

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, November 6, 1989.

The House met at 8 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HEALTH

Mr. Chairman (Mr. Harold Gilleshammer): We will call the meeting to order to discuss the Estimates of the Health Department.

We are currently discussing item 2.(c) Maternal and Child Health: 2.(c)(1) Salaries, \$286,700.00. Shall the item pass—the Member for Thompson.

Mr. Steve Ashton (Thompson): Mr. Chairperson, the Member for Kildonan (Mr. Cheema) earlier got into the issue of in vitro fertilization, and I think the discussion was a useful one. I would not want to pass this item through on the Estimates without expressing our Party's view.

I think the Minister is quite aware of our views on the decision not to provide funding in terms of the In Vitro Fertilization Program. In fact, we introduced an emergency resolution which incidentally was not supported by the Liberals at the time, although I know the Liberal Health Critic has been clear on his position on the issue, a little bit clearer actually than the Leader of the Liberal Party (Mrs. Carstairs) who actually is on record in the Legislature as questioning the whole concept of in vitro fertilization. I am not saying there are not ethical moral questions that need to be discussed. This type of new technology does raise those very concerns, but I did want to put on the record that we were concerned.

When this program was initially set up in 1986, it was set up as a non-funded program. Part of the problem was the costs were considerably higher than originally anticipated in terms of the initial projections. In going through some of the material that I have, it was indicated the cost would be more in the range of \$2,500 per treatment. In the end, the average person I believe was paying in the \$3,500 range, which is not out of line with similar services in other areas of the country, although there are some which have been less expensive.

I think one thing that should be noted as well is one statistic that has been quoted, and certainly it was quoted around the time at which the decision by the Health Sciences Centre to cut the program, it was in regard to the percent success rate. I know that was raised at the time. I am not suggesting that was the criteria or the only criteria for the funding decision, but I think a review of any of the material on this particular program indicates that it varies according to which target group the service is provided to.

When you deal with an older target group, when you deal with individuals over the age of 40, for example, I believe the success rate is in the range of about 5

percent; whereas that increases to the range of between 20 percent and 25 percent in younger target brackets. I do know that one of the criteria for, or my understanding was, the program was to initially provide the service to those who were somewhat older and obviously had less time in terms of being able to have their own children.

I raised that not to say that was not an appropriate criteria, but when you are dealing with the target groups where the percentage success rate is lower by definition, I think that has to be taken into consideration because I have seen reports suggesting the Manitoba program was less successful than other programs, and I think that was an unfair comparison from the statistics that I have been able to track down.

As I said it was initially started as a non-funded service. I recall some of the discussion that was going on at the time. I really think the Minister would be the first to admit—I mean he was directly involved in discussions with some of the support groups saying people were very concerned about the need for this service, how the Health Sciences Centre may have decided to cancel the program as an unfunded program. The final decision was the Government's decision, in terms of the decision not to provide it as a funded program.

* (2005)

I think both Opposition Parties, and the Minister asked the Opposition Party's positions, are on the record as saying that it should have been operated as a funded program for at least another year or another two years to give it a greater chance of success. The capital expenditures have been made. As a non-funded program, it was clearly losing money for the Health Sciences Centre and in terms of their own budget I can see why the Health Sciences Centre made the difficult decision it did. I mean, it had to make the decision between essentially maintaining this service on the one hand, and then potentially taking away from other services, other funded services, that it provides and I do not think anyone faults the Health Sciences Centre.

I am also not being overly critical of the Minister, but I think he has to be the first one to admit that it was a Government decision in the end. The Minister I believe met with a number of the individuals, there was a brief protest at the Legislature—this is all in July of 1988. I am not saying at the time he gave any indication that he might be interested in funding the program. I am not suggesting he mislead people, I am saying he was quite blunt, in fact, that he indicated there would be no funding, period. I know it was the subject of a lot of discussion by the groups affected. I am not saying it was an easy decision on the Minister's part, but I do feel that some of the support groups, some of the individuals who took advantage of that program, had a very good point in terms of the

inconsistencies that we run into, pointing, for example, the many surgical procedures that are funded, whether it be abortion, or surgical procedures to reverse sterilizations.

In that sense I can understand the very real frustration of parents who have been unable to have their own children who find that this service is not insured. I realize, the Minister pointed this out, that Ontario, as I understand it, certainly at the time, and I believe is still the only province to provide full insurance coverage, but I think what people were looking for was at least some support from the provincial Government in terms of the program.

I realize now, with the program having been wound down, it may be much more of an academic matter than anything else because of the capital side of it having essentially been wound up. I do think the Minister should be quite clear on the public record that it was the Government's decision and they did not intervene and basically the Government essentially, from what I can see, supported the Health Sciences Centre's position on the program.

Now, the only question I would have really is in terms of if there has been any follow-up to see what has happened with the many people who were on the waiting list at the time, in terms of the In Vitro Fertilization Program. I believe at the time that the program was cut, July 23 of 1988, there were as many as 65 couples on the waiting list. I would just like to ask the Minister what follow-up has been done in terms of those couples to see how many of them have been able to take advantage of the service where it is offered and if there has been any follow-up in terms of the kind of costs that they faced because of the fact that the procedure was not available in Manitoba, either as a funded, or the previous unfunded program.

Hon. Donald Orchard (Minister of Health): Mr. Chairman, I do not have that information and when we get to the commission I will see if we can provide that information.

Mr. Chairman, let me correct my honourable friend on a couple of points because he needs his memory refreshed and, of course, he was not the critic for the New Democratic Party in July of 1988. The program was started in '86 when he was a Member of a Government. That Government with projections of costs significantly below the actual costs refused to fund the program. Now from the luxury of Opposition, my honourable friend has an immaculate conversion and says, well, Government should fund the program.

Mr. Chairman, I do not like to use the unparliamentary phraseology of hypocrisy, so I will not, but that is the ultimate and my honourable friend says the ultimate decision was that of Government. Let me refresh again my honourable friend's memory. The citizens group came to Government to see if we would intervene and provide funding to either cover in part or in full the program. But that was not a request of the Health Sciences Centre. The Health Sciences Centre, given the experience of two years, decided that they could no longer reasonably justify the use of taxpayer dollars for an uninsured service.

* (2010)

Now, again, I know my honourable friend will say, well, all we had to do was provide the money and give it another couple years of life. Again, that position is one taken from the luxurious position of Opposition when in Government that same political Party faced with costs—and I will only go by rough figures, projected at 40 percent less than the current actuals and indeed upwards of 60 percent less because it appeared as if the cost was going to rise \$4,000-plus per couple per cycle—60 percent over my honourable friend now from Opposition is saying, well, a post-election Government, a different Government ought to fund it when the Government he was a Member of refused to fund it when the costs were upwards of 40 and indeed 60 percent less.

Surely my honourable friend stretches any credibility he is trying to build by making that kind of a proposition to this committee and hence to the people of Manitoba. If it was the New Democratic Party's policy to fund this and make it insured service it would have been done in 1986 when it was proposed to Government, a Government of the NDP political stripe. It was not done because the NDP, when they had full control over the funding of health care in the Province of Manitoba, said, it is not a priority service and we will not fund it. So do not come to this House with this trying to be all things to all people, the immaculate conversion from Government to Opposition, because it will not sell.

You would not fund it when the costs were significantly lower, and I submit you would have made exactly the same decision of this Government and that being to accede to the Health Sciences Centre's board and management decision to no longer fund the program. My honourable friends, had they been Government at the time, would not have jumped in and provided money when none was requested.

So let my honourable friend not try to mislead public opinion and try to tell people as a New Democrat he can have it both ways in the public opinion—we will not fund it when we are Government, but we will fund it when we are Opposition. In the layman's language that is hypocrisy pure and simple.

Mr. Ashton: Mr. Chairperson, the Minister once again gets into his rhetoric. I would like to quote some of the rhetoric that he used around the time that this decision was made, and to put his last comments in perspective for the average Manitoban who might take the time to read them in Hansard. It is the standard line that Government's use I am sure when they take office and that is to blame everything on the previous Government, and the Minister in particular said, well, if we had a pot of gold at the end of the rainbow they might have funded the program, but unfortunately our NDP friends did not leave us with it.

Well, what did the NDP Government leave to the provincial Conservative Government in terms of the finances of this province? What the NDP Government left, due to some tax increases that probably were too much in terms of looking at things in perspective, and I think everyone agrees with that, the Minister and this

Government had a significant increase in revenue that was available. Similarly there was a significant increase in mining revenue which nobody foresaw, certainly nobody a year and a half ago foresaw when the original budget was declared and the Minister knows that.

I mean I know that because I see it every day in my own community of Thompson. We are producing a significant amount of tax revenue for the Province of Manitoba due to mining royalties and other taxes coming from the production of nickel. Now there were also improvements in the financial situation due to the value of the Canadian dollar and we ended up, Mr. Chairperson, where this Government went ahead and established the Fiscal Stabilization Fund because they would have been in the position of having a surplus this year. The Minister of Finance (Mr. Manness) himself admitted that a large part of that was because of the moves that had been made by the previous Finance Minister, Eugene Kostyra. I think that is the key thing that anyone has to look at, and that is making decisions based on priorities, and decisions based on the available resources.

* (2015)

I believe, in looking at the Minister's record, that it is difficult for him to say that they did not have the resources available. I mention the overall global figure. I could mention the more than \$20 million that was underspent in the Health Department last year. We all got into this early on—and I hate to remind the Minister of it because he is rather sensitive about it—the \$58 that was spent out of the \$500,000 that was budgeted for the Health Advisory Network. Well, Mr. Chairman, we can get into detail about the other areas where the department did not spend the fully budgeted amount. In fact, we raised this in the Legislature, flagged this as something that was happening, and the Minister at the time did not wish to deal with those concerns.

So let not the Minister, who is a master at rhetoric, select a different type of rhetoric-type of speech here as he did when this matter was closed. I think anybody looking at the situation reasonably recognizes that it was a touch decision to make. I am not saying it was an easy decision for the Minister. The Minister can throw all the rhetoric he wants back in return, but I can tell the Minister that given the resources that the Minister has, the substantially increased resources that were not in existence in 1986 when this program was established, there were not the same tax revenues, there were not the same mining revenues, there were not the same bottom-line situations that existed in terms of the province's finances. I am sorry that argument does not hold water.

The Minister had to make a real decision. If he was to be honest in terms of putting this matter on the record, I think he would say that the Minister did not feel that this matter had the same priority as other areas now. I assume that was the rationale behind the decision; I assume it was not a misunderstanding of the program, I hope it was not. I assumed that the Minister did not have anything against the people involved, that it was not for other reasons that have been stated, because if that was the factor I think that

should be clear. I assume what he is saying is, and he is quoted very much in saying that in terms of his comments in the press that there are other priorities in the health care system. If that is what he is arguing that is fine, but for the Minister to now turn around and use this argument is spurious, is absolutely spurious. We are talking about the situation in the 1989-90 fiscal year in which we have in the Province of Manitoba—or we would have if it were not for the Fiscal Stabilization Fund—a surplus in very large part because of the actions of Eugene Kostyra, the previous Finance Minister.

We end up with a situation where the Department of Health was underspent in a number of significant areas. If the Minister wants to talk about the comments on the record, even his colleague, the current Minister responsible for the Status of Women (Mrs. Hammond), is on record as having supported the funding of such a program. I can quote from Hansard, direct the Minister to the Minister of Labour's comments at the time supporting that.

So there is even support within his own Party for that, that has been on the record. So I would suggest that perhaps some of the sensitivity of the Minister on this issue is because of that, he has probably had some difficult times in caucus. I would hope that this individual, the Minister of Labour (Mrs. Hammond), and others who maybe supported the program argued that. I do not know, perhaps even the Minister himself wanted to continue the program but could not get the support from his colleagues. I very much doubt that, but if that is the case, I will give him my sympathetic comments that we would like to believe that he, himself, supports this but his Government decides not to do it.

* (2020)

The Minister can play all the political games he wants; the fact is, the decision had to be made, the revenue was available from other sources. The Minister decided that this was not the priority. That is why I asked him my specific question because this is one point that was raised by the previous critic for Health from the New Democratic Party, and that was about the 65 couples on the waiting list. In fact, the number of people who would have taken advantage of the program would have been significantly higher if it was funded if the cost was lower.

I believe that the statistics that were gathered in terms of the program show that a far larger number of people made inquiries about the program and not proceeded with it. A number of them presumably because of the cost factor. I believe the figure was in the range of three and four inquiries and applications compared to the one that was accepted into the program. In fact, statistics, and this is from the Winnipeg Free Press again that they had gathered, showed 88 of the 350 couples that inquired could afford the procedure. That means that a considerable number of people here were unable to afford the procedure. So the demand was substantial.

I mentioned before the 65 couples on the waiting list at the time of the clinic's closing, and that is what

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I want to ask. I do not think I approach this being unfairly critical or trying to misrepresent anything on the record. Quite from it. I said right off the bat that the program was introduced in 1986 as an unfunded program, and it was terminated in 1988 by the Health Sciences Centre as an unfunded program. The real issue in 1988 was whether it should be a funded program or not.

I do not think the Minister should talk about the luxury of Opposition. I do not know what he did when he was in Opposition. I do not find it luxurious at all. I find it frustrating sometimes, very frustrating when I see the resources in this particular case that the Government has that was left to it. I am not saying a pot of gold but substantially increased revenues, and the ability of this Minister to have to make fewer tough decisions than might have been had to have been made if that money was not available. Well, Mr. Chairperson, I do not know if I would say the Minister is in a luxurious position, but I would certainly say that he had a luxury that many Governments do not have in terms of coming into power, and that is the availability of those resources.

In 1988, he decided not to intervene in the closing, and what I am suggesting to him is no matter how he tries to cut the cake, the final decision was the Minister's not to provide this as a funded program, not the Health Sciences Centre. The Health Sciences Centre closed a non-funded program, and it was very clear on that. It was established as a non-funded program, it was closed as one.

The people who were on the waiting list, the support groups who were very interested in this program, a lot of people were saying it should be available as a funded program. The Minister had to deal with that in July of 1988 given those tax revenues that were available to him, and he chose not to. He, in 1988—ask his department—was three, four months into the fiscal year when she underspent in that department by well over \$20 million, close to \$30 million. He decided not to fund this program as a funded program despite the fact this program was in place and many of the capital costs had been incurred. The Minister decided not to fund this program.

Now, he can try and develop all these rhetorical responses he wants and get into his favourite line, his "well, the Honourable Member was in Government." Well, Mr. Chairperson, when this decision to close this facility down at the Health Sciences Centre was made, there was only one person at this table that was in Government, and it was the Minister. He was the one that had to make that ultimate decision. In the same way that when the New Democratic Party was in Government, that when previous Governments had been in power, they made decisions and they have been held responsible for that. That is all I really suggested to the Minister is there is a difference of opinion on this particular case.

I will argue with the Minister. He can argue all he wants in terms of his rhetorical approach, but he has not yet been able to establish to my satisfaction that the revenue is not available because it is. He cannot do that. He has not yet to my satisfaction dealt with the concerns of the parents involved, I said the 65 on

the waiting list and the close to 300 people who had inquired about the program who might have taken advantage of the program. We have not heard anything in terms of the mental anguish that these individuals went through, their last hope in many cases to have a child of their own taken away by a decision made by—in essence, the bottom line, the buck stopped at the Minister of Health's office.

* (2025)

I would just like the Minister to say on the record that that is what happened because this afternoon he danced around the subject with the Member for Kildonan (Mr. Cheema) to a great extent. In fact, I do not believe he said at any time that the buck stopped at his desk and that was where the decision was made and it is unfortunate but that is the way it was. That really is the kind of statement that the Minister would make if he wanted to be forthright about the background of this decision. Let him not try and pass it off on previous Governments. Let him not try and pass it off, as he did in the Free Press, about there not being the money available. That is not true, the money was available. There was far more revenue when the Minister made the decision not to provide it as a funding service than there was a year or two or three years ago. If the Minister is not aware of that, he should talk to the Minister of Finance, his own Minister of Finance (Mr. Manness), who argued that point.

I would ask the Minister once again, since we put our positions on the record, and I made it quite clear that in 1986 it was not a funded service. I did not in any way, shape, or form try to suggest it was, that it had been a funded service by the previous Government. Never once have I said that nor did the previous Health Critic. I said in 1988 it was cancelled as a non-funded service; let that be clear on the record. I said in 1988 the Minister was involved in discussions with people and said he would not provide it as funded service. Let that be clear, that is the bottom line.

Let him deal with the question raised and that is, Mr. Chairperson, what is being done for the 65 families that were on the waiting list, if anything, what has been done for them? What has been done for the many other people who were interested in this service? I am not even, in this case, suggesting the Minister did not care about those people. From his statements in the newspapers I believe that he recognized the anguish, the concern amongst those parents about some of the inconsistencies in the Health Department in terms of, for example, funding reversal of sterilization programs, but not funding in vitro fertilization for those who have never even had the luxury of fertility and the choice of whether to take action for whatever reason to stop that fertility. That is the real group that we should be concerned about, not the Minister's rhetoric about previous Governments. I did not come in here with rhetoric about the Minister on this particular issue, I said it was a tough issue. I really want to know what the Minister has to say to the 65 families, what has been done for their needs.

Mr. Orchard: Mr. Chairman, for the third time, I will tell my honourable friend, I cannot answer that because

I do not have commission staff here who are more appropriately available to answer those kinds of questions. Now I recognize my honourable friend wants to waste time and dither around, but I have answered that question for him three times. He is not satisfied with the answer so he natters on.

Mr. Chairman, I simply want to tell my honourable friend, in case he is wondering, he said what reason did the Minister give for not acceding to the interested groups' request to provide money. I give my honourable friends the reason that he quoted from the newspaper. Interesting rhetorical question is, what reason did the NDP give in 1986 for not funding the program when it was being proposed to Government as one of the options in health care that could be funded as a new program? Well, I suggest they said, well, we do not have the money. Now, I guess it is different when New Democrats say they do not have the money than when Progressive Conservatives say they do not have the money. My honourable friend, the Member for Thompson (Mr. Ashton), says, we have the money. But he also asks what circumstances had changed in terms of Government over the preceding six to seven years prior to that election of May 9?

* (2030)

I want to tell my honourable friend what changed because my honourable friend came into the House in 1981, a very memorable date in the history of Manitoba. At that point in time, after 111 years of Government by political Parties of all persuasions, funding every single undertaking that had been done in the Province of Manitoba in 111 years of existence, inclusive of this building in which we are sitting, inclusive of the Winnipeg floodway, and on and on and on, construction of highways, construction of public facilities, the accumulated public debt as of 1981 required an annualized interest payment of just in excess of \$90 million a year. After seven short years of squanderous spending by Howard Pawley and the NDP from 1981 on, the annualized interest bill in just seven short years of their Government rose to \$560 million on an annualized basis.

That means \$450 million a year is not available in the Province of Manitoba to provide one additional health care service, to fund one additional nurse on a ward, to fund one additional outreach worker in the war against AIDS, to fund one single educational pamphlet, to fund one single additional teacher in the school system, to fund the construction of one-eighth of a mile of road anywhere in the province, to alleviate interest rates on homeowners in subsidized housing anywhere in the province. That \$450 million that we raise every single year through the taxation system that every Manitoban must pay for, that additional \$450 million of interest on the squanderous spending of Howard Pawley and the NDP since 1981 denies every single Manitoban a plethora of wishes and hopes and aspirations not only in health but in every other program delivered by Government.

Those monies are raised every year from the taxpayers and are sent out of this country to Zurich, to Tokyo, to London, to New York, and do not provide

one single initiative in health care and education and any social program. My honourable friend asked me, what circumstances changed? If we had not elected the Member for Thompson (Mr. Ashton) and the rest of Howard Pawley's Government in 1981, we would have some hope of funding programs today. Instead we fund interest, interest which buys not one single iota of programming.

My honourable friend the Member for Thompson, who claims to be an economist, laughs—laughs. The Member for the Interlake (Mr. Uruski), who has been around this House for something like 20 years, says it is a crock. Now he says, well the only village idiot here is the Member for the Interlake, because he knows very well \$450 million of extra interest is paid every year on account of the Government he was a Cabinet Minister in from 1981 till their defeat in 1988. The numbers do not disprove that and he knows it.

Let my honourable friend the MLA for Thompson carry on. I enjoy these kinds of debates because the more Manitobans recognize how their future has been pillaged by an NDP Government, the more my honourable friends will stay at 12 percent in popular opinion and dropping. That is the way it ought to be because Manitobans cannot afford another dose of NDP politicians in Government.

Mr. Ashton: Mr. Chairperson, the Minister's bottom line has been revealed once again. The real message that we should take in terms of this issue to the people on the waiting list, the people who wanted to use this service, is that the Minister feels that we cannot offer this service as a funded service because of budgetary problems, to balance the budget, to reduce the deficit. That is really what he is trying to say.

It would almost be entertaining if the Minister did not know better, but he does know better. He should look at what has happened generally across this country in the 1980s. Look at his federal counterparts in Ottawa in terms of what has happened in that jurisdiction in terms of deficits and debt, et cetera. He would recognize that what has happened, there are a number of reasons behind it. For him to get into this ridiculous suggestion that the people who are receiving this non-funded service should now be satisfied, now that the Minister is in Government with an answer that tries to spuriously blame it on various budgetary factors of previous Governments is incredible.

I do not think anyone of the people on the waiting list would do anything other than ask the Minister this straightforward question, why he refused to provide that? For the Minister to paint this dark cloud, let him recognize the fact that this year there was a surplus because of actions taken by the previous Government, his own Minister of Finance has said.

If the Minister wants to talk about the commitment of the New Democratic Party in terms of health care issues, under the New Democratic Party we went from a total cost to the health care system, total funding of \$693 million to \$1.1 billion under the New Democratic Party. That is the figures the Minister uses, even he admits that. Like the Minister in Estimates last year,

even he said that we had one of the best health care systems in the country. That is what he said in October of 1988, six months after he had been in office. He can conveniently slip from one argument to the other suggesting there are problems financially or problems with the health care system and both those arguments are spurious.

As I said I think it indicates the real bottom line when decisions are made, and I would suggest an increasing number of decisions that would be made if this Minister was not in a minority Government. I think the Minister would recognize that because the decisions he has made, some of them at least have been in contrast to his own stated rhetoric as an Opposition Critic when he talked about cuts in terms of the overspending as he put it in the health care sector. We can go through Hansard and pick out some of the things that he said at that point in time. I think we have managed to keep that in check in a minority Government situation.

Really what he is saying to the people in the In Vitro Fertilization Program is, I am sorry but we are not going to fund it, period. That is what he said. All the rhetoric he can put aside, he can put it aside, because he knows that he had the resources. We have said about how the Department of Health was underspent. We have said how there were increased tax revenues, how there were increased mining revenues, how the province was able to bring in a surplus this year.

In fact, the Minister of Finance (Mr. Manness) has set up a Fiscal Stabilization Fund. He has put money aside, extra money this year that could have been put into place for this particular service, but the Minister chose not to, or the Cabinet chose not to. As I said, perhaps the Minister was supportive of this; by his statements today, I suspect not because I do not think he has shown much sympathy in terms of the program itself.

The Minister cannot hide that fact. He can talk about 1986 if he wants, I put the facts clearly on the record. I can talk about 1901, he can talk about 1899. The fact is he was Minister, he was faced with making a decision, he made the decision. I think he should put the responsibility for where that decision lies, and that is squarely on the Government.

* (2040)

I will raise this question later, if the Minister wishes, under the Health Services Commission because quite frankly my concern is for the parents that are involved. I really feel for the parents, particularly the parents on the waiting list, the 65 parents. I really believe incidentally that if the program was going to be closed, it would have been far more logical and far fairer to the parents involved to at least give the parents on the waiting list who have been waiting patiently for their opportunity to take advantage of this particular program. At least give them the opportunity at this particular service. I think that would have been the more logical thing. I believe in fact that the previous Health Critic, the Member for Churchill (Mr. Cowan), for the New Democratic Party, had even recommended that to the Minister.

As I said it may now be more academic in that sense, but I really believe on behalf of those people we have to keep asking those questions, and I will be continuing to ask them.

If the Minister wants to get into debates, if he wants to use his spurious rhetoric as well, that is fine, but let him not accuse anyone of putting things on the record that are not true. I have stated factually what happened in this particular issue. I have not tried to do anything other than suggest the Minister was faced with a difficult decision, but he made that decision, he should own up to that decision, and he should be responsible for the consequences of that decision. That is the one thing that the Minister knows a Government Minister has to do. That is what is meant by ministerial responsibility under our parliamentary system.

The Minister, of all people, should be the one to accept that. The Minister seems to go to the greatest extent possible to avoid that. He attempts to blame everything on previous Governments, on fiscal situations, on previous decisions, et cetera. I do not understand why the Minister cannot recognize he made that decision. He made it when there was the financial ability to do something in this particular area.

Now if he is saying that he would rather see that money go elsewhere, that is a legitimate point to make. In the Fiscal Stabilization Fund, he thinks it should go there, that is a legitimate point to make. That is essentially what I believe this Government is saying. If he has some other suggestions in terms of why the decision was made, I would appreciate hearing it, but the decision was not made because of what the NDP did in 1986, or what the NDP did in 1981, or Zurich or New York or anything else, other than the Minister himself, on whatever criteria he chose, with the alternatives he faced, made the decision.

I would point out for the record, incidentally, Mr. Chairperson, that the individuals involved had not even requested that there be full funding of the program. The people had not even suggested that they not pay something. In fact, they even said that they were willing—the people on the waiting list—to pay the \$3,500.00. They were only looking for support from the Government to cover the deficit in the program, which indeed did exist.

That is why it is important to stress that the Minister did have not only a clear black and white choice of fund or not to fund, he also have the option of providing some funding to the program but did not. That is the bottom line. I will pursue this further with the Minister under the Health Sciences Centre if the Minister wishes, but let him not get out of the fact that he made this decision and will have to live with the consequences.

Mr. Orchard: I chastise my honourable friend. I know he got very offended about it and I will not repeat my chastisement, but it was in the other committee room. I told him not to try and put words in anybody's mouth because now my honourable friend has gone from admitting earlier on this evening that it was a decision of the Health Sciences Centre on an unfunded program, now down to saying it was my decision.

My honourable friend does not have the intelligence to play that game, so please do not. It was, as my honourable friend pointed out earlier on, a decision by the Health Sciences Centre. My honourable friend earlier on even admitted that he knew that, but of course in his last little flurry where my honourable friend starts hurting when his economics degree starts telling the truth, that you cannot afford \$450 million of interest payments per year because of seven years of an administration he was a backbencher in, he all of a sudden then has to start trying his reverse rhetoric and his twisting and turning like a leaf in the wind.

Mr. Chairman, I have no problem with the decision made by the Health Sciences Centre last summer. I indicated to my honourable friend in the House, or his predecessor in the House, that I had no decision with that and I maintain that I have no problem with that. Had we had unlimited resources, even close to the \$450 million that we paid out annually in increased interest rates because of Howard Pawley's administration, possibly the Health Sciences Centre would not have even had to come to this Government, or would not have had to make that decision at the board, because my honourable friend quite well knows, yes.—(interjection)—My honourable friend says the one word that is correct, "pathetic," because that is what the Howard Pawley Government was is pathetic in terms of their fiscal responsibility in the Province of Manitoba, period.

Mr. Ashton: We will continue this discussion, Mr. Chairperson. I notice the Member for Churchill (Mr. Cowan) is here, he seems to have heard it all before from the Minister. Let one thing stand on the record, this Minister inherited a surplus situation because of the actions taken by the previous Government. In fact, if there was one big mistake the previous Government made, it was by being too fiscally responsible and I think we recognize that in terms of the tax situation. Boy, did we ever get the message on that and the Minister knows that, and if he were to look honestly at the politics of Manitoba in the last number of year he would deal with that reality.

I would just note for the record, before I switch into another area of questioning, that in the entire 47 minutes that we have been dealing with this issue, I do not think that the Minister once accepted responsibility for the decision that he made and let him not twist words. I said exactly what happened. I said the Minister refused to provide it as a funded service. I said that the Health Sciences Centre basically decided to discontinue the program as a non-funded service. The decision not to provide funding was the Minister's. He met with the people who were involved in that matter—the people who wanted to see that program continued—and he made the decision. For whatever reason, he can try and blame it on the previous Government if he wants, I would just like to see him on the record admit that he made the decision not to provide the funding. I just do not see after 47 minutes how the public interest is served by his spurious political rhetoric.

I did want to ask a question on another matter before we leave this item, and that was in regard to the whole question of reproductive health in terms of information

and various programs. The Liberal Critic (Mr. Cheema) had got into a number of areas, the Member for Ellice (Ms. Gray) as well in terms of programs. I would like to ask the Minister if he has had the opportunity to review the progress of the program that exists, that has existed in Thompson, in terms of the adolescent health centre which has had a very successful record in terms of its dealings with adolescents, not just in reproductive issues, it is a broad based health system.

* (2050)

It was an initiative taken by that previous Government that the Member was waving his finger at just a few minutes ago. Regardless of who initiated it, it is a program that has broken new ground. It has taken counselling and information on a wide variety of issues into the high school systems and has by all reports—when I say all reports, I am talking about students I have talked to, talked about to health care professionals and teachers—has been a successful program. What I would like to ask the Minister is: has he made himself aware of this particular program and is the department in conjunction with the Department of Education considering expanding this type of program into other high schools in Manitoba?

Mr. Orchard: Mr. Chairman, before I reply, I am pleased my honourable friend with the New Democratic Party has indicated his definition of responsible Government is one that in seven years drives up the annual interest bill in the Province of Manitoba by \$450 million a year. That is the new definition of responsible Government "a la NDP," and that is why I say that as long as we have advocates for \$450 million increase in interest per year over seven years, that is why the NDP will be at 12 percent and dropping, because that is where they deserve to be if that is New Democratic Party definition of responsible Government. I mean it is ludicrous that my honourable friend would even deign to put that on the record. I mean even my honourable Liberal friends had a chuckle out of that one.

Mr. Chairman, the program works well. It has been surveyed and it is found that the attitude, as emanating from the program in Thompson, has improved awareness, education and the program will continue.

Mr. Chairman: Will the item pass? The Member for Thompson.

Mr. Ashton: In terms of that program, I would recommend to the Minister that we look at providing this type of service. It was really a pilot project when it was established in Thompson and it is a major initiative. It has provided a great deal of education to people across the province.

Unfortunately it does not provide education in terms of economics which the Minister might wish to take advantage of. He is a great one for trying to downplay the contributions of others of this Chamber—some economist, in terms of the Minister of Health. Without being distracted by his continuous—he is like a broken record, he continues the same point time and time again.

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On the issue I raised in terms of the adolescent health centre, I would recommend the Minister look at getting into the high schools and providing health counselling because what is one of the biggest barriers in terms of outreach, this is something that has been raised by outside funded organizations as well, is it is quite a different fact of the matter as to where the person has to walk into to get the counselling service.

In most communities, for example, the Community Services Department will provide counselling. Regional Services in many communities will provide that kind of counselling, but it requires the person to walk into a huge office facility, an impersonal office facility, where they immediately feel labelled as requiring counselling.

The second situation that develops is that most people do not do that, but even if they do go to that point the kind of counselling they receive will often be more formalized than is required. Often what they need is a much lower level of counselling, an information provision and that has been the difference in terms of the Adolescent Health Centre. That, by the way, has made a difference in terms of other counselling.

For example, in Thompson counselling was provided for quite some time through the steelworkers in the steelworkers' facility. A lot of steelworkers who would never have gone into the Community Services building were able to get counselling on important matters. I am raising this in this particular case in terms of the Adolescent Health Centre because it does have a cross over both between Department of Education and the Department of Health.

I would strongly recommend that the Minister review the program in Thompson and its success because it is an acknowledged success by everyone that has had any involvement in it and look at its introduction in other areas of Manitoba.

Mr. Orchard: I thank my honourable friend for his comments.

Mr. Gulzar Cheema (Kildonan): Mr. Chairperson, can the Minister tell us about the Pregnancy Induced Hypertension program? Last year we asked him a question of how they were evaluating the program and he said, I believe, that he is going to provide us information next year and I think it is time that we should follow that up.

Mr. Orchard: Mr. Chairman, since April 1, '88—this is for the last fiscal year—there have been a total of 75 patients on the program during that fiscal year, and the average, and this is an average of 12 days of service per individual or per patient on the program and it is ongoing. The program is continuing.

Mr. Cheema: Mr. Chairperson, can the Minister confirm that only 75 patients were under this program and can he tell me the number of staff looking after the 75 patients?

Mr. Orchard: Mr. Chairman, there are five staff involved in the program, and when they are not involved directly with this program—because there was 901 days of

service collected—so that is not full time and the balance of the time they are spending on other maternal and child health programs.

Mr. Cheema: Mr. Chairperson, maybe the Minister can explain this to me. This is quite confusing that we have 75 patients involved in this study and you have five staffpeople who are working part time. What have we learned from this study of how much money we are saving for the tax dollar? Number two, what is the follow-up with their physician? No. 3, who is the medical in charge of this program?

Mr. Orchard: Mr. Chairman, Dr. Helewa is the head of it out of St. Boniface. Basis the 75 enrolled is found to be safe and acceptable alternative. It appears to be less costly than a hospital. There has been an analysis done and we can share that with my honourable friend.

Mr. Cheema: Mr. Chairperson, I will be interested to see the analysis because I think it is quite important as we discussed last year that if the patients can be followed by the public health nurses and the other professional care givers in their community, that could save the visit to the obstetrician and gynecologist plus the family physician. I think it will be worthwhile to see how much money is being saved.

Also, what is the outcome of this study? How many patients have developed complications and are going through this study as compared to that—do we have any control group where we are going to compare this 75 number as compared to the specific control number by his special physician or gynecologist for following the patient?

* (2100)

Mr. Orchard: Mr. Chairman, the initial indication is that it is less costly or it appears to be less costly than the hospital. Of all of the individuals that are referred to the 75, none developed complications which could be attributable to having their care in the home environment rather than the institutional environment. So from that standpoint it appears to be effective.

Mr. Cheema: Mr. Chairperson, is there any control group you are comparing this with, the 75 patients?

Mr. Orchard: Mr. Chairman, in this case, no, there was not a control because it was not designed to make that direct comparison. It was designed to determine whether it was a safe and an acceptable alternative which apparently it has proved to do. Now comes the challenge twofold in terms of decision-making to ascertain and to make sure of the cost effectiveness and then, and here is the tougher one, to determine how you achieve the savings on the hospital side because if we provide the service in the community and not in the hospital as we have done in the past, how do we achieve the saving? That can only be accomplished through some pretty rigorous, I think my honourable friend would understand, negotiations.

Mr. Cheema: Mr. Chairperson, this program is out of St. Boniface Hospital, I believe. Can he tell us what is

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the criteria for selection of the patients who are involved in this particular group?

Mr. Orchard: Criteria for entry.

Mr. Cheema: If there is long list maybe I could have a photocopy rather than—

Mr. Orchard: Yes, there is 17-criterion for admission to hospital from the program; there is 15 and, yes, we will provide that to my honourable friend.

Mr. Cheema: Mr. Chairperson, I think it will be a fair statement to make that when you have a program like this, if I believe the Minister is saying is successful, why not expand this program to the community clinics like out of the Mount Carmel Clinic or out of the Klinik on Broadway, because where the patient goes not only for pregnancy but for other things too, then the follow-up can be made through those clinics. I think that would save us money in the long run.

Mr. Orchard: I am sorry, I missed the latter part of my honourable friend's question.

Mr. Cheema: Mr. Chairperson, it is quite clear from the Minister's statement that this is a program which is cost effective as is being only provided to the St. Boniface Hospital. That is a special clinic and only deals with the pregnancy, but to have the most beneficial effects in the long run, this program priority should be provided through community clinics such as Mount Carmel or the Klinik on Broadway. I am asking the Minister, will he consider such a proposal?

Mr. Orchard: Mr. Chairman, I do not know whether this answer will satisfy my honourable friend, but basically these people who are enrolled in the program—and to my honourable friend the criterion will be coming to him shortly—this group of 75 was the entire eligible group of patients from the St. Boniface Hospital that met the criteria.

They have to have access to or at least services from the fetal assessment unit, and there will always be a fairly high degree of linkage with the tertiary care hospital of St. Boniface in this case because of the putting in layman's term and the risk group that is involved with this kind of a program. You see what appears to be emerging from last year's statistic is that it can be cost effectively delivered and safely delivered in the home environment.

Now, that leads us to the next series of decisions. Having this knowledge, what do we do with the program? You know my honourable friend will from time to time concur and maybe not always, but concur that the difficulty is that when we have embarked upon a new form of program delivery, it has tended in the past to be an add-on to the health care system, to the formal health care system.

This will be a community-based program which will be funded as an addition to the global spending in health care even though it is saving money on the institutional side. We have never developed the ability

to extract that saving from the institutional side and transpose it to the community. We have tended to build both programs at the same time and hence the escalation of costs, that is why I say having this knowledge is beneficial, useful and ought to be applicable, but we cannot do it unless we have a mechanism whereby we have an ability to reduce the hospital side of the costs, if that is possible.

Mr. Cheema: That makes my point very clear, it could be done. The community clinics are one example where the patient normally comes for everything else—

Mr. Orchard: What is your argument?

Mr. Cheema: No, no, you have said already that these patients were selected under special criteria to be followed by a tertiary care centre and have the assessment done by the fetal unit at the St. Boniface Hospital. Even though patients still can be referred from all the community clinics, they are being referred anyway by the fetal assessment unit either at the Health Sciences Centre or St. Boniface Hospital.

What I am saying is that if the patients who are being followed up by the hypertension and could be done through the community clinics, they will save the money because first of all the visit to the physician will be less; and No. 2, the possible complications can be detected at an early stage. I think it is worthwhile to expand this program and try at one of the community clinics.

* (2110)

Mr. Orchard: Mr. Chairman, again I just want to point out to my honourable friend that does not appear to be the central issue. It appears as if it is more cost effective compared to the institutional care. Here is the blunt reality. The budget at the institution carries on even though we have moved some of the service that was normally contained within this global budget to the community and have funded it through the department.

Clearly if we are going to expand programs like this, we have to have some way of having a trade-off of dollars institutional to the community, otherwise we simply build both programs. I submit to you that is part of the reason why reform of the health care system is so, so incredibly difficult to achieve, because always when you reform the system and you move away from the institution, the institution by its very nature tends to protect what it has and not give up what it has.

Those are mechanisms that we are currently putting in place and attempting to put in place throughout the system so we can assure that we are appropriate, we are safe, we are acceptable and where there are opportunities for cost containment through outright savings that we are able to offer those programs, but without them being a pure add-on to the Department of Health and its programming. We are not arguing about where or when it is how the funding mechanism for them can be put in place.

Mr. Cheema: Mr. Chairperson, I do agree with the Minister. As I said a number of times, it is impossible

to convince sometimes the public, because when you are saving money from one angle then how are you ultimately going to rechannel that money? If you cut in some places, for example the health budget, it is going to be big news, but at the same time the public has to understand that you are saving money for them in the long run. They may not be able to have even those primary services, so I think we will definitely support any program that will help to save money in the long run and also provide the same services.

(Mr. Edward Helwer, Acting Chairman, in the Chair)

I said clearly where you can save at least \$350 a day by not admitting a patient into the hospital for hypertension. That service can be provided through a clinic and in conjunction with the community health services' component. So what do I learn, I think it should be pursued as much as possible. I understand his so-called political problems, but I think most people would agree with him. That is the way to do it, otherwise how are you going to afford every year an 8 percent to 9 percent rise in the budget. It is not going to be made possible by any Government at all, it does not matter which political Party comes in.

Mr. Acting Chairman, my next question is in regard to the Low Birth Rate Infant Program, and that was a pilot project last year. It was out of the Health Sciences Centre. I understand, after Dr. Oscar Casiro was in charge of the program, and we were told that the information will be available this year. So I want to know what we have learned from that project, and are we implementing the recommendations this year?

Mr. Orchard: We commenced funding in this fiscal year, and we still have to finish off the fiscal year in order that we might make our analysis.

Again, the issue is whether we can safely discharge low birth rate babies earlier than normal with an enhanced level of community support. Without knowing what the final outcome is, again we are seeking the kind of measured outcome, if you will, that we have in the program we just discussed here. We do not have that information as of yet. I am just reminded here that in this particular case there is a control group.

Mr. Cheema: Mr. Acting Chairman, I would like to add a few comments on that. I again think this is a difficult problem. We have a number of premature babies, and the number is not on the rise, but still it has not gone down.

The number of babies staying either in the intensive care nursery and possibly in the intermediate nursery for longer times has been on the rise, and some of the babies are staying for at least months, because of the multiple problems by babies who are premature, but at the same time do not have any other problems. I think it is worthwhile to explore sending them home, but as the Minister has said you have to put the program in place for them to be cared in the community. Then you are going to have to have more public health nurses to be put in place, and the visits to the pediatricians or the doctors are going to be increased.

Ultimately, I think that will still save taxpayers a lot of money as compared to keeping them in the hospital

for a longer time, because to keep one baby in an intensive care nursery or intermediate nursery is very expensive.

Certainly, we look forward to the answer from this study. Maybe the Minister of Health (Mr. Orchard) should explore that, if the other jurisdictions like Saskatoon or Vancouver, I think, to the best of my knowledge they have done similar analyses and that could be used. If he could inquire from the University Hospital at Saskatoon, I think they may have a similar program as in Vancouver and also in Toronto, because The Hospital for Sick Children in Toronto is almost world renowned in the services for premature deliveries and how to handle the babies.

I think we could learn from them and see how the community support can be put in place before we implement that program. That will be very cost effective. Certainly the families would love that idea. It is very difficult for someone to come from 150 miles every weekend just to see their babies. I mean, this is natural. They cannot say, well this is going to cost me and I have to lose a few days. That is a natural part of being a human being. You have to see your kids, and I think it is a difficult problem, but we should look at the other jurisdictions and learn from them.

Mr. Orchard: Fair comment, and of course that is in part what we are seeing, whether we have the backup, the management and expertise in place to do just that.

Mr. Cheema: Mr. Acting Chairperson, my question is—I do not know whether it comes into this area or not—regarding the early discharge program in the post-partum period. Can the Minister tell us if that program has been successful and how many hospitals are participating in that program?

Mr. Orchard: Currently St. Boniface. We are in discussions with the Women's Centre at HSC right now, and rather than me answer all the questions, I will give my honourable friend a report on the St. Boniface experience that he would find adequately describes what the outcome is.

Mr. Cheema: I ask the Minister if he has reviewed the report and if it is positive then, what are the plans to further expand the program in hospitals such as Grace, Victoria and Misericordia?

Mr. Orchard: Mr. Acting Chairman, the report is, I guess, two years old now, and I have to confess to my honourable friend I have not read it, but indications are that the program worked successfully and was able to safely achieve early discharge.

Mr. Cheema: My next question is in regard to the new initiative for a breast cancer screening program. Is that a part of the Manitoba Health and Maternal Child or under the Health Promotion and Prevention Program, because the Minister has made an announcement setting the Health trust fund and how much money is going to be spent on this specific program and which—

Mr. Orchard: Mr. Acting Chairman, the breast cancer screening project, as my honourable friend knows, was announced in the—

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* (2120)

An Honourable Member: Health trust fund, it was a part of the—

Mr. Orchard: No, no, it was announced in the throne speech as an initiative that we intended to bring in. It follows, as my honourable friend knows, a trial—or that is the wrong terminology—but a national sponsored Canadian study in which Manitoba women participated in, as I recall, larger numbers than other provinces on the basis of percentage of population involved.

We believe that the mammography program is an effective prevention tool to help assist us in early detection of breast cancer. As a result, we have struck a committee, an ad hoc technical advisory committee, in June of 1989. It is chaired by Dr. Sharon Macdonald, the Assistant Deputy Minister of Health, and has quite a wide and diverse membership. It is a fairly large committee. I can give my honourable friend the people who are on it.

The terms of reference for the committee are to assess options for the early detection of breast cancer, to identify the most service and cost effective option, and to identify a detailed strategy for the planning, implementation and ongoing evaluation of the preferred option for early detection of breast cancer, and to prepare a proposal of the preferred option for consideration by Government.

The committee has completed its deliberation. The report is in the final drafting stages and we are expecting mid-December at the latest to have that delivered to Government. We have budgeted monies to start the program up this year, full year costs are projected—of course we do not know that yet, but—we are on track in terms of the implementation of the breast cancer screening program.

Mr. Cheema: It may be coincidental but we also, before the throne speech, had a press release asking the Government to have a breast screening program. In fact, we met with the various organizations before the throne speech mentioned about the breast screening program, because it is very widely acceptable in other jurisdictions such as B.C., and it has been done very well.

Eventually it is going to save taxpayers a lot of money, and it is going to provide definitely a chance for—I think the most important thing is to find the cancer at the earliest stage and save as many lives as possible. It can be done, it has been proven successfully.

It is clear from all the studies that this will be beneficial and definitely it is going to have an initial cost, but to save money in the long run you have to invest somewhere. As long as it is clearly indicated to the public and to all concerned individuals I do not think any person in his right mind can refuse such a program. Certainly we would support the Minister on any initiative in that respect.

It is going to be a little bit difficult because of the geographical distribution, and the towns outside Winnipeg, but that can be done through a mobile unit

or setting up a centralized clinic or maybe selecting a few hospitals in the rural communities where the earlier appointments can be made, and the people who need screening could come there.

I think a lot has to be done in terms of, first of all, telling people we have a program and making sure that there is a strict follow-up and somebody is in charge of the program so that there is no overlap and have a central registry available, the same has been very effective for pap smear, and some further initiatives by the previous and by the present administration. Certainly, I think it is a step in the right direction and we encourage the Minister to continue to do that.

Mr. Orchard: I thank my honourable friend for his encouragement.

The Acting Chairman (Mr. Helwer): The Member for Thompson, do you have any questions?

Item 2.(c)(1) Salaries \$286,700—pass; 2.(c)(2) Other Expenditures \$455,600—pass; 2.(c)(3) External Agencies \$542,000—pass.

The total for that department \$1,284,300.00.

We will move on to 2.(d) Health Promotion: (1) Salaries \$624,800. Shall the item pass—Mr. Minister.

Mr. Orchard: I wonder if I might take a two-minute pause right now, thank you.

The Acting Chairman (Mr. Helwer): Sure.

* (2130)

(Mr. Chairman in the Chair)

Mr. Chairman: 2.(d) Health Promotion: (1) Salaries \$624,800—the Member for Thompson.

Mr. Ashton: Mr. Chairperson, I think we should spend some time in this particular area. I realize we spent a significant amount of time on a number of the other areas, but it is certainly an important part of the Health Department's activities, probably an increasingly important part, because it has been increasing recognition in the importance of health promotion.

What I would like to ask the Minister to begin with is what status he can give us, in regard to the Cardiovascular Health Promotion Program, that has been aimed at obviously one of the major causes of death, the major cause of death in Manitoba, in particular if there have been any new initiatives in this important health —(inaudible)—.

Mr. Orchard: Mr. Chairman, my honourable friend asks a very timely question because, I have to search for the date, it was two weeks ago Saturday on a very beautiful weekend when it hit all the record temperatures, I had the opportunity to be invited to the St. Boniface Research Foundation building and they were holding a Healthy Heart Fair, the first one they had undertaken.

I chose that as the opportunity to kick off the federal-provincial Healthy Heart Survey Program. It is a five-

year program involving a little over a million dollars of resource from the federal Government and a similar contribution, in terms of some cash, and certainly contribution in administration, staffing time, resourcing, and that regard. Basically a \$2 million program over five years to survey 4,000 Manitobans.

That survey started the Monday following the announcement so I believe it is now two weeks into the survey. The survey will involve individual interviews with 4,000 Manitobans to take them through the heart-health questionnaire designed to determine where and amongst whom, what the demographic profile of Manitobans are, in terms of their participation, for instance, in heart-health risk activities, i.e. smoking, or heavy alcohol consumption, hypertension, overweight, and other factors associated with cardiovascular disease including cholesterol levels.

The idea being to try to establish, because this is a random survey of 4,000 individuals, a baseline if you will of heart health among Manitobans. The purpose being twofold amongst those surveyed to provide them some—a complete physical as part of the survey. To provide them with advice on what they are doing that may be a high-risk activity to healthy heart, to healthy cardiovascular living, and to provide them with advice on how they might change their lifestyle so that they enjoy a more—I am searching for the word, reduce the risks of heart disease and improve their, really their lifestyle, their vigor for life, and their longevity. So that is first off, there is a direct benefit to all involved in the survey.

Secondly, it establishes for us an identification of risk activities allowing us and health promotion to focus our prevention advertising or initiatives on the areas of highest risk. If we know that it is cholesterol or hypertension or weight, we can focus appropriately. Also it gives us a demographic profile on whether risks change with location in the Province of Manitoba, whether Northerners have a higher risk of—are participants to a greater degree in a certain high-risk activity so it allows us regional targeting, the potential of regional targeting in terms of our health promotion message.

The third benefit to it is to allow us, given that it is a five-year survey and a five-year window, to track whether we are successful in some of our health promotion activities in persuading Manitobans to curtail high-risk activities and to improve their health status, thereby. It is to me a very significant initiative and it is one of those issues that we welcome the participation and the funding from the federal Government, because they are a million dollar partner in this.

The Heart Foundation is also a significant player in that, correct me if I am wrong, they are providing a significant amount of co-ordination, assistance, and voluntary help, in terms of undertaking the survey. So it is a partners-in-health initiative and should I think over a period of time prove most beneficial to us in the province.

Mr. Ashton: I think the information that we gather will prove to be invaluable, in the sense that one of the

problems I think in the area of health promotion has been it has been accepted as an area of increased need in terms of resources.

We spent our time developing a health care system that is far better at treatment than it is in terms of health promotion and health prevention. When we are dealing with health promotion, we are dealing with prevention of specific diseases, and in particular cardiovascular disease and keeping that. I am wondering what initiatives are currently underway, in the fitness section of the department, because that is certainly the next step, in my mind, is the promotion of a fitter society.

I believe statistics in the neighbourhood of 55 percent of Manitoba adults are regular exercisers that leaves 45 percent who are not. I know we all, probably sitting around this table, could use a bit more exercise. I think the difference from a few years ago is that we are a bit more conscious of the value of it, but I am wondering what programs are in place to improve that with a specific focus on the health benefits from exercise.

Mr. Orchard: Mr. Chairman, I could not agree more because when I get home on the weekend, and I actually do some physical work I find it terribly fatiguing, nevertheless highly beneficial. We all could benefit, particularly in this crazy racket, of a more routine exercise undertaking, but you know in part that is individual discipline because we can easily—I find myself making the excuse that I simply do not have the time, and that is a very bad excuse, and a very bad habit to get into. I admit that I am fully guilty of that, but to deal specifically with fitness to amalgamate fitness and sports—my honourable friend might recall that sports was attached to the Industry, Trade and Technology portfolio. In the past year we have transferred our fitness positions there, so that fitness and sport is again part and parcel.

So that the specific initiatives in terms of the fitness—I would have to beg the indulgence of my honourable friend to ask my colleague in Industry, Trade and Technology.

Let me share with you, and I ought not to do this but I feel compelled when we talk about fitness, that the Healthy Heart Fair at St. Boniface was an interesting undertaking. What they did is that the volunteer nurses took their Saturday off and other staff took their Saturday off to staff various booths throughout the research centre, so that you would go through and do basically a brief family history through to height, weight, cholesterol test, blood pressure, risk analysis et cetera, and then you get an overall score. These heart health initiatives are gender biased, discriminatory against us males because we automatically get two points, whereas women do not.

Getting back to the fitness question that is where I failed and failed miserably, because I am carrying a little too much weight in inappropriate places. That drove me up to a score of six, which was just on the very borderline of low, low risk and I made a New Year's promise two weeks ago that I would do that as soon as the turkey season was over.

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Mr. Ashton: A New Year's promise, all right, the Minister is going to be held accountable on this matter, of course—

Mr. Orchard: We will still be in Estimates so I can weigh in.

* (2140)

Mr. Ashton: —we will still be in Estimates by then and we will be able to check on that.

I know, in terms of this area, I always had a kick out of my colleague, Larry Desjardins, when it came to the fitness section. In his particular—I should not make fun of Larry in that particular context. In fact in his day he was extremely fit. He was very active, we will see if this Minister lives up to his own fine sentiments.

I can appreciate the transfer, but I would assume, however, that the Department of Health still has an interest in the promotion of fitness. I realize maybe some of the programs may have been transferred, and I am wondering if there still are any remnants of that particular aspect left, because it seems to me, particularly in terms of cardiovascular health promotion, that fitness goes hand in hand with that. It would seem to me sort of a logical thing, even if fitness itself is being transferred, it is part of sports and it still has some role in Health and I am just wondering is there still that focus left in this department, or was it totally to be moved over.

Mr. Orchard: Mr. Chairman, you cannot have a promotion of general well-being in health without a strong emphasis on fitness. Part of the components of importance, fitness, nutrition, lifestyles like smoking or other risk factors, so that the fitness aspect in terms of, I suppose, creation of new programs and other activities that the SYs, which left the department over to the IT and T were undertaking—the actual programming aspect of it is gone, but the intent of fitness promotion certainly is very much a part of health promotion yet.

Mr. Ashton: I appreciate that continued emphasis. I would just like to ask a number of questions, in terms of the nutrition section, and then I am sure my colleague here may have some questions on some of the areas I have touched on. I do not want to prohibit him from asking questions in that area.

In terms of nutrition, I am just wondering, are there any new initiatives in the department, in terms of the nutrition section. I know there have been programs in the past, in terms of various different aspects of nutrition promotion, various different departments of Government have provided information on nutrition, but it is particularly of concern, I want to know in terms of maternal and child nutrition and I think if anyone is aware of the situation in northern Manitoba will know it is a double and triple concern in northern communities.

Now I know there have been some activities in the past in terms of outreach into northern communities and in terms of general programs. I am just wondering

what initiatives the Minister has budgeted for this particular budget for nutrition, in particular, maternal child nutrition.

Mr. Orchard: Mr. Chairman, my honourable friend is—it is almost as if he is asking me the questions that I want him to ask, because the initiative again is one that has been very, very positive. It is a series, and I have asked the director, Ulrich Wendt, to bring a package for each of my colleagues, a program that we launched last spring towards healthier eating, very much nutritionally oriented, very much in series form so that it targets different groups, et cetera and it has a very, very full amount of nutritional information.

It has been given wide distribution and the request for that information, that one single piece of information, has been really quite extraordinary, which is proof of its timeliness, and its success throughout the community of Manitoba. A great deal of interest in it, and it is probably as successful an information campaign as the Health Promotion Directorate has launched, and I will bring both my honourable friends a current package of the brochures et cetera tomorrow.

Mr. Ashton: I know one particular area that has receiving increasing emphasis in recent years is in terms of return to breast-feeding, and I know my wife has reacted in the La Leche League the last number of years, so I have been, as a La Leche League father, more than aware of the many advantages of breast-feeding. I tell you that organization has done a tremendous job, in terms of promoting breast-feeding, but I do know once again for example in the remote northern communities that the incidence of breast-feeding is very low in comparison to really what it should be.

Ideally, I suppose to a certain extent it should be 100 percent given the nutritional and bonding advantages. In fact in those communities what happens is there is not only a problem with lack of a substitute, in terms of nutritional aspects from other sources of food, but also problems that relate to kids in general not having a balanced diet, and major dental problems that can arise. I am just wondering if the department has either directly, or in co-operation with the La Leche League, contemplated any further promotion in terms of the many advantages of breast-feeding.

Mr. Orchard: Well, Mr. Chairman, we have been close collaborators in health promotion with Maternal and Child Health in terms of advocacy, if you will, and information advocacy of breast-feeding. I think it is fair to say it is very much not only in vogue today, but it is also, in my estimation, and I am not a medical practitioner, but it to me is one of very sound nutritional guide that one can offer to new mothers. I see very, very few down sides to it.

The only one that I am aware of, and it does happen from time to time, is an infant's allergy to animal protein, including mother's milk, which can cause an allergic reaction and then you have to go to a soy milk duplicate, if you will. Other than that all the advantages are certainly there, and I guess just put it to you in this

regard that our forefathers were not wrong before the days of formula. I mean there was nothing other than breast-feeding, probably 50 or 60 years ago, and the formula feeding has only been a more recent phenomenon, some of it stimulated by the allergy reactions, but in many cases those are rare enough, and we find health practitioners almost universally beginning to recommend and suggest breast-feeding again.

Mr. Ashton: I certainly agree with the Minister, and I might suggest that, it is for our foremothers, might be a more appropriate terminology in this particular case, but be that as it may, I think another one of the needs in the area of the promotion is not just to the mothers themselves, but to fathers and also to people in general because the interesting thing that I found, in looking at my own personal experience, and my wife's experience, was that generally the public is accepting of breast-feeding. In the days of demand feeding, one is dealing with breast-feeding in various situations, but many women feel embarrassed.

There are a number of people who do still have some objection to breast-feeding, for whatever reason. I just throw that out because I know, in terms of the La Leche League, they are very active in terms of promoting breast-feeding, but that is one of the areas I know that they have raised, is general societal attitudes and I think it may be appropriate for the health promotion department to also be putting some activities into the general public.

I did have one more question before turning the floor back over again to the Liberal Health Critic, and that is in regard to labelling. I know in previous years the Minister's department has been in consultation with Health and Welfare Canada, in terms of a national nutrition labelling scheme.

* (2150)

I would like to ask the Minister for an update on that, because one of the problems we are running into is that people are indeed becoming increasingly health conscious; that is I think obvious in, for example, looking at the sales of oat bran, or olive oil, or some of the many different foods that are seen as being positive in terms of reducing cholesterol, et cetera.

What is happening is that there is becoming an increasing consumer confusion, in terms of nutrition and also in terms of nutritional health-related claims. We are seeing, in terms of the whole area of oils, for example a great deal of confusion amongst consumers in terms of saturated, unsaturated fats. Many products now are calling themselves light products when in fact they are anything but light products. I am not talking about beer here, I am talking about foodstuffs, which are being labelled as being light. I think what is happening is that many consumers, who are becoming increasingly health conscious, are also becoming increasingly confused in the marketplace.

I wanted to ask the Minister, as I said, what progress has been made in terms of national nutritional labelling, and also whether the department, or else through other

departments in Government, in conjunction with those departments is looking at providing consumers with the information they need so that they can translate this increased health consciousness into positive purchasing and eating habits.

Mr. Orchard: Mr. Chairman, first of all I have to tell my honourable friend that I am shocked and dismayed that in a discussion of nutrition my honourable friend would mention olive oil and not canola oil that is grown in Manitoba, and is the best edible oil in the world.—(interjection)—Aha, my honourable friend has confessed as to why.

Let me deal with the issue on a serious basis, because my honourable friend—

An Honourable Member: Sunflower oil.

Mr. Orchard: Not as good as canola oil, no, let me assure you and it is not because I grow canola. Canola oil, while we are on the subject I think it is important that we get this out, because canola oil developed through the co-operative research of Baldur Stefansson and Dr. Downey from Saskatoon developed the finest canola oil in the world, as a result of that research and breeding program at the University of Manitoba, University of Saskatoon.

It is the best quality oil, human consumption oil, in the world, bar none. It has entered the U.S. market packaged by Gambles under the label of Puritan and 15 months ago, that Puritan oil, Canadian canola oil, received the health food award in the U.S. oil market. That is an incredibly significant accomplishment for a breeding program of an agricultural crop in Manitoba and Saskatoon.

I say that because all too often it is not known, the kind of success that has been achieved in that program. It is the best oil in the world, bar none. That is why we have been able to maintain, even with price premium, our market in Japan. It is because of the quality of oil. It is polyunsaturated. It is the best nutritional oil on the market.

Now let me indicate to my honourable friend that we are expecting the feds to announce shortly, I do not know what shortly means, but hopefully early in the new year, a new labelling policy which we think will provide the kind of nutritional basis for decision making that I think clearly a lot of consumers are asking. We have been encouraging them to do that because we think the time is right, and furthermore we believe that it will be beneficial for Manitoba agriculture because a lot of our agricultural products like canola, like pork, like beef in Manitoba are the best in the world when it comes to nutritional quality and other qualities. We look forward to that labelling because we think it will be very beneficial to Manitoba agriculture, and consumers certainly want it.

Mr. Ashton: I appreciate the Minister adding to my list. I must admit that, given my own situation, I do eat Greek food rather a lot, my wife being Greek, so the first oil that comes to mind is olive oil. I will highly recommend canola oil next time we eat any Greek

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dishes and thank the Minister for reminding me that there is more than one oil out there that is polyunsaturated. I thank the Minister for that reminder.

Mr. Orchard: Thank Baldur Stefansson and Dr. Downey.

Mr. Cheema: Mr. Chairperson, the prevention is probably one of the best tools available to handle most of the debilitating diseases such as ischaemic heart disease, diabetes, arthritis and problem areas such as smoking, nutrition and substance abuse. Looking at the programs provided in the Estimates book, it does not say anything about the substance abuse at all. This program does not talk about the abuse of alcohol, abuse of other drugs. They are being regularly abused by the kids on the street and I would like to ask the Minister what programs are in place again to deal with the drug problem at the street level.

Mr. Orchard: Well, Mr. Chairman, if my honourable friend wants to deal with the AFM in this line, that is fine. I will do it without staff being here, but that would be a very appropriate place to pose those questions.

Mr. Cheema: Mr. Chairperson, I am curious. I think when we are talking about health prevention and promotion this is one of the major areas of concern, and I think it should be dealt in this area at this section also, but we can certainly wait for the AFM Estimates to come up and then we can ask questions there.

Can the Minister of Health (Mr. Orchard) tell us now, other than the program initiated by the St. Boniface Hospital as the Healthy Lifestyle in regard to ischaemic heart disease, what other programs are in place or initiated by this administration in the rural communities?

Mr. Orchard: Well, Towards Healthier Nutrition is available throughout the entire province. A health promotion initiative like the Healthy Heart Survey is equally distributed population wise, urban and rural, so that is a program that is provincial wide. Because it was announced in The City of Winnipeg does not mean it is exclusive to the City of Winnipeg. As a matter of fact, if my memory serves me correct, we are working with—one of the criteria in the Healthy Heart Survey is an increased emphasis on participation by Native Manitobans, the Native Indian population, so that we can achieve a better understanding of what risk factors they are involved with and whether they are the same as all Manitobans or whether they have unique risk factors that are more prevalent than the population at large. That definitely is outside of the province and rural Manitoba.

Let me go through some of the other initiatives. We have done participation -(interjection)- It was an answer to a question that was not asked and I did not want to get into trouble with my honourable friends -(interjection)- It is an amazing what? -(interjection)- I was thinking of doing that.

Mr. Chairman, we have participants across the province in Drug Awareness Week. That is in collaboration with the AFM and we are working with the AFM in terms of further promotional activities that

would be jointly beneficial, heart health project as I have indicated, Thanks, Mom, prenatal kit available all across the province. The healthy food booth at the Winnipeg Zoo is an interesting one. I do not know whether my honourable friend had a chance to stop in there or not.- (interjection)- Did they participate in the healthy food booth? Well, of course, they could not have because we are still developing it. At any rate those are some of the examples that my honourable friend wants.

* (2200)

Mr. Cheema: Mr. Chairperson, we have a number of questions in this area and I think time probably may not allow a question but—

Mr. Orchard: We could go past ten o'clock. Ten o'clock is not magic.

Mr. Cheema: We still have to look after our families and also we have to see our kids I think. We have to keep that kind of health.

Mr. Chairman: The hour being 10 p.m., committee rise.

SUPPLY—CULTURE, HERITAGE AND RECREATION

Mr. Chairman (William Chornopyski): Committee will come to order to continue consideration of the Estimates of the Department of Culture, Heritage and Recreation, and we are on item 1.(d)(1). Shall the item pass—the Honourable Member for Transcona.

Mr. Richard Kozak (Transcona): I would like to proceed with a discussion that was taking place immediately prior to our regular Monday recess. We were discussing, and the Minister undertook to co-operate, the provision of the criteria for the allocation of grants under her department's programs.

I would like to raise a related matter. The matter of the 1,500 grant requests received annually by this department. As I mentioned prior to our recess from time to time allegations, whether well founded or not, are made regarding patronage as a possible underlying basis for certain grant decisions. I personally feel that it would be in the interest of this Minister and Government in general, regardless of the Party in power, to be in a position to disprove those allegations at every turn. I wonder if the Minister could suggest to this committee whether it might be workable to either table, or make available for perusal by the Opposition Parties, all of the grant requests received by her department, whether they are approved or not approved.

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Mr. Chairman, when somebody makes an application for a grant to our department that is information that is provided to Government, and Government makes those decisions. So we could not in fact give out third party information. I do not think

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that would be in the best interests of Government or those grants that were turned down for whatever reason.

Mr. Kozak: I would concur with the Minister in her answer to the extent that I feel it might be improper indeed unethical to provide to the Opposition detailed information regarding organizations' applications, but that information could be deemed and indeed should be deemed confidential to the organization.

Many of these organizations are not required to make public reports of their operations, and they can legitimately view their application to the Minister's department as being confidential. However, we do get at least a listing of approved applications, which are subject to review by this committee and by the Legislature. We do get a listing of the names of the organizations that receive certain amounts of money.

I wonder if it would be possible for the Minister, or deemed prudent by the Minister, to provide a complete listing of the names of all of the organizations that have made application to her department without providing financial details that can be deemed confidential?

* (2005)

Mrs. Mitchelson: Mr. Chairman, what I can do is provide a list for Members of the Opposition of the grants that were approved by the department, but I cannot provide a list of every application that was made.

Mr. Kozak: Mr. Chairman, I recognize that we are proceeding, when we discuss this matter, on grounds that do involve the sense of ethics of every Member of this Chamber and indeed of the community. I will not at the present time raise any questions whatever regarding the Minister's reasoning for not providing detailed financial information or indeed the names of the organizations that are denied grants. I sense that the ethics of all Honourable Members do imply; that we all have rigorous standards as to what we do disclose and do not disclose.

I raised this matter because I thought it would be desirable to have a brief exchange of views on it, but I would not like to pursue it at this point.

Ms. Maureen Hemphill (Logan): Mr. Chairman, I am wondering if the Minister can give us some idea of what the Government's attitude, or what their policy, is towards deficits within cultural groups and organizations, and what messages or information they are communicating to them if there is an organization that has been running programs and that has, over a period of time, or even just in the last fiscal year, accumulated a deficit?

What instructions are going to them in terms of deficit reduction, and what if any effect does the fact that a cultural organization having a deficit have on the Government's attitude towards continued funding for that organization?

Mrs. Mitchelson: Mr. Chairman, in all instances we, as Government and as a department, try to discourage

any organization from running a deficit because we all personally attempt to manage our households in a way where we are not encouraging deficit spending. We do not spend above our means, and we try to encourage each and every organization to be accountable to Government. We have in the past had deficit-reduction programs.

If we foresee a situation where an organization is in trouble financially, what we do is offer, if we can, support from our Recreation Branch in going out and holding seminars with boards of organizations to do board development and to try to help them with different ways and means of financing, so that they can run a fairly balanced budget. We have had as I said deficit reduction programs for some organizations that do get into trouble beyond anyone's control.

Ms. Hemphill: Mr. Chairman, yes, I think everybody would agree with that intention, to have them work within the money that they have got. I guess my question is: has there been any example or any situation where the Government has taken the position that because there was a deficit that funding would not be given, without giving either the support that she described, or some reasonable period of time for them to turn themselves around and the support to be able to do that? Has there been a case that the Minister is aware of where their head was chopped off for instance or funding was not given, and they were told that the reason was that they were carrying a deficit, when some efforts had been made to reduce it and to turn it around? Would they take that extreme position?

* (2010)

Mrs. Mitchelson: Mr. Chairman, the only instance I can think of, since we have taken Government, is the Street Performers Festival and in that instance, if I can go into a little bit of the background and the detail; when they first came to Government for funding they came to our department and to the Department of Tourism. They had two different budgets for the two different departments, and it was a last minute request for funding. We worked together with them a little bit to try to get I suppose a reasonable budget presented. We funded them the first year round to the tune of, I believe it was, a \$10,000 grant, \$5,000 up front and \$5,000 on the presentation to Government of a balanced budget at the end of their first festival.

Some of the projections that they had for fundraising were somewhat unrealistic, and we tried to work with them to determine what they could possibly expect. Anyway they did come in with a fairly major deficit as a result of their first year, so in that instance the second \$5,000 grant was not given for the first year's festival.

Ms. Hemphill: In that case, in the example that the Minister has given, which is one of the ones that I was wondering about, was the \$5,000 committed and then withheld? I mean did they have a right to expect that \$5,000 and only very late in the day was that withdrawn, or was that money that had not been committed that they should not have been counting on?

Mrs. Mitchelson: Mr. Chairman, the letter clearly indicated to them that the second portion of their grant,

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the second \$5,000, was on the understanding that they came in and presented Government with a balanced budget. In that instance, they would receive the \$5,000.00.

Ms. Hemphill: Mr. Chairman, would the requirement be that a deficit be handled all in one fiscal year? Would they be told not to have a program that might reduce the deficit over a reasonable period of time? I think if anybody should be sympathetic to that it is Government itself who knows that as much as it would like to reduce its deficit much faster than it is that it is not possible because of the heavy requirements. I am wondering if that was not a little extreme of an expectation; that the deficit could be reduced totally in one fiscal year, and if they had made a serious effort and had reduced initially, and then had a plan to reduce that the Government might have been a little more sympathetic with that.

Mrs. Mitchelson: Mr. Chairman, there were I suppose some serious concerns regarding the management ability of the organizers of that festival and there were serious financial concerns. We felt that attention had to be focused on those aspects.

I do want to indicate that the Street Performers Festival not only wanted the \$5,000, and I suppose if we had looked at a financial statement, and sort of some sense that they were able to manage responsibly and get themselves out of that deficit, we might have contemplated, but they did come in with a \$42,000 deficit from the first year's festival and asked Government instead for a \$50,000 grant for the second year from our department.

Normally speaking, the department of Culture, Heritage and Recreation does not increase a grant to that extent. I do not know what percentage increase in a grant that would be, but when you look at most arts organizations they receive anywhere from a 0 to maybe a 4 percent increase, under the financial constraints that Government is under in the present day. So that would be a major increase, and they did not appear to have their act together so to speak coming back and asking for a grant. There were serious financial concerns that we had as a department.

* (2015)

Mr. Kozak: I have one concern related to the Minister's remarks on the treatment of organizations with deficits. She points out, and I thank her for the information, that a larger than expected deficit can sometimes result in an organization receiving funding less than they would wish to receive.

I wonder if the Minister could indicate to us whether this policy is consistent with the policies employed by the Minister responsible for Sport in Manitoba.

Mrs. Mitchelson: I am just somewhat confused by the first part of the question. If I understood correctly, you indicated that if an organization was coming in with a deficit that we would look at giving them less money or cutting off funding.

I indicated in one instance, and that was with the Street Performers Festival since we have been Government, which was a special consideration, that we did not feel that financially Government should be supporting that organization at this time. We had serious financial concerns, but normally speaking on a regular basis if there is an organization that has a deficit, and we sit down as a department and work with them, we do not normally cut funding to organizations that have deficits, per se.

Mr. Kozak: I wonder if the Minister could suggest to me whether a similar approach would be expected by her to be taken by her colleague, the Minister responsible for Sport, and in fact whether she has consulted with her colleague, who also dispenses Lotteries funds, as to whether his organization is pursuing a similar policy.

Mrs. Mitchelson: Mr. Chairman, I believe the Member opposite should ask that question when the Estimates for the Sport Directorate are up.

Mr. Kozak: I will certainly follow the Minister's advice and pursue this matter with the Minister responsible for Sport (Mr. Ernst). However, I would like to state for the record, and it is not my intention to surprise the Minister responsible for Sport in a week or two when we consider the Estimates of his department, that in fact there have been cases within the related department of organizations with large and unmanageable deficits making last minute requests and receiving substantial funding, and indeed loan guarantees that obligate the province to satisfy creditors in the event of bankruptcy. Quite differently from what the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson) is doing.

I will explore with the Minister responsible for Sport an instance in which a \$150,000 loan guarantee was granted on an emergency basis to a sports organization that the Minister responsible for Sport will readily be able to identify. This approach seems entirely inconsistent with the Minister of Culture, Heritage and Recreation's approach of cutting off funding when alarming requests are made that suggest financial instability within the applying organization.

Mrs. Gwen Charles (Selkirk): You have mentioned that only the Street Performers were given this ultimatum that either they had the balanced budget or else they would not get further funding.

I was wondering what alternatives you gave to the Street Performers as you have mentioned that normally speaking you would sit down with other organizations. Why were the Street Performers not worthy of being sat down with and discussion taken place?

* (2020)

Mrs. Mitchelson: They were worthy of meeting with, and my department did meet with the organizers of the Street Performers Festival. My deputy met with the organizers of the Street Performers Festival, but Government is in the business of providing funds to those organizations that manage in a good way.

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Government is not there to sort of throw good money after bad, and all indications were that there was a \$42,000 deficit the first year round and we have some concern for the backers of an organization such as this that the organization is in debt to; that they do not receive payment for services provided. Just preliminary indications show that over the last two years there is some deficit of \$100,000 or possibly more.

Quite frankly we have an organization that has not managed well, has double or more of the deficit that they had their first year of operation, and I question whether the Member from the Opposition would have, if she were Government, a Liberal policy that would support with taxpayers' money those organizations that are not able to manage responsibly.

Mrs. Charles: Are there any other organizations in the arts and the granting organizations or the organizations you provide granting to which run deficits?

Mrs. Mitchelson: Yes. Manitoba I am told is rather fortunate as compared to some other provinces across the country, and we have fewer organizations that do run in deficit situations.

There are instances where there are some organizations that have small deficits that are manageable, and the organization has shown responsibility in good management that has been put in place, and they are working towards reducing that deficit. I know in some instances in the past we have had some deficit reduction programs, but those programs are based on that organization accepting the responsibility to work together with Government towards reducing that.

Mrs. Charles: There seems to be a lack of criteria here that some can and some can not, and this particular organization did not know until the last moment that the funding would be withdrawn.

Now although you have said you have indicated in a letter otherwise to the organization but, however, deficits seem to be weighed on some merit procedure, and this merit procedure seems to be hidden within the Government's criteria. Could you table the criteria that allows for some organizations to run deficits and others not to?

Mrs. Mitchelson: Mr. Chairman, I think part of the criteria is some common sense with the staff that is working with organizations, and the Street Performers Festival was provided with ample opportunity. They requested several times to bring in a budget to show us where the problems were and it was last minute. The first year the request for funding was a last minute effort, and they did not conform this year either in bringing in projections and providing information that staff requested of them so that we could make an informed decision early on, or help them early on, to try to get their act together.

Mr. Kozak: Is it this Government's policy that it is fiscally irresponsible to bail out a failing organization, an organization that admits its deficits are

unmanageable with Lotteries funds dispensed by Ministers of the Crown of the Province of Manitoba?

Mrs. Mitchelson: Organizations with a sound financial record that get themselves into difficulty for one circumstance or another I suppose are afforded the benefit of some working together with Government to see whether they can get back on that financial footing.

Mr. Kozak: Mr. Chairman, I assume that the Minister would then suggest that organizations that, in fact, have no track record of financially successful operations do not merit such consideration.

* (2025)

Mrs. Mitchelson: When an organization comes to Government and requests funding and Government decides to, I suppose, take the risk, you might call it, of funding them initially to get them started and find the circumstance of the Street Performers Festival, that they really do not have a good management or they have not managed their financial situation well, it begs the question, I suppose, as to whether taxpayers' money should be going to support or to promote something. How long do you continue that on, I mean do you do it for two years or three years or four years, and how much taxpayers' money do you put into those organizations to attempt to make them viable?

Mr. Kozak: I certainly have no difficulty whatever in concurring with the Minister's argument that fiscal responsibility should be a prime factor in considering the dispensing of Government funds.

I would simply like to state that this is a matter I will be pursuing further in the Estimates of the Minister responsible for Sport (Mr. Ernst) whose policy, to all appearances, appears to be rather different from that of the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson), and whose policy, quite frankly, I find it much more difficult to find sound or fiscally responsible. This debate will then continue at a later time, Mr. Chairman. Thank you.

Ms. Hemphill: I guess we are trying to get an understanding of the position. I guess we know the position that the department took, but the reasons for it and, I am wondering about the timing, I do not think either Opposition Party are suggesting we think that any amount of money should be thrown at a group that wants to put on a cultural program, or that there should not be direction to control deficits and eliminate deficits and to work within the money that has been granted. We are not suggesting that at all.

I think the question here is one of timing. Our perception, and the Minister may feel it is inaccurate, but they really were not told that they were not going to receive the funding until very late in the day, and that a lot of people had been lined up to perform. I could not find my figures, and my recollection may be wrong, but I thought there was something like 17,000 or 18,000 people that had been lined up to perform, a lot of our own people in Manitoba that would be given a stage and an opportunity to perform, and some very excellent acts from outside the province.

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The previous program had been very successful. I think you have to look at that success in more than one arena. Certainly you look at the control of the money, but you also look at what they have done. I understood in some discussions with people that they had a lot of support from the business community, on the major arteries and streets where a lot of the performances would take place, that the business community believed it was an excellent program, that it added to the life and the excitement and the colour and character of our city at a time when we are trying to attract tourists, make us a more vibrant city.

* (2030)

I think we all know that we are leaning towards, I think, a growing recognition that tourism has the potential to be a No. 1 industry in Manitoba and certainly has the potential to replace, or should be used to offset some of the difficulties in manufacturing and agriculture that we are having, that are going to be more difficult to turn around, I think, than promoting the province as a tourist industry. This was a great tourist attraction, so I guess we are feeling that on the one hand you are saying they did not seem to be managing well. I do not remember hearing that they had been given that message clearly early on, and I would like the Minister to respond to that and to her perception of the project. Apart from the funding, the number of people who were performing, the number of performers, the opportunity for Manitoba artists and actors to perform, the improvement of the life and the character and the colour of our streets during our primary tourism area, and the tremendous support that they had received from the business community for the festival to continue. Could she comment on those?

Mrs. Mitchelson: I do not have a problem with the Street Performers Festival, as such. I think it is a good idea and it works well in some cities across our country. Regrettably it was not well managed and it was not planned. There was no financial plan in place. The concept of the Street Performers Festival is an excellent one, and I think that it could work really well for the people of Manitoba and for the City of Winnipeg if in fact we have someone come with a proposal to us that was a well-managed, financially sound proposal. Obviously the organizers were not able to manage it well.

I believe that our department gave them every opportunity. They did know ahead of time, as early as February of '89, that we were not going to provide any funding for them this year because of the problems that they had had in the past with their \$42,000 deficit, and we did not believe that there was a sound financial plan in place. Even though they knew at that date that the Government was not going to be in for any funding, they planned an expanded program for their second festival. I have concerns over the problems that might arise as a result of Government not acting in a responsible manner. We did let them know ahead of time. They came back and appealed. We had them in again, sat down and met with them, and upheld the initial decision not to provide funding for this year's festival.

Mrs. Charles: To continue that, could the Minister comment on the indication that the Street Performers Festival has given me that two reasons for the deficit were including the fact that the tourism grant was not received until February of '89, a grant of approximately \$40,000, and also the fact that the poor weather of the previous year had turned down some of their numbers and monies coming in.

Mrs. Mitchelson: When the Street Performers Festival was first conceived by the organizers and they came to Government for funding in the very first year, we had very serious concerns about their planning programs. Some of their projections for revenue generation were very unrealistic, and that was one of the reasons why the department made the decision up front, and they knew full well that they would receive half of their grant up front, \$5,000, and the other half upon receipt of a balanced budget. They were well aware of that before they ever put on their first festival. They came in with a \$42,000 deficit and all indications were that their projections were out of whack, and I have to question, again, whether it would be Liberal policy. I believe the department when they assessed the situation acted in a responsible manner, and I would support them 100 per cent in that decision, and as a matter of fact I did. I question again whether it would be Liberal policy to fund, year after year, a financially unsound organization that, in spite of knowing that they were not going to get a grant in the second year, went ahead and expanded their festival.

Mrs. Charles: Can the Minister give an indication of what numbers the street festivals, the Fringe Festival in general, brought in tourist dollars or in monies down into the core area of the city? Was information gathered on what the Fringe Festival brings to the city?

Mrs. Mitchelson: We can provide that information but I do not have it with me tonight. I will bring that to the House tomorrow?

Mrs. Charles: To go further on in this section, Mr. Chairperson, can the Minister indicate if any untendered contracts over \$1,000 have been given out since the fiscal year of April 1?

Mrs. Mitchelson: I believe there have been a few small ones, but those ones are tabled on a regular basis with—is it the Department of Finance? I could get that information, but there have not been many.

Mrs. Charles: It is my understanding that early this fall tentative agreements were put in place with the western provinces, as well as Ontario, making an agreement to have an industry based Film Classification Board. Could the Minister comment on whether that agreement is going forward?

Mrs. Mitchelson: Mr. Chairman, just for clarification, would that be on home use videos?

There is no agreement. There have been ongoing discussions for several years about establishing some type of a system where provinces could share in

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implementing some type of a program, but there has been no agreement to this date.

Mrs. Charles: Can the Minister state in the House this evening whether her Government is in favour of public classification system or an industry supported system of classification?

Mrs. Mitchelson: The industry related program is certainly not acceptable to any of the provinces at this point because it excludes adult video and there are not acceptable standards that are agreed to throughout the provinces. I believe that the publically supported one we are prepared to mount, but there does not seem to be a sense that there is going to be, at this point in time, anything that is going to be inter-provincially supported. We are at this point in time looking at going ahead with our own classification system here in Manitoba.

* (2040)

Mrs. Charles: I take it then that the memo entitled, "Proposed National Film and Video Rating Board" dated August 16, 1989, then is out of date and this has not gone forward through the Film Classification Board?

Mrs. Mitchelson: That is the proposal that went to a meeting in Regina on October 17, and that is the proposal that I have indicated has not received support from the provinces.

Mrs. Charles: Then the Minister indicates that the province, that is the Province of Manitoba, is going forward in looking into video classification. Could the Minister indicate what the costs of set-up for that will be, and why, when I understand the plans were in place five years ago to do the same, that has not been picked up any further? I think I know the answer to this one, but could the Minister indicate if those plans are still workable and, again, what the cost will be to the province?

Mrs. Mitchelson: The cost to the province that we might anticipate would be about \$75,000, but the program that we intend to possibly implement, and what we are looking at right now, would be cost recoverable.

Mrs. Charles: Could the Minister elaborate on what type of rating system there would be, would it still depend upon the U.S. standards or will we be going towards our standards in radio and video?

Mrs. Mitchelson: We would be looking at our own standards, and I think it is really important to the parents of Manitoba and to the people of Manitoba that the films that come into the stores for home use are rated and screened by Manitobans who set the standards for classification right here in our own province. It is our first and foremost responsibility as a Government to get into place a program.

I guess the reason it has taken so long to try to implement something is that several provinces have

been trying to work together to make it happen and it just does not seem possible at this time to get anything into place, nationally or interprovincially, for three or four years. So that is a concern to me because I believe that parents that are renting movies or allowing their children to go into video stores and rent movies should be able to tell, from the classification on the movie, whether it is suitable for viewing by that age of child.

Mrs. Charles: I certainly support the Minister's attitude on that. We all, especially with videos and VCRs and those machines, are really dependent upon what is given to our children over the counters and therefore the question is, have you discussed or proposed what inspection methods will be in place to guarantee that these videos are indeed handed over appropriately?

Mrs. Mitchelson: Mr. Chairman, that will all be a part of sort of the assessment and the recommendations that will come from the Film Classification Board. We have had staff working on it. I have met with the Film Classification Board and they are working right now on proposals to come forward to Government with on how it can be handled and managed. Once we have the details and the options we will have to choose an option from what they present and move forward with it.

Mrs. Charles: Could the Minister give us a time frame that we could expect such legislation coming through, or some regulations coming through?

Mrs. Mitchelson: Mr. Chairman, I think it would be realistic to say that next Session we should have something that we will come forward with.

Mrs. Charles: Understanding that there are staff working, or it is necessary that staff is working toward this classification, and I also understand that over the last few years there has been some capital costs in new housing for the Manitoba Film Classification Board, could the Minister explain the reductions in the amounts given in expenditures? Where would these super costs be incurred, if not shown in the fiscal year this year?

Mrs. Mitchelson: The reduction, I guess, is because we had been expecting that we might be able to put something in place this year, looking at an interprovincial-type of agreement. That has not come forward so we are going to have to go it on our own.

Mrs. Charles: The Minister mentioned, just for clarification though, that she had staff working on this new agreement, our regulations. I would expect that your staff are hard-working people, but they certainly can be not super-human people, given that you have cut down some staffing levels and you are asking more work to be done. Is there any other area that this had to be cut back for that, or has there been fewer films having to be viewed by the board?

Mrs. Mitchelson: Mr. Chairman, there is policy support from the department and the staff over at the Film Classification Board are working together, along with the board to make this happen, so there is support service available within the Government department.

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Ms. Hemphill: Mr. Chairman, once again, I am not on the line, but would like to move back to asking some questions about specific funding to some cultural groups. Could the Minister give us an update on the Agassiz Theatre and the funding request, the status of funding and the status of the program? Is it in danger of shutting down, or has it shut down and, if so, is it because of lack of funding by the Government and, if that was the case, what was the reason?

Mrs. Mitchelson: Mr. Chairman, I believe that the Agassiz Theatre has shut down already. The Agassiz Theatre is one of the arts organizations that is funded through the Arts Council, the Manitoba Arts Council, which is an umbrella organization of our department. It was funded on an operating basis by the Manitoba Arts Council beginning in 1984-85, and it proposed at that time to establish a regular season of Manitoba plays using Manitoba actors.

I know that the council does assessments on a yearly basis the grants that they provide, and I believe that they followed the process and the criteria that are in place by the Arts Council to assess all of their grants. I have discussed it with them. I know that they have followed the criteria that is set down, and it was one of the organizations that the Arts Council chose not to fund this year.

Ms. Hemphill: Mr. Chairman, was the Minister concerned? Did the Minister have any concerns that this—

Mr. Chairman: On a point of order, the Member for Selkirk (Mrs. Charles).

Mrs. Charles: I believe we are under the Film Classification Board, and that maybe these questions would be better asked under the proper heading.

* (2050)

Ms. Hemphill: True, Mr. Chairman, but, as I have indicated before, I do not have a lot of line by line questions, and if we are going to just go line by line, you are going to be up for two or three hours and I am not going to have a chance to get my questions in. So if we are going to alternate, I have asked if the Minister is willing, if she has the information available with the shortness of the Estimates under this category, if she is prepared to answer them, and she has said she was, and as long as I am not taking any of your time I do not think it should matter.

Mrs. Charles: Mr. Chairman, to the same point of order, I believe that there is order and structure in going through the Estimates, and that it is there for a reason so that questions can be asked in the pertinent topics, and the information can be gathered. Otherwise staff and papers will be going all over the place and I would find it much more appropriate if we go through, and I would be certainly glad to give the Member for Logan (Ms. Hemphill) all the time she wishes. I am in no rush to go through these Estimates. If we want to stay in them as long as we get the questions and answers put

up, I believe we can do that, but I think it is very confusing to be all over the books.

Mrs. Mitchelson: On the same point of order, if I might, just to help—

Mr. Chairman: On a point of order, the Honourable Minister.

Mrs. Mitchelson: —possibly, if we are finished with the Film Classification Board, we could pass that one specific item, and then we get into Culture, Heritage and Recreation Programs, which does include the arts, and we could be flexible within grants to organizations there.

Mr. Chairman: Item 1(f)(1)—pass; 1.(f)(2)—pass.

We are now on item 2. Culture, Heritage and Recreation Programs. Shall item 2.(a)(1) pass—the Honourable Member for Transcona (Mr. Kozak).

Mr. Kozak: This may not be the point in the Estimates where the Minister of Culture, Heritage and Recreation would like to discuss certain matters related to the casino, and if she advises me that she would prefer my line of questioning at a different time, I will certainly accommodate her.

However, as of fiscal year end, March 31, 1989, the gaming fund of the Manitoba Lotteries Foundation stood at \$9,451,019.00. We all know that this Minister and this Government had indicated early in the fiscal year that they were expecting up to \$10 million in revenues from casino operations in this fiscal year and subsequent fiscal years. Since that time, we have not seen the casino opening. Perhaps the Minister will take this opportunity to clarify the date at which we can expect the casino to open, but in the months between the May announcement of the casino and today, November 6, 1989, we have not seen the casino opening with the speed that we expected.

My Party certainly is not anxious that it open. In fact, we have advised against this strategy at all stages. However, I note with some real alarm that in the months between the May announcement of the casino and today, I have had crossing my desk Order-in-Council after Order-in-Council, No. 802, No. 954, No. 967 and others transferring monies out of the Gaming Fund of the Manitoba Lotteries Foundation to the General Fund of the Manitoba Lotteries Foundation for expenditure on the approximately \$13 million in programs that the casino was expected to make it possible for this province to finance.

Now, Mr. Chairman, I stand before you and before this House completely mystified today as to how Orders-in-Council No. 802, No. 954, No. 967 and others will be honoured, as they presumably are today being honoured, without whittling that \$9 million Gaming Fund down to nothing.

I would hope that the Minister today would make a statement expressing her plan for honouring the province's commitments to health, soil and water conservation and other programs that the casino was

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to finance without eliminating the Gaming Fund entirely and indeed driving it deeply into deficit. I stand here today with a real concern on this matter. Dollars are being spent, they are not being earned. Commitments have been made; these commitments are not small. How will these commitments be honoured?

Mrs. Mitchelson: Mr. Chairman, I did not want to interrupt with a point of order, but I believe that type of question would be more appropriately asked when I have my Lotteries staff here with the figures and the details of the Estimates. Usually that happens after Cultural, Heritage and Recreation is finished and then the Lotteries staff come in, but I am glad that you had the opportunity to ask the whole question because quite possibly when we start off, I can answer that question very quickly. I will have Hansard to read and review and I will be prepared with a full answer.

Mr. Kozak: Mr. Chairman, as we have seen repeatedly in Estimates debate, our proceedings and our consideration of the Estimates are not entirely an adversarial process. I have no objection to placing the comments on the record that I have placed on the record. I hope the Minister will take them as notice because the same comments will be raised at a later point in the Estimates. I welcome providing her with opportunity to come up with appropriate answers to a serious, large-scale, and very disturbing set of questions.

Ms. Hemphill: Mr. Chairperson, I appreciate that we are now in the area where these questions can appropriately be asked. I guess what I should have done was simply pass the other line since I was not interested in asking any questions in that area, but could we now talk a little bit more about the Agassiz Theatre.

Was the Minister concerned? Did she indicate that concern to the Arts Council? Does she feel that there was a loss in terms of the objectives and activities of the project to promote Manitoba playwrights, Manitoba theatre, using Manitoba actors, and that there is a loss in having that theatre shut down?

Mrs. Mitchelson: Mr. Chairman, there were some decisions made and some tough decisions made I think by the Manitoba Arts Council in their funding, and when I heard of the cuts or the reductions I contacted the Arts Council and asked what the process was that they had in place for determining grants to cultural organizations. I am satisfied that they used the guidelines and the criteria for evaluating the applications, both big and small, that they are in place at the Arts Council. I will just read those into the record.

* (2100)

They fund on the criteria of a record of production and artistic creation, the level of public performances, operations that show good fiscal performance and management. I am committed as well, as I understand the Arts Council is committed, to support well managed companies at all levels of development. It does not matter whether they are small or large.

I think management of public funds and contribution to the quality of life in Manitoba are factors which will continue to affect public funding decisions.

The Agassiz Theatre which did have a funding cut by the Arts Council was still eligible for funding through other Arts Council programs. Those are the independent theatre productions, arts ventures, artists in the schools, access and touring. That there were other ways and means of their obtaining project grants for Agassiz Theatre, but I understand the process that was followed in making the decision was the process they follow for funding of all their arts organizations.

Ms. Hemphill: I appreciate that the Minister called and indicated some concern and asked what the process was. In being informed what the process was, was she told what the criteria were that justified the elimination of the support?

It was my understanding that it was not related to fiscal management, what was communicated, but more to the inability to get Manitoba scripts for a period of time and, while they did have problems in one year with that, they had dealt with that and were going to have some Manitoba plays, I think, that had been prepared and that were going to be used the following year. Was it related to that, the availability of Manitoba scripts, or did it have something to do with fiscal management or one of the other criteria that she mentioned?

Mrs. Mitchelson: I was informed, Mr. Chairman, by the Arts Council that the following issues of concern were raised in making the decision to decline operating support for the current fiscal year. Since initial inception of the company and funding by the Arts Council, where they proposed to establish a regular season of Manitoba plays using Manitoba actors, they altered the program to include plays from outside of the province.

There are other organizations that are currently producing Manitoba plays and the company, Agassiz, was unable to present an acceptable plan and budget to address its current cash flow crisis and projected deficit.

The same criterion, I understand, is used to evaluate all applications from all organizations and they are evaluated, as I said before, on the record of production and artistic creation, a level of public performances and the operations that show good fiscal performance and management.

So on the basis of evaluation by the Arts Council, it was determined that they were not using Manitoba plays with Manitoba actors. That was their original mandate and that was the reason they were eligible for operating funds in the first place.

Ms. Hemphill: I understood that was the issue and it was my understanding that the reason they did not in that year was because of the unavailability of plays. In other words, it was not that they did not want to use Manitoba plays, they had difficulty getting them in that year, but had identified plays that they were committed to perform in this fiscal year when the funding was cut

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down. Does the Minister not feel that was a little too quick?

Does the Minister not feel that was a little too quick a reaction to deal with a program that was, even during the period, not performing Manitoba plays because, they tell us, they were unavailable but that they were using Manitoba actors and developing the field using our performers, using our actors, using our production people and giving experience and still continuing with the development of Manitoba plays, albeit not acting specifically in a Manitoba play?

Mrs. Mitchelson: I have some difficulty responding to some of the questions or the concerns that were posed by the Member for Logan (Hemphill) mainly because it is really not my role as Minister responsible for culture in the province to politically interfere with decisions that are made by an arm's-length body, mainly the Manitoba Arts Council.

Up until this point in time when the needs assessment will bring the umbrella groups closer to Government departments starting next fiscal year, it has not been the case. I do not know, the Arts Council in its wisdom that made the decision to cut funding to Agassiz, whether I can in any way try to refute some of the concerns that you have had because I did not have direct contact with Agassiz Theatre and the assessment of their application, or receive the recommendations.

I understand that the process that the Arts Council has in place is a process that is followed for every grant application that comes through, whether it be a large or a small organization, and that they follow that process. You know, there has not been a lot of major outcry by the playwrights or anyone in the Province of Manitoba as a result of the decision of the Arts Council.

Ms. Hemphill: One other specific project that I would like to ask the Minister to give us her feelings and the position of the department on is the puppet theatre.

Could she tell us what the situation is with the puppet theatre and— same kind of questions—what is the situation? What was the judgment? What happened there?

Mrs. Mitchelson: I am informed by the Arts Council that in declining support to the puppet theatre, the Arts Council raised the following concerns: the company's record of production, and their last new production was in 1983; its record of public performances, and there were only three performances in the last fiscal year to an audience of 238; and their difficulties in balancing a budget.

Seven of the last 10 years showed a deficit. The same criteria were used for the puppet theatre in making those decisions as are used for all grant applications that come through the Arts Council. In this case also, they could apply for support through project grants from the Manitoba Arts Council.

Ms. Hemphill: One of the points that I had picked up earlier that the Minister had made—I think it was about street performers, I am not sure—was that they were

able to get funding from somewhere else, and she listed a number of organizations that they could have also applied for funding.

Does the Minister not realize that if the Department of Culture and/or the Arts Council refuses funding, the likelihood of other organizations being willing to fund is very, very slight? Often it is the kiss of death really for the department and the Arts Council to make the decision to totally cut off funding. Then to tell them to go out and get it from somewhere else when they have not been willing to show support themselves is really a bit unfair, and sending them to a place where the possibilities of receiving funding under the circumstances is not too realistic.

Does the Minister not recognize that as soon as they hear that? The position taken for groups like this by those two bodies is absolutely critical and the question of whether or not there is very much leeway or there is very much flexibility or there is a willingness to support some of the more non-traditional cultural activities is really an important one. Would the Minister comment on that?

* (2110)

Mrs. Mitchelson: Yes, Mr. Chairman, and when I indicated that they could apply for grants from elsewhere, I meant that rather than ongoing operating they could apply through the Arts Council for project grants on a project-by-project basis. So when there was a play or something that they were to do, and I indicated that the programs or the projects grants within the Manitoba Arts Council are the independent theatre productions, arts ventures, artists in the schools, access and touring, so there are project-by-project grants, and they can be applied for right within the Arts Council.

The Arts Council has determined that they are no longer eligible or warrant operating grants, but there still are project grants that they can apply for and receive. So it was not that I was indicating that they should go outside of Government or the Arts Council in this instance—it was within, on a different funding basis.

Ms. Hemphill: I appreciate that information, Mr. Chairman. Is the Minister suggesting then that the Street Performers, for example, were told that there was a possibility of getting project funding from the department and that they did not apply, or that the Agassiz Theatre was told that they had a possibility of getting alternate funding on a project basis and they did not apply?

Mrs. Mitchelson: Mr. Chairman, in the instance of the Street Performers, they applied directly to the Government department. There is a difference between the Manitoba Arts Council, which is an arm's-length organization that receives Lotteries dollars to fund arts programming or operating grants in the arts community, as opposed to the Department of Culture, Heritage and Recreation which has its own programming and operating grants. Street Performers Festival applied just to the Department of Culture, Heritage and

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Recreation for funding, so that was a departmental request, and we dealt with that through the department.

Agassiz Theatre and the puppet theatre were being funded by the Manitoba Arts Council and receiving operating grants from the Arts Council for support. It was indicated to them that when their operating money was cut off that they could apply on a project-by-project basis to the Manitoba Arts Council, and these project programs in the Arts Council are the ones that I listed, and so they had the opportunity to apply for that. It would not be ongoing on a yearly basis but it would be on a project-by-project basis.

Ms. Hemphill: Since the Minister has made mention in a couple of the areas that I have raised questions about that the funding came from the Manitoba Arts Council, and that they have a criteria and a process and they followed both the criteria and the process, I would like to ask the Minister a question about the Arts Council themselves. Is the Minister aware that there is a growing concern about the operating and the functioning of the Manitoba Arts Council in the arts community, and is she aware that there is a growing feeling of both alienation and disaffection and a feeling of a group operating—and if you will pardon the expression—I will say, like a bureaucracy, and like a conservative bureaucracy, and I do not mean a political conservative bureaucracy but bureaucracies by their very nature become conservative? Is the Minister aware of this growing alienation and concern and a feeling that the Manitoba Arts Council may not be representative either of Manitoba people or of the Manitoba arts community or Manitoba arts organizations, and is not in its decisions, and I think that some of the feeling is reflected in the projects that I have raised and in their attitude towards them that they are really not sympathetic to certain kinds of cultural activities and the broad sort of cultural experience. Is she concerned about that? Does she have any thoughts about how to deal with this issue so that some of those concerns are recognized and paid some attention to?

Mrs. Mitchelson: Mr. Chairman, certainly there have been concerns expressed through the arts community, and I think that maybe the Member opposite has read some of the articles in the paper lately about the public hearings that are being held throughout the province by the Arts Policy Review Committee. At some of those meetings, there has been some concerns expressed about funding for the arts in say rural Manitoba versus the City of Winnipeg and that kind of thing.

The Arts Policy Review Committee is going to be taking a look at the role and mandate of the Arts Council as well as the role and mandate of the Department of Culture, Heritage and Recreation, and funding for the arts in general for the Province of Manitoba, and what the funding will be into the 1990s possibly over the next decade.

So they are receiving public presentations. They have had, I am not sure how many meetings. I know they have been to Dauphin and to Brandon outside, and they have several meetings scheduled outside the City of Winnipeg and several within the City of Winnipeg.

I expect a report from them in February with recommendations on what direction we should be taking. So very definitely one of their mandates is to look at the role of the Arts Council and the department.

Ms. Hemphill: I appreciate that and appreciate the fact that the Minister is saying the role and mandate of the Arts Council is one of the things they are looking at, and some people have been voicing their concerns already in the public presentations. Are the groups generally aware that is one of the areas—so the communication has been fully out to the arts community—that they know this is one of the areas that is being examined and they are free to voice their position on the Arts Council?

Mrs. Mitchelson: I believe, Mr. Chairman, that has been conveyed to the presenters. Part of the terms of reference for the arts policy are to recommend policies, principles and priorities to the Minister to maximize the effect of public and private expenditures on the arts in the next decade. So I think that lays out, fairly clearly, that part of their mandate or their terms of reference.

I would like to indicate, at this time, that there are more than 88 presentations scheduled for the arts policy review. They are all oral presentations, and we are requesting those that are not able to attend the hearings and make oral presentations to do written presentations.

* (2120)

Ms. Hemphill: There is one other cultural body that I think falls into the same area of, perhaps, concern about whether or not they will receive support and funding from both the department and the Manitoba Arts Council. Perhaps the Minister can give us an indication now of whether her department intends to provide a grant to the West End Cultural Centre.

(Mr. Richard Kozak, Acting Chairman, in the Chair)

Mrs. Mitchelson: Mr. Acting Chairman, when the West End Cultural Centre was first established, or set up, there was a fair amount of capital assistance given to them at that time, and it was considered start-up capital. They received some money from community places also.

The indication by the then Minister, the Member for St. Johns (Ms. Wasylycia-Leis), was that the money the West End Cultural Centre received would be one-time-only start-up capital costs. I believe in a letter she wrote to them there was indication that there would be no ongoing operating funding available.

The Arts Council and my department have indicated they are eligible for special project grants. One of them that they have just received some support for is the Literary Festival. That is all I can say at this point. There is no plan for operating funds.

Ms. Hemphill: Mr. Acting Chairman, then the Minister is saying that the request that they have had in for some time, I think for an operating grant of about \$56,000, and have been told that they need to await

the Estimates coming before this House to be informed of whether or not they were receiving a grant, is being denied, and that the only money they will be getting is project money for such things as the Literary Festival that she mentioned? The \$56,000 grant is being denied?

Mrs. Mitchelson: Mr. Acting Chairman, the \$56,000 grant they requested came in the middle of this fiscal year, and there is no \$56,000 available in the department this year. What was indicated to the West End Cultural Centre was that they would have to wait until next year's Estimates process gets under way, and we would evaluate that request at that time.

The Acting Chairman (Mr. Kozak): Shall the item pass? Item 2.(a)(1)—pass; 2.(a)(2)—pass.

2.(b)—the Honourable Member for Selkirk.

Mrs. Charles: Could we have this Minister indicate whether she feels it is appropriate that the per capita supports to the sports federation and to the sports funding mechanism is much higher than the per capita funding to the arts community in Manitoba?

Mrs. Mitchelson: That question is a little difficult to answer. I think if you are indicating that, through Lotteries, through the umbrella groups, the Arts Council gets less funding than the sports federation does you are right.

In the overall Government picture, sport receives less money than the arts do, because when you combine the Sports Directorate and the Manitoba Sports Federation the only money that sport gets in Manitoba is Lotteries money. The money that goes to arts in the Province of Manitoba is a grant through Lotteries to the Arts Council plus the department's Lotteries and appropriation budget.

So we would have to do that analysis, but I believe the end result would be that arts in Manitoba receive more than sport does.

Mrs. Charles: Could the Minister indicate what private sector funding goes to the arts community and find the comparable amounts of private industry that would be supporting the sports network within the province?

Mrs. Mitchelson: I guess, on an individual basis we could indicate what funding from the private sector goes to specific arts organizations. We do not have a compiled figure of how much private sector funding there is totalled up for arts in Manitoba.

I cannot answer for the Minister of Sport (Mr. Ernst), and I think he would have to answer those questions.

Mrs. Charles: Certainly within the country to the south of us, the United States, the private industry is a great backer of the sports and cultural industry seeing it as a good investment and taking the reliance off of such things as Lotteries money and Government funding. Can the Minister indicate whether she supports private industry supporting arts and cultural groups or whether she believes it should be more on the balance of Government funding of arts and cultural groups?

Mrs. Mitchelson: That is a leading question, Mr. Acting Chairman. I think any Government of any political stripe would say, obviously if there is private investment Government does not—or to a greater degree Government and taxpayers' dollars do not have to support any program in Government to as great a degree.

So of course we are supportive of the private sector involvement in funding to the arts. As a matter of fact, one of the considerations that was given to appointing someone to the Arts Council happens to be the Chair—of the Arts Policy Review Committee, I should say—was someone that has an interest in a broad cross section of the arts in the Province of Manitoba, but also is a major corporate sponsor of the arts.

It is ideal to have someone who supports the arts, and also donates to the arts in a private sector way, working together and listening to concerns in the arts community, and he may have some innovative and great ways of attempting to determine how we can attract the private sector to become more involved.

* (2130)

I think that over a period of time the arts organizations, if our worst fears come to fruition and we have a federal Government that implements a tax that is going to negatively affect our cultural organizations in this province, we are going to be in a dilemma, provinces, as well as the organizations. There have to be ways and means of trying to attract, I suppose, the private sector to increase their support and their funding.

We do accept our role, as Government, as a principal funder of the arts and I do not believe the arts in any province, in any country, would be self-sufficient at any given time and we do accept that role as a funder, but we certainly do encourage and would love to see private sector participation.

Mrs. Charles: Mr. Acting Chairman, in that the Department of Tourism has successfully encouraged private business to support tourism in Manitoba and perhaps take on a major function away from the Government funding, is this ministry of Culture, Heritage and Recreation gone toward any means and methods of attracting private industry, or is it reliant upon this person that is in place of the arts policy review?

Mrs. Mitchelson: Mr. Acting Chairman, I guess at the federal-provincial Territorial Ministers' meeting we indicated our support, as did all provinces, for a national market study to look at the trends, what types of things people were supporting, the diversity of our different provinces, our different cultures, our different backgrounds, and what the impact might be and how we can attract and work together, I suppose might be one of the results of a study, and it would have to be geared specifically to individual provinces. There are different needs in different provinces. Our province is unique in diversity background, population even, because we are the only province with one major city. So I think that some of the trends today that could be pointed out by some type of market research could be

very advantageous to Government and to Governments across the country to determine what direction we should be taking.

Mrs. Charles: Could the Minister elaborate upon what she foresees as the provincial participation in this study? Could the Minister indicate what participation this province will play in this study, or whether it will be totally done by the federal Government?

Mrs. Mitchelson: We have asked, Mr. Acting Chairman, for a report on what the impact would be. The federal Government has indicated they would cost share with the province, two-thirds federal, one-third provincial, but what we need to know from the federal Government is what is one-third of the cost. The figures are not tied down yet, but we do have a role as a province on the steering committee that will be sitting down in the near future to determine the costs and how we are going to approach the research to effectively relate to individual provincial concerns.

Mrs. Charles: Can the Minister indicate whether this study will be directed toward the larger arts facilities in the larger communities, arts communities, or whether it will be across the province and support the North and rural areas, as well as the City of Winnipeg?

Mrs. Mitchelson: Mr. Acting Chairman, we want a study that is going to involve the rural communities, remote communities, the City of Winnipeg, the Francophone community and the multicultural community.

Mrs. Charles: Given that the Arts funding currently is dependent upon Lotteries, what safeguards are in place to ensure stability of support for the arts understanding that Lotteries is being disrupted this year and indeed is on a downward trend in some areas?

Mrs. Mitchelson: Mr. Acting Chairman, I believe that, yes, Lotteries revenues have levelled off and we cannot anticipate the major increases that we realized in past years. They have levelled off and I believe that with any look into the future we might have, we are probably going to realize just that stabilization. There has not been a major decline. There has never been a decline in Lotteries revenues.

I guess all of the Sport programming for the Province of Manitoba comes out of Lotteries revenues too, so when you look at Sport as compared to Arts, if Lotteries revenues bottomed out completely there would be more problems with the Sport programming than there would be with Arts programming because we do have some money for Arts that comes from appropriation from Government tax base.

I believe that the Arts Policy Review is going to take a look at where we should be going and what we should be doing, but I do not think that you would find any Government that could go back now, the situation that we are in, and find all of the support for arts from appropriation.

Mrs. Charles: Yes, understanding that, particularly in this year where the Lotteries monies are being further

divided up into a support of the Health Advisory Network and the ecological system as in Fort Whyte Centre, and in sports, culture, heritage or recreation, which priority would have arts, given that the funds would be decreased over the years or levelled out as compared to inflation and also, given that we do not know the impact GST will have on Lotteries, will arts be first priority or would the Health Network be first priority? Where would the priorities be placed in the funding that is being distributed through Lotteries?

Mrs. Mitchelson: The funds for the Health Development Fund, the special development fund, are coming strictly from casino revenues. There will not be funding for special health projects from the rest of our Lotteries base.

Next year, as a result of bringing the umbrella groups a little closer to Government and having a better accountability process, organizations like the Arts Council, the Heritage Federation and the Sports Federation will be reporting directly to a Minister. There will be questions that can be asked by the Opposition and the Minister will be responsible for answering those questions once we get the process in place. We have put into place a more accountable system.

Lotteries funds to the arts community have been frozen since 1986. There have not been increases in funding. This year was the first year that they experienced or received a 3 percent increase from Government since 1986. Funding to arts organizations, and that was under the previous administration, Lotteries funding was frozen to umbrella groups, so there was no increase. It has been stable through that period of time and those organizations have lived with the money allocation that they have been given at the same level.

Mrs. Charles: If the casino revenues, as you say, are going directly to the Health Department, if they are greater than anticipated or indeed lesser than anticipated, what impact will that have on the funding for arts?

(Mr. Gilles Roch, Acting Chairman, in the Chair)

Mrs. Mitchelson: We are in the process, Mr. Acting Chairman, of putting agreements into place with all of the different umbrella organizations. It is a little premature for me to say right at this point, but when those agreements are in place, which will be before the end of this fiscal year so we can relate or reflect in next year's Estimates, a line for the Arts Council and the Heritage Federation and such, and the Community Services Council.

* (2140)

When those agreements are in place, that kind of information can be made public as to exactly how much money the arts community, the sports community, or the heritage community will be able to anticipate from Government over a long period of time. I think if there was a major decrease or if Lotteries bottomed out, there would have to be a shared responsibility throughout Government for everyone to take a decrease

across the board. I think that is the kind of thing that we are looking towards when we are working with the umbrella groups.

Mr. Kozak: Mr. Acting Chairman, the Member for Selkirk (Mrs. Charles) and the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson) both briefly referenced the proposed federal goods and services tax. The Minister has in Question Period and on other occasions expressed some concern about the impact of the GST on Lotteries revenues and well she might, given the impact in Saskatchewan on Lotteries revenues of provincial taxation policies.

The Minister has suggested that she is in consultation with her colleagues in other provinces to develop a co-ordinated strategy for dealing with the GST which I would venture to say will negatively impact Lotteries revenues in this province and will threaten the funding of sports and cultural organizations in this province.

Could the Minister today share with us the status of her consideration of this matter and suggest to us if she has developed a strategy for maintaining revenues or for tightening the belt of the department?

Mrs. Mitchelson: I really do not know the full impact of what the GST is going to have on Lotteries revenues. Preliminary indications are that there will be some impact, but as to how we as a province are going to handle that specific issue when we do know what percentage or what decrease there will be as a result of the GST.

Provinces are sort of caught in a catch-22 situation because we saw the experience in Saskatchewan and what happened when they added a 10 percent tax onto the cost of their lottery ticket. Their sales decreased so they lost in that way. If you do not add the cost up front onto the cost of the purchase of a ticket, you are going to have to absorb the losses to pay for the tax to the federal Government. So you are caught in this dilemma and you lose both ways. It is a lose-lose situation.

I think realistically we are going to have to look at it, try to determine what the full impact is going to be and then we are going to have to deal with it as a Government. I think most groups and organizations are aware. We do not even know if the goods and services tax is going to go ahead as it has been indicated by the federal Government.

We would hope that the Premiers from across the country might have some impact or talk some sense into the federal Government, and if it all falls by the wayside this could all be hypothetical. So let us just hang in there for a little while and see what the full impact is and at that point in time we are going to have to make some serious decisions.

Mr. Kozak: Mr. Acting Chairman, and I assure the Minister and my other colleagues in this Chamber that I and my Party will do everything we can to do our part to see that the proposed federal goods and services tax does not come to fruition. However, we live in a situation that suggests that we may well have to live with that tax.

A few moments ago in this committee I expressed concern at the drawing down of the gaming fund which at the end of the last fiscal year stood at \$9,451,019.00. I pointed out some of the Orders-in-Council which have been drawing down this gaming fund in a steady fashion ever since the end of the fiscal year.

I now express concern about the impact of the goods and services tax and I do not think the Minister would dispute my concern. I feel that, quite honestly, she shares it. The Minister has nonetheless made \$13 million in new spending commitments even though Lotteries revenues have stabilized, shall we say.

Does the Minister feel that her commitment to the new spending undertakings that she has made is totally irrevocable, and that in addition to the spending commitments being honoured, she will continue to honour established spending commitments to organizations that received funding prior to the casino proposal? In other words, in simpler terms, Mr. Acting Chairman, will the Minister continue to honour not only the established funding extended by her department but also the \$13 million in new commitments made this year regardless of declines in Lotteries revenues due to the GST and the obvious shortfall this year of casino revenues?

Mrs. Mitchelson: Mr. Acting Chairman, some of the questions that are more detailed will have to be answered when I have my Lotteries staff here to answer those questions, but the commitments that we made were realistic commitments with money that was available and would be available on an ongoing basis. I think that the Member opposite will see, once we have the final agreements in place and once we have negotiated those agreements with the umbrella groups and the other special agreement groups that Government is presently funding, that in fact at this present time there will be enough money to go around to satisfy the needs and the commitments that we have made. I am confident that will happen.

The GST is something that came after the announcement of the needs assessment and to this date we do not know what impact that will have, but I have indicated though is that I believe that it is fair and I think that every organization that receives money from Lotteries whether it be sports or arts or heritage or community recreation, whatever, should equally share any major decrease and I think that is only fair. Heavens, I would hate to see the arts community suffer and have the sports community receive the same amount of funding they are receiving today if there was a major impact.

The reason that we have announced the needs assessment and had a look at the whole lottery distribution system is that each and every umbrella agreement that was signed in the past was done on an ad hoc basis. Each umbrella group was treated differently from every other umbrella group so I think it is important that Government has an overall strategy on how we are going to distribute or how we are going to treat these umbrella groups or these arm's length organizations of Government in a fair way across Government and have each group responsible to, rather

than being responsible to the Manitoba Lotteries Foundation that signed an agreement with those groups five or six years ago and did not follow specifically on a year-to-year basis with accountability procedures, once those agreements were in place, there were sort of an ongoing forever thing.

What we want to do is bring those agreements closer to Government, have the Sports Federation responsible to the Minister of Sport, which only makes sense; the Arts Council, the Heritage Federation, the Community Services Council, the multicultural grants responsible to the Minister of the department that looks after those responsibilities within Government programming. What we are doing is trying to get agreements signed across the board, across Government that are similar, that have looked at the long-range needs of the different communities within our Government and to make them more accessible and more accountable.

Because after all when the Opposition has a question about what the Arts Council is doing or how they are making funding agreements, if there is a bad decision that is made by the Arts Council, it is still the Minister responsible that gets the questions and has to answer so that Minister should be more accountable and those organizations have to be held more accountable to their respective departments that they report to.

Mr. Kozak: I would certainly agree with the Minister that nothing lasts forever. I assume that it is reasonable to contend that sports and cultural organizations in this province should not assume that the funding that they have grown used to will last forever under the worst of circumstances that could possibly unfold in the future. Given what the Minister has said in response to my last question, may I, Mr. Acting Chairman, simply ask her further if she would suggest to the sports and cultural organizations currently receiving Lotteries funding, that given the uncertainties posed by the goods and services tax and given the uncertainties posed by the drawing down of the gaming fund by unanticipated delays in the casino, they would be unwise and fiscally imprudent to assume that the funding they have grown used to over the years is totally guaranteed to them long into the future.

* (2150)

Mrs. Mitchelson: Mr. Acting Chairman, I believe that the sports community and the arts community and in fact all those communities that are funded by Lotteries dollars do know that the major increases that they received in the past are not there now and may not be there in the future. This is money that is basically—it is community money. It is administered by Government and that is because Government is responsible for licensing of Lotteries ventures, I suppose, in the Province of Manitoba. Because Government is involved in some control over these types of activities, Government has a responsibility to ensure that community money is being distributed in the best way possible, the best manner possible.

Of course, if there is a major drop or if there is a major change, there is going to have to be a real look

taken at where the money is going and what it is doing. The Member opposite mentioned something about because the opening of the casino has been delayed that community organizations are suffering.

There is some money that is going into health care projects this year and there is not any community organization that is losing because we have compensated them for the changeover from casino revenue to other—they have been able to source other areas of Lotteries revenue to meet the funding commitments that were made from the casino. The Health projects are getting under way and there will be money there when the time comes to access that money for health care projects.

Mr. Kozak: Mr. Acting Chairman, as part of the Minister's answer to my recent set of questions, she did mention that any decreases in funding in the future would be fairly distributed across the board among all of the organizations receiving Lotteries funding. Is that a commitment that she is quite comfortable to stand behind if in fact there are reversals in the Lotteries Foundation's position in future?

Mrs. Mitchelson: Very definitely, Mr. Acting Chairman. I agree and I think that any responsible organization would agree that Lotteries revenues are funds that fluctuate, that go up and down. If there was a decrease, that kind of thing should be shared by everyone and not one specific facet of community life should be impacted to any greater degree than another.

Mrs. Charles: I just want clarification from the Minister. Did she say that funds were being accessed from Lotteries revenues to support the health needs this year because the casino has been delayed in its opening?

Mrs. Mitchelson: There is money, Mr. Acting Chairman, within Government that can be accessed by health care. I do not know if you can recall the money that was promised by the defeated NDP Government. There was a health care initiative and there was some \$10 million which was one-time-only money, it was a little from here and a little from there. It was not anything that was a major ongoing commitment. That money can be accessed by Health if there are projects that need to be funded before the casino gets on stream.

Mrs. Charles: So the Minister is saying that she does support our health facilities being funded through Lotteries revenues and that this is a way we should go in Government?

Mrs. Mitchelson: That is certainly not what I said. I am saying that the Health Development Fund that has been set up for one-time special initiatives that is going to in the long haul, I suppose, reduce dependence. There are pilot projects that are going to be funded for a period of time that are going to—I am sure the Minister of Health (Mr. Orchard) would be able to answer this in a much more eloquent manner. But I do know that the money that is going into that Health Development Fund is for one-time-only special projects

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that are to have an impact through health prevention and health promotion on future health care dollars.

So it is not money that is going into ongoing operating for health in this province because, as I have said many times before, \$10 million is a drop in the bucket when you look at the overall health care budget. But if it should be bridge financing that might help to get a community program off the ground and provide for some deinstitutionalization and getting people back into the community, I think we would all agree that for that kind of thing to happen there has to be some influx of money initially for training and getting support services available in the community so that kind of thing can happen. We all recognize that need and it is very hard for Government's to find that need in a major way. If it is a one time only start-up cost to make that kind of thing happen, that is the kind of money that the Health Development Fund will be used for.

Mrs. Charles: Yes, I believe in the review of 1979, which the Minister mentioned in her opening remarks, that review recommended that the arts support should be brought up to a level of .05 percent of the provincial budget. Could the Minister indicate what percentage that the arts community is today in comparison to the whole provincial budget?

Mrs. Mitchelson: Yes, Mr. Acting Chairman, I am informed that if you added Lotteries funding into it we have exceeded that figure.

Mrs. Charles: I am a little bit concerned that the whole discussion that has taken place is not recognizing that the arts and cultural is both an industry in the province and also a belief that should be part of our incorporation as a province. To be an artist or to be involved in any cultural organization is not a whim, it is part of your heart and soul.

It seems to me that to be funded on such an ad hoc basis where the Lotteries and casino revenues are here, there and wherever is not guaranteeing a belief in the industry and a belief in the arts people themselves. Certainly, we have seen no educational program coming forward from the department encouraging artistic motivation within our rural and northern communities. I think the Minister should rethink her support for the arts and cultural groups, that it is not just a funding mechanism to be done at the whim of Government when funds are available but has to be taken as a belief that the future is better and the history is recorded better because of what we believe in and that is our recording through arts and culture of the province.

My question to the Minister therefore is, is there any component of the budget being taken to direct

education other than the arts in the school program, which is on a very ad hoc basis as some have them in, and certainly it is not any long-term support? There are many high schools who still have absolutely no arts programs and no opportunity for their children to learn and to develop their futures.

All the major arts corporations are still within the City of Winnipeg. If you want to do your honours in any artistic movement, you have to come to the city, and we are still so sadly lacking in any support for our children and the belief that they too can make both a cultural presentation to the province as well as make a living off of it in the future.

Mrs. Mitchelson: Mr. Acting Chairman, that is certainly one of the questions we have thrown out to the Arts Policy Review Committee to take a look at as they are travelling throughout the Province of Manitoba. But it is a bit of a dilemma here when it comes to the Department of Culture, besides the arts and the schools programs, funding straight out arts programming in the schools throughout Manitoba, because I guess I believe that arts should be part of the curriculum in the education system. If the Department of Culture starts funding it on an ad hoc basis, the school programming for arts, and it is not going to be a program that is implemented through the Department of Education, I believe it is a valuable program and something that needs to be funded by that department. I think we are taking a look at working more closely together with the Department of Education to make them aware of the situation and the value of art and programming in our schools throughout the Province of Manitoba.

I have an assistant Deputy Minister sitting here that used to work in the Department of Education so the relationships and the liaisons between the two departments should be very good. We will continue to work with the Department of Education to make sure that they recognize the value of teaching art in our school system.

* (2200)

The Acting Chairman (Mr. Roch): The hour being 10 p.m., committee rise and call in the Speaker.

IN SESSION

Mr. Deputy Speaker: The hour being after 10 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).