out.

In the Time magazine, I read this week of new drugs that would dissolve these things. Well, if that's possible without attacking the vessel itself, it'll be fantastic. This is once again where so many people are saying don't rush into operations right away. I think now we're looking at the concerns that we have and if we can stop these accusations and if there's enough there to talk about without talking about the past and so on. As I said, if that's the wish, fine, I can't stop anybody, but I'll have to answer. There's no bloody way I'll leave a statement like this on the record being unchallenged, but I'll try to get the information for my honourable friend as soon as possible on that.

Mr. Chairman, unless my friend wants the last word, I was going to move that committee rise.

MR. D. ORCHARD: Can I just ask you a question, because I don't think I'll get the answer?

HON. L. DESJARDINS: Go ahead, and you make the motion then.

MR. D. ORCHARD: Mr. Chairman, can the Minister indicate, and I hope I've got the right terminology here, how many geographic full-time medical doctors there are in the province engaged in research or lab work or patient management and are full-time employees of the University, the General, the Rehab, or the Children's hospitals - the question being, how many doctors are in this category and where are they funded from? Are they funded from the Medical Program or from the Hospital Program, and how much is their total compensation?

I know the Minister won't have probably that answer

HON. L. DESJARDINS: Mr. Chairman, I'd like to answer my honourable friend that in view of the fact that the Department of Education hasn't gone through, this is something of the Grants Commission, and it's strictly University. I know it's Medicine also, but that is funded through the Grants Commission, so I wonder if he could the ask the Minister of Education for that information.

MR. D. ORCHARD: Mr. Chairman, surely the Minister isn't saying that their entire compensation package does originate from Education?

HON. L. DESJARDINS: There are three, there's a mixture of things. In this case, these people would be probably teaching at the University. There would be a teaching salary, that would also come from the University. The hospital salary, that would be us, part of it would also be a fee-for-service, although my honourable friend I think said we're talking about full time.

Anyway, there are three or four different sources that would come in, and then the Grants Commission also that would fund the University.

We can give you the number of GFTs. We'll give you whatever we can on it and if you're not satisfied maybe you can supplement your answer from the Minister of Education.

MR. D. ORCHARD: Mr. Chairman, that would be fine. If he can provide the numbers and if it's possible to pull from Commission statistics what their fee-for-service reimbursement is and what their hospital salaries, if any, are?

HON. L. DESJARDINS: We could do that. We'll do that; we'll give you all the information we can get.

I move that committee rise.

MR. CHAIRMAN: Committee rise.

Call in the Speaker.

IN SESSION

The Committee of Supply has adopted certain Resolutions, directs me to report the same and asks leave to sit again.

MR. DEPUTY SPEAKER, P. EYLER: The Honourable Member for St. Johns.

MR. D. MALINOWSKI: I move, seconded by the Honourable Member for Pembina, that the Report of the Committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Minister of Culture.

HON. E. KOSTYRA: I move, seconded by the Minister of Environment, that the House do now adjourn.

MOTION presented and carried and the House accordingly adjourned and will stand adjourned until 2:00 p.m. tomorrow (Tuesday).