

Third Session - Thirty-Ninth Legislature
of the
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Standing Committee
on
Public Accounts

Chairperson
Mr. Leonard Derkach
Constituency of Russell

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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**LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

Wednesday, June 10, 2009

TIME – 7 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Leonard Derkach (Russell)

**VICE-CHAIRPERSON – Ms. Jennifer Howard
(Fort Rouge)**

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Mr. Selinger

*Mr. Altemeyer, Ms. Braun, Mr. Derkach, Mrs.
Driedger, Ms. Howard, Messrs. Lamoureux,
Maguire, Martindale, Ms. Selby, Mrs. Stefanson*

APPEARING:

Hon. Theresa Oswald, MLA for Seine River

*Mr. David Faurshou, MLA for Portage la
Prairie*

*Ms. Carol Bellringer, Auditor General of
Manitoba*

*Ms. Arlene Wilgosh, Deputy Minister of Health
and Healthy Living*

*Ms. Sandra Hardy, Deputy Minister of Culture,
Heritage, Tourism and Sport*

MATTERS UNDER CONSIDERATION:

*Auditor General's Report – Voluntary Sector
Grant Accountability: Perspectives and
Practices – Enhancing Board Governance in
Not-For-Profit Organizations Report – February
2005*

*Auditor General's Report – An Examination of
RHA Governance in Manitoba, dated January
2003*

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Mr. Chairperson: Good evening, ladies and gentlemen. Will the Standing Committee on Public Accounts please come to order.

This meeting has been called to consider the following Auditor's reports: voluntary sector grant accountability: perspectives and practices, enhancing board governance in non-non-for-profit

organizations report, February 2005; and the second one is An Examination of RHA Governance in Manitoba, dated January 2003.

Before we get started, we have the department, the Minister of Health (Ms. Oswald) and the deputy of Health at the table.

Would it be in order to ask that we consider the, the health, the RHA governance report first?

Some Honourable Members: Agreed.

Mr. Chairperson: Agreed. Thank you very much.

We're going to begin by asking the Auditor General if she would like to make an opening statement. Madam Auditor General.

Ms. Carol Bellringer (Auditor General of Manitoba): Thank you. I would—thank you, Mr. Chair.

I'd like to start by introducing two of my staff members who are behind me here. Norm Ricard is the executive director of Strategic Initiatives, and one of the areas under his responsibility is our governance practice.

And Maria Capozzi. Maria's an audit principal with the OAG, and she's worked in the governance services area for the past 11 years and works very closely with the—well, does, does all of the work in the survey area that the two reports were based on. She was more directly involved with the RHA governance report.

Our office has in the past and going forward, we continue to recognize the, the importance within the entire Manitoba public sector of strong governance and how important that is in the public administration delivery system. When we're looking at—when we have an audit that involves a governance component, sometimes we'll be interviewing board members or we'll be looking at the effectiveness of boards. Maria then participates on that audit team to audit the board practices.

In addition to that, though, we've done quite a lot of work in just helping to move practice forward and the two reports that are on the agenda tonight are both in that category. They're not audits, they're

reviews. They're part of a series of governance reviews that we've conducted over the past 10 years. I'm, I'll, I'll get into that in more detail in just a second.

Before I briefly describe the first report before the committee, I'm hoping that the Chair doesn't mind if I take the opportunity with this being the, the last scheduled Public Accounts Committee meeting before the summer break, just to congratulate and offer my thanks to the members for a, a most gratifying session. The relationship between the office of the Auditor General and the Public Accounts Committee is certainly a special one that we've not always had the luxury of enjoying, but the current practices and the regular meetings this last year, they really have served Manitoba well over the past several months.

In a very public way, over the last 20-or-so years, our office has been quite critical of the Public Accounts Committee. We believe in balanced reporting, which means we also report when things are going really well, and I want—wanted to, again in a public way, put on the record that the improvements this year with the Public Accounts Committee have been notable. The backlog of older reports is almost cleared. The regular meetings and a number of changes have, have been significant.

I'd like to specifically thank your Chair, Len Derkach, for his leadership in reviving the committee, and Jennifer Howard, your Vice-Chair. Her partnership with the Chair has been an important element of that revival. Mr. Selinger, we, despite comments we sometimes make, usually in camera about ministers sitting on, on chairs, his wisdom and thoughtful comments at both the in camera and the public sessions have been a, a big part of, of what's made the committee work very well and both to the regular members, who keep coming back, and substitute members, who've developed the practice of challenging government departments and agencies to demonstrate their improving program delivery but doing it in a very positive and constructive way.

To the ministers and, I guess, in particular, the deputy ministers and the Crown's CEO—Crown's CEOs who have had to face the committee and overcome their fear of the Public Accounts Committee, and I would say in a, in again a positive way we've seen that they've provided open, credible and current information about how they've responded to our office's recommendations.

And I, I can't go without also mentioning the committee Clerk and researcher who've provided ongoing support to the committee and to ourselves. It's, it's been, it's been really a very great session and, and, I, I applaud you all.

Okay, so back to the examination of RHA governance. So this was a report issued in January 2003, speaking of a backlog. As I mentioned, the office has issued a series of governance reviews. This was the third report in that series. The first was an Examination of Governance in Manitoba's Crown Organizations, which was issued in 1998, and the second study was an Examination of School Board Governance in Manitoba issued in 2000.

This report was a summary of survey results. It reflected the perceptions and opinions of those who were surveyed, in this case being all of the RHA board members and the CEOs at that time. The purpose of the report was to develop an improved understanding of governance issues and RHAs and also to foster a dialogue around opportunities to improve RHA board governance. The, the report, you'll note, is over seven years old. It will be replaced quite soon with a new governance survey. We've done—it was last summer we started a survey of the RHAs, but they will be—the results of that survey will be included in a report covering all of Manitoba's public sector Crowns. There's 50 organizations in total, and, as I say, that should be finalized for release in the next few months.

Mr. Chairperson: Thank you very much, Madam Auditor. Before we move to an opening statement from the deputy minister of Health, I noted that Mr. Selinger had his hand up.

Hon. Greg Selinger (Minister of Finance): I just want to respond to the Auditor General's opening comments about the progress we're making as a committee, and, in addition, I want to commend the Chairs as well. I think—I particularly think the Chair's been much better behaved here than he has in the House lately, and I want to thank him. And—I absolutely couldn't resist that. And, of course, the Deputy Chair always is well behaved. So I appreciate that.

But, but, but in addition, I just—I did, I did want to say to the Auditor General that—and this is a serious comment—I think the attitude that you've brought to Public Accounts about it not being a blame and shame game, that it's, it's a, an exercise in improving governance of all the programs and departments and services we offer to Manitobans, is

an important attitude generating trust in our ability to do the job at the committee.

And, in particular, what I think is important in the way we do Public Accounts, is not to discredit public institutions but to strengthen them because they provide a tremendous service to the province of Manitoba, and when we start denigrating our public institutions, we all lose. We—depending on who's doing what to whom, there can be political advantage in the short run, but, in the long run, when you look around the world and you see what happens to public institutions when they get denigrated, the citizens are all worse off for the loss of these—of confidence in these institutions.

So I did want to commend the Auditor General for the attitude of wanting to strengthen public institutions, and I think that served us well in the last couple of years.

Mr. Chairperson: Thank you very much, Minister Selinger.

Mr. Larry Maguire (Arthur-Virden): Just to put on the record as well that one of the members, from Brandon West, here tonight, Mr. Borotsik, has been obviously scared off by the depth—and I was making that facetious comment earlier—the depth of these two studies, but I would have to say as well that I would agree with Greg, Mr. Selinger here, that the fact that we've been able to move in the short time that I've been on the Public Accounts Committee, at least—I know I've seen a change in the last year that I've been on it. And it certainly has, I think, helped move things forward to look at the day-to-day workings of these groups and organizations because of these reports—and glad to be able to move some of them on, and as the Auditor General has just indicated, that there will be newer and fresher ones coming out than we've dealt with over the last two meetings, including this meeting. And maybe we can get to some of the—eventually get to the ones that have got more of the latest detail in them. Thank you.

Mr. Chairperson: Thank you. And just one more comment before we move to the deputy minister. I would also like to mention that our committee, I think, has been helped by the services of Mr. Geoff Dubrow, who was contracted through the Auditor's office to assist in the process, and that certainly has helped us to focus our attention, and I think that's been a very positive move as well. So thank you to the Auditor for providing that resource to us.

Now we will move on to the health report, and I'm going to invite the deputy minister of Health, Ms. Arlene Wilgosh, to make an opening statement.

* (19:10)

Ms. Arlene Wilgosh (Deputy Minister of Health and Healthy Living): Mr. Chair, I appreciate the opportunity to speak this evening to the 2003 OAG report on the examination of RHA governance in Manitoba.

It has been mentioned that the report is seven years old, but I think the findings in the report are still relevant, and since the release of the report in 2003, there has been an increased and continual attention being paid to the governance in general in the regional health authority system. The observations and conclusions presented in the report continue to benefit both the department and the health authorities as we continue to move forward in our efforts to achieve even more effective governance.

On a personal note, I have actually been involved with regionalization since its inception, and I can go back and remember the first orientation session we had for board chairs, and it was all on governance, talking with them, trying to teach and educate them about governance, and through the various roles that I have had with the regional health authorities and with government, I think there's been extraordinary work put into governance both by, on the part of the department but also on the part of people who sign up to be regional health authority board members.

It's a fairly or, or, it's a difficult task to take ordinary citizens who represent their local needs from their local communities, to train them and educate them and work with them so that they are able to do effective governance of multimillion dollar corporations, and it does require hard work and continual effort, and that's what the department has been doing in conjunction with the regional health authorities since the report, and we look forward to the 2008 report 'cause I'm sure there'll be more for us to learn.

Just a couple of comments then on the key findings and the conclusions from the report. We have made improvements to clarify the accountability relationships between regional health authorities and the Minister of Health. The minister meets on a regular basis with the Council of Chairs to discuss health system issues. Manitoba Health and

Healthy Living works with the board chairs and the CEOs. We've currently revised existing board governance and accountability policies using the attributes—sorry, I always have trouble with that word—attributes of effective governance outlined in the OAG report as a foundation.

The revised policy supports a renewed emphasis that board education sessions on governance and accountability. We have been working closely with the regional health authorities of Manitoba, which is the organization that is the collective organization of regional health authorities in the planning and content presentation of governance material at board education and orientation sessions.

Staff from the office of the OAG have been invited to deliver information on good governance at these training sessions. There was a question, a comment in the report about looking at the optimal mix of board member skills and the current composition. Within the department, we have supported the minister by revising a nomination form for board members to clarify the preferred qualifications for those seeking to be on regional health authority boards. We've taken into account the advice that has come from existing boards as to their membership, the skills that are required, and have tried to incorporate that into the nomination process.

The department is supporting stronger governance knowledge for regional health authorities by participating in the beta testing of a Community for Excellence in Health Governance, which is a national endeavour that has a Web site that facilitates knowledge exchange, online meetings, and cross country conversations by governing boards about governance issues.

There was also a comment in the report about appropriate information on a timely basis for decision making, and the community health assessment process that has been put in place is improving the capacity within regions to monitor, assess and use information for planning.

Regional health authorities and Manitoba Health and Healthy Living are working together to develop a guide that will reinforce best practices for setting expectations, monitoring, reporting and using information for strategic management and operational planning, and significant communication is undertaken in a variety of formats to inform the health authorities of Manitoba Health and Healthy Living's goals, strategies, government priorities and expectations.

So, as I said at the opening, Mr. Chair, there is much work that has undergone and we are continuing to do work with our health authorities. Thank you.

Mr. Chairperson: Thank you very much, Ms. Wilgosh.

The floor is now open for questions.

Mrs. Myrna Driedger (Charleswood): Thank you, Mr. Chair, and I do realize that the, the report itself is seven years old, so what I've done is just gone through it and looked at the various aspects of it, and I'm just going to take some of the highlights of the report and just ask for updates on where those are at.

So I don't expect that there will be very many questions, but I do agree with the deputy minister that there is still a, you know, significant amount of relevance to the findings in this and, and, knowing it's seven years old, too, I'm sure we've moved beyond a lot of, of what was said in here, and that in, in asking my questions I'm sure we're going to hear that there has been significant progress in some of the areas.

So, with that, I'll just get into my questions and we'll just go from there. And my questions will be directed to the deputy minister.

Do the RHAs set annual objectives, and are they made public?

Ms. Wilgosh: Yes, they do, through their—sorry—they develop a five-year strategic plan which will have their, their major objectives in that, and then, on an annual basis, they develop a, an operational health plan and the strategic plan is made public. The operational plan is a document that's submitted to the department and—for internal communication between the regional health authority and the department, but the public at any time can see the five-year strategic plan.

Mrs. Driedger: Are those five-year strategic plans placed on a Web site?

Ms. Wilgosh: I can't confirm for you that they are on every RHA Web site, but I know that a majority of them do.

Mrs. Driedger: Does the Department of Health also set annual objectives and are they made public?

Ms. Wilgosh: We do set annual objectives. We have priorities that are developed, and to the extent that we share them with regional health authorities and

we use them in various pieces of communication, they would be made public.

Mrs. Driedger: Can the deputy minister indicate how government expectations are specifically shared with the RHAs?

Ms. Wilgosh: Those expectations are outlined in funding letters, pieces of communication, direction that's provided on a monthly basis. There is now a form that was not in place in 2003. It's a form where all the CEOs, the ADM level within the department, come together for a meeting and it's chaired by the deputy minister, and it's at those types of meetings that we also share with them priorities, expectations, deal with various issues that are coming forward to the health sector in Manitoba.

Mrs. Driedger: How does the department reach those decisions? Is there a process, a strategic planning process or is there a business planning process? How do you reach the point of determining what your priorities and, and government expectations will be?

Ms. Wilgosh: The department goes through a process whereby we take the information that we gather from the comprehensive community health assessments that's done by the regional health authorities, take information and reports that come from various external agencies such as CIHI, Stats Canada, the Manitoba Centre for Health Policy, and on an annual basis the department takes that information, we take a look at the goals that we have and they—we determine what should be the priorities within the department and for regional health authorities. We share—

Mr. Chairperson: Mrs. Driedger—I'm sorry. Ms. Wilgosh, continue.

Ms. Wilgosh: —and we share that information with the minister and then we go forward.

Mrs. Driedger: Can—and can the deputy just confirm that that's done an annual basis, and can she indicate the length of time it takes to, to go through that process before it's finalized?

* (19:20)

Ms. Wilgosh: Yes, we do it on an annual basis. The length of time, quite honestly, will vary. So, for example, this year, right now with the H1N1, I'm actually supposed to be attending a meeting tomorrow, or we should be doing that. I'm doing H1N1. So the time fluctuates. So I wouldn't necessarily feel comfortable telling you.

Mrs. Driedger: Does the Department of Health utilize in any way an annual business plan? I notice that some of the provinces actually put that forward and that is what they call it and they, they, you know, set up their plan where they have their goals, their time frames, you know, outcomes by which they would measure accomplishments. Does Manitoba have anything similar to that?

Ms. Wilgosh: Yes, there are two parts to that answer. So, in the past couple of years, we've had an actual process where we've identified our strategies, indicators that we're using to measure when we've accomplished those, and then we report on those to the minister.

That process is feeding into a process that's been established by central government on performance monitoring, and that involves setting goals, establishing how you're going to measure those goals and then reporting on those. So, so we have been doing that within the department and then that's now feeding into a central government process.

Mrs. Driedger: Is any of that made public? I, I note that in looking at other provinces across Canada, there's certainly a lot of, of detail that they provide in terms of making that public, whether it's, you know, strategic planning, business planning, you know, annual reports, it's all very, you know, very much out there in the public realm. Is the Manitoba information as readily available as it is in other provinces?

Ms. Wilgosh: I would, in all honesty, I'd have to say, no, it's not as readily available as, for example, al—Alberta. I know; I receive the Alberta reports. They're very nice. They're, they're slick; they look great.

I think, in Manitoba, we do make a lot of the same information available, but it's not in a one-stop shop. You have to go—like, we report on wait times, et cetera. So, so, there is a lot of information that we do feed back to the public, but it's not, as I say, in that nice, fancy way.

Mrs. Driedger: Is there a document that articulates provincial health service priorities, or is that encompassed in some of the other material that you've talked about? Or would there be a, a specific document that actually specifically articulates provincial health service authorities—or priorities, sorry.

Ms. Wilgosh: Yeah, my—just a point of clarification, did you say a public document?

Mrs. Driedger: Yes.

Ms. Wilgosh: No.

Mrs. Driedger: Can the deputy minister indicate how RHAs are held accountable?

Ms. Wilgosh: They're held accountable through a variety of mechanisms. They're held accountable through their—the health plan that they provide to us, and then the fact that they have to provide an annual report to us on how they accomplished what they set out in their annual plan. They're held accountable through financial monitoring. We do financial monitoring on a monthly basis. They're held accountable through various performance indicators that we have around wait times, hiring practices.

So they're held accountable through their discussions that they have with the Minister of Health. Just recently, I know that she's been in touch with some board chairs on financial accountability. So there is discussions that happen at that level.

As I mentioned, we have these monthly meetings and we have a very—it's interesting. One of the comments in the report was that government was—might have been interfering too much with the regional health authorities. At the same time, the report said they wanted to have more information and feedback from us. So it's to find that balance. I think within the department right now we do have a very close working relationship with them. And so we are able to follow up on, on a very expedient manner on issues that are coming forward. So, I'd say there are a variety of processes by which we hold them accountable.

Mrs. Driedger: I did note as well in the survey where they did feel that there was in, in some instances, or, or some of the CEOs felt that there was not enough information provided from government, and some CEOs and boards also felt there was too much interference from government. So I certainly realize there's, you know, a fine line one walks in trying to achieve what, what needs to be achieved, and I guess you're not going to make everybody happy.

Do you—or have we moved forward in being able to articulate the, the role and responsibility of the Minister of Health, the Department of Health and the RHAs? I know that even going back to the Thomas report, after the children died, it talked about discretionary accountability by a Minister of Health where they might want to go out and talk about the

good things, and, and then be not so forthcoming with bad news and that the reference was to discretionary accountability.

And, also, Paul Thomas indicated at that time that it was really important that we be able to articulate the different roles and responsibilities so that everybody was clear, and it wasn't so complicated and complex that, in fact, we needed to articulate each of those areas so that everybody knew what their job was, nobody's stepping on toes, but you're able to hold each level accountable for what their role is.

But I know that when the RHA started, I mean, there was a lot of learning and evolution that had to take place before everybody could understand, you know, and, and it would all fall into place as to who's supposed to do what. And I know that was a growing, you know, a growing experience and, you know, after all of these years, I'm sure we, we've moved quite beyond that.

But is there an—again, a document that specifically articulates the role of the minister, the role of Manitoba Health and the role of the RHAs so that everybody in those three areas are all clear as to what their roles and responsibilities are?

Ms. Wilgosh: When regional health authorities were being established, there was a task force that was put in place to, to work on, on their implementation of regionalization, and one of the initial documents that was put out at that time, was actually a document called, The Planning Framework, and within that document, we articulated the roles and responsibilities for the department, for the regional health authorities. And I, I'm sorry I don't have it with me, but I remember it has, it still is in, in use, and we use it when we orientate new board members.

It has two circles with a circle in the middle because you have some responsibilities that are definitely regional health authority, some that are definitely government and then there are some that, that overlap depending on what the issue might be or who the audience is.

So, take policy development for one thing. Policy is developed by government. It's provided to the regional health authorities but then they have to do some internal policy development themselves to make it relevant for their staff and to apply the government policy too within their community. So some of that may be in the overlapping circle.

So that document is still used; it's still relevant. It's still reviewed, as I said, at board orientation sessions. And it's accompanied by an accountability document that we are just in the process of updating that tries to spell out the various accountability mechanisms and who has responsibility to be accountable for what and when, kind of. And that's in that document.

So those are the two documents that I'm aware of.

Mrs. Driedger: I know that some of the provinces put that information on their Web site. I was just looking at Saskatchewan's recently. Specifically, I, I have seen Alberta's. And it does allow the public also then, if they happen to be interested in looking on those Web sites, to have a better understanding of what the different roles are at all those levels.

Is that something that Manitoba could consider also putting on the Web site because there certainly is not always a clear understanding by the public of what responsibilities and roles belong to each section and, and I think that could be why sometimes there is, you know, public concern, I guess about RHAs.

I wonder if, if something like that could be, you know, made public by having it on the government Web site as other provinces do.

* (19:30)

Ms. Wilgosh: So there is currently a governance manual that's on-line, and we'll be removing that and putting in, in its place, the document called achieving health system accountability, 2009. And so it will be available, and it's my understanding that that document—I haven't seen the most current version—is going to spell out the roles and responsibilities.

Mrs. Driedger: I'm sure that the work that went into that was probably very interesting and a lot of good discussions, but having an updated version of that, obviously things have progressed quite a bit to achieve that. So I congratulate you on that because probably the whole birthing of regional health authorities has probably been the biggest change in health care that we've likely ever seen, and to move forward and to be able to articulate and define the various aspects of all of those roles is a good achievement.

You mentioned the circles, and I do recall, I think I have that document as well, and I know the RHAs were finding it was problematic where the shared authorities rested, and that is, I guess, where,

you know, you end up butting heads in many instances because there is that middle circle where there are shared responsibilities and those need to be—and I don't know if you'd ever move beyond, I guess, it becoming not a problem, because everybody's going to, you know, agree, because that may not be happening.

But do you think, over the last number of years, there is less criticism about that area being so problematic? Is there more clarification that has evolved because of it, and with the, you know, evolving of the document where you talk about accountabilities, is that seen nowadays as a less problematic area?

Ms. Wilgosh: The short answer would be yes. I think the reasons for that is that when it was first put out, as you said, the introduction of regionalization was a gigantic change, and with any change it takes a while for that to settle in and to become normal, and people need to get comfortable in their roles and their responsibilities, and so that has been evolving.

I think the other absolute key thing to that is open and frequent communication. So these meetings that we have on a monthly basis and the ability for the minister to call a board chair—I'm in daily contact with many of the CEOs—we have the opportunity to talk it through, to work it out, and then that's supported by the various people within the department and the RHAs.

We have joint meetings with communities now. So if communities have an issue, you'll have the department, the regional health authority and the citizens, so that we have, sort of, a tripartite discussion about an issue in a particular community. And we are finding that that communication is the key to this because, as you mentioned, there will always be some tension and some debate about who's doing what, but you need to talk it through. So open communication.

Mrs. Driedger: As with everything, I guess, it will be no different in this situation. When you mention the communities being involved, is that the general community, or is that through health advisory councils?

Ms. Wilgosh: Depends on the situation.

Mrs. Driedger: Are all RHAs expected to produce an annual report?

Ms. Wilgosh: Yes.

Mrs. Driedger: Is there criteria developed so that all of the RHAs are providing exactly the same format and type of information that is needed. I know in looking at reports from not long ago, they were all very different in terms of annual reports. Some were, you know, 50 pages long; some were five pages long, from what we could gather, and not necessarily were they all reporting the same type of information.

And what I'm wondering about is whether or not there are, you know, expected outcomes that are reported on, audited financial statements that are included in that, you know, a much more robust reporting to the public than what some of them have been doing.

So my question is, you know, are there clear guidelines as to what government expects to be in those annual reports?

Ms. Wilgosh: The, the department does provide pretty explicit guidelines as to what we would see in the report that they produce for the minister. I think what you are referring to is that some of the regional health authorities have not provided the entire information that comes in to the minister in the report that they make public, or they may abbreviate it so that it is a more user-friendly type document. But the report that comes in to the minister must follow the guidelines that are established by the department and is very robust.

Hon. Theresa Oswald (Minister of Health): Mr. Chair, I know that these questions are directed to the deputy. I'll just clarify as well that in improving board governance and doing a lot of the work that has been done between the regional health authorities of Manitoba and Manitoba Health in building up skill sets for board members, in doing that, I think it's also been an enabling exercise for those annual reports to have more of those qualities in them and, and be more easily produced as well, by having board members with, with even more strengths in those areas. So I think that, too, is showing continuous improvement and, and that's an important part to mention as well.

Mrs. Driedger: Can the deputy minister indicate where one would find those criteria of what the RHAs are expected to put in their annual reports?

Ms. Wilgosh: That's a, a, it, it, it's in communication between the department and the regional health authority. So it, to date, anyway, it has not been a document that has been shared with the public.

Mrs. Driedger: The minister was just touching on it in terms of board, board members, and that was the next section in my line of questioning. And my question was, specifically, are there criteria for the qualifications of board members so that each board has a cross section of expertise and a good mix of skills? So, is a criteria for the qualifications—are you looking for a specific mix of talents so that, you know, when people sit on boards they have, you know, some of the skill sets that boards need in order to be able to do their job?

Ms. Wilgosh: The nomination form has been recently revised so that there's an opportunity for people that are applying or being nominated to outline the skill sets that they have, and I do know that, through the, the process of looking at those nomination forms and in discussion with the regional health authorities as to what skills are needed on your board, it's a pretty complicated and robust exercise to try and, and, and make sure that we are putting forward names that government can consider of the various—that will meet the skill sets that are required that also give a cross representation from within the geographic area of the region. Because that's also something that needs to be taken into account. So, so, yes. It's on the nomination form. It is looked at and we do try and do that.

Mrs. Driedger: Can the deputy minister tell us what the orientation program is like for new board members? You know, is it a day-long procedure or program? Is it a two-day program? Is there an orientation binder? What, what is provided to board members in order to give them a comfort level in being a board member?

* (19:40)

Ms. Wilgosh: Each regional health authority provides an orientation for their new board members. I am aware of the fact that many of them have a binder that they use for that. I think the length of the orientation might vary from region to region, so it's—for sure I would say it's probably, would total a day, but they may do it in a couple of sections.

Then there is a session that's put on provincially where new board members are invited to come to that session, and there is information provided more from a provincial perspective, what's the legislation, what's the funding policies type of stuff that's more readily or better provided, I guess is, would be a word, better provided by government officials, and so that happens on an annual basis.

Mrs. Driedger: That particular component that happens on a, on an annual basis for the provincial perspective, how long would that orientation part be?

Ms. Wilgosh: I believe it usually starts in the evening and carries over into the next day, so a day and a half or day and a couple of hours.

Ms. Erin Selby (Southdale): I was just wondering if you could maybe explain to the committee a bit of the work that's been done to improve the working relationship between the RHAs and Manitoba Health.

Ms. Wilgosh: I think, as I've spoken or alluded to throughout my comments, the development of what we call the health senior executive table would be one, one definite piece of information or example I would use. I think the fact that the minister now meets on a quarterly basis with the regional health authority council of board chairs is another.

We recently, oh, two years ago I guess it would be, established an office. The focus is directly on physician recruitment, and that office and its roles and responsibilities complement and work in a part of a continuum of ensuring that Manitoba has got a robust system to recruit physicians. So there's roles and responsibilities for the RHAs, and it's supplemented by the department and work that we can do on a provincial basis. So those would be three examples that I would, I would share.

Mrs. Driedger: In looking at the auditor's report, one of the comments made was that only one-third of RHA board members and only 11 percent of CEOs felt that Manitoba Health provided the RHAs with appropriate information for the board to do an adequate job.

I think in what you are indicating now in some of your responses tonight that there have been definite and very definitive aspects taken to address some of those criticisms of the earlier time. Is there anything else that you feel that you want to add to that, you know, in terms of what has been done to provide information to boards when they were feeling that they didn't have enough information? What kind of changes have occurred to make that a little bit better?

Mr. Wilgosh: Well, I think all of my earlier statements would stand. I think the only thing that I might add to that is that on a, on an as-needed basis, as deputy or, yes, as deputy, I have gone out and met with the odd board itself. So if they needed

information, we, we're trying to provide them. We've working hard to do that, so.

Mrs. Driedger: Another criticism of that time, seven years ago, was the lack of timeliness of information. Again, I think you've already alluded to this that you're, you know, making much more efforts in order to move beyond that so that they are getting more timely information, more timely receipt of information. They did ask for improvement in that area.

Do you feel that that has been significantly accomplished?

Ms. Wilgosh: I do. I'm looking forward to the 2008 report to see if they do.

Ms. Oswald: Thank you for the opportunity to comment, Mr. Chair, because the deputy would never say this, but she's like a heat-seeking missile really in responding to the requests and challenges presented to her by CEOs and by board chairs, and I think that it's a credit to the senior team as well that the concerns, you know, coming out of this review and other discussions that we've had about—you know, you don't have to give me an immediate answer but let me know that you heard me and when you may be able to get me the answer that I need. And I would argue that nobody's faster than Ms. Wilgosh.

Mr. Chairperson: Thank you. Shall—I'm sorry. Any more questions?

Mrs. Driedger: Yes, I do.

Mr. Chairperson: Okay. Well, carry on.

Mrs. Driedger: The survey also indicated that RHA board members and CEOs felt that they didn't have enough authority to effectively do their jobs and the comment in this report was that this issue warrants further examination. Has this been explored further in terms of how much authority RHAs should have and don't have, according to how they feel? Has that been explored and do they still feel that there's too much interference by government, or are they feeling that they do have more authority and more ability to actually do their jobs?

Ms. Wilgosh: Yeah. I, I—my answer would go back to the, to the earlier response I gave on the importance of communication. So I, I think there's been significant improvements in that area and if there is a particular issue where we feel there is a departmental or a government perspective and, and there's a regional health authority perspective and the

two may not necessarily be the same, we talk it through, and our objective is to find the answer that best provides for the appropriate care for Manitobans.

So, so how we get to that answer is a, is a collaboration, it's a consultative basis, it's open dialogue, whether it—you know, as frequently as we need to, to get there. So I would hope that they would think that there has been improvement in that area because I feel there has been.

Mrs. Driedger: Another criticism of that time was the lack of information provided so that the RHAs would understand what the government's long-term goals to improve health care were. They felt that it wasn't clear to them what government's long-term health-care goals were. Are these being articulated more clearly to the RHAs and are they, you know, receptive to what they're hearing?

Ms. Wilgosh: I would say that they are being articulated clearly to the regional health authorities. In the time that I've been deputy, I don't think anybody has asked me, you know, we don't know what your long-term goals are, Wilgosh, so tell us. I think they clearly understand.

Mrs. Driedger: The—another comment that was made at that time was that there was agreement by both RHA board members and CEOs that the public policy initiatives that the government expects RH boards to undertake are sometimes not compatible with the RHAs' operational performance targets and objectives—you know, a fair—fairly serious criticism of the time. Has this been improved upon?

Ms. Wilgosh: Short answer is yes. I think, I think that has evolved, as well, now that regionalization is 11, 12, going on 12 years old, so.

Ms. Oswald: I think that there will always be issues on which the regional health authority and Manitoba Health may, you know, present back and forth to one another as challenges, but there is a consistency and, and I believe uniformity, in the goals of acquiring more doctors, of providing the appropriate front-line care in the appropriate facility and bringing, wherever possible, access to services like diagnostics as close to home as, as is feasible. And, and these are government priorities and regional health authority priorities—priorities on which there, there's a pretty singular voice.

* (19:50)

Mrs. Driedger: There was a point in time and it's, and it's referenced in this report and, and I've heard it since, and it relates to the RHAs all communicating and co-ordinating between each other that sometimes there are barriers to, you know, good things happening because of either lack of communication between RHAs or turf wars between RHAs. Have we moved, again, beyond some of those problems so that the RHAs are better able to share, you know, patient outcomes so that they can learn good practices and share that with each other so that they can share what problems have been resolved in one area and maybe learn how to resolve them in the others so that there is less protection of, of turf and more sharing? Is that possible with RHAs or are those borders pretty strict?

Ms. Wilgosh: I think there has been a definite improvement in the sharing of best practices, so I've referenced this table where we meet, the department meets together with them. The RHAs, subsequent to that meeting, have a meeting of, of the CEOs where our executive directors attend and it has been reported to me that at those meetings they do talk about best practices.

And I know that RHAM is in the process of trying to establish a, a Web site, or put onto a Web site, best practices so that those can be shared. And just by virtue of us getting together and, and talking about different initiatives, the focus on wait times that has, you know, come about as a result of the 2003-2004 accord. That has meant that there has been a, a driving of sharing of best practices. And so, yes, I think they are working together better.

Mrs. Driedger: There's been one incident that has, I guess, bothered me for years and it was, again, an accident that happened along one of the borders between two RHAs. One was a rural, one was the city and an accident happened just on the city side. The rural ambulance attendants were, you know, a quarter of a mile away but because they belonged to a different RHA they weren't allowed to take their ambulance and attend to that accident that they could see in front of them because, again, it crossed the lines of the RHAs. Has that kind of a problem been rectified or are those kind of barriers still in place, especially when it comes to, I guess, who's gonna pay for what? Have we been able to move beyond and, and fix some of those issues?

Ms. Wilgosh: The short answer to that would be yes. With respect to that specific example, there are agreements between regional health authorities now

on the provision of that type of mutual aid and also with the implementation of the Medical Transportation Co-ordination Centre. We have ambulances now that are going—from Parkland that are going through Central will be diverted to go pick up a patient way off the highway because that needs to happen and we're not worried about who's paying for what. It's to make sure that care is provided.

So there have been a—that's just one example of some co-operation collaboration cross-border type of arrangements that have been put in place.

Ms. Oswald: I would also add that the relationships that exist at the Health senior executive table also enable regions to deal with, you know, very significant issues like the one we're facing now with medical isotopes. We've been fortunate in Manitoba insofar as the largest region, Winnipeg, has as its source the Netherlands, and not the Chalk River reactor which has, you know, really crippled a lot of, a lot of tests across the, the country and, indeed, the world. But Brandon and a couple of medical clinics did have Chalk River as their sole source and, and RHAs have been able to seamlessly discuss the sharing of this incredibly precious resource. And I think it's because of the relationships that have been built and the leadership of the deputy to ensure that, that these important issues are dealt with. When you don't have any time to deal with them and the sharing has to be instantaneous and I think that's happening.

Mrs. Driedger: One of the concerns that was raised, again, in the survey was an inequity of funding. And I'm sure when, when the RHAs come together there's going to be some RHAs that feel that, that they are not receiving the amount of money that they should be, that there is an inequity between what they are getting and what other RHAs are getting.

They did raise it as a, as an issue in this survey. And, as this is seven years old, I'm wondering, and if the minister or deputy minister could just address this component as to whether or not there has been some improvement in how everybody feels about their funding and whether or not we might be, whether we might be moving to looking at a different way of funding health care other than just global funding?

Ms. Wilgosh: I have a variety of comments on that. And, I think, just when it comes to money, I'm not sure if you can ever make anybody happy. That would be my first comment.

Second comment is there have been a couple of studies done by the Manitoba Centre on Health Policy regarding regional health authority funding and different approaches to doing that funding. And actually, the studies have found that the method that's currently being used is probably the most fair, whether or not the RHA wants to recognize that or not. It's sometimes be thankful for what you have than some other methodology.

And the third point would be that in—we have global funding, yes, but we also have what we refer to affectionately as directed funding. So, if there is funding that is required for a specific initiative, we will make sure that it is directed so that it must be spent on that, and we use that consistently across all regional health authorities. And that's one mechanism we have by holding them accountable to achieve priorities and to address identified needs and their health plan. If you asked for it, here's the money for it. Then it needs to be spent on that.

So those would be my comments on that.

Mrs. Driedger: It raises another question. If they haven't achieved what they said they were going to achieve, would you withhold that money then?

Ms. Wilgosh: With the wait times task—sorry. With addressing the wait times and coming within the national benchmarks, regional health authorities did not receive the funding unless they had, had done the volume of procedures that they indicated they were going to do, and then we were flowing the money to them. So that was a mechanism to hold them accountable to achieve the volumes that they said they needed to accomplish to meet the, the wait-time benchmarks.

Mrs. Driedger: That is all the questions that I have, based on this report.

And I just want to thank the deputy minister for her responses and for all the work that has been put into place in the last number of years to move forward with RHA governance in Manitoba. It sounds like, from, from the comments she's making, that there have been some strides and some very, you know, successful interventions and, and efforts being made that has moved us from where this was in 2002. So I look forward to the next, next report and, you know, certainly congratulate her. I'm sure it's not necessarily been an easy task—a lot of big challenges, but I thank her for her comments tonight.

Mr. Maguire: I would agree with Mrs. Driedger that there are a lot of challenges that Madam Deputy—and I just wanted to touch base—it seems like a bit of a contradiction to me on page 87. I just thought it was interesting. And I know this is an old report and there will be changes in the one—I look forward to the one coming out very soon, but, on page 87, under other, that 75 percent of board members had a positive im—thought that the board had a positive impact on health care in the region. Yet, at the bottom of page 7, 40 percent of the board members reported that their fellow board members are not devoting enough necessary time to the a—to do an adequate job. And I wondered, is that a contradiction of the fact that they've done—that this is a self examination perhaps, as opposed to more of an external review, or—

Mr. Chairperson: Well, Ms—who are you directing this question to, Mr. Maguire?

Mr. Maguire: Oh, I was just making a comment for the deputy, but it looks like the minister wants to answer it.

Mr. Chairperson: Well, first of all, I'll turn to the deputy.

Ms. Wilgosh: I'll defer to my minister.

* (20:00)

Ms. Oswald: Sorry to the committee. I won't be so fast to put my hand up.

I think it's human nature. I think, if you look in the report, it not only talks about this board, but there's actually a comment in here about individual performance: you know, I, I believe that I am doing a terrific job; you know, 98 percent said that. You know, I believe the person sitting next to me is lazy, you know, 98 percent that said that.

So, it, it, it's interesting—[interjection]—not this person. Absolutely not. As a point of clarification, I do not mean Ms. Wilgosh.

But, so, notwithstanding some of those jarring and very interesting quirks of human nature, I, I think what the auditor said in the, in our pre-meeting to this and I—you know, that the discussion, you know, the questions that were raised in this really do remain relevant. Some of the findings, you know, might be old or, in this case, quirky, but, but the discussion I think is worthwhile having about how can you evaluate yourself and evaluate your peers' performance.

Mr. Maguire: Well, just in response, thank you, Madam Minister. I would appreciate that Mr. Robinson, I think, on the other side, if I was him I'd be watching out as well. I know she didn't mean you, Eric, either, so—or any one of us in this room I would cover up for on that.

But I just wanted to, to say that that was my point in raising the issue in the question, that, that, that I look forward to the, the next study and, and the objectivity that be there. There's a lot of in—fine and valuable information here, and I think that's what it can be, but it's six or seven years old now, and I think it's the time when we passed this report and moved on.

Mr. Chairperson: Thank you, Mr. Maguire.

Mr. Kevin Lamoureux (Inkster): Mr. Chair, I, I do have a few questions that I'd like to, to ask the minister, and I appreciate the fact that it is an old, an old survey and no doubt there has been a lot of changes over the last number of years.

A couple of thoughts that, that come to mind and maybe I would look to the, to the Auditor maybe first to, to provide maybe some sort of a, a comment. My understanding is, is that there, there have been other jurisdictions in, in Canada in terms of looking at one of those pillars that you make reference to here of, of accountability being one, and does the Auditor aware or has ever looked into the possibility of having regional health authorities come before a standing committee? I believe, for example, in, in Alberta, that they, that they do that. I'm just reflecting in terms of your thoughts about accountability and the importance of accountability. Has that ever been given any consideration or commented on anywhere within the report?

Ms. Bellringer: No, no, we haven't. We've had—I mean, I, I do think that there's a discussion to be had around who would appear before committees in general, but at the end of the day, that lands in your committee rules and needs a bigger discussion than something we would, we would raise, and it also gets into the, into the differing views around ministerial accountability.

So, so, you know, it's a big issue that you raise. I would say though, I don't want to shy away from the fact that any organization or agency that we would have the—we would go in and do an audit of something, that you would get the most comprehensive answers from the CEO of any of those organizations. And I'd say that would be the case

with any Crown corporation or a, or a grant recipient or any institution that we have the access to do the audit of. Certainly, there's a value in hearing directly from—and RHAs would be one of those.

Mr. Lamoureux: I wonder then, if I looked at it to the minister and, and posed the, the question to her in terms of the, the issue of, of accountability, if she sees any, any value or if the minister has, has looked at that as something that would be of value for, for Manitoba.

Ms. Oswald: Well, certainly, as described in the hour that just passed, we have many conversations with the CEOs and the chief financial officers of regional health authorities. There have been a litany of accountability mechanisms that we just spent the last hour discussing. And as far as appearances at committees go, you know, I, I would look to the will of our House leaders who negotiate such matters and, you know, would respond to their will.

Mr. Lamoureux: To go to page 59 of the report, it talks a lot about the external relations, and I understand that there was a certain amount of canvassing of about a hundred different—I don't know if they were individuals, to provide comment, and what surprised me—and, again, maybe things have changed over the last number of years—was the relatively high percentage of positive feeling, and I'm wondering to what degree does the RHA survey or consult with the employees of the different RHAs. Are they ever sought for their opinions as to the performance of regional health authorities?

Ms. Wilgosh: I'm sorry, the question is, do RHAs ever survey their employees to see whether their employees feel that they are effective as regionalizat—as organizations?

Mr. Lamoureux: Yeah, in essence, if they feel that the RHAs are, in fact, effective, are there things that could be improved upon, just to kind of get a sense in terms of what the general feeling is towards RHAs?

Ms. Wilgosh: Different regional health authorities do surveys of their staff for a variety of different reasons. Many of them use a balanced scorecard quality assurance continual improvement type approach to how they do their internal business, and that would involve surveying their staff, having suggestion boxes at different spots, surveying patients and taking into account patient information.

So they would gather that data from a variety of different mechanisms. When they're doing their

comprehensive community health assessments, they do focus groups; they do community meetings; they go out and meet with municipal councils. Like, there's a variety of different mechanisms by which they gather information on their performance, their policies, their approaches.

Mr. Lamoureux: To what degree would the government, in particular you as the deputy minister, be interested in knowing if there is professional health-care workers that have a difficult time with decisions or actions that are taken by regional health authorities? Is there a protocol in place to ensure that—you can call it whistle blowing or whatever it might be, that allow for health-care professionals to express their opinions and feel comfortable knowing that there's not going to be repercussions?

Ms. Wilgosh: The whistle-blower legislation is the—sorry. The whistle-blower legislation requires that regional health authorities have those processes in place, that staff can come forward. There is also other mechanisms that they have through their union representation. They have joint management-labour committee structures that happen at various levels, so. But I think the most powerful and the newest would be the whistle-blower legislation which has those protections built into it.

Mr. Lamoureux: So, as deputy minister, would you be privy to complaints of any sort of a serious nature regarding issues related to regional health authorities, and I could give maybe a couple of examples. One was concern in regards to the Burntwood Regional Health Authority, and recently there was, for example, a lawsuit from someone within that particular regional health authority.

Is this the type of thing in which you'd be familiar with? Would they come to you and say, well, look, we have a problem with something, and we're going to be pursuing it further. Or just—I don't quite understand that sort of a relationship.

* (20:10)

Ms. Wilgosh: I think there is—as I had been mentioning, there is a very open and transparent dialogue that happens between the regional health authorities and the department, so there are items that are shared at various points and times. There is not a, a requirement placed upon a regional health authority that they would—they must tell the department about all of these interactions. So, so we do hear about some of them. I'm not sure that we hear about them all.

There's various mechanisms. The public is always welcome to, to write a letter to the minister to share their concerns, and it's through that process as well that, that I'm made aware of those particular issues that are coming from, from the public.

Mr. Lamoureux: Can I give you a very specific example. I, I received an e-mail from what I believe is a doctor in that Thompson area, and in the e-mail it talks about everything from discrimination to lack of respect that's demonstrated. And I'll provide it to, to the minister, not necessarily the name, the author of the e-mail, because there's a very limited number of doctors, they don't want to be discriminated against or have any repercussions as a result of it, but made very serious allegations.

Would you, as deputy minister-like, is there something that kind of triggers or opens the door so that you would be made aware of issues of that nature?

Mr. Chairperson: Excuse me, Mr. Lamoureux, this—you're straying fairly distantly from the report, so I would caution you to try to contain your questions as they relate to the report. Thank you.

Ms. Oswald: Yes, thank you, I can say for the committee that allegations that are brought to the attention of the deputy minister and, and to the minister's office are, are taken seriously and investigated, you know, without prejudice. And we also know that in cases where, you know, any citizen has, has evidence that, you know, there are misdeeds occurring within a regional health authority, they are absolutely welcome, you know, without repercussion to, to bring them forward and, and to make those—tho—that evidence known and, and their avenue's open to an individual.

I, I would, you know, go back to the point that this particular report of 2003 was a survey of board governance of, of board members in, in a regional health authority environment, and, and that's really, you know, what we're discussing to—tonight, not sort of specific allegations of a specific doctor in a specific region. We take that seriously. I'm just not 100 percent sure, Mr. Chair, how a specific question of that nature might, might fall into the, the purview of this, this governance report.

Mr. Chairperson: Madam Minister, that's why I cautioned the questioner. I don't need a lecture on it. So will—if there is—if that answer is complete we will move on.

Mr. Lamoureux, I'd appreciate it if you would contain your questions to the report.

Mr. Lamoureux: If, if we look at the report, it is a reflection, in terms of through a questionnaire, as to what's going on, given back in, in 2003 within the RHAs, and, and it talks about governance and it talks about accountability, and what we're talking about is ensuring that we maximize accountability and the ability to, to govern the regional health.

We recognize the importance of canvassing some of the regional board members and, and that's what I'm trying to suggest is that we need to, to take it to another step, and that is recognize that we gotta go beyond the board members to get a better assessment of actually what's taking place in, in our health care. And that's why I asked the deputy minister whether or not there is some form of a, of a protocol in place that would accommodate that. That would be, you know, health-care prof-friendly, if I can put it that way, so that if there is concerns that are being raised that there is, there is no fear factor of some form of repercussion to take, to take place.

And the example I, I use, Mr. Chair, is, is the one that I'm most familiar with, and I think it's a good example as to why it is that we need to go beyond just canvassing the board members as, as this report does, because this report talks about the importance of accountability, and I think we're missing a, a vital component to that accountability if we don't have a system in place that allows for that feedback. It's not like, and I'm sure the, the minister would even acknowledge, there are a great number of issues in health care and that's why—

Mr. Chairperson: Excuse me, Mr. Lamoureux. You once again are moving into the area of questioning the merit of a policy rather than the administration of it. So I would ask you to come back to rephrasing your question so that it addresses not the merit of the policy, but, indeed, the administration of it. Thank you.

Mr. Lamoureux: Yeah. So I, I guess I, I would ask the deputy minister: To what degree is, is the department canvassing opinions of, of health-care workers that goes beyond boards themselves?

Ms. Wilgosh: I think—just to re-emphasize that we are, in the department, we are very open to, to hearing from, from health-care providers. We are, by nature, most of us are health-care providers.

So we have our connections within the health-care provider community. We do have the

whistle-blower legislation. We do get various pieces of information that we follow up with the regional health authorities through various mechanisms. I think we have a pretty robust way of through all of these various mechanisms of understanding how a regional health authority is functioning. And, against those benchmarks, our best practices benchmarks, we would be monitoring them on an ongoing basis.

And, if people have issues that they want to bring forward that they are concerned about repercussions, then I'll come back to the whistle-blower legislation.

Mr. Lamoureux: If you turn to page 58 of the report, it says that RHA boards require more flexibility and autonomy. Government should develop a long-term goals for the province and allow RHAs to make hard decisions within their regions to ensure fiscal responsibility.

When, when I, when I read that particular quote, one of the things that came to my mind is to, to what degree does the government prov—does the RHA report on the actions such as—I made reference to it earlier and I don't wanna be ruled out of order per se—but, in terms of if, if RHA doesn't like something that's happening, to what degree do they have the right to be able to, to take legal action? You know, is, is that something in which the, the deputy minister feels that it is, it is imp—it is appropriate for them to do that?

Ms. Wilgosh: To, to the extent that the regional health authority is an organization established by a piece of legislation that establishes them as a, as a corporation, as a business, and that they have all the rights and obligations, liabilities, all that legal terminology to conduct their business, then I would say that they would have to seek appropriate advice, legal advice, before they would take such action. And they would need to make sure that they would be proceeding in a way that would be prudent, recognizing the best interests of the public, the best interest of the organization, before they would make such a decision. But they do have the ability to do that.

Ms. Oswald: And, and I—not to offend you by, you know, questioning your ruling on, on the issue, so I retract that statement if there was offence taken.

The end of my sentence might have helped in that the spirit of the, the governance review, I think, in the survey of the board members really regardless of what theme was being discussed, there, there was

an undeniable common denominator of more open communication to improve outcomes for patients and, and for, for board members in terms of their ability to govern and a theme of, you know, improved openness in the system.

And I think on—in the context of the questions that the member is asking, whether it's an employee or someone who wishes to be an employee but has not become gainfully employed, that ensuring that within the context of, of the way the board is governed and the way the system works, that there are, are avenues that, that those individuals can pursue to be heard and, and to communicate openly so that conflicts can be resolved.

*(20:20)

I think that that, that would be one of the things, as the Auditor said in the pre-meeting, where, you know, the findings of this report might be old, but the, the context or the, the topic itself is one that lives on and should always be the subject of continuous improvement, and I would think this would be no exception.

Mr. Lamoureux: But now, to what degree does, you know, a regional health authority have the ability to do whatever it is that it wants, and if there is something that would be perceived as being outside the norm, is there a responsibility for someone to be reporting it to, to the deputy, to the deputy minister, or any higher official with Manitoba Health? Like, it would seem to me, as an example, outside the norm would be launching legal action against a, a freelance reporter, in this particular incident. I would have thought that, you know, that they would do something, or if they decide to have, you know, some trip in, in the Bahamas, you know, that there would be—and obviously that's, that, that didn't happen. But the point is, is that something that's outside the norm, when they're spending tax dollars, to what degree is there an obligation for them to, to report?

Ms. Oswald: As we, as we discussed earlier in the hour, there are mechanisms in place, and, and I believe the deputy works very hard with the CEOs and the board chairs to provide as much information as possible for what the responsibilities of the, the CEOs and the board chairs would be concerning their, their legal obligations, and, and, I think, working hard to ensure that, that all, all employees and all citizens feel that they can make complaints in, in an open and, and transparent way. And I think that's, that's, again, comes from the themes of this

report to, you know, enable any challenges that exist in an RHA to be brought forward in a transparent way and, and to have those issues dealt with wherever possible.

Mr. Chairperson: I'm going to interject here, ladies and gentlemen. We are getting into a style of questioning that is more appropriate in Estimates and not in Public Accounts. I've cautioned a, a number of times. These are to be questions that are of an administrative nature posed to the deputy minister. This is not a time for debate as it is in an Estimate forum, and so I'm just cautioning members that, that is why we have our pre-meetings and that is why I expect that members will attend pre-meetings so that we, indeed, can stay on track.

Having said that, I'm going to ask how much longer we intend to spend on this report, since we have another report to cover. Do we, do we, should we continue with this one until the end, because it appears that, you know, we, we still have some questions outstanding?

Mr. Lamoureux: Mr. Chair, just to conclude, and I must apologize for not necessarily being at the pre-meeting. It's one of the difficulties of June and busy schedules; the Philippine Independence Week is a major priority for me, as I'm sure it is for the other members.

Having, having said that, you know, in, in summary, I just want to comment that I do believe that there needs—we need to emphasize that, yes, it's important to do the surveying and it's interesting to see the results. I recognize that this is a very dated results. I don't believe that if we were to conduct the survey, the same survey today, that we would get the same results. And I think that there would be a lot more value in conducting surveys that go beyond board members to get a better appreciation of actually what's taking place in Health, and that we do have some concerns in terms of the board of governance and the way in which decisions are, in fact, being made.

I'm not necessarily looking for, for feedback, Mr. Chair. I just wanted to get on the record in saying that.

Mr. Chairperson: Thank you. Ms. Wilgosh or Madam Minister, any comment?

Okay. I saw another hand up. Mr. Altemeyer, did you have a question?

Mr. Rob Altemeyer (Wolseley): No. Thank you.

Mr. Chairperson: I'm sorry, Mr. Minister.

Mr. Selinger: I'd be ready to move passage of the report if the committee is ready.

Mr. Chairperson: Okay.

Shall the Auditor's report, An Examination of RHA Governance in Manitoba, dated January 2003, pass?

Some Honourable Members: Pass.

Mr. Chairperson: Pass? The report is accordingly passed.

Thank you, Madam Deputy. Thank you, Madam Minister.

Now, we will move to the—we will ask the minister and deputy minister of Culture, Heritage, and Citizenship to come forward, please.

Excuse me for a moment.

Madam Vice-Chairperson in the Chair

Madam Vice-Chairperson: Does the Auditor General have an opening statement for the committee?

Floor Comment: Thank you, Madam Chair, I do. Oh, you have to call me, I guess.

Madam Vice-Chairperson: Ms. Bellringer.

Ms. Bellringer: Thank you. Okay. There's—there are two parts to this report. The first on voluntary sector grant accountability. The office selected arts historical resources and recreation as the focus of the review, specifically, 17 organizations who receive their funding through the Department of Culture, Heritage, Tourism and Sport and through the Manitoba Arts Council.

Again, this wasn't an audit, but the report did include some objectives and recommendations that resulted out of the, the work, and the number of challenges were pointed out that the department and, and the Manitoba Arts Council, for their awareness, and they were in the area of clarity for grant recipients, capacity building, consistency in reporting requirements and streamlining those requirements and documenting feedback to grant recipients.

Mr. Chairperson in the Chair

There's a second part to this report that is on enhancing board governance and not-for-profit organizations, and that report—that part of the report discusses leading practices and board governance for

not-for-profit organizations. And the intent of that is to provide some general guidance to those organizations seeking to enhance their government practice.

As the basis for that report, the office utilized the model of governance to conduct the governance review of the Royal Winnipeg Ballet, which was at the request of the board of directors. The report wasn't an audit. There's no recommendations in that part of it, but the observation and notes within the report were intended to highlight specific areas of governance that present common challenges for not-for-profit boards of directors in Manitoba's voluntary sector, although it was brought to life with the examples from the Royal Winnipeg Ballet.

Mr. Chairperson: Thank you very much, Madam Auditor.

Madam Deputy Minister, Ms. Hardy, do you have an opening statement?

Ms. Sandra Hardy (Deputy Minister of Culture, Heritage, Tourism and Sport): Yes. I'll be very brief, Mr. Chairman.

We—I'm very pleased to report that both the department and the Manitoba Arts Council have made some considerable progress on the recommendations in this report. We take what you might term to be a risk management approach to grants management. Approximately seven–62 organizations in our department receive almost 90 percent of the funding in this particular division. So we focus our attention very significantly on the large- and mid-size organizations. We have a rather demanding application process and reporting process, and there's a great deal of communication between the department and those entities.

* (20:30)

The smaller grants are typically formula based, significantly smaller in terms of monetary value. We try to pay careful attention to the capacity of the organizations. It's not reasonable to expect that, that a very small community festival or museum would have the same kind of capacity in terms of planning and reporting and so on, as a larger entity like, for example, the Winnipeg Art Gallery.

We also recognize that we're not the only funder typically for these organizations, that they get funding from mun–other levels of government, from the private sector, from ticket sales and a variety of other sources. And, again, we try to work as closely

as we can to recognize those funders' requirements as well.

We've developed our application materials to ensure that clients understand the application process, the grant review process and the recording process. We meet with them to review any inadequacies, communicate in writing when they're successful and work further with them when the, when the, their materials don't quite meet the mark. So we think we're, do exhibit clear communication. We're very mindful of the fiscal health of organizations, and we're very happy to report that the majority, very few organizations in our sector have deficits at this point, and that's, I think, more of a credit to the organizations than it is to ourselves. They work very, very hard.

We undertake periodic program reviews, such as the 2005 review of public library services or the next year's review of publishing. We support the organizations in their planning processes. We're much more demanding, as I said, of the larger and mid-size organizations, but in the case of smaller organizations, staff consultation, we make per–available materials, links on our Web site to a variety of sources that can assist them in those areas. We participate in their planning sessions to the extent possible. We have provided funding to organizations like art stabilization, which, in turn, have assisted another 34 organizations with business planning and processes. Provide op–assistance to Volunteer Manitoba as well, which supports these organizations.

We report publicly on our granting. Our annual grants listing is posted on our Web site, and similarly, with the arts council, their grant criteria, their funding levels are posted on their site as well, and they've taken other significant steps in recent years to address the recommendations in this report.

So we welcomed the recommendations. We believe we made significant progress on them, and I think I will close with that.

Mr. Chairperson: Thank you very much, Ms. Hardy. The floor is now open for questions.

Mr. David Faurichou (Portage la Prairie): I appreciate that the information within the Auditor's report is using rather a small sampling of the more than 8,000 volunteer groups and organizations throughout the province, but the previous department made mention of recognizing the individuals that are engaged in the various boards, that their department

assists boards in functioning at a higher level through seminars and meetings and—does your department offer that same type of support, educational process for, for volunteer boards and organizations around the province so that they are, their skill level is enhanced in their governance and performance and, ultimately, service to the various mandates that they have?

Ms. Hardy: To some extent. The report referenced 8,000 organizations. We fund about 1,200 organizations annually, and they range from an organization with an \$11-million budget and 70 staff to completely voluntary organization.

So, to the extent that we can, we work with those organizations to help them address those sorts of issues. It's not physically possible to consult with all of them individually on those, on those kinds of topics. But I did mention some of the resources that we steer organizations to, as well. So, for example, the museums, Canadian Museums Association, would themselves offer board development assistance to their member groups, and that, that's common to a number of other organizations as well.

Recreation con-Connections supports recreation programmers to do that kind of thing. The art stabilization program worked with those 34 organizations to help them review their governance processes, and so on. So there's a range of options that we bring to bear. We don't do that all individually for all those 1,200 groups.

Mr. Chairperson: Ms. Howard. Sorry about that.

Ms. Jennifer Howard (Fort Rouge): That's all right. The hour is late.

Just on page 7, I thought one of the interesting recommendations or, I guess it was a recommendation, was looking at the feasibility of

developing a common application form that would be used by major art funders, like the Manitoba Arts Council, the Canada Council, the City of Winnipeg. Now, I'm not sure—having worked a little bit in health care, I know that developing common forms is much more complicated than you would think, but I just wonder if there's been any progress on that. It seemed to me a very sensible recommendation and one that could simplify the lives of artists and arts groups that apply for this funding.

Ms. Hardy: Yes, we have done some work on that. As you suggested, it is very complex. We have a wide, wide range of organizations that we support, but, to the extent that there's overlap in our funding with the federal or, or municipal government—particularly on the arts side—we have tried to discuss common elements that we ask people to report on, so while we don't use the same application form, we do try to make sure that we're not asking for information in a way that everybody has to do their application completely different for every funder.

Mr. Chairperson: Thank you, Ms. Hardy.

Are there any other questions?

Shall the Auditor General's report, voluntary sector grant accountability: perspectives and practices, enhancing board governance in non-for-profit—not-for-profit organizations report, February 2005, pass?

Some Honourable Members: Pass.

Mr. Chairperson: The report is accordingly passed.

The hour being 8:36, what is the will of the committee?

Some Honourable Members: Committee rise.

Mr. Chairperson: Committee rise.

COMMITTEE ROSE AT: 8:36 p.m.

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