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May 22, 2002****MINISTRY OF HEALTH SERVICES****Minister of Health Services Colin Hansen  
Presentation to Open Cabinet - May 22, 2002***Check against delivery*

I think it's fair to say that patients throughout British Columbia are extremely frustrated, angry and, I think, worried by the BCMA's decision to use them as pawns in a dispute over remuneration for doctors in the province. Patients that I have talked to and received letters from are clearly sick of the uncertainty. They're sick of what they perceive to be both sides pointing fingers at each other at the expense of their surgery or their access to the health care that they need or their family needs.

Quite frankly, I think everybody, especially those patients, wants this dispute settled - and they want it settled now. So do I, and so do Sindi (Minister Hawkins) and Katherine (Minister of State Whittred) and Gulzar (Minister of State Cheema) as we try to grapple with all the challenges in the health-care system. I also believe that's what most doctors in this province want, too: to get past this so that we can get on to fixing the health-care system. Quite frankly, we have done everything possible, short of handing the BCMA a blank cheque, in our attempts to resolve this and come to a negotiated settlement.

Let's remember it was the BCMA who said back in February that \$255 million would be more than enough money to address all of their compensation issues. We signed a memorandum of understanding, with the BCMA on March 26th, and what it did is it put \$392 million of additional funding on to the table for doctors' remuneration. And the reason that we went from \$255 million to \$392 million is, first of all, the BCMA in coming up with that \$255 million allowed for \$185 million for fee for service increases; they allowed \$70 million for on-call payments.

We came back and we said we agree with the \$185 million. We thought the \$70 million was not enough. We put \$80 million in for on-call payments. But we also put in another \$127 million because we had to deal with some of the issues that (mediator Allan) McEachern did not deal with in his initial report. And that was around increases for the salary position, because they can't increase fee-for-services physicians without also giving corresponding increases to the salary physicians in the province. And the other thing is that we had to recognize that there would be about 60 to 65 million dollars of cost pressures that we would face in the coming years.

When we talk about utilization increases as the population ages and the population grows, that's why we added that extra \$125 million - and you may recall that (Finance Minister) Gary (Collins) incorporated that into the budget on February 19th. So if you divide that amount of new money by the 7,800 doctors in the province, it comes up to, on average, an additional \$50,000 per doctor - and that's simple arithmetic. Take 392, divide it by 7,800, and every penny of that flows to doctors' compensation. There's no admin fees tied off or anything like that.

So that's an increase of 20.6 per cent for doctors at a time when we are facing a \$4.4-billion deficit, and a time when we're forced to reduce government staff and services in other areas - at a time when forest workers are being laid off by the thousands and wondering whether they will even have a job tomorrow, as I think will be some of the information that might be communicated to us later.

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That 20.6 per cent increase means we are putting a total of \$2.3 billion into the budget just for remuneration for medical doctors in the province. And if you look at it from this perspective, that is more than 10 per cent of every dollar that we collect in revenue to the province goes to physician remuneration in the province. And still the BCMA says it's not enough, and they are going to make patients suffer in order to get more.

The BCMA walked away from the negotiating table and said that their most important issue was not money; it was the need for a dispute resolution mechanism. They said they want binding arbitration, and that's exactly what we have offered them. And in fact, we have met each and every one of their main demands, except for the demand for more cash to be put in over and above the \$392 million.

Now I want to share with you just a couple of facts and perspectives. The BCMA wanted an independent fact-finder to establish how much each party's proposal would really cost. We agreed, and now the BCMA said they don't want to have anyone publicly report on the cost of both sides' offers.

There's another factor. The BCMA said they couldn't trust government, so we proposed appointing an independent mediator to help both parties work through the negotiation and publicly report on the progress. The BCMA said they didn't want an independent mediator appointed to help us, and they also said they didn't want public reporting.

It's a fact: The BCMA said they wanted binding arbitration to settle outstanding issues. We agreed with their proposal: in fact, you may recall I had suggested that we appoint a three-member panel, and if we couldn't agree mutually on a chair, that it would be the chair of the labour relations board that would select the chair. They came back to us four days later and said that they were suggesting a one-person mediation arbitration process, and if we couldn't agree on that one person, then the person would be selected by the chief justice of the Supreme Court. We said fine. We accepted their proposal, and now they've turned around and said they don't want to go to binding arbitration after all.

So I guess the final fact is that they say that they want to put patients first. They signed the master framework agreement 2½ to three years ago, which actually committed the BCMA not to engage in job action unless there was something called pro-rationing brought in. Well, we haven't brought in pro-rationing, and basically it's a violation of the agreement that they signed in the fact that they're engaging in this job action and advocating that their members withhold services from their patients.

I guess the one thing that we have been anxious over this last little while is that we have been accused of breaking trust. We have been accused of some things. We say, fine: let's put it all out for public exposure. We have put the draft document on the Web site - on the MOHS (Ministry of Health Services) Web site. There's the draft memorandum of agreement that basically shows exactly the areas where we still have to sort out details, and in there it shows what our last proposal was and what the BCMA's proposal was. And those are the very things that need be arbitrated, or we have got to get back to negotiations to continue that.

So we've been trying to put as much transparency there, so the public can actually go and look, (and) I think more importantly, so that individual doctors in the province can go in and look at those draft MOU agreements and recognize how much has been accomplished in there already. We have actually acknowledged that there needs to be significant increases for obstetricians, for anesthetists, for emergency room doctors, and other specialists that have fallen back compared to other jurisdictions in Canada, and we have already recognized that and come to agreement on those areas.

We've also, I think, put on the table an on-call proposal that would make B.C. on-call payments far above what any other province is paying. We have, in the latest proposal put forward, agreed to \$212,000 a year for what we call Level 1 on-call, and that's the majority of on-call groups in the province. And that compares to Alberta, which a lot of the BCMA often likes to refer to. Alberta has \$180,000 for their on-call groups, and they are currently by far the highest if you want to go to the next province of Ontario, which is well back from that. So what is on the table and available for their doctors is extremely generous.

And the other thing is that it's all going to be retroactive, not just to last April 1st, but to April 1st of 2001. So doctors in the province, as soon as we get through sorting out these final details, will see some fairly sizable retroactive payments flow to them. And we're quite frankly anxious to get that money out the door. It's not going anywhere else, and I think the sooner we get those issues resolved the sooner those payments will flow.

The other thing - just to put this in perspective - is what we pay for physician services in British Columbia is significantly higher than any other province on a per capita basis. We're about 20 per cent higher on a per capita basis than Ontario. And we are also, if you look at the cost per physician.... We have more physicians in B.C. than any other province does on a per capita basis. But our cost per physician in B.C. last year - and this is using CIHI, the Canadian Institute for Health Information, for numbers, which is often looked to as an independent third source of data - if you look at last year's numbers, we were paying \$277,000 per doctor in B.C. Alberta was paying \$238,000 per doctor in that province. And you can look at how it's divvied up. Our benefit programs are much more generous for doctors than any other province. It's all distributed in different ways, but the pot is, on a per capita basis and a per doctor basis, significantly higher than any other province.

So the bottom line is that we can't force doctors to put patients first. We can't force the BCMA to come back to the negotiating table or agree to a binding arbitration process to settle the few outstanding issues. We can't do anything more than what we have done to date to help the BCMA resolve its own internal divisions between GPs and specialists, which I believe are the real source of the problems at the bargaining table. We can only appeal to the professionalism of doctors and specialists to stop their job action and urge the BCMA to get back to the negotiating table.

We can only ask the public to tell the BCMA that enough is enough. Get back to the bargaining table, go to binding arbitration if necessary, but get this dispute settled. That is what we are doing here today. We are urging the BCMA to stop playing politics and stop playing with the lives of individual British Columbians and get back to the bargaining table now. If we can't do that, or if they won't do that, we will have to explore every possible option to reach a negotiated settlement with doctors who do want to put patients first.

If the BCMA wants to make a case for its own demise, I'll tell you: what's happened over the last week - it's a step in that direction. If it wants to force us to deal separately with specialists and GP's, then that's what we'll do, because we have to make sure that British Columbians get access to the care that they need throughout this province.

Mr. Premier, this has been a very frustrating experience for a lot of people, and I think most importantly, it's the frustration that I see from the individual patients that have had their surgeries cancelled: people that have been on the waitlists for months, in many cases. And we all know that those waitlists are far too long today. But when I see doctors in the province withdraw that care from their patients, given how few issues are outstanding and the fact that we have agreed to binding arbitration to resolve the outstanding issues, I believe that that withdrawal of services from patients in British Columbia is unconscionable.