

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Monday, March 31, 1969

MR. DESJARDINS: Mr. Chairman, seeing that I couldn't get any help from the Attorney-General during the dinner recess, at great expense I received some legal advice and it was suggested to me that this Section 11 could be left open to solve our problems and that we would vote -- we could bring in both the Leader of the New Democrats -- no, not the New Democratic Party. The Social Credit Party would bring his motion on Section 22 and I would do the same and then we could vote on it -- go back to 11 if that is -- well yours too then. We might as well have three. The more the merrier.

MR. FROESE: Mr. Chairman, I'm prepared to have mine voted on right now. I feel that

MR. CHAIRMAN: ... so I think if you'd sit down we'd get on with the job here.

MR. FROESE: I do hope that the proposal, that the amendment that I am proposing is understood and that it gives assignment rights to the doctors that are opting out. This is all I'm interested in.

MR. DESJARDINS: Well, Mr. Chairman, if this -- (Interjection) -- Either that or we treat these motions as a package deal with both motions in there as one, both clauses.

MR. FROESE: I'm moving both motions together. You can't do it any other way.

MR. CHAIRMAN: Are you ready for the question? Do you want me to read them? Well here they are. The first motion, that the proposed clause (r) of subsection (1) of Section 24 as set out in clause (c) of Section 11 of Bill 33 be struck out and the proposed clauses (s) (t) (u) (v) set out therein be relettered as clauses (r) (s) (t) (u) respectively. Second Motion. That Section 22 of -- (Interjection) -- It's all one I understand. That Section 22 of Bill 33 be amended by adding thereto at the end thereof the following subsection: 39 (5) A medical practitioner, who has made an election under subsection (1) of Section 41, may take from an injured person assignment of benefits payable to the injured person, and the Corporation shall pay the benefits in accordance with the assignment if the assignment is presented to it.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Chairman, I think the suggestion of the Honourable Member for St. Boniface is a reasonable one, isn't it? We're trying to get these various amendments and ideas sorted out here and I think it's not unusual to ask for one section to stand or one motion to stand, as it is in this case, and why wouldn't the Committee agree to defer consideration on the first one until the second one has been decided upon? That's the request, as I understand it, of the Honourable Member for St. Boniface and we are quite willing, I think, to let odd sections stand and come back to them so why couldn't we follow that procedure here?

The Honourable Member for Rhineland says that they're a package. They are a package, as I understand it, to this extent: that they're tied up together, but I fear that the difficulty that my honourable friend from St. Boniface faces is if there were an adverse vote on the first time on the vote of my honourable friend from Rhineland, that he would be not allowed to bring in his amendment because it would be on the same subject. So why not deal with that matter first and let the chips fall where they may?

MR. LYON: Mr. Chairman, I don't know if this will be helpful but the Honourable Member from Rhineland had some trouble this morning in Committee when he attempted to move the second portion of this motion without moving the first, because the second without the first is meaningless. In other words, you have to have the two married one to the other in order to make sense out of the motion because if you were to move the second portion of that motion without the first, then you would have two sections of the same Act, one in conflict with the other, and therefore it is reasonable that he should move these together. As a matter of fact, I think he's following the suggestion that the Chairman made to him in the Committee this morning. -- (Interjection) -- Unfortunately I was. But it does seem that the two thoughts are married together and I'm sorry I can't offer any help to my honourable friend from St. Boniface but I think what we have to do really is go ahead and put the question on this and then see what the ground is after we've done that. We're in the awkward position, of course, of not being able to put the opposite of a question because of course you vote one way or the other. But that's the position we found ourselves in this morning, where we couldn't put the opposite of a question it once having been decided by the Committee. But I suppose if we do what bricklayers do, if we just lay one brick at a time we'll find out fairly soon what we can do and what

(MR. LYON cont'd) . . . we can't do, and how well we have builded.

MR. CHAIRMAN put the question on the amendment and after a voice vote declared the motion lost.

MR. FROESE: Mr. Chairman, could we have a standing vote?

MR. CHAIRMAN: Call in the members. -- (Interjection) -- Oh, pardon me. There's got to be three. Yes. Can you get two other members in the Legislature to rise with you, Sir? I'll declare the amendment lost.

MR. DESJARDINS: . . . if I make the same motion now? -- (Interjection) -- Well? How do I get around with my motion now?

MR. LYON: I presume the second portion of his motion is different from the second portion of the Member from Rhineland, so working in the same context perhaps we could have the same thoughts in portion 1 married with a new thought in portion 2, and with a little closing of the eyes by the Chairman perhaps we could vote on that too.

MR. DESJARDINS: Mr. Chairman, you wouldn't allow that a while ago and I'm not worried about when we come to 22 because my motion is opposite -- it's not the same at all. But my motion under 22, my amendment is meaningless if my motion on this, on 11 doesn't go now, if I don't get a vote on 11. This is why it was suggested that we leave 11 for the time being and vote on the other one first. All right. I would move at this time that the proposed clause (r) of section (1) of Section 24 as set out in clause (c) of Section 11 of Bill 33 be struck out and the proposed clauses (s) (t) (u) and (v) set out therein be relettered as clauses (r) (s) (t) and (u) respectively, and that Section 22 of Bill 33 be amended (a) by striking out the word "subsection" in the second line thereof and substituting therefor the word "subsections"; and (b) by adding thereto at the end thereof the following subsection: ". . . . of assigning of benefits 39 (5) except as therein otherwise provided the benefits payable to an insured person in respect of medical services rendered by a medical practitioner who has made an election under subsection (1) of Section 41 which in effect are not assignable." Do you have a copy?

MR. CHAIRMAN: Well I have one here.

MR. DESJARDINS: There's a third one that . . .

MR. CHAIRMAN: Well we've put out -- where it read "No. 2 Motion" we've stroked that out and put "and", the word "and".

Are you ready for the question? The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, this of course is a question of assignment in dealing with opted-in doctors and opted-out doctors. Now, as stated this morning, we have no objection to consider any of these problems that come in front of us such as the question of the doctors while dealing with teaching hospitals and out-patient clinics, and all the members of this House at the time agreed to give the permission -- give the assignment to those opted-out doctors while dealing with this question of education that is in university hospitals. If there are any other such demands or such problems we are ready to have a look at that. But we feel that this is one of the most important principles of this Bill. We feel that this question, if this is allowed today, if this House allows today that this should be decided by the government, the question of assignment be decided only by the government and by the Cabinet, we feel that we are defeating the intent of this Bill, that the government is just setting itself up to have a lot of pressure put on them by the certain people working with this plan.

Now we think that this could be solved if the Manitoba Medical Association would come in and say, "We don't like this question of being called "opted-in doctors". There is a certain stigma attached to that and we don't believe in that. We want to be left alone. We want to deal with the patient and so on, and in return for this we, of our own free will, will accept 85 percent of the approved schedule, the schedule of the corporation, as full payment in all cases, and we might say that the 15 percent that we don't get, well that might be the cost of collecting. After all, we are assured we won't have any bills to send; we will be guaranteed this 85 percent; we will settle for this."

Now if this is done, we won't have any trouble. Nobody will be telling the doctors what to do, and as far as we are concerned, that one condition that we say must be, before a doctor is accepted as being in, or the only condition that we require before saying that we will pay the doctor direct, will be met; that is, that they will accept 85 percent. Or if they want to bring in another clause, the MMA want to bring in another clause, "We will say, well we will sign a document stating that we will accept as full payment 85 percent if you give us assignment, 85 percent with all our patients, but we still don't want to be called opted-in doctors," we will go

(MR. DESJARDINS cont'd) . . . along with this. But if not, Mr. Speaker, we are saying that there must be a difference between the "opted-in doctor" and the "opted-out doctor". I repeat that they have the choice and that choice depends on them. They must make their choice freely, freely without pressure at all. They should make the choice freely, I said.

Now, when we are dealing with the plan, and if we are trying to attract people to work within the plan, we will give incentive -- there is no doubt about that -- but we will not punish those that do not want to join. They will be left alone; as far as I am concerned they will be admired, because a lot of them will receive less money, but they will go on; they will work under the free enterprising system. They will not be punished but they will not receive any favours either. They will be in the same position as any other profession, any other businessman, that is; they will take their chance. But we don't want them to say, "We want to protect this relation between the patient and ourselves. We don't believe in this plan. Nobody is going to tell us what to do. We want to be out, but after all socialized medicine is not too bad after all. We want to be in only in some instances, that is, when we have trouble collecting our bills. We are afraid that a certain type of people will be buying booze with this cheque." This is what has been said. "Then we want you not only to guarantee this 85 percent, but to collect it for us, and not only to collect it for us, but to do this at no cost."

No Mr. Speaker, the doctor must decide freely but he must decide. Is he in or out of the plan? He can't have it both ways. If this isn't done, and if we allow an opted-out doctor to say, well I'll accept the assignment, this is what is going to happen. When he is not too sure of collecting a bill, he will demand an assignment. It's not the patient who will decide if he will give an assignment, it will be the doctor, and then when somebody wants to give the doctor an assignment, he can refuse it. He can say, "Heck, no. I want to extra-bill you." So what doctor in his right mind, Mr. Chairman, will say, "I will opt in"? What doctor in his right mind will do this?

Now we are told that we're to look at other provinces. Well we're not responsible for legislation in other provinces, but we can look at other provinces. We can look at Nova Scotia. They are the latest one to signify that they will come in, and they have this business of assignment for "opted in" or "opted out" doctors, where they can get paid directly by the plan. We are told that only 5 to 10 percent of the doctors will be satisfied with 85 percent and 5 to 10 percent of the doctors represent mostly the doctors that are working on a salary probably. So this will not work. Now the Minister -- I'm a little afraid. It looks to me that this is some kind of a doublecross here, because we are told by the Minister, by some members of the cabinet, "No we will not allow this now; just under certain circumstances." But these same people spend a lot of time trying to sell the idea to the rest of the members, and the Honourable the Minister of Transportation did this today, because he was worried of his own town of Dauphin. He was telling us that all the doctors were opting out and he felt it was only fair that they should have a right of assignment.

HON. STEWART E. McLEAN C.C. (Minister of Transportation) (Dauphin): That is not what I said. I used the reference to the doctors in Dauphin in another context. The honourable member I think ought to be a gentleman enough to desist from continuing that reference.

MR. DESJARDINS: I have just started, Mr. Chairman, and I am saying that the Minister this morning gave as an example the doctors of Dauphin who were opted out. Right?

MR. McLEAN: . . . statement, yes.

MR. DESJARDINS: That's right. And then he went on to explain, to give the impression that he favoured this . . .

MR. McLEAN: Now Mr. Chairman, let's just leave the impressions to me. I don't think we are interested and the impression that the honourable member has is incorrect.

MR. DESJARDINS: Well if he wants to leave the impression to him he'd better sit down, because every time he gets up and says something he gives the impression to other people, and this is what he did this morning. I am saying that this is the impression I had and other members can substantiate this or say otherwise, but he certainly at this time, after stating that the doctors in Dauphin had opted out . . .

MR. CHAIRMAN: . . . honourable member speak to his amendment and maybe we could get going . . .

MR. DESJARDINS: Well Mr. Chairman, what do you think I'm doing? Talking about education or something? I am certainly talking to my amendment. I am talking about opting out and assignment, and this is exactly what we were talking about. And I suggest, Mr.

(MR. DESJARDINS cont'd) . . . Chairman, that if we allow this to go through, well then there will be nothing left for this House, no principle for us to declare ourselves on, and this will be left forever in the hands of the cabinet. We feel that this is not right. We were told by a delegation the other day that doctors will be leaving the province. Well, I've asked the -- if you remember Mr. Chairman, I've asked this question of the Dean of Medicine, the Faculty of Medicine, and he did not have these fears, and I would much - after listening to both of them I much prefer to believe him than the other gentlemen. So I feel, Mr. Chairman, that we are doing a service. If we want this plan to work, we must leave it as it is. We must not leave this in the hands of the Cabinet.

MR. CHAIRMAN: The Honourable Member for St. John's.

MR. CHERNIACK: Mr. Chairman, I think I agree with everything that was said by the Honourable Member for St. Boniface on this occasion, which makes me have to think carefully about what he said. But nevertheless, I don't want to repeat what he said. I want to point out firstly, Mr. Chairman, that it has bothered me considerably that I've been unable to understand the argument that opting-out doctors have been using as reported in the Press, and this is not made any easier by the fact that no organized group of doctors came to Law Amendments to explain their position to us in reference to either opting in or opting out. There was one doctor that came, who spoke about this, and he was the only person who made any sort of a pitch on this request by the Minister that assignments be permitted. And I leave it to the other members of the Committee to judge how effective he was in explaining to us just what it was that he had in mind.

I've studied the Act as best I could and what is more important, I assumed the Honourable Minister studied the Act, and it has been of considerable help to me to find that he agreed with me when I stated that, other than the extra billing rights, there is no difference between opting in or opting out, and that indeed, granted the assignment right to what we call the opting-out doctor, there is no difference at all except in those cases where the opting-out doctor wants the right to extra-bill certain patients. And this seems to have nothing whatsoever to do with government control, or somebody else being boss, or socialism or anything else, although as far as I'm concerned this is an important social measure which, if it's attributed to socialists, is acceptable to me as such. But indeed, the controls that are imposed on doctors who are in the plan are exactly the same controls as imposed on doctors who stay out of the plan. Whether they're enforceable or not is not for me to judge but, in reading the Act, there's no difference and therefore the doctor who says "I am not becoming part of the plan" has not been able to explain to me any reason, except some vague generality of being opposed to being controlled. And I challenge anybody in this House who understands that argument to explain it to the rest of us who don't understand it, and although I admit that a doctor has the right to say, "I will not work under the plan," I don't question his right to say so, but if he says so, just what is he accomplishing? What control is he shrugging off that way? And I say none. If there is any and if any of you people in this room know what he's talking about, please explain it to us so we will understand, because the Minister and I apparently don't understand.

So the question applies only to the right of this doctor to say, "I want that person's money guaranteed by the corporation and the other person I'm willing to extend credit to." In other words, he is going to distinguish between his patients by saying, "I will give credit to one, I will not give credit to another." And unfortunately, when you get down to brass tacks and you start talking about it, you will find they will start naming classes. They will say, oh, there are the type of people that have to have this done for them, not for us the doctors, but for them the patients. There are people who don't know enough to fill out a form or sign a form or mail it in, and don't know enough to receive a cheque and to pay the doctor, so we're doing it for them, not for ourselves. It's for the patient we want to do it. And as one doctor said to me tonight, "I have little old ladies and I don't want them to be put to the trouble of sending in the form to the corporation to collect the money. I want to do them that favour." And I said, "Well, I would be glad to do a favour like that to a little old lady or to a big old lady or to anybody." I said if somebody wanted to pay -- (Interjection) -- a young lady would be even more . . . I said, "I'd be glad to fill out the form and put it in an envelope and put a stamp on it and mail it to the corporation, and if that's what you want to do for this patient of yours, what's to prevent your doing it? The only thing that you seem to want to do that is out of line is to direct that the money which is, under the Act, payable to her, shall indeed

(MR. CHERNIACK cont'd) . . . come to you." He said, "Well, that's convenient for her. Then she wouldn't have to be troubled," and I said, "Surely she pays the light bill and the telephone bill and other bills, and this is still a bill that she can pay, and she can have the pleasure of endorsing the cheque over to you or indeed of cashing the cheque and issuing her own to you. If you want to deal direct with your patient, by all means do so and let your patient have the pride of paying you with his or her own cheque instead of by some form of an assignment."

I mean this quite seriously, because if a doctor wants this assignment right and he has not favoured us with any delegation to committee to explain himself in that way -- and I do discount the one doctor who came -- if he has not favoured us with that privilege for us to learn from him, then I think that he has to make himself very clearly understood. And therefore I ask the Honourable the Minister, could he make him understood to me? Could he explain to me, as one member of this committee, what it is that he thinks might be necessary in order to keep the practice of medicine as it should be, applying, working for the benefit of the patient? And he hasn't explained, to me anyway, just what it is that he thinks might happen in two or three or six or ten months from now -- I won't say 12 months from now because hopefully we'll be back here 12 months from now regardless of what happens in the interval. But what could happen? You have doctors in Thompson and in Brandon and in Dauphin and in other places who have announced that they've opted out. O.K., they've opted out. What could possibly happen to the provision of health services to the people in that area that will make it necessary for this government to change its stated position, which is to prohibit assignments. That's the government's position. We prohibit assignments. What could possibly happen to change their minds? And let's not be vague the way the Minister has been. He said we want to be flexible. Flexible how? Flexible for what purpose? What kind of flexibility might prove necessary because of what might possibly happen? Are the doctors going to say, "If you don't assign, we withdraw our services"? I don't believe that. Does the government believe that? I don't. Do they? Because if the doctors are not going to withhold their services from their patients, what do they have to fear? Is it that the doctors will say, "We're not getting our money; collections are bad"? No, because those doctors only have to opt in, on, what is it? 60 days' notice or something, and they're in. Is it because the patients will all be drunk all over the province because of all the money pouring into their pockets the way some people seem to suggest? If it is, that'll just add to the coffers of the government, which seems to need money so badly that it's taking premium money to augment its income. What could it be that makes this government foresee the need, if it isn't an already prepared plan to permit these assignments, and I think that we have the right to have the government explain to us just what is the problem.

We're of presumably average intelligence here. We presumably should be able to understand what the problem is so that we could give our support to the government's request, but we're holding back, I support. Why is that? Because we don't understand what the government may be thinking and they owe it to us to explain it to us, or they owe it to us, or they owe it to the doctors who have gone into this plan in good faith saying, "We are prepared to accept the rate schedule. We don't want any more money and we'll be happy to work and know that we have no concern with finances; the money will come in as long as we do our work." We owe it to them and this government owes it to them, to say: we don't believe in assignments; we are prohibiting assignments; and we don't expect to relax our restrictions in the future.

Now everybody knows that laws are changed, laws are changed to adapt to circumstances, but it should be done after consultation with the representatives of the electorate in this House, and at the next session. And we've all said we'd come running if an emergency takes place such as needs a change, we'd all come running here to consult with the government and to assist the government in taking care of that kind of an emergency. So . . .

MR. FROESE: What about if you can't change your mind, if the pressure should start . . . up by the people themselves?

MR. CHERNIACK: Well if -- the member for Rhineland says, what'll happen if you don't change your mind. Surely you change your mind when circumstance indicate the need. When the need is apparent -- and I don't see how it will come about, but if it's apparent we would have to change our mind and we would have to do it. And the Minister owes us an explanation as to why he thinks it's even conceivable that he ought to change the rules of the

(MR. CHERNIACK cont'd) . . . game in midstream

Now I don't want to dwell further on this, Mr. Chairman. I want to refer to the proposed regulation which the Minister submitted to us this morning. It hasn't been passed but I take it that he has given us an undertaking that this will be passed. And in it he states that in Paragraph 4: "Except as herein otherwise provided, an insured person shall not assign benefits." You'll pardon me for suggesting that this may not be worded quite well enough, "an insured person shall not assign benefits." What happens if he does? Does that mean that you rap his knuckles or does that mean the assignment is not valid? I'm not sure. It may be that he shall not assign but it may still be a valid assignment. So I suggest to him that that should be checked carefully to make sure that what is meant is that no assignment shall be acceptable by the corporation or acknowledged by it -- something along those lines. And also I would like, while we're dealing with this suggested regulation, to indicate that if you took his Clause 3 and read it separate and apart from Clause 2, it may be deemed to be a discussion on an assignment generally where the practitioner would say, "If I take an assignment I will not extra-bill," and I think it should be pretty clearly shown that that No. 3 relates to an assignment as described in No. 2. I think that's the intent. As a matter of fact, the note I made was in 4; instead of saying "except as herein otherwise provided," I would have said "except as provided in Clause 2 hereof, an insured person shall not assign," because I think that we should make it clear. I refer to this particularly, Mr. Chairman, because I do want it on record that the Minister has given an undertaking that he will prohibit assignments in the regulations, and that doesn't mean I accept the concept that he has to have the right to assign.

And finally, I'd like to suggest at the end of (2) of this proposed regulation as a No. (4), an additional clause reading, "The medical practitioner has in turn assigned payment to the teaching unit;" and I think that's rather important, Mr. Chairman, because the only reason that the practitioner is to be allowed to receive an assignment of the money is because it's related to a teaching clinic and the money is intended to bolster and support the teaching unit -- the teaching unit, as it's called. And I think, and I call Dean Fyles as witness, that he agrees that it would be preferable if the assignment went from the patient to the teaching unit, and if for some reason it has to go to the doctor then I think it should follow right through from the patient to the doctor to the teaching unit, so it's the unit which has the money, which receives the money, and then what it does with the money is related of course to the improvement of the facilities for teaching which it has to offer. So I strongly urge the Minister that he should accept the Dean's thought, or the way he agreed with my thought, that this should be taken care of and that any assignment made in this way should go to the teaching unit and not to the doctor.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, after looking at the regulations that were passed out this afternoon, I cannot but get up and say a few words in connection with them, especially since we have another amendment before us. I just fail to understand why we would be taking an action as outlined in regulations (3) and (4), and it reads here "that the corporation shall not accept or pay in accordance with the assignment made by an insured person unless the medical practitioner acknowledges in writing that the assignment of benefits is accepted by him as payment in full of all fees that he may charge to or collect from the insured person in respect of the insured services," and then in (4) "except as herein otherwise provided, an insured person shall not assign benefits." Mr. Chairman, we're really taking the rights away from the individual under these sections. I think this is going far too far. Certainly we should not go to that extent where we're denying the rights and privileges of an individual just because of a plan that we're going to bring in now. I think this is mean, and this in my opinion is wrong.

MR. CHAIRMAN: Are you ready for the question? The Honourable Member for Churchill.

MR. JOE BOROWSKI (Churchill): Mr. Chairman, I would just like to say a few words on what the third last speaker said. He said the net effect of this opting out would be the 15 percent; the only real difference was that in one case there would be 15 percent paid extra to a doctor, and in the other case they would accept 85 percent. I wish that it was as simple as that, but it really isn't. I can't speak for Dauphin or for Brandon where all the doctors have opted out, but I certainly know the situation in Thompson, and the thing that bothers us there more than the 15 percent is the fact that when you come in to a doctor, that they want the money right there; not 15 percent, they want 100 percent. Any bills under \$10.00 they insist they want paid in cash. So the effect will be unlike two of the members have said, just the 15 percent.

(MR. BOROWSKI cont'd) . . . They want cash, and I hope the Minister realizes what this is going to mean to the people of Thompson. All bills under \$10.00 are C. O. D., in addition to the 15 percent.

MR. CHAIRMAN: Are you ready for the question? The amendment is by the Honourable Member for St. Boniface - all in favour of the amendment?

MR. CHERNIACK: Mr. Chairman, doesn't the Minister want to respond?

MR. JOHNSON: . . . . . comments, Mr. Chairman. The assignment of benefit regulation, I noted the same matter which the Member for St. John's has brought up. The chairman of the corporation told me he had the assistance of the legal department in drafting this, but if there is any ambiguity to it at all, I'll check it again. It is intended by regulation to prohibit assignment. Secondly, the matter of payment of the assigned benefit, I think is - something can be worked out between the corporation and the university - I believe they've had a pattern of practice under the Social Allowance Medicare - you know, whether they have double cards or how they do it - can be worked out, and if necessary a regulation provided, but that is generally the intent.

Now with respect to the whole matter of assignment, I can simply echo what I have said to date, namely, that the government would like to or has made a decision to prohibit assignment by regulation to clear the Act in that matter, and is rejecting the prohibition of assignment by an actual change in the Act as proposed, in the light of seeing what develops in the coming year. Many doctors, and I am sure members can say why should a fellow be in and out; the in and out has been -- really there is no doctor that is out. All doctors have said in the province they are not going to withdraw services. All doctors have assured the public of that.

Secondly, the point would be that many of them wish to work with their patient or to deal with their patient on financial matters, and it's one of the reasons in the beginning as we understand it, all of us in this House, that many of them preferred to deal with the patient rather than deal directly with the corporation. Now an out doctor is a doctor who is receiving his money directly from the patient. We also know that, we have been told, that a large bulk of an individual doctor's practice -- we don't know but this is what we have been told -- will undoubtedly accept the insured benefits as payment in full, and we think it's a reasonable and fair fee schedule which has been recommended to us by the Corporation or we wouldn't have adopted it, and on that basis feel that prohibition be prevented at this time.

I can't look into the crystal ball that far to see just what might develop in the coming year. As I indicated earlier, I have been around here long enough to know that we change our laws, 150 bills a session, each year. Who knows, maybe many of these physicians who prefer to discuss their financial affairs with their patients might be prepared to offer -- and I'm just speaking of one approach - may suggest that with power of assignment they would not extra bill any of their patients, or be satisfied with the insured benefits. They may want assignment on that basis. As you say, they might as well opt in, but maybe they want to discuss this account with the patient, and many of them sincerely have a high degree of responsibility and feel that, as I understand it, that while MMS served as a wonderful instrument for 25 years, in which it worked very well, and there was very little to no additional billing, as costs rose many of them felt they had neglected the whole matter of costs and in never discussing medical accounts with their patients, maybe people didn't have an appreciation of some of the factors causing costs to rise and so on. Now if these people feel this way, we have given them the right under this Act to deal with their patients and their patients will receive the accommodation. So I would recommend to the House that we accept the government's premise at this time that the assignments be prohibited by regulation to make the Act clear, and to work diligently with our corporation and people in the coming year and see what might develop.

MR. DESJARDINS: Mr. Chairman, before this comes to a vote, I wonder if we can ask the Minister if he would give us -- the Minister keeps on saying that he wants this open in case something develops, something like we had in the field of education. Well, would the Minister give us -- and he keeps saying also that he doesn't intend and the government do not intend to allow assignment at this time. Will the Minister tell us then, assure us that the assignment under ordinary conditions and circumstances will not be allowed at least until next year? Will the Minister give us a commitment that the assignment will not, as he said, if it is not going to be done now, will the Minister tell us, assure us that the assignment will not

(MR. DESJARDINS cont'd) . . . be permitted under ordinary circumstances?

MR. JOHNSON: Mr. Chairman I don't think I can give that firm commitment. I think what we want to do is see how our experience gets along in the next six months to a year. It may well be that nothing is done at all. I think we understand the situation at the present time but I don't want to preclude developments which may occur some months from now, and would like this flexibility.

MR. DESJARDINS: . . . couldn't attach too much importance then when the Minister says that it is not the intention of the government to allow assignments then. This is not the case at all.

MR. GUTTORMSON: The Minister has just said that he felt that the fee schedule was a fair one. Is it not true that Doctor McPhail said in a public statement that the fee schedule was projected to 1971 basis.

MR. JOHNSON: I don't know what the honourable member is referring to. I am not familiar with that statement other than to say that the corporation recommended this program as a two-year program.

MR. FROESE: Mr. Chairman, before the question is put, I think this is a black day for Manitoba when we are denying the people of Manitoba the right to give, make an assignment which involves them and them only, so we are not hitting the doctors in this; we are hitting the individual person in Manitoba. He is no longer allowed to make an assignment now, from here on, for the benefits that might be accruing to him. What is the case, in case a person has to go to the Mayo Clinic in Rochester, and you will be owing a bill there. If he hasn't got the means to pay for it, he would probably have to borrow from a financial institution here in Manitoba. He would not be able -- according to this would he be able to assign the benefits that would accrue to him from the insurance corporation in Manitoba under this plan?

MR. JOHNSON: In an emergency outside the province he is looked after and he has his doctor submit his bill, and if it's an emergency out of the province or in the United States we have reciprocity with other provinces hopefully, in other jurisdictions the bill would be paid in accordance with our 85 percent schedule here because obviously we can't subsidize American medicine. And secondly, if the patient goes down electively for certain conditions as will be approved by the corporation, for elective work and submits his bill to the corporation or the patient, the patient will receive the money which in turn they will pay their account at their place of residence.

MR. CHERNIACK: Mr. Chairman, I wonder if I could ask the Honourable Member for Rhineland: does he conceive that a man going to Rochester will go and borrow money in advance and assign the monies that he expects to get from the illness and use that money for a purpose other than to pay the doctor?

MR. FROESE: Not in advance, Mr. Chairman.

MR. CHAIRMAN: The amendment of the Honourable the Member for St. Boniface.

MR. CHAIRMAN put the question and after a voice vote declared the motion lost.

MR. DESJARDINS: A standing vote, please.

MR. CHAIRMAN: Call in the members.

A STANDING COUNTED vote was taken, the result being as follows: Yeas 19; Nays 27.

MR. CHAIRMAN: I declare the amendment lost.

MR. DESJARDINS: Mr. Chairman, I suggest that clause 11 be left open now for the same reason that we're -- I have an amendment re premiums on that.

MR. CHERNIACK: I was going to suggest that possibly we could go back to the amendment that is being held for the Honourable Member for Brokenhead, if the Minister is now ready to deal with it. Then the Honourable Member for Brokenhead can present his amendment on premiums and we can debate it, if the Minister . . .

MR. JOHNSON: Mr. Chairman, I think it becomes rather some complicated bookkeeping when I move from recoveries in the department to the effect of the change in policy on the premiums, but I'll try and explain it. I think the figures I gave you today were by and large accurate. I reviewed these over the supper hour with my staff. I mentioned earlier that the salaries of \$2 million being the salaries in mental health, the Deputy informs me that these are the salaries which are shareable under the Medicare program and include all the salaries recoverable from the Health appropriation, which are by and large the salaries in our mental hospitals and for all clinical type of work which is done. And that's the \$2 million. Such things as, secondly, the Lab and X-ray net is 635, as I mentioned earlier, and the net effect



(MR. JOHNSON cont'd) ... of the premium exemptions is 2.250 million -- 2.1/4 million plus 635 plus \$2 million is \$4,885 million, and the net effect, therefore, on the consolidated revenue taking away the \$900,000 really that will be in the welfare appropriation, means about \$3.9 million is being carried by the premium payer in support of these areas.

Now the other point is that when you go then to the Health estimates, I explained the \$2 million of these salaries are shareable for clinical work, the loss from the Department of Health Estimates, for example the loss in health grants, for Lab and X-ray units now shared under Medicare, the municipal sharing in Lab and X-ray, and the revenue from patients for the work in these units, the Deputy tells me totals about \$965,000, and the existing Medicare sharing under CAP 1.9 million, so the net effect on the department will be the loss in our estimates of this amount of money, 1.9 million. The salaries are shown in my estimates but will be recovered from the medical corporation, so the net effect on the premium is that the premium is carrying 3.9 of these costs, and I would trust that this would clarify the confusion I had this afternoon.

MR. DESJARDINS ... cover under cancer and TB? Is there anything there at all?

MR. JOHNSON: ... clinical aspect of this is in this money that's shareable. This is what the Deputy tells me. He culled through the estimate book and this was the total.

MR. CHERNIACK: Mr. Chairman, then this amount of \$3,900,000 has been payable out of general revenues up to now? Is that correct? Well that's the net. The \$3.9 million is the net amount of what has been payable out of general revenues in the past and now will be paid out of the premium structure - the flat rate tax. Is that correct?

MR. JOHNSON: Yes, just about correct except that the \$2,250,000 on premium exemptions, you will appreciate, includes the introduction of the exemption for medical care premium in addition to hospital premium for those people over 65 who qualify for that.

MR. CHERNIACK: And that will be paid out of general revenue into the corporation?

MR. JOHNSON: No. No; the whole premium load, if you want to call it, all the premiums of those who get a waiver of exemption are in the premium to the total of two million two. Last year there was part of this you see not included -- the Medicare on the waiver of hospital premium group was not included. It's a new policy, we extended the same benefit. But the fact of the matter is that the 3.9 is built into the premium to cover the waiver of premium for both the medical care aspect of the social allowances group and the medical care aspect of the group over 65 will get a waiver of premium. I could probably best explain it by -- the total amount is 3.9, that is in the premium.

MR. CHERNIACK: That's right. And it's almost \$4 million that is being transferred from the monies raised by premiums and in effect paid into the general revenue of the province. The general revenue of the province is benefitting to the extent of close to \$4 million because of the imposition of premiums, and to that extent they'll be -- now did the Minister say that when we get the budget that there'll be a revenue item from the corporation of some \$4 million to offset this? That then means that the premiums are being used to subsidize general revenue. Is that a correct statement?

MR. DESJARDINS: Mr. Chairman, could the Minister inform us now what this added cost of 3.9 would do for the premiums. In other words, if things were left as they were what would the premiums be now -- just for added services? -- (Interjection) -- Excuse me, what -- is that it? And that would be for what? on all, on family and .....

MR. CHAIRMAN: The Honourable Member for Broken head.

MR. HILLHOUSE: If you're going to make a motion I'd like to ask a question.

MR. USKIW: I've already made the motion, but .....

MR. HILLHOUSE: I'd like to direct a question to the Minister. The 3.9 that you have mentioned as being the net amount being carried by premium pairs, does that take into consideration the recovery which you will receive from the government of Canada in respect of social welfare?

MR. JOHNSON: I'm not sure what the honourable member means. Of the three items I've mentioned none of this would be recoverable under welfare -- of the 3.9. You see the 3.9 is the cost which is on the premium which would otherwise -- if we were paying it out would have to pay out of consolidated revenue. You've got that? Right? So the total effect on the consolidated revenue, -- we're talking about two or three different things here and apples and oranges are hard to compare from, that's where I got mixed up this afternoon -- saying the cost of the waiver of premium for both the social allowance group and all those

(MR. JOHNSON cont'd) . . . receiving medical care, this is the medical care component, is built into the premium. Right? And the effect on the consolidated -- but there's some different points here.

For example, the welfare appropriation, let's take the social allowance group. The medical care last year was about two million for the medical care component paid for the recipients on behalf of the public assistance group. This was 50 percent shareable with Ottawa. This is no longer there of course, it's under this program, they won't share under both of them for the medical care component, so this is into that premium. And then the salaries of the clinical work done by doctors in the Department of Health, mental and health units and the various items where that could be shareable, that is put into the corporations budget in determining the over-all cost of the program. They will then credit that into the revenues I guess on the budgetary side. Is that clear now?

MR. CHAIRMAN: The Honourable Member for Brokenhead.

MR. USKIW: Mr. Chairman did you want to read the amendment again to bring the members up to date?

MR. CHAIRMAN: Well, I think everybody -- I don't know what members have copies. Maybe I could read it out anyway. I'll read it out anyway. This is the amendment moved by the Honourable Member for Brokenhead amending Section 3 (c) -- oh yes, 3(b) in 6, yes. Section 3(c) be amended by deleting all the words following the words "by striking out Clause (q)"; Section 3 to be amended by deleting all the words "by striking out Clause (r)"; Section 6 is amended by striking out all words including and after the last word amended in the first line and substituting the following: "Repealed and the following subsection is substituted therefor, Clause (a), any amount paid by the Provincial Treasurer to the Corporation on its requisition out of consolidated revenues." The bill be amended further by the Legislative Counsel to delete references in the act to premiums.

All in favour of the amendment -- are you going to speak on the amendment.

MR. USKIW: Yes, Mr. Chairman.

. . . continued on next page.

MR. CHAIRMAN: The Honourable Member for Brokenhead.

MR. USKIW: Mr. Chairman, in Law Amendments Committee the other day members of the New Democratic Party tried to convince the government majority in that committee that they ought to reconsider their position in the way that they are proposing to finance Medicare in that truly their position, Mr. Chairman, was and apparently still remains to be the most unfair position with respect to the raising of funds to finance a social program, that being the funds necessary to finance Medicare in Manitoba. It is the most, Mr. Chairman, the most regressive approach to taxation; and if you add to that, Mr. Chairman, the fact that the government is indeed trying to balance the budget by means of adding to the premium costs which were normally brought about by the consolidated revenues of the province, or at least the costs to pay for programs, Mr. Chairman, that normally were charged against the consolidated fund, that exemplifies more so the fact that this government is not approaching Medicare on the basis of ability-to-pay, but rather "you want it you're going to darn well pay for it." This is the attitude that the government is taking in the financing of Medicare. Mr. Chairman, I want to suggest to you that we are bitterly opposed to this type of approach because it does not take into account the ability-to-pay principle, it does not recognize the fact that there are many people that will be very hard pressed to raise that kind of premium tax in order that they don't fall in arrears with their medicare premium payments to the Government of Manitoba.

And what a sad day it is, Mr. Chairman, when we realize that the municipalities are going to be put into a position of having to apply liens against property, that is against property whose owners are unable to meet the premiums. It seems strange that in this day and age where we have a more reasonable approach, we have many other areas of taxation which could be approached to finance such a project, it seems unreasonable, Mr. Chairman, that we are neglecting to look at these other areas and are proceeding on the basis of a head tax regardless of whether people have the ability to meet that tax load or not.

Mr. Chairman, I can't over-emphasize the fact that this is indeed regressive and that this is going to haunt the government from here on in for a long time; in fact, Mr. Chairman, until the time that they are in fact thrown out of office on the basis of this kind of taxation. -- (Interjection) -- My fellow members here tell me that won't be very long away, Mr. Chairman.

Who gets the advantage, Mr. Chairman, in a level premium? We had an interesting example in Law Amendments this morning whereby the man from the Federation of Labour, the President of the Federation of Labour - or the Secretary Treasurer, Mr. Chairman - brought to mind that it is true that those people that are more affluent utilize the medical facilities and hospital facilities much more than do those of lower incomes. And if we take the example which was illustrated in Law Amendments this morning -- and it is based on fact, Mr. Chairman, because you must recognize that this honourable gentleman was a member of the Manitoba Medical Service and he was a member of the Board of Directors, Mr. Chairman -- and he certainly knew what he was talking about and he was basing his whole presentation on fact, on what actually occurred under MMS. So, Mr. Chairman, if we recognize that this is a fact, then we are really accepting the idea that the poor people of Manitoba, the low income people of Manitoba are indeed being asked to finance Medicare for the wealthy. And this was shown so dramatically this morning, where the higher the income level the higher the utilization level of that group of people. Mr. Chairman, I can't imagine with government knowing the facts as they are that they are prepared to proceed on a program to finance Medicare on the basis of a level premium, knowing, Mr. Chairman, that this is discriminatory, knowing that it is the more affluent people that are going to get the real benefits, in fact are going to arrive at a saving Mr. Chairman, at the expense of those that are less affluent or in the low income category. For this I must chastise the government; I think it would be probably not enough if I didn't say that they should be chastised because this is something that we must recognize as an affront to the intelligence of members of this House, Mr. Chairman. To expect that we responsible elected people of this Chamber would not recognize the differences of incomes in society would not take into account that we don't have equal incomes in Manitoba, and that because we don't have equal incomes in Manitoba we must recognize that we ought to tax on that basis; that we must recognize that the person that earns \$1,000 a year is not in the same position to meet these demands as is a person that earns 10 or 15 or 20 thousand dollars a year, Mr. Chairman. And how we can pursue, how we can pursue this kind of a program is beyond my imagination, Mr. Chairman.

I want to illustrate to you that the total revenues the province of Manitoba receives from income tax, Mr. Chairman - and I suggest to you that this is the area which should finance

(MR. USKIW cont'd.) . . . . Medicare - that the total revenues that the province receives from income tax and succession duties combined amounts to \$79.4 million according to the estimates of last year - the 1968 budget. Now there's somewhere in the neighborhood of \$4 million in estate taxes, so that leaves us with about \$75 million in revenues coming out of the provincial share of our income tax program. Now, Mr. Chairman, it doesn't take a great deal of calculation to determine that it means that what you have to do is increase the provincial income tax by two-fifths, Mr. Chairman, by 40 percent if you like or two-fifths of the provincial income tax, to arrive at \$30 million based on \$75 million of income tax that the province derives in total.

On the basis of that increase, Mr. Chairman, may I point out to you that a person, a married couple that has an income of \$3,700 if they have two children, and we increase their provincial income tax, Mr. Chairman, by two-fifths, that their increase in taxation amounts to \$12.68, \$12.68 as opposed to the \$120.00 that you are trying to impose on them by this type of legislation. If you take a look at the figure of \$4,700 with a married couple and two children and you increase their provincial income by two-fifths, Mr. Chairman, you come out with a figure of \$28.92 to cover their Medicare costs; a far cry, Mr. Chairman, from \$120.00 or \$117 whatever the figure is. If you look at the figure of \$6,700 you arrive at a net increase of \$70.52 based on the same exemption, Mr. Chairman. And if you get into the area of \$10,700, Mr. Chairman, this is where you see the results; 40 percent or a two-fifth increase will bring in an extra \$181.96.

So, Mr. Chairman, our proposal is not unrealistic. Medicare can be financed by the income tax; it can be financed by other forms of taxation, capital gains, increases in our mining royalties and our stumpage on timber and so forth. It can be financed through increases in the sales tax which is more equitable, Mr. Chairman, than your proposed flat premium. But, Mr. Chairman, I want to point out quite plainly that it is the view of our political party that the income tax is still by far the fairest form of taxation because it is in fact based on the actual income that a person has received in any given year.

Now I ask my friend the Premier of this province, Mr. Chairman, whether he sincerely believes that those people in low income should indeed be subsidizing his Medicare privileges, because this is what is happening under this program, based on the facts that were represented to us in Law Amendments this morning, that is the fact that those that are more affluent utilize the services of hospitalization and medicare more so than do those of the lower income groups. So does the Premier of this province really expect and really believe that it is fair, Mr. Chairman, to ask the lower income groups to subsidize his hospital and medicare privileges? Mr. Chairman, I can't believe it; but it's happening before our eyes, Mr. Chairman. I wonder whether the Honourable Minister, the Minister of Health, whether he doesn't recognize that this is in fact happening, and if anyone should be aware of it he should be because he was involved to quite an extent in this department before and now again, and he does know the operations of Manitoba Medical Services of the last number of years. He knows his statistics, Mr. Chairman; he knows that he and members such as himself in society that are more affluent than the average, that they indeed do utilize services to a far greater extent than do those people in the \$3,000 level or \$2,000 level of income. And I say, Mr. Speaker, that those gentlemen on that side of the House are really pulling the wool over the eyes of the people of Manitoba with this kind of legislation. Imagine adding or taking out of the revenues of the Consolidated Fund something like \$4 million and slapping it against the premiums to finance Medicare. This shouldn't be a balancing the budget proposition, Mr. Chairman, as it appears to be.

It's a shameful way in which the government is trying to prove to the people of Manitoba that they are indeed trying to hold the tax line. Mr. Chairman, it's a farce and we are not prepared to buy it.

MR. CHAIRMAN: The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, we certainly will have something to say about the principle of ability-to-pay but I plan to do this if this amendment doesn't pass. I have an amendment that I will propose and I'll do this at this time. But I will refrain therefore, on speaking just on this motion.

I might say that our group normally would not support this resolution because we do not feel that the premiums should disappear altogether. We weren't ready to support this until we heard Mr. Coulter speak this morning. Now we will support this resolution, this amendment, but we will qualify this. It's understood that this amendment cannot give direct instruction to the House, because this is a money bill and this has to come from the government.

(MR. DESJARDINS cont'd.) . . . . This was explained in committee this morning by the New Democratic Party, the spokesman of the New Democratic Party, and they were suggesting that the premiums would be taken off but then it would be left to the government to see how they would get the money in the Consolidated Fund -- they mentioned the question of sales tax; they mentioned the question of income tax. And as I say, normally we would oppose this, because we want to retain the premium, not high premiums as it is, but some form of premium, but we will support this at this time. We must qualify though that we would support it if the government was ready to introduce some kind of financing such as described by Mr. Coulter this morning. His plan was that there would be tax on income, no exceptions, a tax on income; not a tax on taxable income but a tax on income. And we would buy this plan if it was done as such, but we will not buy a plan where all the premiums will be reduced and paid for by a sales tax. And I will have something to say, we want to reduce the premium, if this isn't passed, and of course the income tax would enter into this, but I will limit my remarks to this at this time. I might say that there is something else. We're limited in the way we can present these amendments. But if it was feasible, if it was possible, members of this party would immediately move that the premiums would be reduced by 3.9 million dollars -- (Interjection) -- what's that? -- whatever the amount of money, that will go back in Consolidated Fund.

I think that it is clear what we mean. This would be our first amendment, that the premiums would at least pay for only the added services that the people of Manitoba will get this year. So we qualify this but we will support this motion.

MR. GREEN: Mr. Chairman, I do want to add some remarks to the remarks that have been made by my colleague with respect to taxation which is a field that always interests me a great deal, because I think it's really the key to all the programs of the government as to how they will be financed. With regard to what the Honourable Member for St. Boniface said, I want to remind him that when the executive director, the executive secretary of the Manitoba Federation of Labour spoke today, he indicated that he preferred the income tax, that he was suggesting 1 percent on all income as a compromise and Mr. Chairman, I think that he was desperately trying to find a compromise just as we are trying to find something other than what the government has proposed. The Honourable Member for Brokenhead indicated that the premium is the worst form of tax and I think that probably in his imagination, as in the imagination of all of us in the House, it would be the worst form of tax. Actually there is a worse form. Perhaps the members on that side haven't yet discovered it and perhaps I shouldn't mention it, because if I do, maybe they will utilize it. Instead of taxing everybody for the total premium of \$120.00 they could tax the people only under the amount of \$5,000 and raise the premiums by the amount that is necessary to tax only this group. So there are worse forms of taxes, Mr. Chairman, but not much worse. And I think that this government has chosen the very worst form imaginable, and I used an example this morning which I think is very appropriate to the existing situation. The Federal Government introduced a Social Development Tax. But, Mr. Chairman, they were very worried about a particular group, they were very worried about taxing a group beyond that which reached paying a tax of \$120.00. In other words, once you reached a figure of paying \$120 you were exempt at the upper level. The Federal Government in effect said you shall not pay more than \$120; and they said that to the uppermost income group. This government says, you shall not pay less than \$120, the same figure, and they said that to the bottom economic level of taxpayers. So we find that that taxpayer is being squeezed from the top by the Federal Government and from the bottom by the Provincial Government; and both used coincidentally, Mr. Chairman, the magic figure of \$120, or roughly that for a family.

But, Mr. Chairman, it's only tonight that we grasp the full impact of what this government is doing, because even myself in my most enthusiastic criticism of this government, never believed that what they were doing with this tax was to finance other areas of government responsibility. And, Mr. Chairman, I asked a facetious question tonight, but it may not be so facetious. Maybe the next thing that will be added to the medical premium is part of the education budget. And, Mr. Chairman, is that so far fetched? Because let's take those two figures. At the beginning of this year, the Prime Minister walked into this House and he announced a massive program of aid to municipalities. And what did he give them Mr. Chairman? He gave them \$5.00 per capita. Roughly \$4,500,000 was distributed by this government to all of the municipalities in the Province of Manitoba. It wasn't given to the people, it was given to municipal councils who then were expected, as I said before, to be very friendly to the

(MR. GREEN cont'd.) . . . . Conservative government in power. But the figure is interesting Mr. Chairman, \$4 million, five. We now get from the Minister that 3 million, nine has been made up by premiums which are being charged over and above the Medical Care cost. Now, Mr. Chairman, the Minister indicated that there were specific areas of health that have been removed from consolidated revenue and taxed to the premium. But does that really matter? Does it matter what you take the millions out of? Hasn't this government, by what it's done with premiums, released \$4 million of consolidated revenue which they have now passed off in another area of programs. Now the figures are not that much different, 3 million nine, 4 million five. Maybe the Honourable Member for St. Boniface and my honourable colleague the Member for St. John's, if they worked hard enough, after all, we've only worked a couple of hours on this question, they'd find that extra \$600,000.00. Because this is what is being done. And, Mr. Chairman, if you'll excuse a pun, that is a very Weir-d system of financing. And I can expect, Mr. Chairman, that we will see more of this Weir-d system of financing, that we could to take it to its ultimate conclusion, the Minister could have a wonderful budget - no taxes at all. He could wipe out \$300,000 in taxes and impose a premium of \$300 on every man, woman and child in the province of Manitoba; that's logically the extension of this weir-d form of financing. Mr. Chairman, I think that we can expect to see more of it unless we remove the person who's behind it; and that is the person who told us last year that from now on when we are pushed into a program by the will of the people we're going to finance that program in such a way as to make them pay, make it hurt; those same people who voted for that program.

MR. CHAIRMAN put the question and after a voice vote declared the motion lost.

MR. CHERNIACK: Could we have a standing vote please.

MR. CHAIRMAN: Call in the members.

A COUNTED STANDING vote was taken, the results being as follows:

MR. CLERK: Yeas 21; Nays 26.

MR. CHAIRMAN: I declare the amendment lost. The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, during the committee stage, at this point I moved an amendment that there should be a public information campaign to inform the public of those doctors operating within the plan, and during that time the Minister appeared to accept that principle and said that the Corporation would inform the public through a telephone basis, if they phoned as to which doctors were in the plan. So since the Minister has apparently accepted that principle I do not intend to move that amendment at this time but I just wanted to make that statement for the record.

MR. CHAIRMAN: We are dealing with 3 (c). (The remainder of the sections were passed.) We go on to 6. Section 6 . . .

MR. DESJARDINS: Mr. Chairman on 11 I have an amendment. I move that Section 11 of Bill 33 be amended by striking out clause (a) thereof and substituting therefore the following clause " (a) by striking out clause (d) thereof and substituting therefore the following clause; (d) fixing the amount of premiums to be paid by a person in respect of a benefit period, designating the times and methods for the payment, collection and . . . of premiums, and premiums fixed under this clause shall be lower for an insured person of low income and other insured persons." I think he has a copy of this.

MR. CHAIRMAN: Are you ready for the question?

MR. DESJARDINS: Mr. Chairman, as I stated this morning, and I think I should repeat this, we recognize that it is next to impossible for the members of the opposition to move that the premiums be reduced because a message from His Honour the Lieutenant-Governor would be needed as it is a money matter. Now my motion therefore would not in itself be complete, so if this amendment is passed it would be natural for all members of this committee, of the House, to expect that the government itself would introduce the necessary amendment making it possible for the Consolidated Fund to make necessary grants to enable us to reduce the premiums.

Now, Mr. Chairman, we feel that the government has been less than honest with the people of Manitoba. Whenever the Minister has been discussing the financing of this plan his only reason was the Minister of Finance felt that this was the way it should be done, and the Cabinet felt that this was the way it should be done. Well we feel that the Minister of Finance feels that this should be done because he wanted to stand up early in the session or even before the session and say to the people of Manitoba, there will not be any tax increase this year. This was a statement that was made by the Minister of Finance. And we find out, Mr. Chairman,

(MR. DESJARDINS cont'd.) . . . . that this is not the case at all. There has been a tax, a direct tax on the people of Manitoba. He took advantage that a premium had to be collected to cover the plan and this government sneaked another \$4 million in there; another \$4 million of added revenue. And to their shame, they tried to hide this from the people of Manitoba and they tried to hide this from the people in this House. The Minister this afternoon pretended that he could not give us the information and all of a sudden he pulled out a piece of paper and there it was - some of the information. Now we are told that there is close to \$4 million of added revenue. And there might well be more than that. When we start figuring what will be saved under the teaching hospitals and so on, it might be that we will find that there is more than that. And that Mr. Chairman is not too honest.

Now we have talked about this ability-to-pay principle and I intend to read today, because this is the only way to prove that this government is going backwards, that it has no platform, no policy, no principle at all, or that it will change them to suit themselves. We had a special session in 1961. We were getting a new deal from Ottawa and the government at the time was very interested, the Premier at the time was very interested in introducing something that he had wanted for the people of Manitoba for years and years and years, and finally he has this opportunity of doing this. And this, I'm quoting now from Hansard, page 22, October 16, 1961, Mr. Roblin speaking: "Now, Sir, there is one other, and it is the final point that I want to make today, that is implicit in these arrangements. It is that under this agreement we have a power which was available to us before, but not available in such a way that we could make use of it. We now have the power to set our own tax rate at a rate above the level provided for in the standard arrangement or indeed below it, if that should be thought good for the finances of our province, and we can have the Federal Government collect this additional tax without charge to us. As I explained this was not allowed under the old tax rental. You could do it all right, you had to get outside the agreement to do it. Ontario and Quebec did do it and you would have to collect for yourself but now we are able to do it within the agreement. It will be collected for us by Ottawa at no cost to us. Thus under this tax collection agreement, Ottawa will collect whatever rate of tax the province desires to impose without charge. And I would like to say, Sir, that we are taking advantage of this provision to raise an additional tax of one percent on the taxable personal income of our people and one percent on the corporation tax in the province of Manitoba and we are going to use this money to reduce the hospital premium that we are asking our people to pay." And the Minister made quite a big thing to say that the Federal part of it was considering the ability to pay because this was paid from income tax by the Federal Government. It's the same thing there. And I continue here, "Now, Sir, from the government's point of view this is important, because this is something very new. This was not possible for us under the old arrangement and I think it is advantageous that we are able to do it now; because we have long maintained, Mr. Speaker, that the present level of hospital premiums at \$6.00 for married people and \$3.00 for single people had a very serious effect amongst others" Now what is the premium now under this for married couples? This was \$6.00 was too high and \$3.00, and now it's \$9.80 -- no it's \$9.80, this Medicare is \$9.80. "I did and will deal with that. That defect is that it is the same rate of tax, the same number of dollars on all citizens, regardless of their ability to pay, rich and poor alike have to pay the same share", he's talking about premiums, "This rate was imposed when in our opinion, at that time, there was no alternative to doing so, because we did not have an alternative means of raising the money and it must be raised somehow. We did not have an alternative means of raising money unless we introduced a sales tax which some gentlemen opposite might be advocating to find this money to pay our hospital premium." Of course we've got the sales tax besides that. "We raised it with the greatest of regret, but we determined that at the first possible opportunity we were going to reduce these premiums and to invoke the principle of ability-to-pay."

"Now, Mr. Speaker, when the hospital premiums were first imposed at \$4.10 for married people and \$2.05 for single, at the relatively low level it was considered by the House that citizens could pay these premiums without undue hardship, particularly as provision was made that those who were not in a position to handle the matter would have their premiums presented to them at the expense of the Consolidated Revenue - and members know that some 35 or 40,000 people have free hospital premiums in that way. But that's not the case with a premium of \$6.00 and \$3.00. And it underlines a determination to introduce the ability to pay principle in connection with hospital premiums at the first opportunity. We now have the ability to implement that policy in the way that I've suggested because it seems to me that a one percent increase

(MR. DESJARDINS cont'd.) . . . . in taxable personal income on the people of our province it does introduce that measure of ability to pay. Personal income tax is so far as I can see, one of the best measures yet devised of ability to pay, and we are going to take advantage of it. But, Sir, we also maintained that there should be an added contribution from the Consolidated Fund to the cost of our hospital system and for that reason we are raising one percent on corporate income tax as well to provide that extra money. Thus we are able to introduce the ability-to-pay principle in our hospital premium system to a greater extent than we had ever before, through the personal income tax, and we can increase the contributions from the general funds of this province through the corporation income tax." Yes, what a difference a day makes, or a couple of years make again. What is the government going to say about this? Why all of a sudden -- oh, my honourable friend the Attorney-General is laughing so maybe I should quote what he had to say on this.

This is what he said at the time, and now this is Page 127. He says, "I would like to ask a question: Where does the Liberal Opposition stand in respect to the question of premium reduction? Where do they stand on premium reduction? Are they in favour of this Bill which is presently before the House on premium reduction which was one of the constituent element in it? In the summer of 1960 when the premiums were raised, I recall the Honourable Member for Lakeside who was then the Leader of the Opposition, made a public cry for a special session to deal amongst other matters with the premium increase. It's fine we hear to have a special session to deal with the increase, but what does he say when we call a special session to deal among other things with a premium reduction? He doesn't pay any attention, . ." like my honourable friend is doing now. "Why not? Does the Liberal party not like to talk about a premium reduction? Are they afraid to admit that the premiums are going to be reduced" -- and so on and so forth. I ask my friend are you afraid to talk about premium reduction now? Are you afraid?

MR. LYON: May I ask my honourable friend, what he's trying to prove?

MR. DESJARDINS: I'm trying to prove that you have no principle that's what I'm trying to prove.

MR. LYON: My honourable friend has really proved that the situations of eight years ago and today are on all fours; part of the premium is being paid out of the income tax and part by direct premium, as it was eight years ago. What is he trying to prove pray tell?

MR. DESJARDINS: What is my friend trying to prove? What is my friend trying to prove? What part is paid from the income tax? The whole thing is covered by premiums. Not only that, but you are stealing from those people another \$4 million and you're saying to the people of Manitoba we are not increasing tax.

MR. LYON: Where do you stand?

MR. DESJARDINS: Where do I stand? I stand for lower premiums. I stand for ability-to-pay.

MR. LYON: And what tax would you increase to make up for the lower premiums?

MR. DESJARDINS: I'll tell you what tax I'll increase. First of all I don't believe it will cost \$55 million, and I have proof. First of all I'd cut off those \$4 million and then you would cut off some more and then what I would do, I would leave some premiums greatly reduced, and then I would put on added income tax -- and I said that all along.

MR. LYON: Would my honourable friend permit a question? Well then did he support the government when it was moving for the surcharge in 1961 for hospital premiums? Wasn't that the cause of my remarks at the time? My honourable friend, when we were moving to reduce premiums at that time by an income tax surcharge, unless my memory escapes me, voted against the bill.

MR. DESJARDINS: You're absolutely right.

MR. LYON: Voted against the bill, by which we wanted to give relief on the very premise that he now supports it.

MR. DESJARDINS: If you'll sit down I'll tell you why.

MR. LYON: On the very premise which he now supports. . . .

MR. DESJARDINS: If you'll sit down I'll tell you why.

MR. LYON: My honourable friend is willing to advocate a tax . . .

MR. DESJARDINS: I don't mind questions but if you are going to make a speech, sit down and make it after.

Mr. Chairman, this is not a question. I'll allow any question but he's not going to make a speech.



MR. LYON: Will my honourable friend permit a question?

MR. DESJARDINS: Yes, I'll permit a question.

MR. LYON: I'm merely asking my honourable friend. He says now that he is willing to support an increased income tax in Manitoba. Is that right?

MR. DESJARDINS: That's right.

MR. LYON: But would he vote for it?

MR. DESJARDINS: Well if I'm ready to support it, I'm sure I'll vote for it. I'm not two faced like my honourable friend is. And you know why I voted against this, and you know why. . .

MR. LYON: Tell us why.

MR. DESJARDINS: Because it was another one of those dishonest bills. It was a bill that they said you have to vote on this and they asked two or three different things. They wanted us to accept the lousy deal they made with Diefenbaker at the time and we weren't ready to accept that. And we said that we were all for the reduction of premiums and my honourable friend from Selkirk brought in an amendment asking that that be earmarked as a hospital tax, because we didn't trust the government more then than we do now, and they refused this. And then a little later, they just lowered the income tax by one percent, before an election. And what did they do previous to that? They raised the premiums by 100 percent and all of a sudden they decided they had too much money and just before the election they reduced the premium, and this has been the games that they've been playing.

Now are there any other questions you want to ask? If there are not any questions that you want to ask, read this and you will see that you backed down. And he says that eight years ago the ability to pay principle was terrific, take the load off the homeowners, and so on. But this year, what do they say: "sock it to em baby, sock it to em" this is what he's saying. And what kind of phrase. . .

MR. LYON: Can I ask my honourable friend one more question then? My honourable friend has said that he is willing to support an increase in the income tax surcharge. I merely put the same question: would he be prepared to vote for it this time, because he didn't vote for it the last time?

MR. DESJARDINS: Well if it's honest, if it's honest, if you don't bring another red herring, if you let me vote on one thing - the thing that you ask me now - try it and see. Try it and see.

A MEMBER: I don't know if we can take a chance on you. We tried you once. We couldn't take a chance on you.

MR. DESJARDINS: Sure we tried you once - here, here, do you want to vote for this. Walk all over the flag to come and vote for it, this is fine, but if you want to vote for it, walk all over the flag. Well I didn't want to walk all over the flag and I didn't want to approve this phoney deal that you made with Diefenbaker, and this is why I voted against it. But it was clear, our intentions were very clear. And besides, he's good at that, he's a terrific debater when he's in the mood, lately he hasn't been in the mood. I'm glad to see him pep up a bit, it's going to be a little bit more interesting. We were getting no competition at all there for awhile. And he's terrific at that; you've got him cornered, he's going out by the back door and says why didn't you do this? Answer me why you don't believe in the ability-to-pay principle any more? I have answered all your questions when I sit down you stand up and tell me, why you feel that -- what was this 1961? That now your policy is sock it to 'em baby, because this is what you are doing.

MR. LYON: Is my honourable friend not aware that the Federal Government proportion of the premium, or of the cost of medicare, half of it is being raised on a 2 percent tax imposed by his Liberal, Federal government at Ottawa, on the ability to pay basis?

MR. DESJARDINS: I'm so glad you said that. Wasn't the honourable member aware that during that time, half of it, or the share of the Federal government was brought in by his Conservative government in Ottawa, and that was coming under grants coming into the income tax. Isn't he aware of that? It's the same thing. Have you got any others, Red?

MR. LYON: You haven't answered. . .

MR. DESJARDINS: All right, Mr. Chairman. Now - what's that? I've got lots of questions but they won't answer.

MR. CHAIRMAN: I want to remind him we've got two hours and 14 minutes before this Bill's supposed to become law.

MR. DESJARDINS: Now just a minute, just a minute, first of all there is a law now.

(MR. DESJARDINS cont'd.) The Bill 68 has been passed. These are just amendments and if you think I am going to rush in 10 minutes so they can get off the hook -- I was going to say something, I'll tell you outside, but no you are mistaken.

MR. LYON: Mr. Chairman, I would like to come to the aid and assistance of my honourable friend from St. Boniface . . .

MR. DESJARDINS: You'd better come to your own aid. Just sit down.

MR. LYON: . . . because I realize, as you must realize, Sir, that nobody can urge him on faster to the starting gate than he's going at the present time . . .

And furthermore, we're in his hands. If at ten o'clock he or other members decide not to sit longer, we're in their hands. So he can carry on, we're entirely in his hands, we know that he will do what's in the public interest.

MR. DESJARDINS: Thanks for the permission. I'm so happy.

MR. LYON: He will do what's in the public interest.

MR. DESJARDINS: I'm so happy. Now they're talking about public interest. Isn't that the biggest joke that you ever heard? This is the government that had three years to bring in a bill and they brought it in a week ago and all of a sudden they are worried about public interest. Do you know what they are worried about? They don't want us to remind the people of Manitoba what they are doing, this is what they're afraid of.

Now when I noticed that the plan was supposed to be a premium system of collecting, I was quite surprised. I could not imagine why they delayed this for one year. It's not costing the government anything. Why did we lose countless millions last year, if the people will pay for this themselves? In 1966 the Minister of Health presented a white paper on this question of medicare and this is what he said. It was the former Minister of Health. And he said that "the government of Manitoba maintains that medical services insurance should be available to all residents of Manitoba at a cost within their means." This is another question that I asked the Attorney-General or the former Minister of Health, or the Premier, or the present Minister of Health and even the Minister of Transportation: does he feel that this is within the means of the people?

Then there is another statement that was made by the former Premier, he says -speaking at a Manitoba Medical Association Luncheon, the Premier expressed regret at the Federal decision to postpone Medicare until July 1, 1968. Premier Roblin says that his main concern was for the 30 percent of Manitoba's population that were not covered by any form of medical insurance. He said he must conclude that most people in this category were not able to pay full premiums and it was imperative to get a medicare program operating as soon as possible to cover them. Our problem now is the provision of better medical care for the 30 percent not covered and undoubtedly for most of these money is the barrier, he said. What a change. My honourable friend the Attorney-General tells me well that was ten years ago; now I guess it's the style to sock it to them. Well, Mr. Speaker, we are old fashioned, we still believe in the principle of ability to pay and this is why we make this amendment, we want at least to be fair. We don't want for instance, a veteran who is covered, practically all covered by the Department of Veterans Affairs in Ottawa to pay full premiums for something that he's already covered, and not only pay full premiums but pay for the premiums of indigents that should be paid by the Province of Manitoba, and not only that but also pay through his premium to put some money in the Consolidated Fund so the government could say, this year fellows we are not increasing taxes.

MR. CHAIRMAN: All in favour of the amendment please say. . .

MR. GREEN: Mr. Chairman, I'm going to take just one minute. The amendment appears to imply a graduated premium. Normally we would not support this type of an amendment because we don't believe in a means test, which it would necessarily imply. However, we concede that it is better than the type of taxation that the government is imposing and therefore as against the type that the government is imposing and the type that is being proposed by the Honourable Member for St. Boniface, we on the balance will support the amendment.

MR. DESJARDINS: Mr. Chairman, there is another point or two that I want to put before that. We've talked about the premiums -- (Interjection) -- no in fact you reminded me, thanks very much. We feel that we should have, also in the premiums we should take into consideration the low income and fixed income people, and we feel that we should have a plan something like they have in B. C. probably have three categories instead of two, have the single, the couple, and married with a family, and then we also feel that the people with no taxable income should

(MR. DESJARDINS cont'd.) . . . . have a large portion, probably 90 percent like B. C. of their premiums paid for them - of course the premiums would be lower - and also we feel that those with \$1,000 or less of taxable income should have approximately half of their premiums paid. I just wanted to add this in the . . . .

MR. FROESE: Mr. Chairman, just a few brief words. Naturally I could not oppose the amendment that is before us. We're still on the premium system even on this amendment, and all it would do would require those that are more able to pay a little more. Then too, as we heard this morning those that apparently are wealthier are using the facilities to a greater extent and that utilization is being exercised more by those that are of means. Therefore, I feel that this would be quite in order and I intend to vote for the amendment.

MR. CHAIRMAN put the question and after a voice vote declared the amendment lost.

MR. DESJARDINS: A recorded vote Mr. Chairman.

MR. CHAIRMAN: Call in the members.

A COUNTED STANDING vote was taken, the results being as follows:

MR. CLERK: Yeas, 22, nays, 26.

MR. CHAIRMAN declared the amendment lost.

MR. LYON: Mr. Chairman, I wonder if this would be a convenient time to enquire of the honourable members if they would be prepared to give unanimous consent to sit beyond our regular adjournment hour. We, of course, can't without that consent.

MR. CHERNIACK: . . . . Mr. Chairman, while we're sort of deliberating here. We don't object to staying a little longer but we want to be convinced of the need. I'm not at all sure from reading the Act that it would be harmful in any way if it were completed tomorrow, or the next day. If I'm wrong then of course we should be shown that, but none of us are anxious to stay late unless it's important; and of course if it's important that we do it then we aren't going to just slip by certain features that we think are important in the bill. So is there any real urgency today?

MR. CAMPBELL: Mr. Chairman, is the issue not the one that was stated a little while ago by the Honourable Member for St. Boniface, namely, that we have an Act on the statute book? It's true, I take it, that the government wishes to have these amendments passed as speedily as possible, but my understanding is that they will not be held up from implementing the program as such. Now I would think that if it could be shown to us that the program can't go into operation at the appointed time then we would be willing to sit a little longer, but unless that can be proven I don't see any point in trying to finish now when it's quite evident that quite a few people have more to say.

MR. LYON: Mr. Chairman, as to the urgency of the matter, the plan of course comes into effect tomorrow on the 1st of April. My understanding is that the Minister and his department and the corporation require certain of the amendments that are in the present bill in order to make the regulations effective pursuant to the bill, that is the bill that is before us, to have force and effect from the first date of the operation of the plan. Now, we could get into discussions as to whether or not this is needed for a day or two. I think we would all have to admit that it would be more convenient if the regulations were able to be passed pursuant to the bill tomorrow so that the corporation would be starting afresh with a complete set of regulations. Undoubtedly they could, in a day or two if we were to make a clause of the bill retroactive they could probably catch up in a day or two's time with the regulations. However, I would think that of the two courses the preferable one, I'm not saying the absolutely necessary one, but the preferable one would be to get the bill through tonight if that is possible. If however, that does not meet with the convenience of honourable members then we have no option but to adjourn the House at the regular adjournment hour.

MR. DESJARDINS: Mr. Chairman, the Minister himself said that he would like to check one of his proposed amendments with legal counsel, so I think that we might as well wait. This could pass tomorrow without any objection at all.

MR. BOROWSKI: Mr. Chairman, I've no right to speak for the Party and I'm new in the House. I don't know what the rules and regulations are, but it seems to me that Medicare is rather an important one. I don't like to side with the government but I think those on this side of the House we should be ashamed of ourselves to leave the Chamber without passing the Act. I think we should stay here till midnight if necessary.

MR. CHERNIACK: If I could just get clarification for a moment. Private Members' day tomorrow afternoon. Would this normally come ahead of Private Members?

MR. LYON: . . . under the change of the rules, I'm looking at the Clerk for advice, but I think that under the change that we put through in the rules last year, third reading would not be reached until tomorrow evening which would give us only two hours tomorrow evening to start dealing with it, unless we were to have some agreement that we could deal with it tomorrow afternoon.

MR. CAMPBELL: My guess would be that it would be quite easy to reach agreement on all sides of the House to giving right-of-way to this legislation tomorrow afternoon. I'm sure we would be willing to do that.

MR. CHERNIACK: What about switching - if we can do this tomorrow afternoon, how about Private Members in the evening then? Or Wednesday afternoon. Well anything that could accommodate.

MR. LYON: Yes. If honourable members are not disposed to sit now, I think if we could have agreement then that immediately after the Orders of the Day are completed tomorrow that we would move immediately into the question of third reading of this bill, that's the stage that we're presently at, with the goal in mind, hopefully, of completing the bill by 5:30 tomorrow afternoon, I think that we could overcome any administrative inconvenience that results from it. We could still try to get the regulations through tomorrow. -- (Interjection) -- Private Members and, yes, any Addresses for Papers, Orders for Returns would move over till the evening. We would then deal with this bill the first item after the Orders of the Day tomorrow. So long as we have an expression of agreement in the House that that procedure would be acceptable, I think we're prepared to have the committee rise.

MR. CAMPBELL: That would be acceptable to us, Mr. Chairman.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of the Whole has considered Bill No. 33 and wish to report progress.

#### IN SESSION

MR. M. E. MCKELLAR (Souris-Lansdowne): Mr. Speaker, I beg to move, seconded by the Honourable Member for Winnipeg Centre, the report of the committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. LYON: Before moving adjournment if the House would permit me to make one comment regarding the business of the House this week. I understand that the Whips have discussed the question of Thursday's sitting and that there has been agreement that there would be unanimous consent for the House to sit on Thursday morning and Thursday afternoon with adjournment taking place at 5:30 on Thursday afternoon, it being a total government day. Just so long as honourable members all have notice of that so that they can plan accordingly.

MR. GUTFORMSON: This is . . .

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable Provincial Treasurer, the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Tuesday afternoon.