

CITY OF BURNABY  
BURNABY HOSPITAL SERVICES COMMITTEE

MEMBERS OF COUNCIL

SUBJECT: **PROPOSED RESPONSE TO HEALTH CARE CONCERNS AFFECTING  
BURNABY**

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**RECOMMENDATION:**

1. **THAT** Council adopt the recommendations set out in the staff report entitled "Proposed Response to Health Care Concerns Affecting Burnaby".

**REPORT**

The Burnaby Hospital Services Committee, at its meeting held on 2002 June 19 received the *attached* report outlining a course of action to address various health care concerns raised at recent Council meetings.

The Committee concurs with the recommendations outlined in the report and is requesting Council approval to proceed to contact the Fraser Health Authority, the Provincial Government and the Union of B. C. Municipalities to convey concerns about the challenges facing health care generally in British Columbia and specifically in Burnaby.

Respectfully submitted,

Mayor Douglas P. Drummond,  
Chair

Councillor Gary Begin,  
Member

Councillor Derek Corrigan,  
Member

COPY: - CITY MANAGER  
- DEPUTY CITY MANAGER  
- DIR. FINANCE  
- CITY SOLICITOR

**TO:** HOSPITAL SERVICES COMMITTEE

2002 MAY 22

**FROM:** DIRECTOR PLANNING AND BUILDING

OUR FILE: 17.466

**SUBJECT: PROPOSED RESPONSE TO HEALTH CARE CONCERNS AFFECTING BURNABY**

**PURPOSE:** To provide an assessment and recommendations regarding various health care concerns raised at recent Council meetings.

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**RECOMMENDATIONS:**

1. **THAT** the Mayor, on behalf of Council, write to Barry Forbes, Chair of the Fraser Health Authority, to express the City's strong concerns over the pace, directions, and implications of the *Clinical Services Directional Plan* - most notably, the proposed changes for Burnaby Hospital - and therefore request that the Health Authority refrain from proceeding with implementation of the *Plan* until it has committed to:
  - a) undertaking a full, formal and open community consultation process on the *Plan's* proposals
  - b) preparing a thorough assessment of the social and economic impacts of the changes proposed in the *Plan*
  - c) ensuring that implementation actions will not trigger domestic or international trade agreement provisions that could have a negative impact on the Health Authority or province.
2. **THAT** the Mayor, on behalf of Council, write to the Honorable Colin Hansen, Minister of Health Services, requesting him to withhold formal approval for the realignment of the Burnaby Hospital or other hospital closures, bed reductions, or privatization of health care services until the FHA has completed the requested community consultation process, social and economic impact assessment, and review of trade agreement implications of its health service plans.
3. **THAT** the Mayor, on behalf of Council, write to Premier Campbell, the Minister of Health Services, the Minister of Health Planning, and Burnaby's four MLAs to
  - a) indicate the City's position with respect to the FHA's *Clinical Services Directional Plan* and preservation of the Burnaby Hospital, and
  - b) request the Province to review its policy directions and funding allocations regarding health care, ensuring they are consistent with its New Era commitments to provide high quality, public health care services that meet patients' needs where they live and when they need it.

4. **THAT** the Union of BC Municipalities, acting on behalf of member municipalities, be asked to
  - a) assess the broad impacts and concerns of proposed changes to BC's health system for BC municipalities, conveying the findings, concerns, and recommendations to the Provincial Government, and
  - b) urge member municipalities to contact the Provincial Government and their respective health authorities regarding concerns over proposed changes to the health system.
5. **THAT** copies of this report be sent to
  - a) Ms. Elsie Dean  
5285 Empire Drive  
Burnaby, BC V5B 1N1
  - b) Burnaby's four MLAs
  - c) the Community Issues & Social Planning Committee.

## REPORT

### 1.0 BACKGROUND

At its meeting of 2002 April 15, City Council received a delegation from Elsie Dean, who was speaking on behalf of the Network of Burnaby Seniors (NOBS) and the Seniors Network of BC. In her presentation, Ms. Dean cited several concerns regarding cuts and changes to health care in Burnaby and the province. She concluded her presentation by asking Council to adopt a resolution regarding her concerns (presented in Appendix 1, *attached*).

After extensive discussion, Council asked staff to prepare a report on the proposed resolution, providing recommendations on an appropriate City position on the matter.

At its meeting of 2002 May 13, Council received a delegation from Burnaby Hospital physicians. The physicians indicated that the reduction of acute care beds at the hospital would dramatically diminish the role and effectiveness of the facility. They stated that the move would prompt doctors and other skilled staff to seek work elsewhere and put the safety of Burnaby residents at risk. Arising from discussion of the matter, Council adopted a motion requesting the Mayor to bring together a broad-based coalition to fight to preserve

Burnaby Hospital's status as an acute care facility. Council also requested staff to prepare a report on the broader social and economic implications of the hospital's shift in status.

In addition to the discussions on 2002 April 15 and May 13, Council addressed health care concerns at the following recent meetings:

- *2002 March 11* - Council received a report from the Community Issues & Social Planning Committee concerning Provincial cuts and changes to various economic and social programs - including those focusing on health. At the meeting, Council also received a staff report regarding the FHA's cancellation of the Cascade Residence replacement facility, which had been planned for the New Vista site.
- *2002 May 6* - Arising from discussion of a letter from the President of the BC Medical Association, Council asked that staff arrange a workshop with appropriate officials from the FHA to discuss a range of health care concerns facing Burnaby. Prior to that request, staff had also been asked to arrange a meeting between Council and Keith Anderson, Vice President of Community Care & Seniors' Health with the FHA, to discuss various care facility and health care service issues for Burnaby seniors. The meeting has been scheduled for 2002 May 27.

Given the inter-related nature of the foregoing health concerns, and in efforts to avoid repetition, it was decided to deal with Council's requests in a single unified report, rather than in separate documents. Specifically, the report addresses the request for information on Elsie Dean's proposed health care resolution and the impacts of planned changes to Burnaby Hospital. It consists of four components:

- a) a broad overview of changes and developments affecting health care in Burnaby
- b) an examination of key economic and social implications of the proposed shift in status of the Burnaby Hospital
- c) an assessment and staff commentary on Elsie Dean's proposed resolution on health care
- d) conclusions and a recommended City position.

## **2.0 OVERVIEW OF HEALTH CARE CHANGES AND DEVELOPMENTS**

In late 2001, the Province announced its plans to amalgamate 36 provincial health regions into six health authorities. As part of the amalgamation, the Simon Fraser, South Fraser, and Fraser Valley Health Regions merged to form the Fraser Health Authority (FHA). The new Health Authority, which includes Burnaby, covers a geographically vast area and is responsible for roughly 1/3 of BC's population. A map showing the municipalities included in the Health Authority and their populations is included in Appendix 2, *attached*.

In early 2002, as part of the Provincial Core Services Review process, the Provincial Government requested all six health authorities to prepare *Clinical Services Directional Plans* - documents intended to set the broad directions for health services in the respective health jurisdictions over the next several years. The FHA released its *Clinical Services Directional Plan*<sup>1</sup> on 2002 April 25 (ten days after Ms. Dean appeared before Council). From Burnaby's perspective, key elements of the *Plan* are as follows:

- move towards reserving residential care facility beds for people with the highest and most complex care needs, and supporting development of assisted living, supportive housing, and community-based services as alternatives to care facility placement for seniors
- confirmation that the existing Cascade Residence at Burnaby Hospital would be closed (as noted, Council was informed in 2002 that the proposed replacement facility for Cascade on the New Vista site had also been cancelled)
- plans to change the nature and status of the Burnaby Hospital by
  - replacing the majority of acute care beds with sub-acute beds (i.e., changing the bed composition from 238 acute care beds to 0 - 50 acute care beds and 100 -150 sub-acute beds)
  - discontinuing after hours and emergent surgeries, except for c-sections
  - closing the in-patient pediatric unit
  - introducing measures to improve the utilization of inpatient beds (e.g., through increased use of hospitalists - physicians who care for and work to coordinate care for hospital patients).

The *Plan* also indicates that the role of the Burnaby Hospital will be further defined, in consultation with the Vancouver Coastal Health Authority.

### **3.0 SOCIAL AND ECONOMIC IMPLICATIONS OF PROPOSED CHANGES TO BURNABY HOSPITAL**

In the short time available, it has not been possible to undertake an in-depth assessment of the social and economic implications of the proposed changes to the Burnaby Hospital. Further, many of the key implications are addressed in the following section pertaining to Elsie Dean's proposed health care resolution. These points noted, after providing a brief context statement, the discussion below outlines some important social and economic issues related to the planned changes to Burnaby Hospital.

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<sup>1</sup> The actual title of the FHA's planning document is *Directions for Change: Building a Sustainable Health Care System for the Fraser Health Authority*. In this report, however, the document is referred to by its generic name: *Clinical Services Directional Plan*.

### 3.1 Context

With a population of roughly 200,000, Burnaby is the third largest municipality in BC. As identified in the City's Official Community Plan (OCP), an overriding goal for Burnaby is to preserve and enhance livability and community well-being. The six strategic directions identified in the OCP are to create

- a more complete community
- an environmentally aware community
- a community of economic opportunity
- a community with increased transportation choice
- an involved community
- a community within a livable region.

Adhering to the vision of the OCP, and with leadership from successive City Councils, Burnaby has emerged as a strong and vibrant community, replete with such features as

- a diverse network of parks, open space, and recreational facilities
- major post-secondary educational institutions
- a substantial base of high technology firms
- a broad array of community groups, agencies, and service providers
- a range of housing types
- a diversity of age groups and ethnic backgrounds amongst the population.

The Burnaby Hospital is a key element of the City's community fabric, helping to enhance the overall quality of life enjoyed by our citizens. Therefore, while changes proposed to the hospital's role and function *may* make sense from broader perspective of the health region, they raise serious concerns from the perspective of Burnaby. These concerns are discussed below.

### 3.2 Social Implications

From a social perspective, the key concerns revolve around the level of health care services residents will receive after the proposed changes are introduced at Burnaby Hospital. The physicians appearing before Council on 2002 May 13 noted that, in addition to being situated in the third largest city in BC, the hospital has a "catchment area" covering Burnaby and east Vancouver, and serves an estimated 200,000 people. They further stressed that the hospital is very busy, citing the following statistics for 2001:

- over 55,000 patients treated in the emergency department
- over 2,000 emergency surgeries
- over 6,500 elective surgeries
- over 1,700 babies delivered

- over 3,000 admissions for severe medical conditions
- over 11,000 outpatient treatments
- over 6,000 cancer clinic visits
- over 1 million lab tests.

If the proposed changes proceed, possible social implications include:

- reduced level of services, increased anxiety, and other negative impacts for families, individuals, and seniors who have come to rely on the hospital
- potential for some loss of lives for people who are unable to receive timely emergency surgeries at the reconfigured hospital and need to be transferred to another facility in the region
- financial and social stress for patients and families whose loved ones are transported to acute care facilities elsewhere in the region - particularly for those lacking private vehicles
- increased stress and uncertainty for seniors who may wish to remain in Burnaby as they age, but who fear for their health safety in the absence of a full service hospital
- uncertainty regarding continuing roles and levels of commitment from volunteers at the hospital
- negative impacts on the sense of community in Burnaby, a city that has prided itself on its outstanding array of social amenities and facilities - particularly following on the heels of the court house closure.

### 3.3 Economic Implications or Questions

In addition to social implications, the proposed changes to the hospital raise several economic concerns, including

- loss of skilled, dedicated doctors and other specialized staff (i.e., with the realignment of the hospital and reduction of surgical capacity, anaesthetists, obstetricians, and other specialized staff will likely seek work elsewhere; also, the overall number of employees at the hospital will fall)
- potential for reduced consumer spending and housing demand in Burnaby (and related “multiplier” effects) through reductions in hospital workforce
- detrimental impacts on the hospital’s relationship with the business community and future fund raising efforts (i.e., the hospital has enjoyed strong support from the business community - particularly the high technology sector - which has helped substantially with fund raising efforts)
- detrimental impacts for the strong research and development linkages that have been developed with the hospital and post-secondary institutions and biotechnology firms
- loss of costly specialized equipment, paid for through local fund raising efforts, which will be moved to other hospitals in the region; also, the capacity for future fund raising for hospital equipment will likely be diminished

- potential loss of business investment in the city (i.e., businesses that would traditionally have chosen to locate in Burnaby for its strong quality of life features and status as a “complete community”, replete with a full range of facilities and services, may see the city as less desirable in the future and choose to locate elsewhere in the region).

In summary, there are several social and economic concerns related to the planned shifts to Burnaby Hospital. The changes could have serious broad long term implications for Burnaby’s social and economic development and attractiveness as place to live, work, and invest. The foregoing provides a sampling of some of the key implications. The committee that the Mayor will be appointing to coordinate efforts to save the Burnaby Hospital will undoubtedly identify further questions and concerns. Also, as noted, the following discussion of Elsie Dean’s proposed resolution on health care raises several pertinent points relating to planned changes to Burnaby Hospital.

#### 4.0 ELSIE DEAN’S PROPOSED RESOLUTION AND STAFF COMMENTS

The resolution put forward by Ms. Dean, and presented in Appendix 1, contains six components. A summary of these components, followed by a staff comment, is presented below.

***Component 1:** That Burnaby Council call on the Fraser Health Authority (FHA) to conduct a full, formal, and open community consultation process before recommending or introducing changes relating to Burnaby Hospital or the provision of health care services in the city.*

**Staff Comment:** As indicated, major changes have been and are being made to the health care system in Burnaby and BC. Generally speaking, there has been little opportunity for community consultation regarding the proposed changes. And while over 100 clinicians, staff, and health care leaders were involved with preparation of the FHA’s *Clinical Services Directional Plan*, some key people within the system expressed concern over the lack of consultation. For example, Dr. David Jones, who spoke before Council on 2002 May 13, expressed the view that the consultation process had been “window dressing.” The Health Employees Union (HEU), seniors groups, and others have also criticized the consultation process (or lack thereof) and speed with which changes have been introduced to the health system.

It must be acknowledged that, given the Core Services Review process, and the Provincial Government’s efforts to ensure that BC’s health system is financially “sustainable,” all Provincial health authorities are facing major financial challenges and are being required to make difficult choices. In its *Clinical Services Directional Plan*, the FHA acknowledges the challenges as follows:



“The greatest risk would be to try to maintain the status quo. Unless there are significant changes in the way services are delivered, the cost pressures faced by the FHA over the next two to three years will lead to further inappropriate use of financial, human resources, and inpatient beds . . . In our view this is not an option.”<sup>2</sup>

Also, in calling for more “equitable” distribution of resources across the Health Authority’s boundaries, the *Plan* notes that “this may be seen as a loss for some communities and providers who may pressure to maintain the status quo.”<sup>3</sup>

These points noted, it is believed that introducing changes through a “fast track” approach, without adequate public consultation, could have serious negative consequences. Further, without the insights and support gained through a consultation process, the long term costs of some hastily introduced changes - both in financial and social terms - could exceed the short term gains. Therefore, staff supports the proposal that a broad and thorough consultation process be undertaken before further changes are introduced to the system.

***Component 2:*** *That Council call on the FHA to prepare a full assessment of the social and economic impacts of any proposed changes to the delivery of health care service on the well being of the community.*

**Staff Comment:** As noted in the foregoing comments regarding a consultation process, the Province and FHA have made several changes or announcements regarding health care that could have significant implications for residents of Burnaby. For example, will local residents facing medical emergencies or requiring surgery be able to receive service at Burnaby Hospital after the facility reduces its stock of acute care beds? Will lives be lost, as Burnaby Hospital physicians have suggested, as people are transferred by ambulance from Burnaby to hospitals in other areas of the region? With the shift from licensed care facilities to assisted living and community-based alternatives, will the needs of frail Burnaby seniors continue to be met - particularly in our own community? Given the uncertainties of these and other questions, staff support the contention that a thorough social and economic assessment must be conducted before significant changes are introduced at Burnaby Hospital or in other areas of the health care system.

***Component 3:*** *That Council request the Minister of Health Services to refrain from giving formal approval for closure of hospitals, reduction of beds, or privatization of health care services until the FHA has completed the requested community consultation process and conducted its social and economic impact assessments.*

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<sup>2</sup> Fraser Health Authority. *Clinical Services Directional Plan*. 2002 April. Page 38.

<sup>3</sup> *Clinical Services Directional Plan*. Page 39.

**Staff Comment:** Section 48 of the *Hospital Act* (presented in Appendix 3, *attached*) stipulates that the Minister must provide written permission before a hospital receiving Provincial funding can increase or decrease the space used for accommodating or serving patients. That said, on 2002 April 23, the Provincial Government and Minister of Health Services announced their endorsement of the *Clinical Services Directional Plans* of the FHA and other BC health authorities. To quote from the press release accompanying the announcement:

“‘We have reached a pivotal point in health care,’ said (Health Services Minister) Hansen. ‘Everyone recognizes the status quo is simply not an option because health care in its present form is not working for patients and it’s not sustainable.’

‘Renewing our health care system will not happen overnight. The problems we see today were decades in the making. This is the first phase of action, but at the end of this process, more British Columbians will get the health care they need when the need it’”

Notwithstanding this position, the Minister does have final authority for approving the closures or reductions to hospital facilities. Therefore, in light of the widespread concerns regarding proposed changes to Burnaby Hospital, and to lend weight to the City’s submission to FHA, it is considered appropriate to request that the Minister withhold approvals until the requisite consultation and impact assessments be completed.

**Component 4:** *That Council seek formal assurance from the FHA that any changes in the delivery of health care services will not trigger provisions of any domestic or international trade agreements to which BC or Canada are signatories - in particular, changes that would allow US or other foreign companies to provide health services.*

**Staff Comment:** The issue of trade agreement implications of changes to health service delivery is complex, yet important. The General Agreement on Trades in Services (GATS), for example, was developed by the World Trade Organization and introduced in 1995. It provides a multilateral set of rules covering international trade. Concerns have been expressed that, under the “market access” provisions of the GATS, local jurisdictions may lack the authority to preclude multinational organizations from bidding on and securing service contracts. It is beyond the scope of this report to do an in-depth examination of the GATS or other trade agreements. That said, staff believes that the Health Authority should be required to conduct appropriate assessments of the trade agreement implications before introducing changes to the health system.

**Component 5:** *That Council write to Premier Campbell, the Minister of Health Services, and local MLAs to communicate the City’s concerns regarding the government’s policies and approaches to health care restructuring.*

**Staff Comment:** As noted, the Provincial Core Services Review process and pressures to make BC's health system financially sustainable have been key "drivers" for the dramatic changes being made to the health system by the FHA and other health authorities throughout BC. As part of its New Era commitments, the Provincial Government committed to provide high quality, public health care services that meet patients' needs where they live and when they need it. The proposed reconfiguring of the Burnaby Hospital and other changes to the health system in Burnaby and BC bring this assertion into question. Therefore, in addition to communicating with the FHA, it is considered essential that the City articulate its concerns regarding Burnaby Hospital and the broader health system to the appropriate elected members of the Provincial Government.

***Component 6:** That Council forward the proposed resolution to all municipal councils in BC and urge them to take similar actions regarding health care in their communities.*

**Staff Comment:** As the issues covered in the proposed resolution extend beyond Burnaby to other municipalities in the FHA and province, it is considered appropriate to share Burnaby's concerns with other municipalities and urge them to take similar positions. That said, the Union of BC Municipalities is the official body representing municipal governments in the province. Therefore, rather than Burnaby writing directly to municipal governments in BC, it is recommended that UBCM be asked to coordinate a broad municipal response to the concerns facing the health system.

## 5.0 CONCLUSION AND PROPOSED CITY ACTIONS

This report has sought to address various concerns raised by Council at recent meetings regarding changes to the health system - most notably, the proposed realignment of the Burnaby Hospital and the resolution on health care issues presented to Council by Elsie Dean. Given the inter-related nature of Council's health concerns, and in efforts to avoid repetition, it was decided to deal with the concerns in a single unified report, rather than in separate documents.

The report has substantiated Council's position that significant changes are being planned for the health system generally, and Burnaby Hospital specifically. The report acknowledged that strong pressures face the health system, that the FHA is compelled to act quickly to reduce its expenditures, and that changes will inevitably be met with resistance. Notwithstanding these points, and acknowledging the fundamental importance of a viable health care system for the community, it is believed that a "sober second thought" is essential before further dramatic changes are introduced to the Burnaby Hospital or health care system.

It is thus recommended that Council convey its concerns and position regarding the hospital and health care to the FHA and Provincial Government. It is further recommended that the Union of BC Municipalities be requested to coordinate a broad municipal response to the concerns facing the health system. Lastly, it is recommended that copies

of this report by sent to Ms. Elsie Dean, Burnaby's four MLAs, and the Community Issues & Social Planning Committee. It is suggested that the information in this report could also be useful to the committee that the Mayor is appointing to lead efforts to save the Burnaby Hospital.

Staff will continue to monitor changes to the health system - particularly as they pertain to residents of Burnaby - and provide information and recommendations to Council on pertinent developments accordingly.

  
to J.S. Belhouse, Director  
PLANNING AND BUILDING

JF\sa\mw

Attachments(3)

cc: City Manager  
Deputy City Manager  
City Clerk  
Director Finance  
City Solicitor

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**Resolution Concerning Health Care Presented by Elsie Dean at City Council Meeting of  
2002 April 15.**

Whereas the BC government and health authorities are now examining hospital closures and role changes, service cuts and privatization of health care services in communities across the province;

Whereas this process is taking place behind closed doors with little or no public input;

Whereas hospitals and health care services are a critical part of the social and economic fabric of every BC community;

Whereas hospital closures/role changes, service cuts and privatization would have a devastating effect on BC communities - including Burnaby - which are already hurting from downturns in other areas of the economy;

Whereas the provincial *Hospital Act* stipulates that the Minister of Health must give written approval before hospitals can be closed, significant reductions in the number of beds maintained for patients implemented, or services privatized;

Be it resolved that Burnaby City Council call on the Fraser Health Authority to conduct a full, formal and open enhanced community consultation process, including public meetings, in any review of Burnaby Hospital and the provision of health care services in Burnaby before any changes in the delivery of health care services are recommended or adopted;

Be it further resolved that Burnaby City Council call on the Fraser Health Authority to prepare a full economic and social impact study of any proposed changes to the delivery of health care services on the social and economic well being of the community;

Be it further resolved that Burnaby City Council write to the Minister of Health Services Colin Hansen to urge him to refrain from providing the necessary formal approval that is required before health authorities can close hospitals, cut beds or privatize health care services until such time as the Fraser Health Authority has completed the requested community consultation process and prepared economic and social impact studies;

Be it further resolved that Burnaby City Council seek formal assurance from the Fraser Health Authority that any changes in the delivery of health care services will not trigger provisions of any domestic or international trade agreements to which British Columbia and/or Canada are signatories that would allow U.S. and other foreign companies to provide health services;

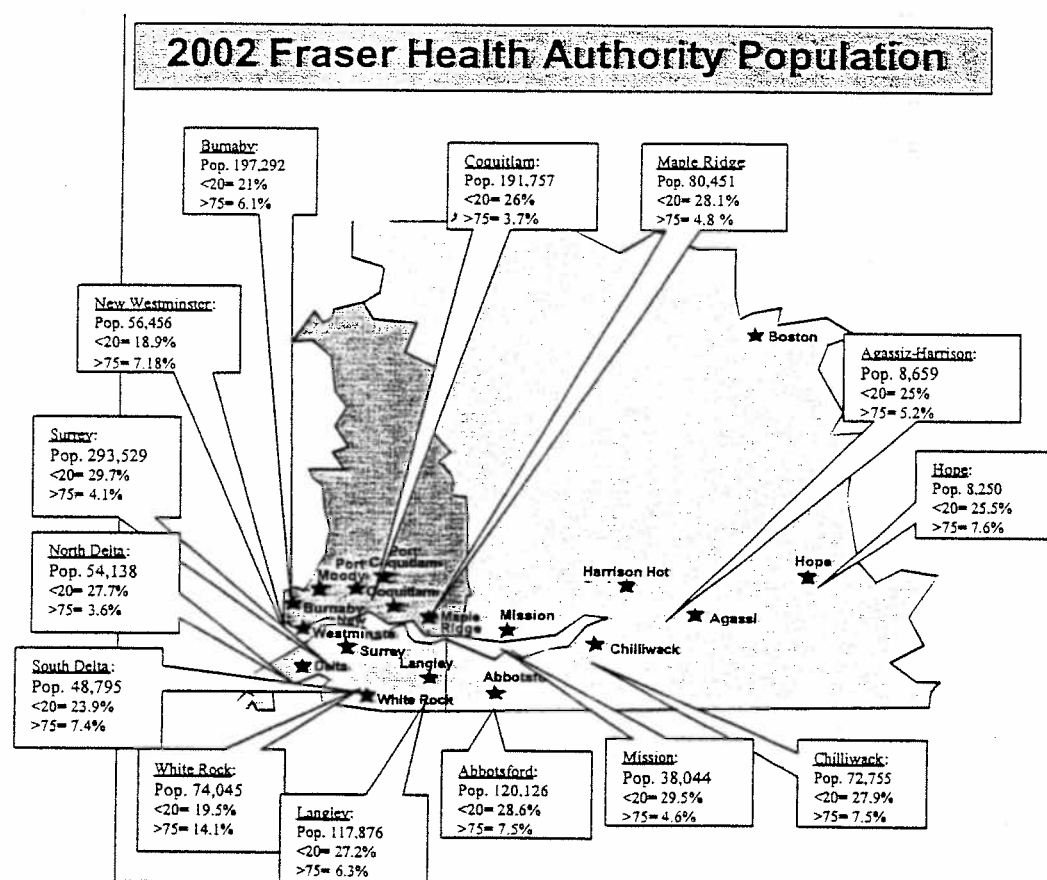
Be it further resolved that Burnaby City Council write to Premier Campbell, Minister of Health Services Colin Hansen and local MLSs Harry Bloy, Richard Lee, John Nuraney and Patty Sahota to communicate Council's decision on this matter and its concern with the government's policies and approaches to health care restructuring;

And be it further resolved that Burnaby City Council forward this resolution to all municipal councils in B.C. and encourage them to take similar action.



## Clinical Services Directional Plan

### 2002 Fraser Health Authority Population



## Excerpt From Hospital Act [RSBC 1996] Chapter 200

*[Updated to May 14, 2001]***Conditions Applicable to Hospital Receiving Financial Assistance**

- 48** (1) If the government has granted financial assistance toward the planning, constructing, reconstructing, purchasing and equipping of a hospital as defined in section 1 or 5, or the acquiring of land or buildings for hospital purposes, the owner or operator of it must do the following:
- (a) secure the written approval of the minister before making
    - (i) a structural alteration to an area in the hospital used for housing or serving patients, if the total cost of labour and materials exceeds an amount determined by the minister, or
    - (ii) an increase or decrease in the space used for housing patients, or in the number of beds ordinarily maintained for patients, or before using an area designed for housing patients for any other purpose;
  - (b) if the hospital premises or equipment is damaged or destroyed, set aside from the payment received under an insurance policy covering the loss or from other compensation received in regard to the loss a sum determined by the minister to be proportionate to the amount of financial assistance granted by the government;
  - (c) secure the written approval of the minister to a proposed lease or transfer of the hospital land, building or equipment, or any part of it, to another person and if a lease or transfer is made, there must be set aside from the consideration or purchase price a sum determined by the minister in the manner set out in paragraph (b);
  - (d) if the hospital land, building or equipment ceases to be used for hospital purposes, set aside a sum determined by the minister to be proportionate to the amount of financial assistance granted by the government.
- (2) For the purposes of subsection (1) (c), if the minister determines that a lease or transfer is in the public interest and is made for consideration or purchase price that is less than the leasehold or market value,
- (a) the minister may direct that no sum be set aside, and
  - (b) the minister may further direct that this section applies to a subsequent lease or transfer.
- (3) A lease or transfer of hospital land, building or equipment for which the government has granted financial assistance is not effective unless approved by the minister.
- (4) For the purposes of subsection (1) (d), the minister may direct that no sum need be set aside if the minister determines that the land, building or equipment is to be used for a purpose that is in the public interest, and, in that case, the minister may require the owner or operator to subsequently set aside a sum if the land, building or equipment is leased or transferred or ceases to be used for a purpose that is in the public interest.

(5) If the sum determined by the minister to be set aside under subsection (1) (b), (c) or (d) is not acceptable to the owner or operator of the hospital, the sum to be set aside must be submitted to arbitration under the *Commercial Arbitration Act*, and the sum determined by the arbitration board is the sum to be set aside under subsection (1) (b), (c) and (d).

(6) A sum required to be set aside under subsection (1) (b) or (c) must be paid into the consolidated revenue fund within one month of the day on which the owner or operator of a hospital receives full or partial payment of insurance money or other compensation, or the proceeds of a lease or transfer.

(7) A sum required to be set aside under subsection (1) (d) must be paid into the consolidated revenue fund by the owner or operator of the land, building or equipment in the manner determined by the minister and within a period specified by the minister which must not be longer than one year, or a longer period specified by the Lieutenant Governor in Council, from the date on which the minister notifies the owner or operator of the sum to be set aside.