

EVENING SITTING

COMMITTEE OF FINANCE

General Revenue Fund
Agriculture and Food
Vote 1

Item 1

Hon. Mr. Upshall: — Mr. Chairman, I forget what the question was.

Mr. D'Autremont: — Thank you, Mr. Chairman. I forget what his answer was. We'll have to wait for *Hansard* tomorrow. But, Mr. Minister, I'm sure it had something interesting to do about grain cars.

So we'll move on from that point, although I do have some questions that could relate to . . . well not directly to grain cars, do relate to railroads, and this deals with rail line abandonments. What role does Saskatchewan Ag and Food play in rail line abandonments, particularly in the disposal of the lands after the rail line has been abandoned. Does Sask Ag and Food play any role in that?

Hon. Mr. Upshall: — No.

Mr. D'Autremont: — Thank you, Mr. Minister. I believe at one time Sask Ag and Food was involved in, if not directly, at least in policy, dealing with rail line abandonments. And there has been some questions. I know it has come up in the House already, dealing with the uses of abandoned rail lines, whether or not it should be turned over to the farmers in some manner, whether or not it should be used in some other way such as a proposal for a hiking trail. Some of these types of proposals have come forward, Mr. Minister, and I was wondering if Ag and Food had any policies outlining that.

Because some of the problems that have arisen in my area when it comes to the rail line abandonment properties — before we move on to the difficulties of farmers moving their grain after abandonment — but some of the difficulties with the disposal of the property is, who becomes responsible for noxious weeds, etc., that grow up along those abandoned right of ways when the titles are in transition, when the ownership is unclear. I wonder if you can comment on that, Mr. Minister.

Hon. Mr. Upshall: — Well the weeds . . . the situation comes under The Noxious Weeds Act and it is controlled under that Act. And the ownership — if the ownership is up in the air, there's a number of things that you can do. You can work with the municipality or local farmers but there's the Act, the provincial Act, covers that.

And I remember what we were talking about before. I said I felt like the Premier because we had . . . now we're back into Highways and Transportation, then you moved into Finance with the fuel, now we're back into Highways and Transportation so I hope that you appreciate that if I can't answer specifically, it's because it's actually another

department you should be asking these questions of.

Mr. D'Autremont: — Thank you, Mr. Minister, and I remember what the questions were. It was how many fuel rebate . . . farmers received the fuel rebates and how many farmers or the spouses of farmers that are receiving the fuel rebate would now be entitled under these changes to receive further fuel rebates.

Hon. Mr. Upshall: — I would have no idea. That comes out of the Department of Finance. When the Minister of Finance comes up, I'm sure she'll be glad to answer those questions for you.

Mr. D'Autremont: — Well thank you, Mr. Minister. How does this ruling change the definition of a farmer? What is the definition of a farmer under Ag and Food and how will this Human Rights ruling change that definition in relationship to the Department of Finance?

Hon. Mr. Upshall: — Well it doesn't really affect Ag and Food. For example, Crop Insurance, we do not have any specifications that you have to have one contract for the one unit. I mean a man or a woman could have . . . or a wife could have the contract. So it really doesn't affect us too much at all, we think, that we know of right now.

Mr. D'Autremont: — Well okay, thank you, Mr. Minister. Why then was the Department of Finance having classifications or definitions on the term "farmer" as it applied to rebates, farm fuels, when under your Act, particularly Crop Insurance, a spouse . . . both spouses of a relationship were entitled to have contracts and were treated as separate entities? We discussed earlier in the case of leasing Ag and Food land, how one or more members within a family could be classified as an individual enterprise for the purposes of the leases, that they could be classified, as I said, as individual enterprises. Yet under Finance, those same individuals would be classified as a single unit rather than as an individual enterprise.

Hon. Mr. Upshall: — Well you'll have to get the details from Finance, more detail, because like I say, that's not our department but under the . . . our Acts doesn't prohibit a man or a woman from having a contract under Crop Insurance.

Under the Department of Finance, the stipulation was one person per farm unit. And when this went to the Human Rights Commission, I guess the woman that took it there was ruled in her favour, saying that she had the right to apply as well.

Serious implications financially. I don't know the total number. But it's in the millions and millions of dollars that this could have an effect. So what this ruling has done is made us have to sit down and take a look at the whole rebate program.

The Chair: — Why is the member on her feet?

Ms. Draude: — With leave, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Ms. Draude: — Thank you, Mr. Chairman. Mr. Chairman, to you and through you with the greatest pleasure, I want to introduce to you a group of people from Margo. There's 24 students and 7 adults and they're in grade K to 6. The teachers that are with them are Ron Koroluk, Tammy Bagnall, and then we have Anella Domeij, Floyd Hendrickson, Bev Psvusky, Dianne Johns, and Myrna Daviduk.

Thank you very much for coming. I'm looking forward to meeting with you afterwards and if you have any questions, we'll be able to have some fun while we're having some drinks. So talk to you later.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Agriculture and Food Vote 1

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Mr. D'Autremont: — Thank you, Mr. Chairman. Mr. Minister, I wonder if you could outline for us the impact that the rail line abandonments are going to have on the future of agriculture along some of these particular lines? The paper I have here talks about the abandonment of a portion of the Assiniboia subdivision for abandonment of freight train operations extending from mile .06, to a point just west of Weyburn, to mile 36.5, a point just east of Pangman in the province of Saskatchewan.

That line running west from Weyburn isn't, relatively, good production land. It's going to have an impact certainly on those farmers when it comes to hauling their products to market. It's going to increase their costs very significantly.

It's going to have a major impact on our highway system, and we talked to the Minister of Highways about that last night to a certain degree — the impact that expanded traffic has already had on our roads and the terrible shape that those roads are in, the lack of support that is being provided for those roads, even though as the rail lines are abandoned, the government picks up more and more tax money from fuel taxes. And yet the roads in return are not maintained in a way that would provide for an easy access to our grain system.

When you particularly look at this area, you're going to have very significant loads moving in from the west of Weyburn into either the Weyburn Inland Terminal or the new Pool high through-put elevator just north of Weyburn. So it's going to have a very major impact, Mr. Minister. And I believe that the Department of Agriculture should be preparing Saskatchewan for the eventuality of these abandonments, and I think it's very important that the province be involved in that abandonment process to determine whether or not those lines are abandoned.

Further to that, Mr. Minister, I think it would be very important for the province of Saskatchewan and Ag and Food to be

involved in the encouragement of short-line services. We have a short-line service running south from Moose Jaw to Avonlea and does a very good job of moving the grain in that area. I believe there is another one down in the Simmie area. I could be mistaken on that, but I'm pretty sure there's one down in there.

So, Mr. Minister, what is Ag and Food doing to encourage . . . or to deal with the abandonment and to encourage the development of short-line rails to handle those lines that are feasible for short line, even though the CPR (Canadian Pacific Railway) or the CNR (Canadian National Railway Company) doesn't believe that it suits their particular purpose because the other rail lines in the neighbourhood are perhaps from the same company, Mr. Minister. Could you comment on that, please.

Hon. Mr. Upshall: — Well you're not making this very easy. This is the Department of Highways and I have Department of Agriculture officials, so we don't know for sure but we don't think . . .

An Hon. Member: — It's grain we're moving here.

Hon. Mr. Upshall: — It's grain we're moving, that's right. Well I think the member knows full well what department he should be asking questions of, but nevertheless we'll answer them to the best of our ability.

Just before we do that I want to go back to one of your questions that you raised before the supper break and that was a comparison of the dollars that was generated from oil leases. Last year, April 1, '95-March 31, '96 — 5,021,284. So this year, 4.7 million. So we're down \$300,000 from that year. So it hasn't changed that much.

But as far as the short-line railways is concerned, now the problem that I have, and I'll just give you my personal opinion on this, the problem that I have with short-line railroads — I know we can't stop development and shouldn't stop the development — but it's a direct offload from the federal government. It's a direct offload.

Right now this is a federal taxpayers' responsibility — the movement of grain. When they abandon that line and let's say somebody picks up the line, the line could probably function very well until it needs maintenance and upgrading, until it needs some new machinery. Then it becomes a provincial problem if this line can't make any money and it's . . . they need it. Where do they go for money? Not the federal government because there's no more legislation — they're out of it. So it's an offload on the provincial government.

That worries me. It worries me because we don't have the tax base, and in this country, the billions and billions of dollars that grain generates for this country, we've always had a federal responsibility because that generation of that dollar goes to all Canadians. So there's some responsibility on the part of the federal government.

(1915)

As far as railroads are concerned of course, they can run mains and secondary mains, and that's all they need because they know all the grain has got to go through that line anyway, even if they closed the branch lines down. It'll get trucked up or whatever.

So I know the Department of Highways is working with the trucking industry very closely to try to develop new ways to prevent road deterioration. I think if you talked last night to the Minister of Highways, probably talked about low pressure tires, where they can, from the cab of the truck, inflate or deflate the tire on the semi, slow the speed down and do very little damage to roads.

So we're always constantly working with the industry on the things like this, simply because that seems to be the direction of abandonment.

Mr. D'Autremont: — Well thank you, Mr. Minister. You hit on one of the key points and that's the fact that as far as the railroads are concerned, they could haul all of the grain out of Saskatchewan using simply a main . . . one main line running through the middle of Saskatchewan and force everyone to haul their grain to that point.

And that would be their most efficient system, but it's certainly not the most efficient system for the farmer. For his total movement of grain from the farm gate to the port is not necessarily the most efficient system for the railroad. Because obviously if the railroad has to pick it up in Trossachs and ship it to Vancouver, it's not as efficient for them if they have to run a locomotive with three cars down to Trossachs from Weyburn.

So if you have to move all your grain and pick it up at Moose Jaw at the Elders terminal there or the Wheat Pool terminal — AgPro terminal — that's certainly a lot more efficient for CP (Canadian Pacific) or CN (Canadian National) if they have one unit and they just run it back and forth.

But, Mr. Minister, that's not the best for the farmer. Perhaps an alternative: because of the lack of competition between CN and CP because it's regulated, there's a fixed price for the movement of grain. If that was to be removed and the restriction placed on the movement of grain in Canada, and we were allowed to ship south down the Mississippi to New Orleans or out to the west coast through BN (Burlington Northern) to Seattle, I think it would open up competition which would benefit Saskatchewan farmers and indeed would benefit farmers in the north-western United States, because they're locked into a monopoly situation there with BN.

Their freight rates in actual fact are higher than our own are on hauling on BN because they have a monopoly system when you move from the western part of North Dakota through to Seattle. Further east in North Dakota you run into competition . . . than shipping down the Mississippi as well as BN going west. And that rate going south down the Mississippi I believe, as I mentioned earlier, is about \$4 less on rail than it is on barge even.

So there's a significant saving to be had by the shipper through

competition. And that's a competition mechanism we lack in this country because of the regulation in place, because of the agreements between the rail system on how grain is going to be handled. And I think we need to open that up, Mr. Minister, and that's a role that you can play and your government can play in providing a more efficient service to the farmers of Saskatchewan, to the producers of Saskatchewan, and indeed to the producers of all of Canada.

What means, what methods, what involvement, do you have in improving those efficiencies for farmers to ship in Saskatchewan?

Hon. Mr. Upshall: — I'm sure he'll be interested in it, and maybe he might even sit down and read *Hansard* he might be so interested in it.

But the fact of the matter is that Burlington Northern, I'm told, through Montana, you know, it has access to . . . it's got the highest rates in the U.S. (United States). The only way that we're going to get competition in my estimation is for the federal government to legislate joint running rights. If you legislated joint running rights where each locomotive can go on each other's tracks . . . and this is a little ironic. Maybe I should ask my Liberal friends to . . . (inaudible interjection) . . . short-line too? Short-line locomotives joint running rights, sure. There's nothing wrong with that.

Maybe the Liberal friends should listen to this too because the irony of this whole situation is this. In power and telephone there's great deregulation, a great deregulation trend on in Ottawa, and so that point in time will come where we will not be able to use our own facilities like our telephone lines just for ourselves. Other companies will be able to come into this province shortly and they will be entitled to use our infrastructure. That's deregulation. It's power. It's telephone.

But when it comes to railroads, when CP won't let CN run on their lines, vice versa, well the federal Liberals just sort of close their ears to it. So it's deregulation when it's good for some, but no deregulation when it's not good for others. And I'm sure that the CP-CN lobby has a great lot to do with that. So that, in my estimation, is . . . and the other thing that we must ensure that we do is, you know, in this whole scheme of things as far as branch line abandonment goes, we must make sure that the farmer gets the biggest advantage, and that means, you know, things like keeping the Canadian Wheat Board so he can get that extra cash in his pocket.

Mr. D'Autremont: — Well, Mr. Minister, we have you convinced to be a free-marketer and to do away with subsidies. We have you convinced that restrictions placed on commercial interests is a bad thing, that it impedes profit. We still have to work on you a little bit more on this Canadian Wheat Board thing but we're prepared to do that this evening. But, Mr. Minister, I agree with you when it comes to running rights, that people should be able to purchase or have access to running rights on the rails, no matter who owns the rail. You simply pay a fee to run. You have somebody who is scheduling the routes so that there are no major conflicts, but that you have access to the system, to the rail bed system in its entirety.

And it's not as if CP has paid out of pocket for all of CP's road bed. A significant portion of that road bed, and the improvements to that road bed, were provided by the Government of Canada, and in actual fact we have probably put in, as taxpayers, enough money to own all of the CP rail bed.

So, Mr. Minister, I agree with you when it comes to the idea of running rights. I think that it shouldn't be just restricted to CN or CP. Short-line rails should also have access to the entire rail bed, and indeed, if you or I wanted to start up a railroad, we could capitalize it to the extent of purchasing locomotive power. We could lease cars from the producers who will hopefully buy them, or from other entities.

We should be able to enter into contracts to move grain with those kind of running rights — that the railroads simply become another means of transportation such as the highway system — the highway system today, where you can put trucks on the road, you buy a licence and away you go. You meet the regulations and the safety requirements and you're not impeded from commerce. That is the kind of system that I would like to see happen on the railroad.

Unfortunately, Mr. Minister, while you are moving towards our direction a little bit, we might have to shift a little bit further to the left. I know it bothers me and it probably bothers you, but to have running rights on the rail system for everyone may mean a shift in the ownership of the rail bed. I think that's something that should be looked at. I'm not sure how far we would want to go with that, but I think it's an idea that may have some value and should be explored to determine how much value it would have to the farmers and producers, and indeed not just agriculture producers, but mineral producers, lumber, anyone who ships on the rail, Mr. Minister.

That is an avenue that should be explored. Perhaps it is not of value, but I believe it is one of those things that we should look at because I think running rights would create a significant impact on transportation if everyone had access to that rail system, Mr. Minister.

Hon. Mr. Upshall: — Well I don't mind doing Department of Highways and Transportation estimates, but I'm not the official spokesman for that area, the area you're asking questions in, but I think that we have to work, say, from this province together with . . . and maybe some of our Liberal friends could stand up and give us their opinion on whether joint running rights would be . . . I'm sure the member would let you get up and tell us if you agree that joint running rights should be something that we, as a united House in Saskatchewan, should be asking the federal Liberal government to do.

I said Liberal and friends in the same sentence. Yes, that's an oxymoron, isn't it? But no, because I think it's important. I think it's important that we have full cooperation from all the people in this House. And so maybe when I sit down, you can do that.

As far as the competition and infrastructure, we can simply just keep working with the federal government. We keep lobbying them. I never, ever thought I'd hear myself say that we should

be looking at New Orleans . . . and I've gone through this thought process because it is an option. It is an option to go down to New Orleans, to take our grain to Winnipeg, because the rail line hooks up to the rail or barge system in the Mississippi and you go straight down the port. But the reality is . . . and that would put political pressure on the federal Liberal government to clean up their act, because there's a few more votes in Vancouver and Thunder Bay and east than there is in Saskatchewan. And sometimes you have to do this.

But the reality is that our grain probably would be moved last, a low priority in the whole scheme of things. And then if you've got the port problem, what facilities do you use?

Anyway, it's certainly an option worth looking at. I mean what about Churchill? Churchill, you've got 20, \$25 advantage, rate reduction. In this whole system of selling CN, and now the costs going up significantly, we have to make sure the federal government uses Churchill, and we have to apply pressure. And maybe that's something else the Liberal members could talk about — what they've done to talk to their federal counterparts about Churchill. So lots of efficiencies you have to build in the system. And look at the history.

John Payne, Central Western Railway of Alberta. I don't know if you know Mr. Payne or not. He had the first short-line in western Canada. First couple of years worked wonderfully well because he was still getting the federal subsidy. As soon as that ended, he's now running tourists up and down the line, which is great. I don't know if he's making a buck at it or not, but the fact of the matter is we've got to be very, very careful of what money we put into these infrastructures because they are tremendously expensive. And if it's up to the taxpayers of . . . 300,000 taxpayers in Saskatchewan to pay for this, I'm not sure that we can accomplish what we set out to accomplish in the first place.

The Chair: — Why is the member on her feet?

Ms. Draude: — With leave, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Ms. Draude: — Through you to the Assembly I take great pleasure introducing three very special people — Leanne, Jocelyn, and Leasa, who make our life not only bearable, but exciting in here. Welcome, girls.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Agriculture and Food Vote 1

Item 1

Mr. D'Autremont: — Thank you, Mr. Chairman. And I thought we were the only ones who couldn't stay away from

this place.

Mr. Minister, I think that there are a number of options available . . . (inaudible interjection) . . . I know the minister would like to get out of here but we have one or two more questions for him.

Mr. Minister, I know that there are some areas where we could be utilizing the rail service a little better, particularly heading down to New Orleans and the gulf coast. You look at the rail line running south from Steelman through Alcott, Saskatchewan, across the border. It would take about four or five miles of upgrading in that particular stretch to move from light steel to heavy steel, to have a significant piece of traffic available to move on that line to alleviate some of the pressure off the Soo line running through North Portal. Not a major upgrade — and yet would serve us right down to New Orleans if that was needed.

(1930)

So the options are there for us, and the opportunities. You mention the fellow in Alberta who is now running tourists up and down his rail line. Well the short-line south of Moose Jaw is still existing. I don't know what they may receive for financial support from government in any sense, but they're still existing and, as I mentioned, the one over at Simmie is still, I believe, working.

So there are people who are doing it. They're restricted, because of how the system is set up to work, on what they can haul and where they can haul it to, but if running rights were available, I'm sure that they would certainly run significant competition to CN or CP, who in their near-monopoly position — I believe oligarchy is the word for more than a single monopoly — under that system they don't have to become efficient. And now with the change to the Crow rate, another transportation means somewhat opening up at a slow pace, perhaps the rail line system will have to move into the 21st century. But until that really starts to get moving, I think we need to be looking at other means of transportation here.

The availability of trucks going south is an option, and that is why a number of the farmers are taking advantage of that opportunity, be it in the approved manner or not, because the transportation costs associated with movement of grain, farmers are looking for other options. They're looking at other opportunities for themselves to maximize their returns, and avoiding the excessive costs of rail transportation as provided by CN and CP is one of the reasons why they're doing that, Mr. Minister.

I'd like to move on to something else, though. We sent you over questions for globals. I'm not sure whether we received the answers to those or not. Can you please indicate whether you have?

Also we provided the House Leader with an additional set of questions that he was to pass on to all the departments for answering. The Minister of Finance indicated she would answer them, the Department of Highways was going to answer, and

three or four other departments that came through. There was 19 questions on this sheet. If you haven't got it, we will supply it to you, and if you can indicate . . . they have all agreed to supply the answers. The Minister of Finance looked them over very carefully and indicated that she had no problem in providing the answers in those areas, and as did the other ministers when they looked the questions over. So if you can indicate . . . give some indication on that, Mr. Minister.

Hon. Mr. Upshall: — The globals . . . I handed over the globals last time we did estimates. We are not familiar with the new questions that you have put forward to the House Leader. There must be some miscommunication here somewhere, but if you have a copy we will undertake to answer them in great detail.

Mr. D'Autremont: — Okay. Thank you, Mr. Minister. We'll get you a copy of them right away.

One of the questions that I have on there that I would like to ask directly though, deals with your deputy minister and any heads of department that may have CVA (Central Vehicle Agency) vehicles. Can you please indicate which ones are entitled to a CVA vehicle, which ones utilize a CVA vehicle, and which ones may be charging personal mileage?

Hon. Mr. Upshall: — At the executive level, there is just Dr. MacLaughlin, my deputy, and Crop Insurance — Doug Matthies from Crop Insurance that have CVAs.

Mr. D'Autremont: — Mr. Minister, they're the only ones entitled to them and are they both utilizing the CVA vehicles?

Hon. Mr. Upshall: — Yes, yes.

Mr. Boyd: — Thank you, Mr. Chairman. Mr. Minister, welcome to the officials. I wanted to speak with you a little bit this evening about the Canadian Wheat Board dual marketing and the whole debate surrounding that, Mr. Minister.

As you know, there has been numerous court cases surrounding the whole issue of dual marketing, things of that nature. You've made some fairly strong statements with respect to dual marketing and what you thought of the farmers who wanted to move outside of the Canadian Wheat Board jurisdiction to market grain themselves into the United States.

And I'm wondering whether, Mr. Minister, whether or not you regret any of the statements you made about the motives of the . . . or what you attributed the motives of the farmers who were looking for a better dollar for the grain that they grow themselves, put into the ground, pay for all of the inputs, make all of the payments on the machinery and the land and everything else, and then not have the opportunity to sell to the highest bidder as they see . . . I can't think . . . frankly, I don't know of very many parallels to that in any other area of the economy, and I'm just wondering if you can give us sort of your general overview as to what you see the . . . as to the debate surrounding the dual-marketing issue.

Hon. Mr. Upshall: — Well we went over this with your

colleague, but we'll go over it again. One of the nice things that I appreciate: at least I know where you stand. And I was encouraging my Liberal friends to get up and give us their position on the Wheat Board and dual marketing, but I haven't heard that yet. So maybe they'll take the opportunity to do that tonight.

So no, I stick by what I say. You don't set public policy by breaking the law.

An Hon. Member: — The law hasn't been broken.

Hon. Mr. Upshall: — Well why were they charged? You say the law hasn't been broken.

An Hon. Member: — They were acquitted.

Hon. Mr. Upshall: — On a technicality, and that loophole was fixed so that the law now states what it was intended to state earlier. That's fine. But the fact of the matter remains. And we can boil this all down. Why do you want to allow a handful of people — and this is what I talked about earlier; does their individual right take precedence over the collective rights — why do you want to let a handful of individuals break the law and destroy the Canadian Wheat Board that, by living proof, a study done by Kraft, Tyrchniewicz, and Furtan, show that we get a half a billion dollars a year premium?

An Hon. Member: — Fixed report.

Hon. Mr. Upshall: — Well he says, a fixed report. Well you can discredit these very well-known and well-respected ag economics professors, one from each province, if you wish. I don't think that you should do that though, because I think, because of their credibility, your credibility is diminished when you do that. Nevertheless, and you may want to listen to Mr. Carter out of the university of Berkeley. Fine. Mr. Carter changed his position from two years ago when he said the Wheat Board was a great tool for Prairie farmers, to today when he says no, it's not.

So it doesn't matter. The fact remains, why do you want to take \$500 million a year away from Saskatchewan farmers . . . or Prairie farmers?

Mr. Toth: — Thank you, Mr. Chairman. Mr. Minister, I'm not exactly sure where you're getting your \$500 million from. You talk about western producers having an extra \$500 million in their pocket because of the Canadian Wheat Board. The facts are, Mr. Minister, what was the Wheat Board doing when . . . or the Pool doing when the former minister, Charlie Mayer, took barley out of the . . . opened it up for dual marketing for awhile.

Where was the barley going? It was going across the border. Even the Pool was moving barley and grains into that American market. The fact was, Mr. Minister, where did that money go to? Did that money come back into the hands or the pockets of farmers? Or did it go into the hands of any of the grain companies moving it or even the Wheat Board?

And how much of that money is actually used for

administration and does the total amount come back to farmers? What you're telling us here to night is that every dollar that the Canadian Wheat Board derives in sales comes back into my pocket or the pockets of producers across this province.

Well I haven't really seen any report, any real opening of the books, by the Canadian Wheat Board to show exactly what comes back and what is used to run the administration of the Canadian Wheat Board.

It's interesting that the director of the Canadian Wheat Board and the office of the Canadian Wheat Board seems to be somewhat closed. They're more than willing to talk about opening of the books, but when you try to ask for everything, then you have a hard time trying to get to the bottom of what it's really costing to run the board.

And when you look at . . . I looked back about a month ago, Mr. Minister, and I found it very interesting. I believe it was *The Western Producer* had a headline which read: Canadian Wheat Board bumps initial prices in a matter of . . . I think it bumped the initial prices in a matter of about six weeks, three times. And the interesting part, Mr. Minister, was the fact that that was when some of the biggest debate was going on as farmers were trying to move their grain into the American market because there was a market available with a price much higher than what the Canadian Wheat Board was offering.

And the facts are that the producers I'm getting to know and talking to are not the individuals who were here in the '30s and the '40s when the Wheat Board began. And it's a fallacy to call it the Canadian Wheat Board because it basically deals with the Prairies, grain on the Prairies. It has nothing to do with Ontario and Quebec or even B.C. (British Columbia).

The facts are, Mr. Minister, what I am finding, is individuals and the younger generation of farmers are looking to become marketing agents themselves if you will. If they find a market, they want to have the ability to gain access to that market. The only thing the Canadian Wheat Board is doing, the only thing the Canadian Wheat Board is doing is marketing and trying to guarantee a product into the European or into the world market.

But the thing is, Mr. Minister, if the Canadian Wheat Board was doing its job, one would have to wonder, if there was a market available in the States right now, or if there's a market in a certain area of the world that's available, then you would think that the . . . if the Wheat Board is doing its job properly, it wouldn't be afraid of competition; it would be out there showing the competition that it can do the job as well or better than anybody else in the system.

And you can't blame a producer who's facing higher fuel costs, who's facing higher input costs to produce his crop, for looking at markets if he is getting . . . his take-home today is about four fifty on wheat and yet he can haul it across the border . . . In fact there's an ad — and I'm not exactly sure if I've got it with me right now — an ad that just came out the other day. There's a group in Ontario willing to pay nine dollars and I think it's 39 cents for thirteen five Canada western hard wheat. Now how come they're offering that — this group in Ontario?

There's a catch to that and the fact that I think, and I haven't . . . didn't call the number just to find out exactly all the details, but you know, a person sees that and says nine thirty-nine and I'm supposed to haul it down to the Sask Wheat Pool elevator or Cargill or United Grain Growers, and I'm going to get four fifty for that take-home right now. And eventually I might see five fifty by the time we're at the end of the crop year.

The thing is, Mr. Minister, what most producers and the younger generation of producers are looking at is, they're looking at the money in their pockets today. And I would suggest to you that maybe the Canadian Wheat Board has to be a little more forward, and when they're looking at markets . . . they're a marketing agent. If they're a marketing agent out there and they can see where the markets are going to be, they're already looking at what they can sell. They know what they've got for a product available. They're looking at what they can move into the world market. They're already negotiating deals as far as the price of that product they're going to move into the world market.

Then I think it's up to the Board to pass on some of that funding right now rather than waiting till into January and February, 18 months after a person has started putting grain in the bin. And that's one of the biggest concerns with producers — that with the board you wait so long for that final payment. And then at the end of the day, you look back and ask yourself: now did I get the best price for my products? So I think that's the one thing that the Canadian Wheat Board has to do.

Number one, it just can't stand up and say, I'm the best marketer. I'm the best agent to deal with your product. Prove it. Prove it. Let them get out and show me that they can offer . . . If I were to drive a truck across the line right now and get six seventy-five in my pocket for grain — and I'm just using that number because I'm not exactly sure what the deal is — then the Canadian Wheat Board, if that market is out there and that price is there, the Canadian Wheat Board should be able to say, here's what you've got today. As of a final payment, this is what we anticipate we will be able to . . . and we should meet that target because we're moving this amount of product into the market-place and here's what you should receive.

And I think, Mr. Minister, if the Canadian Wheat Board were to do that, if the Canadian Wheat Board kept their prices in line where the other prices are, there would be most of the producers out there would certainly be willing to take a solid look at what the board is doing.

(1945)

But what we've got today is a system whereby it doesn't matter what happens, many producers are really questioning the reality of how well the board is working for them. And a good example, Mr. Minister, was I believe somewhat 15 years ago. We had an annual meeting with Sask Wheat Pool, and the Pool delegate at that time was telling me — I was just a fairly new producer at that time, fairly new in the agriculture field — was trying to tell us that Sask Wheat Pool was doing the best job of any agency in the world to help us by giving us a product at a competitive price.

And I noticed around the room, as we were debating the issue . . . and the issue that came up was the issue of chemicals, Mr. Minister. And the facts were that right across the line — right across the track, pardon me — in our own little community, there was a \$10 difference on product.

And yet this Pool delegate was trying to tell us that he had a better product and that his product, at the end of the day, was going to cost us less because we're going to get a dividend sometime when we retire or if we may reach that age of 65. Well you try to tell a young person who's got a pile of bills that if he buys from the Pool, \$10 more than the competitor, that it's money in his pocket.

And that's the problem the Canadian Wheat Board is showing right now. It's not really showing to many young producers out there that they're actually being the best marketing agent. And I think that's the thing they need to work on — to show that they can be that marketing agent. And if you will, if you will, Mr. Minister, if the Wheat Board is not afraid of a dual-marketing system, why are they so staunchly opposed to it?

If they are doing their job as well as they are, a dual-marketing system won't hurt them because a dual-marketing system may not last, if they're doing the job and are the best marketing agent in this country for western . . . and let's talk western Canadian prairie wheat or prairie grains. It has nothing to do with the other parts.

If we're talking Canadian, include all Canadians. And then that miller in Ontario will be then getting access to my product at what I'm getting for it today. I won't have the option of being able to sell to him at nine thirty-nine.

So that's the concern out there, and that's what's happening in the system right now, Mr. Minister. People are looking at what they can get access to, the funds that they could put in their pockets. And if you will, the ones that I really hear opposed to it, the individuals or the individual producers I really hear opposed . . . or supporting the board, are the individual producers who do not want to take the time to look at some of the options. They do not want to become the marketing agents. So that's fine. Let them use the board.

But why not allow other producers, who through the technology that's available and can find ways and places to move their product, why not allow them the opportunity to get that dollar. And if they get a lesser dollar at the end of the day, that's not the board's problem. The board worked hard for those producers who supported them. That's a choice that they made.

Hon. Mr. Upshall: — Who are you trying to kid, though? This is a philosophical argument, and I know what your background is, and you cry about your political territory. That's fine. In an open-market system — and I said this today to your colleague — there is only one price. You know what that price is? It's the price that you get that day. That's the open-market system — one price. Fourteen years of sales were reviewed by three highly regarded professors from western Canada, and they said no, in the Wheat Board system there is not one price. There's more than one price because they proved that they were getting

a premium. They were getting a price higher than the street price on a consistent basis.

An Hon. Member: — And what are they concerned about?

Hon. Mr. Upshall: — Now he says, what are you concerned about. And here's the problem. And I don't know if I'll ever be able to explain it to you so that you'll understand it because none are as blind as those who do not want to see.

Anyway, the barley issue. Let's look at barley. We have a dual-marketing system in barley. Okay? Last December, Japan had an order of barley, and the Wheat Board couldn't fill the order. You know why? I know why, because people were sitting on the barley because the price was going up. And you know what? They had to fight and claw to get enough barley in to fill that order, and they filled it. But had they not filled that order, had they not filled that order, what would have happened was the Japanese would have said, you're not a reliable supplier any more. And you know the ironic part of this would be, when the price is going up, nobody wants the board. But when the price starts going down, you wait and see how many people will want to jump back onto the Wheat Board bus. Yes.

So therefore the dual marketing is the end of the Wheat Board simply because you can't control it.

And I just want to say one more thing, and I get lured in . . . I could make a great, hour speech on this thing. At least I think it's great. But when you talk about people wanting to market their own grain, give me a break. You're not going to market your own grain. Cargill, Bunge, Wheat Pool, somebody else is going to market it for you. You might market the odd load. You're not going to market your own grain.

And then you start looking at the basis . . . at the basis points to get your grain from your farm to the port position. They're exactly the same — exactly the same — except for one thing: profit. And it's natural. We live in a capitalist society. People who market your grain are going to charge you a fee for doing that, about 17 basis points for canola. And the Wheat Board system all goes back into the pooling system, back to the farmer's pocket.

But don't try to go around and tell the young people that they're going to be super heroes and market their own grain all over the world. I don't think it's going to happen. They got a system now where basically I can make an argument as zero, zero administration. Maybe I'll just go through that for you.

An Hon. Member: — Zero.

Hon. Mr. Upshall: — Right, here's why. And I said this to your colleague early today.

Two, three years ago, the federal government allowed the Wheat Board to buy paper instead of going to the banks for their \$6 billion; 5 to 6 billion that they use every year or on constant basis, okay. That interest rate on paper is much, much less. Now because the way the board is structured, when a country defaults on a loan, when a country can't pay their loan,

the board goes over and sits down with them and says, okay, we'll stretch it over a few more years but here's the interest rate. Here's the interest rate you're going to have to pay. Last year . . . I said 50 million just today, but I'm wrong, it was 57. Last year the difference between what the board bought its paper for and the interest they charge on default loan gained us, netted us, \$57 million.

The administration, total administration fee for the cost of the Wheat Board last year was \$43 million. Do you think that we would be able to do that, had we not had a Canadian Wheat Board arm's-length arm of government with a government guarantee on the \$6 billion so they could go get paper at a really cheap rate and make that kind of money?

You know I just don't understand. I know your philosophy, I know you have the right to lose money, but I don't know why you'd want to take everybody else down with you.

Mr. Boyd: — Thank you, Mr. Chairman. Mr. Minister, that's the most eloquent defence of the most indefensible thing you could ever see in this province.

The little statement you made about this interest thing — and whose money were they using in the first place? Whose money were they using in the first place? Whose money sits in an account for 18 months before they ever see one dime of it back in final payments? The Canadian Wheat Board.

And you could argue, I suppose, that the interest is accrued back to the account. But the fact of the matter is, Mr. Minister, no matter what you say about this argument, there are a number of farmers out there that will never believe you. There is a growing body of agriculture producers, and I would dare say it's, generally speaking, younger producers who've had experience in growing canola and marketing it themselves, and have had experience in growing speciality crops and marketing themselves, and all of those kinds of things, and they're not afraid of this big, bad market-place that you like to present all the time, Mr. Minister.

There's no other parallel. Is there such a thing as a Canadian car board that tells automobile dealers how to sell their cars? Or is there one that deals with equipment for farmers or chemicals for farmers or anything like that? There aren't parallels in the economy.

In fact when you talk to business writers or business people around the world or in this province even, Mr. Minister, that aren't familiar with agriculture and you explain it to them, they're astounded that anyone would subscribe to that sort of method of marketing their product. They just don't buy it.

And you stand and you say, well you have a study and the Canadian Wheat Board commissioned a study that supports your argument because they looked at the information, all that sort of stuff. Well we have a study here as well that says the exact opposite.

I don't know where the truth is in it all, Mr. Minister, but I suspect it's sort of somewhere halfway in between. It's not the

Canadian Wheat Board's study, and it's probably not the Carter-Loynes study either. But that isn't the issue, Mr. Minister.

The issue is, should producers have the opportunity and the right to sell a product that they put all of the inputs into, all of the costs, all the blood, sweat and tears into it themselves, or should they be obligated to sell it through an agency that they may or may not support? That's what it comes down to — the fundamental argument of should they be able to sell their product themselves, or should they be forced to go through something that they may or may not support. That's the argument, I think, and the bottom line.

And if you want to cloud the issue with whether or not they're going to get more from the Canadian Wheat Board or more from the free market, you can do that. But the fundamental argument should be, should I as a producer have the right to be able to market my own product, or shouldn't I? We think you should.

We don't think that that means the elimination of the Canadian Wheat Board. I have never advocated the elimination of the Wheat Board. I think there should be a dual market. I think there's a growing body of support for that view as well.

And the reason why it can work, Mr. Minister, is because I think farmers want it to work. I think all farmers want that dual-marketing system, if it were to come into place, to work the way it should work. You have a contracting program right now that the Canadian Wheat Board runs. If they can still source the grain through that contracting program, they still will have opportunity to market grain.

So if you go to the large number of producers out there like the member from Saskatoon wherever, Northwest, who's a strong supporter . . . (inaudible interjection) . . . Used to be a farmer but I don't know whether he is any more or not. He's a strong supporter. He's a strong supporter of the Canadian Wheat Board. And I know that. Good friend. If he wants to support the Canadian Wheat Board, he contracts 100 per cent of his production to the Canadian Wheat Board; 100 per cent is contracted to the Canadian Wheat Board.

I may not have as much confidence in the Canadian Wheat Board as he does, so I only contract 50 per cent of my production to the Canadian Wheat Board and decide that I'm going to use 50 per cent on the open market. So then if I don't comply with my contract, you put the penalties in place that force me to comply. What would be wrong with that?

Or give me a time frame that I have to operate in. If I'm going to operate outside the Canadian Wheat Board on half my production, I have to operate entirely outside of the Canadian Wheat Board. Same thing. You have the opportunity . . . the Wheat Board knows exactly the amount that's contracted to them and what isn't contracted to them. I think those type of opportunities, that type of system, can work. And I think that the Canadian Wheat Board and you, Mr. Minister, and your department should be thinking about how it can make it work.

I wonder, Mr. Minister, if that is something that your

department doing. Or are you just steadfast in saying we are not going to allow this to happen no matter what? Or is your department actually looking at whether or not it can work or not? Are you spending one iota of energy and time looking at whether the system . . . and how it can work, or are you just devoting all of your energies, as I think you are up to this point anyway, to saying no, no, no to the farmers of Saskatchewan who want outside of that system?

And I would make the prediction, Mr. Minister, that you're going to see it happen whether you like it or not. So you might as well accept it. You might as well look at ways to address this situation. You might as well, because the farmers, I think, will prevail in the end.

Because it seems to me that as the markets are shifting, as the global deregulation is happening all over — global competition — there are more and more producers who say, I think I have to take more control over the marketing decisions that I'm making to work in the best interests of myself, to win or to lose on my own and not have someone else make those decisions for me.

And I think, Mr. Minister, that's what you're seeing. That's what's happening around Saskatchewan more and more. Five years ago you couldn't get a good debate going on this thing hardly, probably because there was strong opposition to it. You know yourself that it's shifting out there, and it's shifting quicker than I would have imagined, and I most certainly think, shifting faster than you would have imagined as well.

When you go into the coffee shops on the western side of this province or into the southern part of this province, it's moving extremely quickly. And I think before long you're going to have an absolute mass protest. You may see a thousand trucks in a convoy pass through into the United States at some point.

(2000)

You may see that, Mr. Minister. And I think what will happen at that point, it will become a national question then. You will see the news writers, the news columnists all over this country, looking at this with a critical eye because they are not, I believe, supporters of a system that people may or may not want any longer. You can't deny people the freedom to do what they want with the products that they grow, I don't believe, any longer, Mr. Minister.

And they . . . and if you are of that view, and I know you are, I think it is just a sort of a paternal instinct that says I know better than the farmer out there knows. And I don't think that that's acceptable, Mr. Minister. I don't think the farmers want you to decide what is best for them any longer. I think they want the opportunity to make that decision for themselves.

I don't think that you do know better in all cases than what they do, or your department for that matter, or the study that you and the Canadian Wheat Board like to trumpet. I don't think the farmers, a lot of them out there, care one iota about what that study says, because the final question in their mind is, should I have the right to market the product that I grow myself or shouldn't I. That's what the question comes down to.

And if you believe that the rights of the majority should be able to stampede over the rights of the minority . . . and in this case I think it's shifting from minority to majority, rather slowing mind you, but it's picking up steam. But I think at some point it will be . . . at some point it will be at the stage where you won't be able to stop it even if you want to.

I think that stage is rapidly approaching, Mr. Minister. I think you're going to see in the not too distant future, by July 1 perhaps, the Alberta government's going to move on this issue. They are going to challenge the Canadian Wheat Board monopoly. They are likely going to challenge it by looking at a product movement into Mexico. They are likely going to challenge it by saying we are going to purchase the grain from the farmers of Alberta, we are going to sell it back to them outside of this country or the Canadian Wheat Board jurisdiction, either into United States or into Mexico.

And at that point, then the producers of this country are going to have to decide, and the governments, more importantly, of this country are going to have to decide, is this the question, the fundamental question, or should farmers not have that right. And I don't think you're going to win on it any longer, Mr. Minister. I think if it went to a charter case, went to the Supreme Court, I think you'd lose on it. And I think that's why. I think . . .

An Hon. Member: — Go for it.

Mr. Boyd: — Go for it, yes. Well we would ask you to go for it. Why don't you make a reference to the Supreme Court if you're so confident of your position, Mr. Minister. We would challenge you. Go for it is right.

You're telling me to go for it. I'm not in a position to go for anything. You're in a position to go for it. You're in a position to make some decisions about this, Mr. Minister. You're the one that has the opportunity to stand up and say, all right, we'll take this to the Supreme Court. We will see whether or not farmers should have the right to market their own product or not.

And all of the paternal people over on your side with the smug look on their face, that want to have it exactly the way it is, can do whatever they like. But the fact of the matter is, is at that the end of day I think the farmers will overrule you. And they'll overrule me. They'll overrule this legislature because they'll take it in their own hands, and I think that's exactly what we're seeing at this point.

But I guess in . . . I just wonder, Mr. Minister — and I want to pose this question to you before I take my seat — is your department making any attempt to look at whether or not the system can work, a dual-marketing system, or are you spending all of your energies, all of your energies, just saying no, no, no.

Hon. Mr. Upshall: — No, we're not spending all our energy saying no, no, no. I've looked at it many times, discussed it with the department and talked about it. And I know we have an agreement, I think, to go to Health estimates at 8 o'clock so I'll just pick a short comment.

But one of the things . . .

An Hon. Member: — No, I might not let you off that easy.

Hon. Mr. Upshall: — Well that's fine, the day is long and the pay is sure, at least for a couple of more years. One of the things that where you're fundamentally wrong — fundamentally wrong — is that you're misleading the people into thinking that a dual market, the board can still sustain itself. You can't do it.

An Hon. Member: — Why?

Hon. Mr. Upshall: — The barley issue is a . . . Why?

An Hon. Member: — Yes, why.

Hon. Mr. Upshall: — Because when the prices are escalating and you've got an option of some few niche markets around, the price is going up, and the board has a sale to Japan of so many million tonnes — okay — then that board can't fill that supply to Japan because people . . .

An Hon. Member: — If they have a contract with producers, they required them to deliver their grain, yes they can.

Hon. Mr. Upshall: — No, no. The next thing . . . you've got a situation even now where there's contracts being broken and they have a terrible time enforcing those contracts.

But the fact of the matter is you want the board gone; I want it to stay. You want it gone; I want it to stay.

I will fight you tooth and nail on this floor, inside and outside of this building, because I believe the collective rights of people to make \$500 million a year more than they would have at the street price, is something that's worth fighting for. The individual right in this case takes less precedence than the right of the collective.

And I believe that and I will work for that.

Hon. Mr. Lingenfelter: — Mr. Chairman, I move the committee report progress.

**General Revenue Fund
Health
Vote 32**

The Chair: — I would ask the minister to introduce his officials, please.

Hon. Mr. Cline: — Thank you, Mr. Deputy Speaker. With me is Mr. Duane Adams, immediately to my left. He's the deputy minister of Health. And beside him to his left is Kathy Langlois, who's the executive director of finance and management services. Directly behind me is Glenda Yeates, who is the senior associate deputy minister; and beside her, behind Mr. Adams, is Steve Petz, who is the associate deputy minister of Health.

Item 1

Mr. Toth: — Thank you, Mr. Chairman. Welcome to the minister and his officials. It's certainly a pleasure to have you back in the Assembly and to address some more questions regarding health care. In view of the fact that, Mr. Minister, my colleague attended a meeting in Kerrobert . . . and if it weren't for the fact that we had estimates here tonight, I'd be attending a meeting in Wolseley.

Meetings all across this province are springing up. And while a number of them were board-initiated to get information out, they've turned into very public meetings, meetings where people are beginning to really raise the concerns about the issues that are facing them on a daily basis, especially the decisions that are being thrown at people over the last few days. And I guess, if you will, one of the reasons I think we're still sitting in this Assembly is we realize that health districts would not be coming down . . . or indeed may have even been asked to hold off on the changes that they were going to have to make as a result of the reductions in the funding level that came from your department.

And I think, as my colleague the member from Kindersley mentioned last night, the people in Kindersley finally, finally realized who the real guilty person is and looked beyond the board that was facing them, and thanked the board for at least being open, but finally acknowledged the fact that if it wasn't for the Minister of Health, for the Premier, and for this government, the board wouldn't be left with the decisions that they're making.

And, Mr. Minister, we have seen and we are seeing on an ongoing basis, a continual reduction in services in the area of . . . or health services in this province. In fact I just received a letter today from an individual in the city of Regina, a letter that you may have in your office. Unfortunately I don't have it with me right now, but that individual wrote about her mother being taken to the General, quite ill; told by emergency staff, we have no room for you; sent her home. And about two months later when she'd gone back again because she really was ill and no one seemed to really acknowledge it, ill enough that staff at the General finally realized, some staff finally realized, and admitted her and started to take some tests, did some blood tests. But before the results came back, she had passed on. This lady, unfortunately, doesn't have a very sound view of the health system in the province of Saskatchewan. And it's what we do have, and I hear it on a continual basis, Mr. Minister.

And I guess, if you will, for the reductions that have been passed on or that individuals across this province have had to face, health districts and hospitals and care homes such as the Swift Current care home that is facing, possibly facing closure, although I don't know exactly . . . there's some discussions taking place right now. But what we're finding, Mr. Minister, is more and more people are becoming more and more annoyed at what's taking place, and the results are that people are finally taking the time to show up at meetings to try and get some information.

The unfortunate part is, up until now, most of the times they

followed the lead you set in this Legislative Assembly and they've been blaming the boards. But the boards have finally helped them to realize that the decisions that they've been left with . . . and I talked with a board member just the other day who shared with me what they were going to have to do in their health district, and shared how they were going to have to cut the number of acute care beds in that district, and how they were going to have cut some of the other services. And hopefully they were going to have a little bit left to offer the residents.

And his comment was, I'd really appreciate it if you would not say anything about what's taking place until we get a chance to meet with our local people and let them know what we've had to do as a result of the cuts that have come our way and the decisions that were forced upon us by a government — a government that he even acknowledged and admitted that he'd never voted for any other party in his life, but the one in front of us. And his comment as I was leaving, once we've released the information, I don't care what you do with it, but I'm getting somewhat tired of having always had to bear the brunt of the concern of people. And I think it's time the anger that the public have regarding the health system really is focused towards the top of the health care system, which means it falls at your feet, Mr. Minister.

So, Mr. Minister, how many acute care beds, as a result of your funding cuts, have been cut throughout the province of Saskatchewan in the last few days as district boards have had to deal with the level of funding and how they're going to meet that funding level?

Hon. Mr. Cline: — I thank the member for the question. The member has raised a number of points. Let me say that one of the things that bothers me about what the member says is that he repeatedly says that I somehow want to blame the health districts for the decisions they make. And I have said to the member repeatedly that I do not blame the health districts for the decisions they make.

I think what the member wants to say to me is, Mr. Minister, you have to accept responsibility for what's going on. And I will say to the member very clearly, right now, just to get this out of the way, I accept responsibility. And if it makes the member happy and his party happy to say, Mr. Minister, everything that is going on in the province is your fault; you're to blame, the member can say that and I'm not even going to get into an argument with the member about that. If that makes the member feel good and helps him sleep at night, that's just fine with me.

(2015)

But I want to say to the member that if he wants to live in the real world, then what he should do, in addition to blaming me and placing all the blame for every problem in the health care system on me, is to acknowledge this: that first of all — I know that I've said this many times — but the reality is, the federal government has imposed upon, not only this province but every province in Canada, the biggest unilateral cut to health care spending in the history of our country.

The reality is, Mr. Chair, and I say to the member, that this year the federal Liberals took out of our health care spending for Saskatchewan, \$47 million. The reality is, on April 1, 1997 they will take out \$100 million, and that money has to be made up by us. The truth is, if the member would acknowledge it — which I'm sure he will not — is that we put in an extra \$47 million in provincial funding into the health care system this year. The truth is we have committed to put in \$100 million extra provincial funding into the health care system next year.

But I say to the member that the world is changing. And I agree with the member that it makes people frustrated, it makes them angry. If they want to blame someone and they want to blame me, that's fine, they can do that.

But why are we facing change? We're facing change because the federal Liberals are taking money out of health care — everybody knows that. There's change because we pay \$860 million, every year, interest on the debt that that member's party ran up while they were in office for 9 years.

It's changing because people make different choices; they choose sometimes to get their health care services outside of their own communities. It's changing because medical technology has changed, Mr. Speaker . . . or Mr. Deputy Speaker . . . or Mr. Chair.

It's changing because you used to go into the hospital for long periods of time. That's not true any more. Now we have laser surgery, arthroscopic surgery, laparoscopic surgery, and people are on their feet and out of the hospital much more quickly. That's why we have fewer beds. But we're going to have the right number of beds to meet peoples' needs; that's what we need to do. And we're going to have the right number of nursing home beds too.

I want to say to the member, who says that services are getting less, I would argue that there's a broader range of services available to people today. And I want to tell the member that one of the things we're doing — and the member asks the right question because he says you're taking money out of hospital beds, and that's true because we need fewer hospital beds — that's what we're doing.

But we're putting more money into new services that people have never had before. Services like home care in support of independent living, day programs for seniors, expanded physical therapy, expanded occupational therapy, more counselling for mental health, alcohol and drug abuse, than ever before; health education, respite care, home intravenous programs, better prevention services like milk nutritional supplements to expectant mothers instead of just using hospitals afterwards to care for low-weight babies.

And I could go on, Mr. Chair, and I support that because that's what we should be doing in the health care system. We should not just be looking at how many people can we put into hospital beds, how many people can we put into nursing homes. We should be looking at how many people can we keep healthy and independent and active in their own communities. That's what a real good health care system would do.

The member doesn't share that vision. The member wants to cling to the past — a past that is changing, not just here, Mr. Chair, but everywhere in Canada.

In answer to the final question the member asked, I would say to the member that in the last while I believe the number of acute care beds that have been reduced are approximately 30 in Regina; 6 in Canora; 4 in Kamsack; and 4.5 in Wilkie; for a total of about 44.5 is my information.

The Chair: — Why is the member on his feet?

Hon. Mr. Upshall: — With leave, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Upshall: — Thank you, Mr. Chair. Tonight — I would not normally introduce one of my staff people — but in the Speaker's gallery is one of my MAs, (ministerial assistant), Sheila Stensrud. And I'm introducing Sheila because she has brought her young son, Tyler, with her tonight to watch the proceedings and introduce him to a little dose of politics in the legislature. So let's welcome Tyler to the legislature.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Health Vote 32

Item 1

Mr. Toth: — Thank you, Mr. Chairman, Mr. Minister, and welcome, Tyler, to the legislature this evening.

Mr. Minister, when I talk about the blame or the focus being put on district health boards, you'll have to admit that every time we've raised a question, even yesterday when I raised the question about the Wilkie Hospital, and the Wilkie care home, you stood up in this Assembly and you said, well that's a board decision and what they do is their business. The reason the board had to make that decision was because your department cut the funding.

So I guess if you will, Mr. Minister, maybe you're going to have to find another way of responding to the questions so that the boards aren't always dragged into it. It was their decision. The way you've presented the responses on many occasions has been on the basis of the board made the decision and you had nothing to do with it. And the realities are, a number of the boards right now are finding that they're just being upfront with the people they deal with and saying, as they go around . . . and you gave us a list of a number of acute care beds. I do happen to know that there are some in my area that are being cut out of the system, and I guess you probably don't have all the information from all the districts as to the reductions and acute care beds that are being cut out of the system to date.

We would trust and ask, Mr. Minister, that when you finally receive the report that each one of the boards is going to be sending to you as to how they are meeting their goals this year and how they've had to address their reductions in funding as . . . I would ask, Mr. Minister, that you take time to indeed send to our office a copy of all the proposals put forward by the boards and the reductions in the services that have taken place in their district, including the number of acute care beds that have been cut, the number of hospitals that have been closed, the number of heavy care beds that have been reduced in the system.

And you talk, Mr. Minister, about some of the services that have been increased, and I would like to suggest to you, Mr. Minister, that there are people around who . . . while you talk about increasing services, especially in home care, I run into many people who really feel that home care does not provide the basic need that they are feeling right now in the health care system. And in many cases, they find it very difficult to get any help because even home care in many of the districts . . . and I'm not saying all because I'm not sure of all of them. But I do know a number of districts are having difficulty with the load that's being offloaded on them and, with the increased attention to try and providing more of the care at home, are finding that they still do not have — even with the minor increase in home care funding that you've provided today — they do not have the ability to meet the demand in their districts regarding home care services.

So, Mr. Minister, yes, we can talk about the program, home care program. We can talk about, well it is serving individuals. Unfortunately there are individuals who are continually falling through the cracks, and there are families being left trying to cope with heavy care family members, and they're trying to run their everyday lives, and it's becoming a heavy burden on them. And that in itself, Mr. Minister, creates another added burden to the health care system.

Mr. Minister, you talked about the fact that the reason some of the decisions were made was because of a reduction in the amount of funding from the federal government — from the federal Liberal government. You talked about the fact that a reduction was made because of \$837 million in interest.

And I find it very interesting, Mr. Minister, that it's the result of a government of the 1980s that created that debt. You obviously should have been listening this afternoon when we were discussing agriculture with the Minister of Agriculture. I suppose you were one of the individuals working in the law firm of the day that put the package together to go to the New York banks to borrow all the money to buy the land bank land in this province at the high interest rates, interest rates which were four times what they're at today, three times for government.

And it's Grant Devine and the Conservatives who are at fault for having that debt load put on them or the fact that money was borrowed to buy potash mines when, as Mr. Johnson pointed out, the \$50 million dividend from CIC (Crown Investments Corporation of Saskatchewan) to general revenue this year . . . once one dividend payment in the last . . . I think

this is the second time in the last four years there's been a dividend out of CIC, and yet all the other large companies, the private companies and the oil companies, put in over 220 million.

It would . . . one has to wonder what was going through the minds of the NDP (New Democratic Party) of the 1970s when they felt they had to own land. Number one, they had to own land. Number two, they even had to go out and borrowed the money, and then they competed with the producers who were struggling to survive, pushing the price of land up. The other thing is buying potash mines. Why in the world would you do that?

And there's so many other things we can get into. In fact, Mr. Minister, I've got information that just shows that that land bank land cost the former government dearly, all those years, because of the fact that it didn't derive . . . under the agreement that had been drawn up with land bank tenants, there wasn't enough revenue derived on an annual basis to pay the interest rate. And the government had to go to the Saskatchewan Heritage Fund just to make sure that they could pay the interest and basically drew the same amount as they were getting in revenue.

So I guess we can stand here philosophically and argue about where the debt is. If you were anywhere a gentleman like the Minister of Economic Development, you would acknowledge that a substantial amount of the interest payments that you're paying today are as result of NDP policy in the '70s and some of that policy even in the '80s. But that doesn't really help us in regards to meeting the needs of people tonight in regards to health care.

Mr. Minister, the thing that . . . when we look at services, and you look at . . . well you talk about the reductions in health care funding from the federal government; one still has to ask — we were talking with the Minister of Highways last night — one still has to ask that, with all the reductions that have taken place, with the number of hospitals that have closed down, with the number of acute beds, care beds that have closed over the past number of years, the number of beds that have been closed in heavy care situations, why are we still spending \$1.6 billion in health care? The Minister of Highways can stand up and say, here's what I've done; I have cut back; I've been asked to cut back. My budget was over 300 million; it's just over 200 million now. He has something to show for the fact that there were cuts made in his department, actual reductions.

And yet in the Department of Health, for all the reductions in services that have taken place, the fact that the drug deductible — which was outrageous — at \$135 a year is now over \$1,700, and all of these factors included, Mr. Minister, you would think with all that money that's available to you, the fact that you've cut all these services, there should have been at least a reduction on the top line . . . or the bottom line if you will, in health care spending. If we were spending almost 1.6 in 1991, with all these reductions, how come we're still spending 1.6 today?

I could buy your argument if you had . . . because you had

made choices to cut hospitals and close hospitals; because you had made choices to close acute care beds; because you had made choices to close heavy care beds, Mr. Minister; because you had made a choice to gradually phase out the Plains Health Centre: I could buy it if, through all those closures, we had seen a reduction from 1.6 to — I'm throwing a number out — maybe \$1.3 billion in spending in health care.

Most people would say, if you're cutting out all these services, there should be something that shows the bottom line is actually cut back. Unfortunately it isn't. One has to ask, well where is all that money going? And certainly we're going to get into debate in a few other areas. The Whitespruce Youth Treatment Centre, we'll get to address that in a few minutes. And there's so many other areas.

So, Mr. Minister, the question I have for you, as a result of all the decisions to cut funding, cut expenditures, why haven't we seen a reduction on the bottom line in spending in health care in this province?

(2030)

Hon. Mr. Cline: — Mr. Chair, I think that's the most important question the member could ask. We have never said that there has been a cut in health care spending. I've stood repeatedly in this House and said to the members opposite, we have not cut health care spending. Let me repeat that. We have not cut health care spending. In fact this year, we the province, the people of Saskatchewan, are spending \$47 million more of provincial money on health care than we did before, as a result of the federal Liberal cut-backs.

The member says, well if you've reduced spending on hospital beds and some hospitals have been converted to health centres, then why is it that we're not spending less? We have always said the same thing to the members over there, Mr. Chair, which is this. We have taken \$44 million out of spending on hospital beds, most of which were empty in the last number of years.

I'll repeat that for the member. We have taken \$44 million out of spending on empty hospital beds.

The member says, why aren't we spending less money? Because we have taken that money and shifted it. We haven't cut spending; we've shifted spending to other areas. We're spending \$10 million more on nursing home care than we did before. And we're spending \$47 million more on community- and home-based care.

So the member says, why hasn't spending gone down? It's because the money we took out of funding hospital beds, which were largely used quite inefficiently, was taken out, put into nursing homes and to community-based care and home care. That's where the money went.

It wasn't our intention to cut health care spending. We have not done that. Our intention was to spend in different ways. I might say for the member's information and the House, I noticed a small article in *The Globe and Mail* yesterday, very short. And

it says:

Statistics Canada reports that the average stay in hospital dropped to 11.4 days in '94-95 — down three full days from the peak reported seven years earlier.

So hospital stays are much shorter.

Public hospital operating expenses continued to decline . . .

And then they give the numbers. But they say down 9 per cent in that two-year period, '92 to '94.

So I say to the member that what has happened in Saskatchewan is not unique. People go to the hospital for shorter periods of time; techniques have changed; people like to go to larger centres for some surgical techniques. This is a national trend and indeed it's an international trend.

So the hospital system has changed. But I say to the member, if he's wondering where these cuts have gone and where the money has gone, we have always said to the member the same thing and I say it again. Yes, we've taken some money out of empty hospital beds, about 44 million. We put more money into long-term care, community care, and home care, so that in the home care area, for example, funding increased by nearly 50 million between '92 and this year.

And the services delivered to people increased by 38 per cent, to service 5,000 more people than before, in their homes. Many other services were added. But I say to the member, this is what we've done.

When we've cut spending on hospitals, we've put the spending into other areas. If your vision of a health care system is that it should consist only of hospitals and nursing home beds, then the member and this government have a disagreement, because the member would say, never take money out of hospitals and nursing homes and put it into community care and home-based care.

If however, like many progressive people in our society, many health care professionals and commentators from around the world, you believe that a health care system should be more than taking care of people when they're sick or infirm, but should go out in the community to encourage them to stay well and to provide community services and let them be independent in their homes, then you support what we're doing.

But it does very much depend upon whether you have a contemporary vision of what health care should do and whether you're forward-looking, or whether you only look to the past. And of course if you belong to the Conservative Party, you tend to look to the past even though the relatively recent past for the Conservative Party is not all that glorious.

Mr. Toth: — I find that very interesting, Mr. Minister, because I know a number of your colleagues who are sitting in this Assembly would sit here and on a daily basis drag in individuals into the debate and complain bitterly about any reductions in health care spending as far as hospital beds, acute

care beds, or indeed heavy care beds.

And for you to stand here and smugly tell me that I'm trying to tell you to spend more on acute care funding or on heavy care funding, Mr. Minister, is just somewhat ludicrous.

You know exactly where Ms. Simard was as an opposition member. You know exactly where the Minister of Economic Development was as an opposition member. Or the Minister of Labour and some of your other colleagues, you know exactly where they stood. And while the government of the '80s even made some deliberate attempts to cut expenditures . . . or not necessarily cut expenditures but try to address the funding and how it should be put directly into services, there were hue and cries when your colleagues were on this side of the House about how people's lives were being disrupted because of the choices that were being made in those days.

And, Mr. Minister, while you talk about, you talk about empty beds, Mr. Minister, if you would have followed the debate, even in the past, when I was on the government side of the House, you will never have heard me say that we should maintain the bed structure that we had. But I certainly didn't come out and say that we physically pull a bed out of a room simply because it isn't being utilized today.

I think we needed to look, Mr. Minister, at a system whereby it was recognized that the bed was physically being used . . . and I'll admit back in the '80s and in '70s and in the '60s, a lot of the funding was based on if you could keep your acute care bed numbers up. And so you always had to keep people physically in those beds so you could keep your daily census up because that's how the funding was allocated, and we needed to look at that. And there's no doubt about it.

But what we're finding today, Mr. Minister, there are still situations . . . because you physically remove a bed from a room doesn't necessarily mean that that facility may not at some time in the year, as a result of an epidemic that hits a community, find that they're in need of two or three or four more beds. And yet because it's physically in the room doesn't necessarily mean as well that it should be funded.

I think those are some of the things that needed to be looked at, and quite frankly a lot of people certainly agreed with that. People were wondering why are we . . . why would you put someone in a hospital who doesn't really need to be there other than because of the way funding was allocated at that time. There was a lot of that being done.

Mr. Minister, the problem on the other hand that we've experienced recently . . . and I bring to mind a situation where an individual had received an operation and was sent home and basically told to watch for certain signs, and I'm not exactly sure, wasn't really offered home care service, wasn't even offered the services of a local nurse to maybe just kind of check up. And as a result of a major infection that took place, that individual ended up back in the hospital for one whole month until they finally had the problem cleared up.

And, Mr. Minister, I'm just wondering how you can say that we

save money by sending that individual home and saying, well we got them out quicker, we got them out in a day and a half rather than . . . Maybe that person should have been in for three or four days to make sure there was proper observation and that there was proper healing taking place and that the person could go home without having a problem at the end of the day.

Because when you look at a month's stay in the hospital, to have maybe kept that patient in for two or three days extra at the front would have certainly meant a substantial saving. Because I don't think it's all that cheap to keep a person in a hospital bed for a period of a month as a result of complications that set in that may have been picked up immediately through observation and wouldn't have resulted in the extra care that was needed.

So, Mr. Minister, there were some things that needed to be addressed in the '80s, and even as a result of the changes in health care today, Mr. Minister, there are things and issues that need to be addressed today.

One of the things that needs to be addressed is do we always . . . or do we insist that a person be sent home immediately following day surgery. Are there procedures that maybe are a little more riskier or the type of procedure that was involved, that possibly there should be some flexibility in the system — not a directive going from the department — that allows a doctor and staff to determine whether or not the patient they have currently provided a service to should have a little more . . . an extended day or so, say, in the hospital, to make sure that they don't run into complications.

I wonder if, Mr. Minister, that shouldn't be in there. Because certainly if you don't do that, if there isn't some flexibility in the system, if there are more people like this one . . . and it's not just one; I've run into a number of cases. Certainly just up at the Plains Health Centre recently, I ran into another one where a person was back in the hospital for extended period of time.

And, Mr. Minister, what that does is, it actually takes real dollars out of providing a service for someone else who needs or may need some health care because of the fact that we've had to . . . and I don't know exactly what would have . . . why this situation would have been caused up front, whether it was the fact that the districts are feeling pressured by the department and the hospital staffs are feeling pressured by the districts to get a turnover or what.

But I think, Mr. Minister, this is something that needs to be addressed, because if you're talking of wellness, we certainly haven't treated people well who end up with major infections and end up back in a hospital in an acute care bed for an extended period of time.

So these are some of the concerns that are out there. And those are some of the concerns that need to be addressed as to how we fund them so that we're not just saying, here's the dollars, you can only have so many acute care beds, you can only provide a service . . . it's a number of the procedures are out-patient services that's . . . and you're going to have to do it this way. I think there needs to be some flexibility.

You also made the comment about the fact that the reason some of the costs are incurred and the reason more of the services are funded in the larger centres is because people choose to go there for the services. The realities are, a lot of the smaller communities do not have the services. They have general practitioners, but they can't get . . . very few operations in the smaller centres, Mr. Minister. So I'm not sure we can argue that a person had to come to a Regina or go to a Yorkton or to a Moose Jaw for a service and the reason they ended up there is because they chose to go there when the reason they had to go there is that was the closest place for that particular service.

So I think we need to be mindful of that fact, that people don't just go where the service is. They're not leaving their community looking for a service some place else. They're leaving their community because they've been referred on the basis of the fact that that service was not available in that community. So I think that's something that we need to bring to the forefront too so we don't get all concerned about the fact that . . . and people starting to believe well, you mean everybody's leaving their local community because the service isn't available; you mean people are going to see general practitioners in the Regina's and Moose Jaw's of the world because they don't have them in some of these centres.

Mr. Minister, I think there again, you need to be somewhat careful in how you respond to some of the questions because you're leaving the impression with a lot of people that pretty well everybody is making a choice to go to the large centre. It was their choice versus the fact that that's the only place that they could receive the service.

So, Mr. Minister, I've thrown out a lot of things for you to chew on a little bit and maybe I'll just sit back for a minute and give you a chance to respond.

Hon. Mr. Cline: — Yes, well I'm very happy to respond, Mr. Chairman. The member raises some very good points.

I want to say to the member and the House that . . . the member says people will leave their community to get a service elsewhere because they can't get it at home, and that's true. Because sometimes, when we had many more hospitals than we have now, there would be no surgeon and no anesthetist in the hospital, which would make it very difficult for somebody to get surgery so they would go to another centre. And this did not occur only subsequent to health reform.

As the member probably knows, the biggest shift from smaller centres to larger centres to go to the hospital, access medical services, was actually prior to health reform, in the 1980s, when people began to go to larger centres in very big numbers. The number of surgeries done in smaller hospitals throughout the '80s went down by about 60 per cent I believe, and the number of births went down very substantially, prior even to the conversion of the 52 hospitals in '92.

(2045)

But the member is right, and I agree with the member that that's part of the problem we have to deal with. The pattern of choice

in going for medical services changes and the system has to adapt to that. And that's the point the member is making. I certainly agree with that point.

And when we adapt the system, it causes a lot of controversy because change is very difficult for people that work in the system, for people that don't feel secure about what's going on in their community. That happens, and I agree with the member that that is a process of change.

The member also raises a good point about, if somebody is released from the hospital too early and that causes them a problem, that's not a good thing. It does occasionally happen — the member is correct — and when that happens, to the extent that it happens, the system has failed.

But I want to say to the member that this is not a new matter, as the member will know. If you go back 10 years or 20 years or 30 years, this has always happened, that people are re-admitted because of a problem that arises.

One of the interesting things about health reform is that it doesn't take away from the fact that the member raises a legitimate problem if somebody's released too early. But the rate of re-admission has not gone up; in fact it's gone slightly down since health reform. Prior to . . . well in 1991-92, 14 per cent of patients were admitted to hospital again within 30 days of their discharge, compared to the latest figure for '94-95 is thirteen and a quarter per cent. So the number of re-admissions, I suppose if you have any within 30 days, is probably too high, but the number of re-admissions has not gone up under health reform. That doesn't mean that we shouldn't try to avoid any re-admissions whatsoever.

But I think as the member will also know, part of what the medical profession is telling us today — and things have changed a bit — is that if you have a heart attack for example, and you go into the hospital, they used to tell you to lie around in the hospital bed perhaps for several weeks. Now they don't. Now they say no, go home, be reasonably active, you'll probably get better sooner.

And also if they can get you out of the hospital — in general terms — instead of lying around, the medical people today, generally speaking, think that that is a healthy thing to do. And one of the problems with being in hospital is there are a lot of infectious diseases in hospital. One of the biggest problems people in hospital for a prolonged period of time have, is that they often get sick as a result of the fact that they are in the hospital, and they're exposed to various infections. And you don't want to keep people in the hospital longer than you have to. That's a trend around the world. It's certainly supported by the medical profession. It doesn't take away from the point the member is making, that don't release people too soon. But nevertheless, the reality is that all over the world, medical practice is that people are released much earlier.

Part of the reason too is changes in technology. If you get your gall bladder out, previously you would be laid up for several weeks and in the hospital. Now it's generally done laparoscopically. They put a few incisions in, take the gall

bladder out, and you might be on your feet in a few days, whereas before you might be in the hospital for several weeks. Those things have changed a great deal, and it changes the way hospitals operate.

But I want to say to the member too that, as he probably knows, even with the many fewer hospital beds that we have in Saskatchewan today . . . I think we have about 1,200 fewer hospital beds today than we did four or five years ago. In Regina, for example, I think they've gone down from about 1,100-and-some to 700-and-some, and it's the same in Saskatoon, because things have changed.

But the number of surgeries we do is the same as before. In other words the number of procedures performed on people or the number of people going into the hospital has not gone down even though the number of beds has gone down. People are going in for shorter periods of time, and often they're being cared for in their home and the rate of re-admission has not gone up.

So more people are actually served today by a smaller number of hospital beds. And I realize that the member is saying well some of these changes are very upsetting to communities that are affected by change. But I would say that this is not something that is unique to Saskatchewan.

I cited *The Globe and Mail* . . . or Statistics Canada study just a few minutes ago that says that across the country hospital spending has gone down about 9 per cent just in a two-year period. I'm not sure it's gone down that much in Saskatchewan actually because we have more than twice as many hospitals per capita as anywhere in the country.

But nevertheless, we are not immune to change. Technology changes, medical practices change, people's preferences change, population has shifted in the province, and we're not immune to change. But I acknowledge to the member that change can be difficult to cope with, certainly.

Mr. Toth: — Well that's quite true, Mr. Minister. The headline in the February 29 edition of the *Star-Phoenix* is:

Health-care employees traumatized: executive.

Four years after the province introduced its wellness model of health care, employees in the health-care system are still sick with fear, anger and resentment, says a senior executive with (the) Saskatoon District Health (Board).

And then further down it says:

Many of us have lived for four years with the idea that tomorrow we may be the one that's gone. People don't feel safe.

Just the other day I happened to come across a couple on another issue and found out that the wife was an employee in one of the health centres in this community, and as of August, I believe, her job is terminated.

So people certainly have been traumatized. While individuals who are wondering as to the level of service that will be available to them . . . and certainly in the rural communities more so than the larger urban centres, because of the fact that where you used to have a hospital down the street in your small community, you may not have access any more. Maybe it's a 15-minute trip or a 20-minute trip or, in some cases, it's up to an hour's trip.

And I guess the concern that really hits people's minds, when it comes to the availability of hospital care and medical care and acute care centre, is the fact that if you don't happen to have a small ambulance in your small community — or I shouldn't say small, just the word . . . use the word, ambulance — in your small community, even though it doesn't have an acute care facility, if you have to call an ambulance, you may be calling an ambulance that has to travel over some road conditions that certainly all that . . . aren't all that conducive to getting to the scene of a medical case as quickly and efficiently as possible, and then as a number of individuals and certainly nurses in the . . . nurses down in that Wawota area have been talking to me about having to ride with patients in the ambulance and respond, in one case, to an accident scene in the Wawota area.

Mr. Minister, the calls came in from nurses about the fact that it took what would have been normally about a 15- to 20-minute run for the Kipling ambulance to respond ended up 30 minutes because of road conditions. And so those are some major concerns to people in the rural areas.

And so people in the larger centres may feel fairly comfortable that even while the Plains Health Centre may be closing down a number of acute care beds and you're transferring them to other centres, they still have access to acute care facilities, whereas a Wawota or a Ponteix or some of these other communities, when they lose their facility, the feeling of really being looked after, the feeling of comfort and knowing that they are close to a facility, is a major concern to them.

So I'm just saying, Mr. Minister, that many people have been affected with the changes that have taken place. And I think part of the effect comes from the fact that, Mr. Minister — and a question I want to raise in just a moment — is the fact that while we talked about rationalizing the system, while we talked about reducing the number of administrative staff . . . and I think you've argued in the past that before the changes came we had an administrator responsible for the hospital in the community, we had an administrator responsible for the care home, we had an administrator responsible for home care. And in most cases the ambulances were tied in with the hospitals. In some cases there were separate ambulatory boards and they had a separate administrator. And I agree with you. And some changes were being made to address that.

And in fact prior to 1991, a number of communities had come to the point of amalgamating all their health boards into one board addressing health as a total concept in the community, and in a number of cases as well, had one administrator.

So they basically had cut down the cost, the administrative costs, substantially by eliminating maybe two administrative

positions. In most cases they did that through attrition as people left the community. So people themselves recognized that they needed to look at more efficient ways of providing the service.

But if I hear anything today, Mr. Minister, it's that we've made these larger districts, but have we cut back in the number of administrative positions. And I would like for you, Mr. Minister, to give me the number of administrative positions in all the health districts — 38 health districts across the province — and what I'm looking for is I'm looking for the administrators, the CEOs (chief executive officer). In some cases I see some districts have three or four administrative positions in their head offices, plus they have kind of directors of care, if you will, or persons responsible in the community for the different facilities.

I would like to know how many of these positions are there in the districts, including staff members in the offices, because those are some of the issues where people feel that the reductions have not taken place, and as a result there's been a reduction in the level of funding available to that district to put into services for people, whether it's in home care, whether it's in acute care facilities, or even in heavy care.

Hon. Mr. Cline: — Well thank you, Mr. Chair. I thank the member for the question. I think I'll deal with first the question about emergency access to health care then the administrative numbers question.

I agree with the member that what is important to have is a good feeling of security out there, that if you need to go to the hospital you're going to go there. But what I want to say to the member is that the interesting thing is that since health reform started and the conversion of the 52 hospitals into health centres, the number of people that go by ambulance to the larger centres like Regina, Saskatoon, Yorkton, Swift Current, and so on has not actually gone up, the reason being that if somebody on the farm or in a small town suffers a traumatic event and has to be taken somewhere by ambulance, they usually would be stabilized in the local community, perhaps in the small hospital but now maybe in the health centre, by a first responder and then taken to a larger centre.

So in one sense, in the situations the member's talking about, nothing has really changed. They always went to the larger centres anyway because those centres had surgeons and so on.

One of the things that has happened, thanks to a lot of volunteers and good people in all our communities, in the last number of years is the first responder program. And we now have about 1,200 first responders — but that number is growing every day — who will get out to their neighbours within a few minutes in the event of a heart attack or some trauma, and we never had that before.

And in many ways . . . because we have the same number of ambulances as before and we want to enhance the ambulance service to some extent. With the first responders, often people are attended to much more quickly than before, and it's an excellent program. Lives have been saved because of first responders.

And one of the things that has disappointed me in this session, actually, was to hear the member from Wood River, quite close to the beginning of the first session . . . of this session, I should say, up in the House on more than one occasion criticizing the first responders and saying that, what are you doing having untrained, volunteer people out attending to their neighbours? And that's very unfortunate because these people in fact do a very good job.

They are public-spirited, community minded people and they are saving lives. And because of them we have better emergency first response than we've had before. But I agree with the member when he says, as I think he's saying, what we need to do is ensure that we do have a good emergency first response system and get people to the place where they can get the help they need.

In answer to the member's question about administration, there is no question that the number of people in administration has been reduced quite a bit since health reform. These figures are not up to date, but between October '93 and '94, health districts outside of Regina and Saskatoon reduced in-scope positions — that is, usually union positions that the member was referring to in his question — by less than 3 per cent; and management positions were reduced by an average of just under 15 per cent. In Regina and Saskatoon, the in-scope positions were reduced about 5 per cent; management positions were reduced about 20 per cent. And the number of people, the Leader of the Third Party asks. Obviously with respect to the in-scope, unionized worker positions, would be a larger number than the management positions. But the number of managers in the system, on average across the province, is reduced by about 18 per cent.

(2100)

The number of people laid off is between 3 and 5 per cent across the province in the in-scope side, but what you must remember, Mr. Chair, about those positions, is those people usually are in a union subject to a collective agreement. They have recall rights. And most of the time they are recalled to work within, you know, a year — within the first year, actually.

So there is no doubt that the number of administrators we have today in the health care system is much lower than before for the reasons the member says, that with consolidation you don't need the same number of administrators. There has been some job loss. The job loss has been relatively small and one thing we lose sight of is that the job loss in health care is actually much less than many other sectors of our economy.

If you look at transportation, such as railways, or some of the mining sector, retail sector in some areas like department stores, they've had much bigger job losses than in the health care system. But health care assumes a much bigger profile in our community so we tend to think that's where all the jobs are lost. It isn't actually the fact.

Mr. Toth: — Well I thank you, Mr. Minister. Mr. Minister, I would like to have you, when you get the reports in, I would like to have, by district, an account of all the management

positions, the CEO (chief executive officer) positions, the administrative positions. And when I'm talking management positions, I'm not sure if some are called facilitator positions, but I do know that in the two districts that I happen to represent, a number of the individuals who were administrators have been moved into head office and put under different names as far as their positions of responsibility, such as a facilitator, coordinator or the . . . I just don't remember all the names offhand.

But in each one of the facilities as well, there's not just a director of care but an individual who's responsible to manage and run that facility outside of the district board. So, Mr. Minister, in order for us to get a better handle and a better idea of what is administration, of what is, if you will, the job force providing the service to individuals such as the nurses and the CNAs (certified nursing assistant) and all those other positions — not just the care-givers, but you've got your cleaning-up staff and all that, Mr. Minister, I'd like a breakdown so we can assess and basically determine whether or not there have been real changes, real reductions.

And so far, from some of the information I've received, it's been very difficult to really break it out as to what we have for administrative positions, what are management positions, and the different level of services that are being provided as administrative positions in the districts.

So, Mr. Minister, I'd certainly appreciate if you'd take the time to . . . whether you can do it tonight or take the time to break it out as each district gives you their annual report; so we can see exactly where the money expenditures are going and how much money is going into direct acute care, how much money is going into heavy care, how much money is going into home care and the other services that may be provided in the district.

Hon. Mr. Cline: — Well I'd be happy to give you the latest numbers that I have. They come from the Saskatchewan Association of Health Organizations, I believe, and they are only up to October '94. I don't know that they have statistics going beyond that although presumably shortly they will.

But in any event these are by district and they give you the number of in-scope employees prior to October 1, '93 and as of October 1, '94 which was subsequent to the conversions and the major lay-offs.

And they show that the number of in-scope employees went down by about 2.93 per cent, and the number of management employees — the numbers for each district are here — went down by about 15 per cent. And then the figures in Saskatoon and Regina that I referred to before are here as well. So if it would be useful for you to have these, I'll certainly ask one of the pages to get a photocopy because we only have one copy, and we'll send a copy over to you.

Mr. Toth: — Mr. Minister, does that break it down by clerical staff as well? Like individual . . . and so basically the information you're giving me is just saying either union or non-union but it doesn't necessarily say whether you're the CEO of the district, whether you're the facilities manager, or

the person managing the medical staff and these positions, or you're a secretarial position in head office or a receptionist in the hospital. There is no real breakdown on that basis in what you're giving me.

Hon. Mr. Cline: — That's right. We don't keep those statistics. Those statistics would be kept at the local level, but they're not kept at the departmental level. And I think, never have been, basically.

Mr. Toth: — Well, Mr. Minister, I would certainly appreciate if that information was available. And I'm not exactly sure when you expect . . . or when the districts are supposed to have their annual reports in for the year. I think you mentioned this is for '94-95. I would anticipate that before long there should be reports coming in for the year '95-96. And I would ask, Mr. Minister, that your department take the time and that you have each district itemize, not just put it by unionized or non-unionized employee, but have your department indicate the levels of staffing in each district based on the administrative position, the clerical positions, and certainly the staffing positions as far as nurses or CNAs, and the other staffing within the district.

That's the only way, Mr. Minister, we're really going to know whether or not there have been some major changes. Because the numbers that you've just passed over to me may look like there's been some changes, but a number of those position may have moved into a higher level of remuneration for a service.

The districts may have just generated and created, instead of a nurse on the floor . . . they may have an administrative position that would possibly draw a higher remuneration, which means while there's been a reduction on the floor-service level in order to maintain the dollars, there's no way for us to really determine where the monies are going. And that's a major concern. And I would ask of you, Mr. Minister, that you make a requirement that you ask for this, if you will. If it's available at the local level it should be available to you.

I think your department would want to know as well that the dollars that you're allocating to the districts are going, as much as is possible, to direct patient services versus more administrative levels of service. And if all you've got is the union and non-union, it really doesn't give you, I don't believe, a fair idea of how the funds are being allocated and spent in that district. So I'm wondering, Mr. Minister, if you could make a commitment to get us that information, please.

Hon. Mr. Cline: — No, I'm not prepared to make that commitment, Mr. Chair, just because it would be quite expensive actually for the department to compile that information. But what I will do is — while not making a commitment to get the information in that level of detail because of the expense that it would involve getting the information at a time when we're trying to cut down on administrative expense in the department, and we've reduced the staff at the department quite substantially, and cut down on our administrative expenses by 10 per cent . . . but that sort of information is available from each district if the member wishes to pursue it.

I will say this to the member. That I'm advised by the department that the amount of money spent on administration in the health districts is around the 3.5 to 4 per cent range — in other words, 3.5 to 4 cents on every dollar that health district would spend. I will also say to the member that I have the same sort of interest the member has in getting this sort of information and I will ask the department to provide me with information over time, as it becomes available from the districts, and I'd be happy to share it with the member. It's public information.

But at the present time, I'm not willing to commit to a project which will put this information together for the member. I think that would be quite expensive; but I will make an effort over time to get more full and better information and to share it with the member in due course.

Mr. Toth: — Thank you, Mr. Minister. And, Mr. Minister, I'm certainly not asking your department to go on to another level of trying to put information together. I guess what I'm asking, Mr. Minister, is that the information that you receive from the districts, as far as their reports, breaks it out so that . . . and not on the basis that you're going to sit down and then reiterate it, but you've got it available by district if you feel that you needed to look at it a lot closer.

And the reason I ask for it, Mr. Minister, is because I've been asking some of the districts for this type of information, and unfortunately I guess, I get kind of a blanket, and this is administrative level. But it doesn't indicate to me or to any of the other individuals and the concerned citizens in the district, as to how many administrative positions or levels are there in the district offices. And how many . . . there's CEO, and then how many people work under the CEO in each of the facilities in the different communities? How many directors of care, I guess is, I think the term, in those communities? And then you've got clerical positions underneath them.

So, Mr. Minister, this is information that I think, as you said, is public. And I think it would certainly be appropriate for each district to list . . . they could even list the positions, to be quite frank and quite candid. I think your department, in the *Public Accounts*, if I'm not mistaken, every person working in the department is listed with their salary grid or level. And I don't see this as being a problem as well for individuals in the different districts.

Each and every one of us, as MLAs (Member of the Legislative Assembly) in this Assembly, every amount of dollar that goes through our hands, our salary and everything that accrues to us, is publicly available. So I don't see why it shouldn't be available in the districts as well and that it's itemized in an annual statement of some kind that people have access to, and that they can look at and say oh, there's five people with kind of an administrative position working out of the district health board.

And I guess the reason it comes up is because there are people who have just moved from what they were at one time, the administrator in the local hospital and administrating two facilities, have moved to a position of . . . administrative

position in the health board, and then they put a director of care in the facility to kind of manage it. So it's almost like you've got a duplication of services.

And in many ways . . . I haven't argued this strongly, strenuously, with you because in some cases it has meant a family has remained in the community. And I think decisions were made based on what families had done as far as establishing themselves in the community, and in some cases just nicely getting into a building project, building a new home, and then all of a sudden something that they weren't aware of takes place.

And so the district health boards in some cases have reached out to try and work into their district plans, positions where they could continue to maintain and give that person an access, the opportunity, to a job, even though maybe the definition of that job may have changed a little bit from what that person was doing before but has the qualifications to do it.

So I would hope that you would take the time to ask for this type of information, at least have it available in a format that anyone could look at. That if they wanted to, at an annual meeting, would have the availability to it, Mr. Minister.

Mr. Minister, you talked about first responders a few moments ago. Maybe I'll give you a minute to respond.

(2115)

Hon. Mr. Cline: — Basically, Mr. Chair, I don't disagree with the member. I think that the sort of information that the member's talking about should be public information and each district, as the member mentioned before, is obligated to hold at least two public meetings. Some of them hold more than that. Most of them would be quite happy, I'm sure, to share the information with the public about the number of administrators now versus before because it would be lower in each case.

And when I say to the member that I'm not going to commit to getting that information together, I'm simply saying just that — that I'm not going to commit to getting it together because we don't do that in the Department of Health. But when the member says that this information should be available to him and every other member of the public, I agree, and any member of the public that wants that information, or the member himself, can go to the district health board and get that information or indeed talk to his or her elected representative on the district health board and ask these questions and get that information with respect to each board.

And I'm sure that the district health boards would be more than happy to share the information and I agree with the member that anyone that wants to know should certainly have access to that information.

Mr. Toth: — Mr. Minister, a few moments ago you talked about first responder units and I can certainly concur in the fact that we have a number of first responder units in the constituency I represent and I've run into first responder units in other communities outside of the constituency. And I think

any community that has worked to build . . . I think they started out . . . a number of these first responders started out as emergency measures responding units that went through a training program back a number of years ago and have just evolved into upgrading themselves to the point of being a first responder now and able to meet the needs of a person in the community that may need some help and assistance very quickly while they're waiting for ambulatory services, if you will, if it's not available right at the time to get there. So certainly first responder units play an important role in the current health system.

Mr. Minister, a while back we were discussing the Whitespruce-Calder amalgamation, and you've argued that this has been done and is being done as a cost-cutting and a cost-saving measure. However, Mr. Minister, I understand while we're talking about doing this as a cost-cutting measure that when you're looking at moving the services that the Whitespruce Centre has been providing to many youth in our province who have had addictions, and looking at moving them to Calder Centre in Saskatoon, there are some changes that are taking place, are going to have to take place at Calder Centre in Saskatoon to address the different level of client that is now going to be there, and the fact that you're going to have younger clients as well as older clients as Calder Centre currently helps them.

And I'm wondering, Mr. Minister, the concern that continues to arise is the fact that when you start mixing youth with adults, are you going to get the same level of treatment and care? Are you going to be able to provide the same level of service?

The feeling has always been, and certainly Whitespruce has provided an excellent level of care and . . . I'll find it in a minute. I've got a letter here. Yes, a letter to the editor that I picked up, and this happens to come from an individual from the Shaunavon area.

I feel a personal concern over the closing of the Whitespruce Youth Treatment Centre, perhaps more personal than most. I was a client. If it wasn't for this facility, who knows where I would be today? I was 16 when I went through Whitespruce and probably, like the other 23 clients, was sick, rebellious, uncaring, and very afraid. Whitespruce was the last resort for my family and I. My other option was the streets.

Had this facility not been there for us when we needed it, I would probably be just another statistic under prostitution as this is the easiest means of survival for young girls on the street. As a taxpayer, I would prefer to pay for rehabilitation in a program such as this rather than for a jail cell.

And this person goes on to say that it was tough; it was the toughest thing they'd ever done, going through this rehabilitation program, but she goes on to mention of how much she appreciated what Whitespruce and the program had done for her. And the feeling, Mr. Minister . . . I'd just like to mention later on in her comments she talks about what the program did, how it was geared for youth, how the program

was quite successful, how it helped her. Her question for the Romanow government is simply this:

How can you allow politics to take that away from our youth and try to justify it by claiming it will save money on health care? In reality you will simply be displacing it from the health care system into the judicial system.

And she goes on to say:

Today I am a happy, self-confident, sober, married woman who is raising two children and maintaining a good job with the love and full support of her family, the same family that had almost given up and lost hope for their daughter. As far as I'm concerned, if Whitespruce has saved only a handful of our youth from becoming statistics, then it is a success.

So we see here, Mr. Minister, there is no disputing the fact that Whitespruce played a role in the lives of many people. And the concern is twofold. Number one, the fact that you're mixing youth with adults, is that going to create a problem? Are you going to be able to provide the same level of support and encouragement to many of the young people?

The other thing, Mr. Minister, when Whitespruce was looked at and established, it was established because it was out away from the large urban centres. Most people would say it probably . . . when you're looking at building a facility or getting into a program like this, you should do it close to a community of some kind. It wasn't that far from Yorkton, but it was out in a rural setting. And in many cases, if you will, Mr. Minister, I think just being out in a rural setting where you're out amongst nature even a little more is more uplifting and can provide actually quite a healthy experience for you versus just being within the confines of a large urban metropolis with hot paved streets around you or cold walls of buildings around you.

And so, Mr. Minister, these are some of the concerns and the questions that need to be asked, is why would we consider combining, when you had, I think, two programs that were running quite effectively, and in combining them if the only real reason was the economics, you would have to ask yourself would it have been just as economical and if not more beneficial to the individuals to maybe look at another avenue where a few dollars could be saved rather than amalgamating a program that may or may not provide the same level of support and encouragement and helping individuals through a rehabilitation program from the type of problems that they may be facing.

Hon. Mr. Cline: — I believe I read the letter the member also refers to and I agree with the member that this is a very important kind of service to provide. And what we've got to continue to do is in fact to continue to provide the same level of programing. The member is correct that Whitespruce is being consolidated with Calder Centre in order to save money and I believe the savings are in the order of over a million dollars per year.

But I want to assure the member that the facility for youth at

Calder will be a segregated facility. In other words, the youth will be in a facility segregated from the adults, although both programs will be in one larger facility. The youth will not be treated with the adults.

It was felt by those who advise me with respect to these matters that the co-location in Saskatoon offered access to some services that were not available at Whitespruce, and it was also the advice I received that to involve the youth in the community more so with respect to recreational activities and education was a positive thing in fact to do in conjunction with their programing, and that that wasn't as available at Whitespruce.

But I want to say to the member, I certainly agree his point is valid. This is the sort of service that we have to continue to have for our youth, and we will. We have to have a segregated program for youth, and we have to make sure that the programing at Calder will lead to the same sort of result that the woman who wrote the letter that the member read from experienced. And like the member, I'm committed to ensuring that we do in fact maintain that kind of service whether at Whitespruce or at Calder.

Mr. Toth: — Mr. Minister, what will be the total cost of renovations to Calder? What has to be done to upgrade this facility to receive young people, the youth that would have been treated at Whitespruce? And as well, Mr. Minister, will there be a gym facility at Calder like the Whitespruce one had?

Hon. Mr. Cline: — The renovation cost is \$250,000. The saving per year is \$1.1 million. I'm not sure whether there's a gymnasium at Calder or not. Frankly I doubt it. But I can tell the member that in the city of Saskatoon there are many gymnasiums and recreational facilities. And it is not a difficulty to access recreational facilities. And certainly that will continue to be part of the programing for the young people undergoing treatment for alcohol or drug abuse.

Mr. Toth: — Mr. Minister, what is currently being done with the state-of-the-art Whitespruce facility? I ask this on the basis of a number of individuals who have basically asked, okay, well this seems like the government is bound and determined to move the treatment centre to Saskatoon. We've got a facility that's had a fair amount of monies put into it, a facility that could continue to provide a service of some kind to the community or to the area. And I'm wondering, Mr. Minister, what is currently happening with regards to the Whitespruce facility and how it will be utilized in the future?

Hon. Mr. Cline: — This is actually under the jurisdiction of the minister in charge of the Saskatchewan Property Management Corporation, and I haven't been privy to the discussions he's been having. And I suppose if he was here, he wouldn't necessarily wish to reveal the details of all of the discussions he's having either.

But I want to assure the member that we do want the facility to be used in some productive way. And I believe there are a number of parties who have expressed an interest to the Minister responsible for SPMC (Saskatchewan Property Management Corporation) with respect to potential uses of the

facility.

And as the member knows, that minister is also the member for Yorkton, which is adjacent to Whitespruce. The minister is very actively discussing the matter with several parties and it is our hope that a very good use will be found for Whitespruce and that it will not in fact be vacant. So that if that is an objective of the member, which I'm sure it is, that also is an objective that we share.

Mr. Toth: — Thank you, Mr. Minister. It's unfortunate, Mr. Minister, that we weren't aware of the fact that the facility is falling into the hands of the Minister responsible for SPMC prior to tonight. It just seems when a department's responsible for a facility, for a service, you take for granted that the facility might be part of it or you might be involved as to what takes place with regards to that facility.

So we'll have to probably ask the Premier, as his estimates are all inclusive. And I believe SPMC has already been moved off the slate.

Mr. Minister, received a letter from an individual, actually a Dr. Scot Lappa, and I'm not sure if you've heard of this individual. And I'd like to read into the record a number of the points that the doctor raises regarding the treatment of substance abuse. I'm going to start by reading the first paragraph:

I was interested to hear that Whitespruce is moving from Yorkton to Saskatoon. I was born and raised in Saskatchewan and completed both my medical and pediatric training at the University of Saskatchewan. Currently I am in San Francisco training in the specialty of adolescent medicine and hope to return to Saskatchewan in another year. I provide primary health care for adolescents, including those from residential drug treatment programs and group homes here in San Francisco.

Whitespruce is one of the few adolescent drug treatment centres in Canada, and despite its waiting-lists has served youth from across the country. Therapy for substance-abusing adolescents is a specialized enterprise; therefore there are a number of issues you should consider before merging adolescent and adult substance abusers at a single location such as Calder Centre.

And then she gives a number . . . or this doctor gives a number of points, and I'd like to bring those points forward. Number one:

The psychological tests used to assess substance abuse in adults are not valid nor reliable for assessing adolescent substance abuse. In the last few years, tests designed specifically for adolescents have been developed. A true measure of substance abuse and related problems before and after treatment is necessary to show funding agencies our treatments are effective and to improve the effectiveness of our treatment strategies.

(2130)

And number two:

Compared to adults, substance abuse in adolescents is much more a multi-system problem involving the individual, family, school, and peers. Successful treatment strategies address both the positive and negative roles of each of these areas.

Family therapy is especially important given the major influence of family in their lives, and because unlike adults, they do not have the choice to live alone and will therefore likely be returning home.

And, Mr. Minister, this is one of the points that's been raised by a number of individuals that I've had the privilege of dealing with as they've come to me and asked where they may go and how they may deal with the problem of substance abuse amongst their family members. And certainly the reports that have come back have indicated that the treatment at Whitespruce was first class and the working together with families was something that was really appreciated by the family members as well as individuals such as this individual we just talked about from Shaunavon.

And number three, another point:

Rarely does severe risk behaviour such as substance abuse occur in isolation. Research on adolescent risk behaviour such as drug abuse, truancy, school failure, STDs, pregnancy, suicide, etc., suggest they are just different expressions of a larger whole. In-patient therapy and especially subsequent out-patient therapy must be willing to address these issues in order to decrease relapse potential.

A teen mother with a learning disability who dropped out of school two years ago will need help to build a future.

And I think this comes back to the point about not only combining, but also moving a facility back into an urban setting where you may be just closer to some of the problems that were associated with a person getting involved in substance abuse in the first place. And I think that's why many people look at the facility at Whitespruce as providing a different means of providing for and helping a person be rehabilitated from the problems that they were facing.

And number four:

Not everyone likes to work with adolescents. Common responses when meeting someone who works with adolescents for the first time is, I couldn't do that, or why. Testing and challenging the world around them is a part of normal adolescent development.

It is important that those who work with adolescents also like and respect adolescents. This is especially true if you expect to gain their trust or change their behaviour.

Now I think you've mentioned that there'll be a total separation, but that may not address all of the concerns and

some of the points that are being addressed here by Dr. Lappa. Number five:

The level of activity and preferred activities. Music and topics of conversation of a teenager and a 30- or 40-year-old are likely to be quite different. Adolescents requiring a residential drug treatment are the most severe cases among drug-abusing youth.

Substance abuse, like other severe illnesses, often causes delayed intellectual and emotional development. For all of his apparent toughness, a 16-year-old who is abusing drugs since the age of 12 is more likely to behave and think like a 12-year-old than an adult.

And then number six:

Among youth and residential drug treatment centres, multiple psychiatric disorders such as attention deficit disorder, conduct disorder, and major depression are quite common. Treating adolescents with these disorders requires different training and experience than that used to treat adults.

While substance abuse may be the emphasis of a drug treatment centre, current research shows that successful treatment programs do not ignore these issues.

And then the seventh point that was brought out:

Many treatment centres rely heavily on adult-oriented 12-step programs such as Alcoholics Anonymous and Narcotics Anonymous. Different steps require different levels of emotional and intellectual maturity. Trying to force an adolescent through a step she is developmentally incapable of performing invites only failure and frustration for both the adolescent and staff.

A lack of knowledge in adolescent development may lead staff to accuse the adolescent of denial or resistance. Steps that ask an individual to give up control to a higher power can be especially hard for adolescents who have been physically or sexually abused. If not done correctly, it may even hinder therapy around their abuse issues which emphasize they're taking back control of their lives.

For these and other reasons, the current trend in substance abuse treatment is to segregate the adolescent population. It would take a very special institution and staff to be able to meet the diverse developmental and treatment needs of an adult and adolescent substance-abusing population.

Adolescents are not cute like babies nor do they have the voting power of senior citizens. Their issues are often ignored by politicians and health policy makers to try to lump them in with small children or force them to be adults. They are our future and your decisions are shaping theirs.

Mr. Minister, as you can see, this individual, having studied a fair bit in dealing with adolescents and looking at coming back

to the province, has obviously worked in a number of different scenarios and offers a number of points, a number of points that have been brought to my attention, points that I've raised with you.

And I trust that . . . while I still strongly feel that Whitespruce was providing a very definite positive program and an effective program, your department is determined to move it into Saskatoon to the Calder Centre. I would strongly suggest, Mr. Minister, based on some of the information we even have here, that every effort is made to, if you will I guess, to make sure that the two programs aren't overlapped so that somebody is missing out in the youth centre and maybe an individual in the adult centre is kind of missing out. So that there is that distinction.

And I suppose that you're hoping as well that some of the individuals or if not, many of the individuals, will look at possibly moving to Saskatoon so that they can continue to work in this program providing the services that they have in the past.

With that, Mr. Minister, I would like to ask, of the current number of employees in Yorkton, and I believe they've all been offered or a number have been offered employment in the treatment centre at Calder, how many of the employees at Whitespruce will be moving from Whitespruce to the Calder Centre in Saskatoon? And at the end of the day, Mr. Minister, how many employees in total will be involved both in the Calder Centre at the adult and the youth program versus what we had involved in treatment centres, Calder and Whitespruce, in the past?

Hon. Mr. Cline: — First of all, I'd like to say I don't know if the member was reading from a letter that I received from Dr. Lappa and had a copy of that letter, but I have been actually corresponding with Dr. Lappa. And the letter that the member is reading went to the Conservative caucus, but actually I received the same letter.

And I wrote Dr. Lappa. I think many of the points he raises are of course valid. I think the major source of his concern was that there wouldn't be a segregated program for youth. He certainly thinks Whitespruce is a good program, but what he wanted to say, I think more than anything else, was we should not be merging the two programs. And he uses the term, merge. And I did write Dr. Lappa, first of all explaining that we were going to have a separate program for youth, and secondly, expressing my pleasure that he was contemplating returning to Saskatchewan with the training that he's undergoing in the United States.

To answer the question about the number of employees, previously at Whitespruce and Calder there were approximately 91 employees in total. As a result of the closure of Whitespruce, I believe 41 positions, not all of them permanent, some part time and casual, 41 people though will be out of work. And that will leave a total of about 50 people that will be working in the two programs versus 91 at the present time.

Most of the job losses will not be in counselling or dealing with the young people. Most of them I believe, will be in other areas

such as maintenance, housekeeping, dietary, and so on at Whitespruce. That would be where the savings would actually come from. And of course like the member, I very much regret job loss at any time, but nevertheless the decision has been taken that the consolidation does make economic sense, financial sense, and that the programing can be done in a much more cost-efficient manner.

Mr. Toth: — Thank you, Mr. Minister. The unfortunate part is we do have job loss and I'm not sure what the opportunities are in Yorkton for these individuals. I'd be surprised if the member from Yorkton hasn't been receiving a fair bit of complaints.

In fact I was quite surprised in the way the member responded a number of weeks ago to some of the calls that were being made in view of the fact that he was representing an area where a number of jobs were going to be on the line; where people would be looking for work, and if there aren't any other job opportunities.

And the unfortunate part is somebody is going to be on UI (unemployment insurance) and then maybe down the road looking at social assistance for some help. But I would trust then, and I hope, and I haven't had a chance to really talk to the minister about what's happening with the facility out there, but hopefully there's something in the works that comes together, that may open up the doors for some of these people to continue to work in the Yorkton area.

Because I know that a number of people had really built their homes and their families around the community of Yorkton, and it certainly makes it difficult for people when all of a sudden the job that you've enjoyed so long moves to another location and you've just nicely got your roots down and then you're asked to pick them up again.

Although we hear many experts telling us that in the coming years and generations that most individuals entering the workforce today may change jobs about five or six times before they get to retirement age; that we're not really sitting in a time period in our lives now where you could enter the workforce and build yourself into a certain field and stay in that field for the full length of your working days; that there are changes that will be ongoing and taking place.

So although for those of us who grew up in that, it's not always that easy just to start moving into a, well I'll change and I don't know where I'll be five years down the road but hopefully there's something else for me. It certainly is difficult.

So I trust that your department has done everything it can, physically can, to deal with the emotional stress and strain of the employees who are certainly facing the pink slips and will not have jobs when the centre officially closes.

And I'm not sure what day it's closing. I think you are looking at moving clients into the Calder Centre by August. But what plans . . . and what has your department done or the Department of Health done to address some of the emotional stress that arises as a result of job losses, not only at Whitespruce but in many of the facilities across the province.

Hon. Mr. Cline: — I want to say, Mr. Chair, that I share the member's view of course about the effect on Yorkton and also his hope that something productive will be happening at Whitespruce. And I assure the member that the minister in charge of SPMC is certainly doing his utmost to bring that about.

And I tried to say to the member before that my answer about Whitespruce and what SPMC might be doing was not intended to evade the question. I had said that although it was for the minister of SPMC, if he was here, he might say to the member, yes, I'm having discussions, and I'm doing my best, but I'm not prepared to make any announcement or share any details at the present time because I think he's in negotiations or discussions with more than one party.

So it isn't a matter of not wanting to answer the question. I think it's a matter of developments not being at a stage where one would answer the question. And I suspect the Premier, if he was here, would have the same answer.

But I share with the member the view that we should do the very best we can, and certainly I know the member from Yorkton shares that view as well.

And in answer to the question, the effect on the employees who will suffer job losses as a result of this decision has caused the department to of course meet with the employees, and also to offer employee assistance and stress counselling to such of the employees who may want it or require it. I don't know if any of the employees have taken the department up on that offer. But the sort of counselling that could be made available, I'm advised, has been offered to the employees, as it would be, I suppose, with respect to other employees in the Department of Health.

(2145)

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, the reason I raise that is because the member from Saskatoon Greystone mentioned that she wouldn't be here tomorrow because she's meeting with and doing a session with a group of medical people in the Saskatoon area — a number of, I believe, nurses. And her comment was she's been asked to come. I think she's been, in her profession, a psychologist and has talked to different groups and laid out scenarios as to how you deal with stress in some of these situations. And she mentions that in the last while, she's had numerous calls to come and talk to people. And it all relates back to that stress I was talking about, the uncertainty of jobs.

And I think it is something that if your department hasn't given some thought to or put in motion some kind of program or some way of dealing with this, it would surprise me, because it's certainly been a department that has created a situation where there are . . . many employees are working under a lot of uncertainty, under a lot of pressure. And a number of jobs have been slashed throughout the province, which has created trauma for many homes.

And, Mr. Minister, it would seem to me that we need something

that gives people an ability to take a look at where they are, where they were, and the fact that their job has been cut, such as the one I just mentioned a little earlier whose husband had been in a major accident and were dealing with SGI (Saskatchewan Government Insurance) on this one. And now she finds that her position as a nurse is probably cut.

That creates a lot of emotional stress in families and homes. And we've seen in the past what happens to individuals and what can happen if the emotional stress becomes more than they can bear. And there again it may become a cost to our health system. So I think it's important that your department have some kind of a program in place where you can deal with individuals or groups as you're addressing the downsizing and the cutting of jobs and the different levels that are currently taking place in health care.

Hon. Mr. Cline: — Well the member certainly raises a very valid point. I would say to the member, Mr. Chair, that in fact the sort of stress that the member is talking about is certainly an issue in the health care sector. It actually is a very big issue in every sector of society. And I think that stress is one of the biggest problems in Canadian society today and perhaps in other countries as well because of the number of changes we're seeing in just about every sector of society.

The member is a farmer, I believe, and knows that because of some of the things that have happened on the farm, especially part of the last few years when prices improved a bit, have caused a lot of stress and have resulted in things like the farm stress line. This is true in the railway industry where tens of thousands of people have lost their jobs. It's true in the public service. It's true in many private sectors. It's also true in the health sector.

So I don't disagree with the member, I just make the point that this is not unique to the health sector. It doesn't mean it's not a problem in the health sector. And I also think that the member is correct when he says that it's something the Department of Health should be concerned about.

We have to work with SAHO, the Saskatchewan Association of Health Organizations, and the unions that represent the majority of employees in the health care sector to talk about this issue, because they deal with the employees who are not employed by the Department of Health, by the health districts, on a day-to-day basis.

Certainly there have been discussions between the department and SAHO about ways to deal with stress. And the department and SAHO have had discussions about SAHO having a person in charge of stress. We, in the last provincial budget, allocated \$1.8 million to be put into a workplace wellness program, the details of which are not quite worked out because they will be worked out with SAHO.

But certainly part of the objective of that fund is to find ways to try to reduce the level of stress and injury in the workplace. Of course one other thing that happens is that the districts, in bargaining with the unions who represent the employees, will often develop employee assistance plans to assist employees

who are suffering from stress.

And the member raises a very valid point. There's certainly more that can be done and the department will certainly continue to pay attention to the issue. And if there are other things that we should be doing or SAHO should be doing, then, like the member, I believe we should keep working on that issue.

Mr. Toth: — Mr. Minister, I just don't remember if I jotted it down but one of my questions . . . I did ask actually a number of questions but I'm trying to remember if I did get an estimate of what it's going to cost to upgrade the Calder facility to handle the transition from Whitespruce to Calder.

Hon. Mr. Cline: — Yes, as I indicated earlier, the cost of renovation is \$250,000, which is a one-time payment this year, and the annualized savings are \$1.1 million per year.

Mr. Toth: — When you're mentioning 250,000, what does that cover? What are you doing with \$250,000? It doesn't seem to be a lot. And also I'm just wondering where you get the \$1.1 million savings.

Hon. Mr. Cline: — It covers physical renovations in the Calder centre to provide for a segregated facility for youth, as we talked about before, and also transfers some systems like the telephone system, I believe, from Whitespruce to Calder. Some of the things they used at Whitespruce will be taken to Calder because they're relevant to the programing.

But I don't have a more specific list at this time. But if the member requires a more detailed breakdown of the \$250,000, I'm sure we could provide that to the member in due course.

Mr. Toth: — And one other question, Mr. Minister. You mentioned about annual savings of 1.1 million. It would seem to me that the 41 positions wouldn't cost you 1.1 million on an annual basis. What are you are . . . or how have you arrived at the \$1.1 million savings on an annual basis?

Hon. Mr. Cline: — The \$1.1 million is made up of rent paid to SPMC for the Whitespruce facility of approximately half a million dollars per year and about \$600,000 as a rough estimate in savings for wages. The 41 positions are not all full-time positions. Some are part time and casual but it would be about \$600,000 wages and half a million dollars in rent.

Mr. Toth: — Mr. Minister, I just want to point out one thing before one of my colleagues has some questions they want to enter into.

You talked about \$1.1 million savings as a result of the change. And you talked that part of that savings is \$500 million in rent. Well maybe it's a savings . . . or 500,000 — 500 million, boy, that would be just about enough to cover all the interest for a year, wouldn't it? The interesting thing, Mr. Minister, is . . . what I find interesting is how you can use that as an expense and an expenditure to the taxpayers of the province when all you're doing is passing it from one department to another.

So I think it's a \$500,000 savings to the Department of Health but it's going back into the hands of Property Management who's another government agency. So it really is a neutral figure in the overall aspect of savings to government. So I just wanted to point that out for the sake of individuals who might be thinking, well boy, they just found another \$500,000, but really it just goes into the hands of another department.

Hon. Mr. Cline: — My understanding, Mr. Chair, to the member, is that the maintenance costs of Whitespruce that SPMC would pay in the usual course of events are less than \$500,000, so that the cost to the taxpayer, even if nothing was done with Whitespruce, would be about, I think, about \$300,000 to maintain Whitespruce. But I don't have that figure in front of me. The rent is \$500,000 so there's a saving of \$200,000 there. There's a saving of \$600,000 in wages and salaries, so even taking the member's point, we would still have a net saving, I would estimate, of about \$800,000 per year. But if we are successful, which we hope to be, in finding another use for Whitespruce, then in fact the saving would certainly be, to the government as a whole, the \$1.1 million. If we were not successful in the long term, you would have a saving of about \$800,000 per year.

Mr. Toth: — Mr. Minister, what was the cost per client per day in Whitespruce to provide the service, and the cost per day per client at Calder, and what do you anticipate the cost per client per day in the new Calder youth treatment centre?

Hon. Mr. Cline: — Mr. Chair, to the member, I don't have the per diem cost. I can only say to the member that the annual costs at Calder versus Whitespruce would be \$1.1 million less on the department's analysis. On the member's analysis, they would be approximately \$800,000 less per year. Certainly if the member wishes, I would undertake to get that information because that information is available in the department. I just don't have it at the moment. I'd be happy to provide the member with that information.

Mr. Toth: — Thank you, Mr. Minister. I'd be pleased to have that information, Mr. Minister, because we've been informed that the cost per patient per day at Whitespruce was about \$166 a day, and whereas the cost per patient per day in Calder is over \$400 a day. And those figures we'd like to . . . I'd like to have that information based on . . . and of course, when I'm talking about this, Mr. Minister, I also want to ask you for what the cost . . . what do you anticipate the cost will be to treat youth in Calder versus the adult? Because I know when I'm using the figures here I'm talking about Calder at the present time as an adult treatment centre and there might be different costs with adults versus youth. So would you please get us what the actual cost was per day at Whitespruce to provide the service for youth, what you anticipate it will be in the Calder treatment centre once you've transferred all the youth to Calder, as well as the cost per day for the adult treatment centre at Calder? Thank you.

Hon. Mr. Cline: — Yes, I'll be happy to get that information for the member and we'll send that over, not today but as soon as we get it together.

Mr. D'Autremont: — Thank you, Mr. Deputy Chairman. I'd like to welcome the minister and his officials here this evening and give my colleague a little bit of a break here to re-collect his thoughts.

Mr. Minister, I was contacted by some constituents about MS (multiple sclerosis), and I know that you're aware of some of the problems of MS in this province. We have the highest rate in Canada.

In particular, Mr. Minister, I have a news release that was put out by your department on January 2 of this year, dealing with Betaseron. And in its treatment for MS patients, it says in the news release from you that there is a national review being called for; that the review is in progress. Hopefully this is not the type of review that the Labour department or CIC has been doing on the CCTA (Crown Construction Tendering Agreement), rather that you actually have a report in place.

The Saskatchewan Formulary Committee was to be reviewing the information on this and that it was supposed to be available in early 1996 on Betaseron. Do you have that information available, Mr. Minister? What was the Formulary Committee's decisions as it relates to prescription drugs on the Betaseron?

(2200)

Hon. Mr. Cline: — The matter . . . I do not have that report as of yet.

An Hon. Member: — It is being prepared, is it?

Hon. Mr. Cline: — Oh, yes. I'm advised that the drug is currently being reviewed by the Saskatchewan reviews committees. There's more than one of them. There's the Drug Quality Assessment Committee and the Saskatchewan Formulary Committee, which review drugs covered under the drug plan. And there's also a third committee — this is a national committee — the Canadian Coordinating Office for Health Technology Assessment, or the CCOHTA, it says here, if you prefer. And they are reviewing the product.

They were established by the provinces to provide economic assessment of pharmaceuticals and technology. They draw in experts from across Canada to perform their evaluations. Their review is expected to be complete, this says, in late summer 1996. So obviously it's been moved back.

At this time, general coverage is not available in other provinces. Quebec has turned down Betaseron for reimbursement. Manitoba has provided coverage for a few social services clients. Yukon has approved coverage for at least one resident. And the drug is not a cure but appears to lessen the number and severity of attacks in some patients.

At the present time, we're awaiting the advice of the Canadian coordinating office, and also the Drug Quality Assessment Committee and the Formulary Committee. When we have the reports of those committees . . . which, by the way, as I think the member will know, is the normal course of events. The Minister of Health or the department doesn't make any decision

with respect to whether a drug should be made available until these committees report. Nor do we determine the rate at which they can do their work and report to us. But it's an issue that, like the member, we're watching very closely. And we will await the advice of those committees, and then certainly on the basis of that advice, make a decision as to the extent to which the drug should be made available in Saskatchewan.

Mr. D'Autremont: — Thank you, Mr. Minister. Can you table that document please, since you were reading from it?

Hon. Mr. Cline: — I'm sorry, Mr. Chair. I apologize. Could the member repeat that question, please?

Mr. D'Autremont: — Mr. Minister, I'd like you to table that document since you were reading from it.

Hon. Mr. Cline: — No, I . . . this is a personal briefing note of my own which I'm not prepared to table.

Mr. D'Autremont: — Mr. Deputy Chairman, I believe it has been the tradition in this House that any time a minister reads from a document in estimates that that document is then available for tabling. Perhaps we need some clarification on that.

The Chair: — Order. I've listened carefully to the conversation about the tabling of documents. And past rulings in this legislature have upheld a minister's right to have briefing notes and to not table those briefing notes. There are other papers that can legitimately . . . we can legitimately request be tabled. But briefing notes have been treated as ministerial property for their use in helping them with estimates. Therefore I sustain the minister's right to not table that.

Mr. D'Autremont: — Thank you, Mr. Deputy Chairman. Mr. Minister, perhaps then you could explain why you do not wish to table that particular document. Obviously you read at least a portion of it, if not the entire document. Can you explain the reason why you would not want to table the document that simply says that the Betaseron drug is under review by your department and the national review process?

Hon. Mr. Cline: — Well I have answered the question for the member that he's asked. And in fact I have two volumes of briefing notes with me this evening. I'll be referring to briefing notes during estimates on a wide variety of matters. And I'll be keeping my briefing notes to myself and not sharing them with the member. And I'm sorry if the member finds that offensive but that is the practice that is followed, and it's the practice that I'll be following.

Mr. D'Autremont: — It's also the practice, Mr. Minister, that I can ask you for them and ask you why you don't wish to allow them for tabling in this particular House.

So, Mr. Minister, I guess I still have to ask again: what was so secret on the document that it wouldn't be available to the members of this Assembly to see what was on the document that you were reading, because obviously you read a few paragraphs of it. Was there some secret information on there

that the House should not be entitled to?

Hon. Mr. Cline: — Mr. Chair, I have nothing to add to my previous two answers.

Mr. D'Autremont: — Well thank you, Mr. Minister, I guess we just have to assume that there was something secret on there that you did not wish to reveal . . .

An Hon. Member: — What's your girlfriend's telephone number?

Mr. D'Autremont: — Well perhaps his wife should ask these questions and not me, if that's the case.

But, Mr. Minister, obviously you have something you do not wish to reveal, and I find that unfortunate in this particular case because the drug Betaseron may have a significant benefit to some patients. Most drugs do not affect all patients equally, but certainly some patients seem to respond positively to Betaseron and I think in those cases, on the recommendations of their physician, that the drug should be available to them.

Now I guess perhaps I should ask: is the drug available for use in Saskatchewan?

Hon. Mr. Cline: — Yes, the drug is available in Saskatchewan. It has been approved for sale in Canada so can be prescribed by physicians, but it is not covered by the drug plan at this point. And the decision as to whether it would be covered by the drug plan would be made on the basis of a recommendation of the committees which I've referred to.

Mr. D'Autremont: — Thank you, Mr. Minister. Would you table that letter please that you're reading from?

Hon. Mr. Cline: — Mr. Chair, this is a briefing note of mine, and no, I'm not prepared to table it.

Mr. D'Autremont: — Well I guess the minister can make his own interpretations on what's a briefing note and what's a letter since we're not allowed to see it. I believe though, Mr. Minister, if you read from a letter in this House that you are . . . we're entitled to ask for it to be tabled and you are then required to table that document. So perhaps if you want to read from letters, you should leave them laying on your desk rather than pick them up and hold them in your hand.

Mr. Minister, since the drug is available in Saskatchewan for prescription by physicians, what cost does this drug cost for the full prescription, whatever that might be, for a physician to prescribe for a patient?

Hon. Mr. Cline: — Well I hesitate to get up holding a piece of paper in my hand, Mr. Chair, for fear that the member will come over here and bodily remove it, bodily remove it from me, or think it's a letter or something else. I'm advised that the annual cost of this drug therapy would be about \$20,000 per patient.

Mr. D'Autremont: — Thank you, Mr. Minister. Are any

patients in Saskatchewan receiving Betaseron through the drug plan or through some assistance of the government?

Hon. Mr. Cline: — Not any public assistance. I'm not aware whether any patients might be receiving it as a result of some other private coverage they may have. But at the present time it is not covered by the drug plan.

Mr. D'Autremont: — Thank you, Mr. Minister. At different times patients . . . or doctors are allowed to prescribe new drugs on an experimental basis. When that happens, does the provincial drug plan or the provincial Health department assist in any of those costs?

Hon. Mr. Cline: — No. If they are at the experimental stage, I am advised they're not covered by the drug plan for the reasons I indicated earlier about the committees needing to recommend them to the drug plan. I'm also advised that normally when a drug is being used on an experimental basis, it is often provided free of charge to the patient through the physician so that . . . because it's experimental, the physician might be providing the patient with the medication at no charge to the patient.

Mr. D'Autremont: — In those types of circumstances, Mr. Minister, would the physician then receive the drug at no charge to the physician from the manufacturer, or how would those circumstances work? I just can't imagine that the physicians would pay out \$20,000 a year for this drug or some other figure for some other type of drug out of the benefit of their heart to a patient. I can see it happening once perhaps, but not on an ongoing basis. So do the drugs come from the drug plan . . . or not from the drug plan, from the manufacturer?

Hon. Mr. Cline: — Yes, that's correct. And I think that's quite a common practice in fact, that the drug manufacturers give the physicians new drugs for use with their patients to establish their usefulness, and indeed after drugs are established, drug companies will often give free samples to physicians. But certainly the member is correct that the physicians would not be paying for the drugs.

Mr. D'Autremont: — Well thank you, Mr. Minister. You said that the review would likely be ready mid-'96 I believe it was on your first paper that you wouldn't let us see. Is this all of the review processes or is this just one of the three review processes that are taking place that will be finalized mid-'96?

Hon. Mr. Cline: — The Canadian . . . the national review or the review that is done on the behalf of several provinces together is expected to be done sometime this summer. The two Saskatchewan committees, which are committees, I think, not of civil servants primarily but people from the pharmaceutical industry — professional people — we don't have dates from them right now as to when they will do their work or complete their work. They will complete their work in due course and advise us accordingly. We haven't put any schedule to them as to when they must complete their work, nor do we normally do that.

One would think that sometime this year they would be reporting to us, and I suppose we could ask them when they

think they might be reporting, but it isn't the practice that we hold them to any schedule. These are professional people who take the time they feel is necessary to study drug use, not only here but across the country and perhaps around the world, and determine the usefulness of drugs and in what circumstances drugs should be prescribed for particular conditions. And then they report to us.

So I can't give the member a precise date as to when the two Saskatchewan committees will be reporting. At least I can't at this point. I suppose we could make an inquiry to those committees, and whether or not they would know precisely when they will have their work done, I'm unsure.

Mr. D'Autremont: — Well thank you, Mr. Minister. It sounds sort of like this House; we know we're going to get it done sometime, we're just not sure when.

Mr. Minister, what kind of considerations would these two Saskatchewan committees consider that would differ from whatever reviews may have been done in Manitoba, and I believe it was the Yukon that had approved this Betaseron for use within their drug plan. What different review would Saskatchewan be doing than the national review that's ongoing that will be reporting this summer, or what Manitoba and the other jurisdiction which approved the drug, that they would be doing?

(2215)

Hon. Mr. Cline: — I think the member may have misunderstood what I was saying in my earlier answer. I did not say that any province had approved of the drug for use in the sense that we're talking about the drug plan approving it. There are a few instances where a very small number of people, perhaps one or two I think, have been approved for the medication. That's not the same as those provinces having arrived at a determination necessarily that there should be general approval for the use of those drugs.

So if I misled the member in that respect, then I certainly apologize. But each province conducts its own review. And I suppose this is true not just with respect to this drug but other drugs. And one might make the argument that we should have one review for all of Canada. But that has not been the way in which these things have been done up until this point.

Mr. D'Autremont: — Well, Mr. Minister, it certainly seems to be somewhat redundant that each jurisdiction would carry out an independent review to make the determination on the same drug.

I can certainly see that certain jurisdictions might have more interest in a particular drug and therefore be more willing to initiate the reviews on a particular drug. And Betaseron, since we have a very high incidence of MS in comparison with other provinces in Canada, perhaps this is one that we should indeed be on the leading edge of. And other jurisdictions should perhaps be reviewing other drugs based on their own needs and criteria, but that at some point in time the acceptance of a drug by the national committee or acceptance of the drug by a

province, a particular jurisdiction, should carry some weight across the country.

Now I can understand if it's simply a matter of budgetary problems to say that, well we're not prepared to pay for \$20,000 worth of drugs in one year, and for that reason we're not prepared to accept it. If it's on a monetary level, we'll debate the issue on a monetary level. But if it's a reason that the drug for some reason doesn't serve the people, well then I would think that a study across the country would either point that out, yes or no — this is either an efficient drug, a worthwhile drug, or it is not.

And therefore that type of an evaluation should be valid across the entire country. The monetary situation is different. Each province has different requirements, different needs and different opportunities to meet the needs of their citizens.

But on the question of whether or not the drug will perform as expected, whether or not there is any danger to the patient that is using it, I would think that kind of information should be shared equally across the country, evaluated equally, and accepted that there should be a set standard for it.

Hon. Mr. Cline: — Yes. In fact this committee I referred to earlier, the Canadian Coordinating Office for Health Technology Assessment, is actually a fairly recent committee. The reason it has been set up is because of what the member has been saying, i.e., that we should try to have some coordination. And it's a fairly recent development. They are looking at five or six different medications, and one of them being Betaseron.

And presumably when they report, that will then impact on the way in which the committees in each individual province will deal with the issue, because the various provinces will each take some of the evidence that comes from the national committee.

So there is an effort going on, which is just starting, to try to have better coordination of the assessment of drugs instead of reinventing the wheel in each province.

Mr. D'Autremont: — Well I'm certainly pleased to hear that, Mr. Minister, because I think it certainly is worthwhile.

Mr. Minister, I believe physicians also have an opportunity, when a drug is not covered under the drug plan, to request to the prescription drug plan, to medical insurance, that a particular drug be given an exception for a particular patient and that it be paid for by the prescription drug plan.

Have you received any requests in dealing with Betaseron?

Hon. Mr. Cline: — Yes, there is such a thing as exceptional drug status, but before you have a drug that is approved under exceptional drug status, the drug will have been approved by the committees which I've referred to. And so they are approved by the committees; they're not part of the drug plan. They're approved by the committees for exceptional drug status.

And so that a physician cannot simply prescribe the medication to the patient; rather, the physician has to go to the drug plan and say, you've approved this for exceptional drug status and I'd like to have this patient actually get that drug. And then an assessment is made for each individual patient. And in the case of Betaseron, it would not be at the stage where you would have the exceptional drug status simply because it hasn't gone through those committees.

What may ultimately happen is that those committees, for example — I don't know if they will or won't — they may say it should be generally available, they may say it should be available on an exceptional drug status basis, or they may say it shouldn't be available at all.

But to get to that point, the committees would do their work, make a recommendation to the Minister of Health who would decide whether to adopt the recommendation or not adopt the recommendation.

Mr. D'Autremont: — Mr. Minister, thank you. I wonder if you could outline for me . . . you mentioned three different categories for drugs: basically available, generally available through an exception, and not available. What would be the criteria for each level?

Hon. Mr. Cline: — Yes. They would decide that it's . . . Of course, they would go through a fairly technical procedure. But generally speaking, they would . . . if they said it should not be available under the drug plan it would be because they feel it is not useful, or is not as useful as something else that is already available.

If they said that it should be generally available under the drug plan, it would be because they felt it was effective and useful on general prescription. If they said that it should be available on an exceptional drug status basis, that would be because they would have decided that it was only useful in a narrow range of cases, so that it might be useful for some people with a condition but not others and that a decision should be made whether it would be useful for the particular patient concerned.

Mr. D'Autremont: — Okay thank you. I think the first and the last are clear in the sense that it's generally available or it's not available. In the case of the exceptions, though, who makes the decisions on what information? I'm sure that a physician just doesn't allow the patient to say, I want this particular drug, and then apply to the department for that drug. Surely a physician must have to prescribe it and then make the recommendation to the committee that this particular drug be made available to that particular client, to that patient.

So on what information is the decision by the department made?

Hon. Mr. Cline: — The decision would be made on the basis of technical criteria that would be established by physicians and pharmacologists.

Mr. D'Autremont: — The consulting physician that the patient went to would have to make a recommendation initially, would

they not, to have the committee look at the drug, then the committee would basically second-guess the recommendation of the patient's physician as to whether or not that particular drug should be given as an exception?

Hon. Mr. Cline: — Well no, the physician would not go to the drug plan advocating for a particular drug unless the drug was already approved by the committees as being available on an exceptional drug status basis.

So the way you put the question was: would the physician go to the drug plan and say, I want this drug available, but then advocate about the effectiveness of that drug?

It wouldn't quite work that way. The drug would be assessed in advance by the committee. They would make the decision in advance that it should be made available on an exceptional drug status basis.

The physicians and pharmacologists would develop a set of criteria, in advance of the physician seeing the patient, as to in what circumstances the drug should be made available to a patient. The physician would then see a patient and would decide that those circumstances pertain to that patient, would contact the drug plan, and say, I have a patient that I think meets the criteria that you have set out as to when that drug should be made available.

The drug plan would then in the normal course of events, on the basis of the advice of the physician, approve the use of that medication on an exceptional drug status basis. However, the drug plan certainly would have to satisfy itself that indeed the criteria for the administration of that drug were met. But I would imagine that in most cases, the physician would have already correctly made that determination but perhaps not in all cases.

Mr. D'Autremont: — I guess that's the position that I wanted to get to, Mr. Minister, was: does the drug plan committee re-examine the determinations and the diagnosis made by the physician, or do they generally accept the diagnosis of the physician and the prescription that this particular drug falls within the need of that particular patient and meets the exception criteria? So that is basically what would happen — is that correct, Mr. Minister?

Hon. Mr. Cline: — Yes, I think that's basically correct. And I should say too that what this really deals with is the question not whether a patient will get the drug but whether the drug plan will provide payment for the drug or part of the drug and so on, because it's really a question of whether that drug will be included for coverage under the drug plan.

So I wasn't completely accurate in that regard before, but I think the member understood what I saying and I think what the member is saying is basically correct.

Hon. Mr. Lingenfelter: — Mr. Chairman, I move the committee rise and report progress and ask for leave to sit again.

The Chair: — Why is the member on his feet?

Hon. Mr. Cline: — Just before we proceed further, I wanted to thank the officials for their assistance tonight and also thank members of the opposition for their very useful discussion.

The Chair: — Why is the member on his feet?

Mr. Toth: — To as well express our appreciation to the minister and his officials and indicate that we certainly look forward to the same type of cordial response and debate when we meet the next time.

The committee reported progress.

The Assembly adjourned at 10:30 p.m.

TABLE OF CONTENTS

COMMITTEE OF FINANCE

General Revenue Fund

Agriculture and Food — Vote 1

Upshall.....2965
D'Autremont.....2965
Boyd.....2969, 2972
Toth.....2970

General Revenue Fund

Health — Vote 32

Cline.....2974
Toth.....2975, 2995
D'Autremont.....2991

INTRODUCTION OF GUESTS

Draude.....2966, 2968
Upshall.....2976