

THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, April 25, 1969

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: I'd like to take a moment and introduce to the House a most distinguished guest on my right in the loges. We have with us this morning the Honourable Finchas Sapir, Minister without Portfolio in the Government of Israel. Mr. Sapir was the former Minister of Finance and Minister of Industry and Commerce and has been 14 years as a member of the Israeli Cabinet.

On behalf of all the honourable members, Sir, I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Notices of Motion.

I'd like to take a further moment and introduce our young guests with us today. We have 51 students of Grade 12 standing from the Roblin Collegiate. These students are under the direction of Mr. Chornoboy and Mr. Landry. This school is located in the constituency of the Honourable Member for Roblin.

We also have 25 students of Grades 5 and 6 standing of the Robertson School. These students are under the direction of Mr. Peters. This school is located in the constituency of the Honourable Member for Inkster.

Also with us today are 36 students of Grade 11 standing from the Elm Creek School. These students are under the direction of Mr. Dyck. This school is located in the constituency of the Honourable Member for Dufferin.

On behalf of all the honourable members of the Legislative Assembly I welcome you all here today.

INTRODUCTION OF BILLS

HON. J. DOUGLAS WATT (Minister of Agriculture) (Arthur): Mr. Speaker, His Honour the Lieutenant-Governor recommends the proposed Bill to the House.

MR. SPEAKER: The Honourable Member for Burrows.

ORAL QUESTION PERIOD

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I wish to direct a question to the Honourable the First Minister. On March 7th the Honourable First Minister stated that "plan proceeding as stated by the Bertram Company." Has the First Minister anything further to report on the proceedings of these plans?

HON. WALTER WEIR (Premier) (Minnedosa): Mr. Speaker, as far as I know that statement still stands.

MR. SPEAKER: The Honourable the Minister of Finance.

HON. GURNEY EVANS (Minister of Finance) (Fort Rouge): Mr. Speaker, I would like to make a correction on Hansard. Doubtless I'm responsible for the error but I would like to correct it on page 1555 near the bottom, the seventh line from the bottom there appear the words, the sixth line starts: "The Standing Committee on Public Utilities and Natural Resources presented its report on its examination of Manitoba Hydro to the Legislature in March of 1925". I should like to correct that to read: "On March 25th, 1966".

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: A subsequent question to the Honourable the First Minister. Is there any progress in this development, or does the matter stand as it did on March 7th?

MR. WEIR: Mr. Speaker, their plans are proceeding and I have nothing further to add to it. This is a matter of the Company. As far as I know there is no change in any of the plans that they have indicated.

MR. SPEAKER: The Honourable the Minister of Government Services.

HON. THELMA FORBES (Minister of Government Services) (Cypress): Mrs. Speaker, I'd like to table the Return to an Order of the House No. 34, dated April 2nd, 1969 on the Motion of the Honourable Member for Portage la Prairie.

MR. SPEAKER: The Honourable Member for Hamiota.

MR. EARL DAWSON (Hamiota): Mr. Speaker, I'd like to direct a question to the Minister of Agriculture. Can you tell me or tell the House what your department is doing to alleviate the shortage of boxcars for shipping of grain? I'm thinking of country points such as Rivers, etc.

MR. WATT: Mr. Speaker, this is a responsibility of the Canadian Wheat Board and the railways but we have been in constant consultation with the railways and the Canadian Wheat Board on the shortage of boxcars in different areas of the province.

MR. SPEAKER: Has the Honourable Member for Hamiota a supplementary?

MR. DAWSON: No, it's not a supplementary.

MR. SPEAKER: . . . you have the floor.

MR. DAWSON: The other question is directed to the Minister of Health. I wonder if you could tell me how the municipalities can get the forms that are necessary for exemptions on medicare payments? I understood that these were to have been mailed out sometime ago and I've checked with some municipalities and they have not the forms available that provide exemptions for persons over 65. Did you not . . .

HON. GEORGE JOHNSON: Could you repeat the question please. I'm sorry I . . .

MR. DAWSON: What I'm speaking about, Mr. Speaker, are the forms that are necessary for old age pensioners to make application for exemption of their premiums. These are not available in the municipal offices that I am speaking about and I wondered when they will be available?

MR. JOHNSON: Mr. Speaker, I'll take it as notice. I thought they were available at 270 Osborne, but I'll check and see. There's no reason why application forms can't be available in municipal offices.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, before the Orders of the Day, I would like to direct a question to my honourable friend the Minister of Health and assist him in answering the question that's just been put. I have been able to get plenty of the forms, and they are obtainable, but I would request that my honourable friend see that a supply does go out to the various municipalities. Apparently they haven't gone out. You can get them if you ask for them I would suggest.

And when I'm on my feet, Mr. Speaker, I would like to direct a question to the Minister - I guess - of Industry and Commerce and that's in respect to the little buffalo pins. Someone asked a month or so ago whether or not our annual allotment of 50 that we usually get is now ready and available. I notice that some of the government members were handing them out this morning and I wondered whether they would be made available to the Opposition in the same quantity?

HON. SIDNEY SPIVAK Q. C. (Minister of Industry & Commerce) (River Heights): Mr. Speaker when they are made available - and I hope that they'll be available before the end of the month - we'll be able to distribute them to the members.

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, I wish to direct my question to the Honourable the Minister of Consumer Affairs. It's that time of year when young boys are participating in two of their favourite pastimes - flying of kites and the firing of firecrackers. Would the Minister consider issuing some words of warning regarding those two activities because kites are flown in residential areas with high voltage wires overhead, and the firing of firecrackers unsupervised and other fireworks, is dangerous.

HON. J. B. CARROLL (Minister of Consumer and Corporate Affairs, and Minister of Tourism and Recreation (The Pas): Mr. Speaker, I'd be very pleased to take the question as notice.

MR. SPEAKER: The Honourable Member for St. George.

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, yesterday the Minister indicated he might have some further information with regards to the applications for centennial grants. Can he give us some information now?

HON. OBIE BAIZLEY (Minister of Municipal Affairs, and Commissioner of Northern Affairs) (Osborne): I think yesterday the question that was asked of me was the closing date for applications for approved projects for centennial grants and I believe I told members of the Committee, Mr. Speaker, at that time that I would have the forms distributed so members would know what was asked of the municipalities.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB FROESE (Rhineland): Mr. Speaker, I'd like to address a question to the Honourable the Minister of Municipal Affairs. Is it still the intention of the government to proceed with bringing in a new Municipal Act at this Session? It seems to me we're getting behind.

MR. BAIZLEY: Mr. Speaker, the honourable member knows that the Committee has been working regularly and quite hard. If it's the wish of the Committee to sit on weekends to move this along I'm quite prepared to do that. It's quite a complex bill and if we can have it ready why it is the hope I know of the Committee to bring it in at this Session.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Honourable Attorney-General. Will he be proposing any changes to the liquor laws during this Session?

HON. STERLING R. LYON Q. C. (Attorney-General) (Fort Garry): There will be amendments to the Liquor Control Act before the end of the Session - yes, Mr. Speaker.

ORDERS OF THE DAY

MR. SPEAKER: The proposed motion of the Honourable the Minister of Mines and Natural Resources. Bill No. 15. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, because of the great importance attached to this bill I'm going to take the same liberty that the Minister did and confine myself largely to my notes, and try to speak with great care and deliberation on this, as did the Minister.

Mr. Speaker, we were indeed pleased to listen on Wednesday to the Honourable the Minister of Finance speaking in his capacity as the Minister through whom Hydro reports to this Legislature. We are pleased that the government has decided to outline some of the major economic reasons which have led to the proposal of Bill 15. It is our belief that during second reading of such a major bill full and thorough discussion must be conducted on the principles involved.

In the case of Bill 15, our position is that we must ask one major question. What is in the best interests of all Manitobans? In order to answer this question we must know four things: (1) Is this the cheapest way to obtain power? (2) Is this the best way to develop our north? (3) Are social values sufficiently recognized by this project and are the economic costs of resettling the inhabitants fully specified? (4) Are we certain that this project will not lock us for the future into an uneconomic position in the light of the very rapidly changing situation regarding the technology of electrical production and the economic value of our northern resources - particularly our northern recreational resources?

It is readily apparent, Mr. Speaker, that these items involve complex issues of economics, engineering, resources and community development; issues which require expert advice and expert testimonies. Despite all these considerations the question before us today can be put quite simply. Is this project, which is part of the planning for Phase I development of the Nelson, the most economical alternative? Is this project a wise and economical way to manage and spend public money? This is the issue upon which debate on second reading of Bill 15 must be centred. On this point we should all make certain that we are aware of one essential principle of economics - namely, the fact that because something has potential value does not prove that it is economically worthwhile to develop this potential. The government has already pointed to us how this principle can rationally be applied. We have thousands of cords of potentially merchantable timber in the northern part of our province. Some of this timber of course would be flooded if Bill 15 is approved. However, as the government has shown, the fact that we have so much potentially marketable timber does not prove that it is economic today to clear and cut this timber. It is quite likely that the current value of this timber would be greatly surpassed by the costs involved in clearing and cutting the timber. This principle that the potential does not prove that something is economic must be kept in mind throughout our discussions on Bill 15, for the fact that billions of potential kilowatts - and I underline the word "potential" kilowatts - hours of electrical power exist in our north does not prove that it is economical to develop this power today. This vast hydro electrical potential existed long before the Indians settled at South Indian Lake. Long before our forefathers settled in this province. This potential would be hard to destroy. It will probably continue to exist long after our grandchildren are gone. The issue is whether or not it is wise and economical today to

(MR. JOHNSTON cont'd) proceed with Bill 15, which will serve to develop a fraction of this potential. Nobody in this House would be so foolish as to work against what would be in the best economic and social interests of all Manitobans.

The reason for our concern over Bill 15 - which is the most important bill to come before us in this Session - we have been asked, quite rightly, by the Minister of Mines and Natural Resources in his initial address on this bill to participate - and this is a quotation: "To participate in making perhaps a most important single decision, fundamental to the economic well-being of this our province". The Leader of our Party has stated his views, "that this Bill because of its very wide ramifications in our province, is probably the most important bill with which we will have had the responsibility to deal during my term as Leader of this Party."

I spoke a minute ago about the vast potential in kilowatt hours of electric power which exists in our north. I mentioned that this potential would be very hard to destroy. It would probably remain for generations to come. However, one of the stark facts with which we are faced is that Bill 15, by granting a licence to flood Southern Indian Lake, will clearly and sharply change the potential of some of our other northern resources, potential resources such as recreation, fishing, trapping, wildlife, and others. We know that some of these resource potentials will in fact be irrevocably destroyed and thus we are charged with a serious responsibility in guaranteeing that we thoroughly understand all of the facts and issues involved in this most important bill.

Given these questions and considerations I would now like to examine in rather great detail the speech made on Wednesday by the Honourable the Minister of Finance. We welcome this speech as I said because it begins a debate on the real issues underlying Bill 15. What I intend to do now is to go through the Honourable Minister's speech in approximate chronological order. I hope I can outline to the Minister the type of problems which we face in assessing Bill 15. I hope that I can explain as thoroughly as possible my own thoughts and questions which the Minister has generated by his speech. At the beginning of his speech the Minister points out on Page 1550 of Hansard that the decision to go ahead with the Nelson power project was made after most serious and detailed studies. Studies which involved several years and over \$6 million. He states that all alternatives were studied both respecting the use of other means of generating electricity and the various means of supplying the lower Nelson River with a type of water flow that would ensure on a continuing basis the essential power that we in Manitoba must have to meet our growing needs.

I wish to assure the Minister that at this stage we are not disputing that many thorough studies of alternatives have been conducted. Quite frankly we must assume that the government has studied these issues and has detailed information available. If the government was not so informed it could rightly be accused of gross mismanagement and total irresponsible planning. However, as the Member for Selkirk pointed out, the fact that the government has conducted these studies and has this information, this fact does not relieve us as members of the opposition from our obligation to check over the government's answers on all these vital questions. These studies must for the sake of intelligent discussion on such a major bill be made available to us. Mr. Speaker, I underline that point. Even when the Minister completed his speech he either refused to give answers or he evaded questions that were put to him. Furthermore, these studies must be made available immediately before the hearings begin so that experts can have the opportunity to study thoroughly the assumption, calculation and method of analysis applied. Unless these studies are made available immediately much wasted time will be spent during the forthcoming hearings in eliciting this information by questions and discussion.

If I may, I would like to refer briefly to the South Indian Lake hearings which took place on January 7th of this year. From Page 7 to 21 of the transcript a discussion is recorded between Mr. Ed Overgaard, a Hydro engineer, and Mr. Harold Buchwald who represented the residents of South Indian Lake. Mr. Overgaard under questioning from Mr. Buchwald discussed each of the four potential projects which were studied as alternatives to high level flooding at South Indian Lake. This discussion, however, did not result in sufficient hard factual data being produced on the economic and engineering features involved in the alternatives. In particular, information was sparse on the Frog-Portage-Sturgeon-Weir Diversion which was outlined to us as a serious alternative during our 1966 Legislative Committee hearings. Specific figures were not available at the South Indian Lake hearings as Mr. Kristjanson

(MR. JOHNSTON cont'd) pointed out on Page 9 of the transcript. Furthermore, on Page 15 Mr. Overgaard stated that he was not able -- and I underline that not able, Mr. Speaker -- he was not able at the hearings to provide a cost sheet on a low level diversion alternative. Again, on Page 20 Mr. Overgaard stated that Manitoba Hydro had not conducted expert studies, had not conducted expert studies to determine what consequences the proposed flooding would have on wildlife, the fish population, the registered trap lines and commercial fishing.

My point, Mr. Speaker, is that these hearings where expert officials were present did not serve to answer the major questions which must concern us. In some senses the failure to provide vital information has served only to raise the level of controversy surrounding the flooding of Southern Indian Lake. I repeat, if we are to make a rational and responsible decision on the major economic issues involved in Bill 15, we must see all the studies which have been conducted. We must see all the studies which have been conducted and we must see these studies immediately so as to ensure that vital time will not be wasted; time required to assess detailed technical information. After all, Mr. Speaker, the members of this House are not technically informed nor are they experts on this matter so some time would certainly be needed for the members to assess and digest this sort of information. Until these studies are provided all our deliberations in the end will be reduced to a question of faith rather than a recent examination. In effect, without these studies we are simply asked to accept on faith all the statements and figures which are used to support Bill 15.

For example, on Page 1550 of Hansard the Minister of Finance in effect suggests that the low level diversion is the next most desirable project to the high level flooding of South Indian Lake. What about the Frog-Portage-Sturgeon-Weir Diversion which was discussed on Pages 20 to 24 of the 1966 Blue Report on Phase I of the development of the Nelson? We have heard at various hearings and from various newspaper articles that this Sturgeon Weir diversion is uneconomic, that it would involve certain problems. However, we have never yet seen the results of a proper study which summarizes the total costs and the total benefits which could be attributed to this alternative. Until such a study is produced we have no way of knowing or no way to assess the relative importance of the scattered pieces of information which we have received. On Page 1550 to 1552 of Hansard the Minister of Finance made a number of points on the necessity for and the value of electricity to Manitobans. Of course nobody denies the absolute necessity of ample power at reasonable cost, but this is not the issue. The issue is whether or not this project will in fact provide the required power at reasonable total economic cost. And I repeat, Mr. Speaker, "at reasonable total economic cost." There can be no denying that the building of Manitoba's various hydro projects has helped to create secondary economic activity in our province and in our northern areas. We assume that such benefits are properly evaluated in the government's cost benefit studies of our hydro projects. However, I must repeat that the way in which to evaluate the total worth of our hydro projects is to examine the total cost benefit picture. This is cost in lost resources as well as in other items and these must be shown. I do not believe that anyone would argue that we should be developing our hydro sites if in effect the people of Manitoba have to subsidize the secondary benefits by paying for relatively high cost power. In the end we return to the question at issue. Is this project a wise and economical way to spend the public money? To answer this question we need hard facts. We need to see the assumptions and the studies upon which these facts are based.

On Page 1552 of Hansard the Minister of Finance provided some facts around which I will center my next series of remarks. The Minister pointed out that our province is poorly endowed with fossil fuels, coal, oil and gas. He pointed out that we were therefore fortunate to have considerable water resources. Finally, he pointed out that in recent years once the Winnipeg River sites were fully developed we have had to seek new sources of power. Primary potential sources available are claimed to be the Saskatchewan, the Nelson and the Churchill rivers. The Minister then said, and I quote from Page 1552 of Hansard: "The potential energy available from the Nelson when augmented by the flow from the Churchill River is estimated to be in the order of 42 billion kilowatt hours per year. This would be equivalent to the energy produced by 35 million tons of lignite coal per year which at present average cost delivered in Manitoba is \$4.90 per ton and would mean an annual expenditure outside of our province for fuel on the order of \$171,500,000 per annum." It is clear to all of us that this 171,500,000 per year for coal produced outside of our province is a great deal of money. However, quite frankly I am not quite certain what this figure tells us. As a layman my first

(MR. JOHNSTON cont'd) impression is that we have all that water flowing without cost in our north and that if we were to use coal plants rather than northern Phase I hydro plants we would have to pay a very large sum, over 171 million each year. In a sense we seem to be comparing costless moving water with very costly coal. Experts assure me that 42 billion kilowatt hours a year of electrical energy would require roughly 35 million tons of lignite coal a year. This figure I accept even though it might be very debatable as to whether or not coal plants would be the next best alternative to northern hydro plants. Certainly the relative merits of nuclear energy for late 1970's and 1980's should be given serious consideration. However, I am not as certain about the relevance of the stated cost of \$4.90 per ton as given by the Minister.

On the basis of an Order for Return No. 44, Sessional Paper 109, in 1968, the cost per ton of coal delivered at Brandon in February of 1968 was \$3.83 - over a dollar lower than the figure used by the Minister. Furthermore, during the most recent hearings on this problem of flooding Southern Indian Lake, namely the January 27th hearing, Mr. Bateman from Hydro states, on Page 21, of the transcript that the relevant costs of coal for plants in Manitoba is between \$3.77 to \$4.07 per ton. Once again, a considerably lower figure than the one used by the Minister to buttress his argument. Finally, I wonder even these cost figures are strictly relevant if we start talking about buying 35 million tons of coal. The cost figures given by Hydro relate to relatively small shipments of coal. Surely certain savings and economies would be realized if such a large amount as 35 million tons was demanded. For one thing, unit trains might be considered. However, even if we take \$3.83 per ton as an acceptable estimate of the cost of coal, this reduces the total annual cost of 35 million tons from 171,500,000 to 134 million. That's quite a reduction, Mr. Speaker. A reduction of roughly \$36 million on the figures supplied to us by the Minister of Finance.

Another problem arises however. It is not clear why the figure of 42 billion kilowatt hours per year is being used when we are discussing Phase I -- I'm talking now of Phase I of the development of the Nelson. According to Page 40 in the Public Utilities Committee hearings of March 8th, 1966, Hydro is quoted as saying that total Phase I will give us the order of about 7 billion kilowatt hours per year. As the Minister later pointed out, on Page 1554 of Wednesday's Hansard, the figure of 42 billion kilowatt hours per year include a number of items. Specifically it would include the seven billion kilowatt hours per year development of Phase I, which has a total capacity cost of roughly 488 million; a remaining 35 billion kilowatt hours per year development along the Nelson during later phases. This would involve the construction of seven major additions to power capacity, namely Bladder Rapids, addition to Kelsey, the Upper Gull, the Lower Gull, the Long Spruce, Limestone Rapids and Gillam Island. The total capital cost using 1964 estimates for providing this future 35 billion kilowatt hours, is estimated at 903 million. To develop this capacity major additions would have to be made to the transmission facilities which would cost at least 350 million in 1964 dollars.

In total, the 42 billion kilowatt hours per year will require a minimum total capital cost of One thousand, 866 million dollars, in 69 dollars, that is in 1969 dollars; quite a sum. For the sake of comparison, one can note that the cost of amortizing one thousand 866 million over 50 years at an interest rate of seven percent, which is below the currently being paid for Phase I borrowing, the interest on this would amount to 135 million a year. This type of analysis, however, is misleading. The problem is that in Hydro electric development the heavy capital costs at the beginning of the scheme and the interest charges must be carried over the full life of the project. In other words, Hydro projects by their nature are forced to instal idle capacity and to carry heavy interest charges while a plant is idle. By comparison, a thermal plant only burns that amount of coal which is required and capital costs of thermal plants are approximately half the levels experienced by Hydro projects. It is considered such - these will lead to the statement such as the following in the 1966 Blue Report, Page 41: The Phase I development evaluated on the basis of the criteria applied to public utility economics considering only the tangible benefits acquired directly from the sale of electricity and the interest rates likely to apply to borrowers by the Province of Manitoba and its utilities is only marginally viable, that is to say, the benefit cost ratio very slightly in excess of one percent over a 50-year period. The question facing us today is to evaluate whether higher interest rates and inflated capital costs have tipped this delicate balance so that thermal alternatives are today superior to Hydro development of the Nelson.

For the sake of completeness since we are naturally discussing a segment of Phase I

(MR. JOHNSTON cont'd) development on the Nelson, the above figures can be provided for Phase I alone. Phase I produces seven billion kilowatt hours per year of electricity, which would require 5.83 million tons of lignite coal per year to produce the equivalent. This at a cost of \$3.83 per ton, Mr. Speaker, for the coal. The annual expenditure required for fuel would then be 22.4 million. The capital cost of developing Phase I is presently estimated at 488 million. At only a seven percent rate of interest on the 488 billion, amortized over 50 years, would be 35.5 million per year.

Continuing on, on Page 1552 of Hansard, the Minister suggests that "a year's delay in the completion of a major project could mean an unacceptable shortage of energy with a resulting loss of industrial production or interruptions in farm or domestic service." That last paragraph Mr. Speaker, is a quotation from the Minister's speech. My question is, given intelligent planning, how likely is a year's delay of a major project to result in the drastic consequences suggested here? As the Minister notes later in his speech, the whole of Phase I got underway one year later than was originally slated in the Blue Report tabled in the Legislature in 1966. The Minister outlines in his speech the fact that options do exist for planners, even planners concerned with the problems of flooding South Indian Lake. As the Minister states, on Page 1558, steam plants could be built if the high level diversion is not proceeded with. We are in short not locked in to the flooding of South Indian Lake. There is no need to fear a brownout or power rationing or power shortage. The only issue at stake is the economics of the alternatives, including the economics of steam plants. The question once again involves deciding upon the wisest and most economical way to spend public money. The Minister also noted that other alternatives exist than steam plants. We could, for example, import power, something which he admits we must do from North Dakota until Nelson power is available in 1971. To be more specific, in January of 1969 Manitoba imported 129,000 kilowatts, the amount which would be generated by a sizeable conventional thermal plant in Manitoba's present system. By January '71 it would appear that Manitoba will be importing roughly 290 kilowatts - a sizeable block of power.

Now, Mr. Speaker, I would like to proceed to Page 1553 of Hansard. On this page the Minister of Finance begins a series of interesting announcements. I say interesting announcements because as far as I know these statements represent the first occasion upon which this House has been informed of these various changes in the nature and definition of Phase I development of the Nelson. The Minister quoted Premier Duff Roblin's remarks in this House in 1966, remarks in which Premier Roblin informed us that the export of power was not required to justify Phase I development. The Minister of Finance wishes to suggest more, however. Further down the page the Minister says, and I quote: "When it was found that massive exports were precluded the decision was made to develop the Nelson River for Manitoba alone. Any power interchanges with the neighboring provinces or states will be relatively minor amounts involving the purchase or sale of temporary surpluses." Mr. Speaker, I am certain that members of the House must remember the rather likely attempt that we made during the '66 debate and hearings in order to determine just what our export potentials under Phase I would be. Our questions were prompted by the same speech of ex-Premier Roblin's which the Minister of Finance quoted. For example, on Page 235 of February 15, 1966 Hansard, Mr. Roblin claimed that the investigating committee had, and I quote, "said it was realistic to anticipate substantial and advantageous exports over the period beginning and continuing beyond Phase I development." On Page 236 of the same Hansard, Premier Roblin talked of the possibility of selling a million kilowatts, perhaps, over 20 years for export, an export which would yield, he estimated, about \$30 million in foreign exchange a year, or \$600 million over the life of the contract.

Similarly, the Blue Report which the members received did not discount the discussion of exporting power. One need only examine Pages 9 and 19 of that report, and in addition this topic was discussed at numerous times during the '66 hearings. To my knowledge since 1966 we have not had such a firm statement on the Nelson power export as the Minister has made on Wednesday, a statement which simply kills all expectations of us exporting power; expectations which the government to my knowledge asked us in 1966 to consider a part of Phase I. The major statement, however, appears at the bottom of Page 1553 and at the top of Page 1554: "The main elements of the Phase I development are; (1) Kettle generating station; (2) Churchill River diversion; (3) Extra high voltage transmission to Winnipeg. The original reports also included Lake Winnipeg regulations as part of the Phase I development. However, further

(MR. JOHNSTON cont'd) studies have indicated that Lake Winnipeg regulations would not be economically advantageous until further plants are built on the Nelson River."

Mr. Speaker, this statement represents a major change in the definition of Phase I, a change which has been made without discussion let alone approval in this Legislature. I make this point not to censure the government but to prove that from this point on the basis of the Minister's own statement, it cannot be claimed by anyone that this Legislature cannot re-discuss, re-evaluate and reconsider all, and I repeat all, the aspects of Phase I development. By the Minister's own statement the discussions and deliberations of 1966 have little relevance if studies cast new light, if new facts produce new circumstances. And I repeat this statement by the Minister proves once and for all that we should not be overly concerned about the past; it is the future for which we must make decisions and for which we must continually re-examine the facts. To use a popular phrase, in reality on the Nelson River scheme we are not locked in to any aspect, any project, any scheme other than which has been or is being constructed. Every report, every reference in the 1966 hearings define Phase I to include the Lake Winnipeg regulation. At this point there can be no doubt if the Legislature approved anything in 1966 it approved the Lake Winnipeg regulation. Furthermore, to my knowledge there was no suggestion at any time that on-going studies could possibly produce a delay or cancellation of the Lake Winnipeg control; from all that one could gather that this structure was to be completed and in operation in 1975. Dr. D. M. Stephens, the Chairman of the Board of Manitoba Hydro was very emphatic about the need and the value of the Lake Winnipeg control. In the hearings of March 21, 1966, on Page 34, he is quoted as saying, and I quote: "We feel that a measure of control at Lake Winnipeg is of paramount economic importance to the development of power on the Nelson River."

MR. SPEAKER: I wonder if I might interrupt the honourable gentleman and tell him he has three minutes?

MR. JOHNSTON: What has happened since 1966 to reverse such a clear and definite a statement? In what ways have economic conditions changed so that the economic importance of this regulation is assessed radically differently? Is it clear that the same factors which have changed the economic picture for Lake Winnipeg regulations have not also changed the picture for the flooding of South Indian Lake? Why was Lake Winnipeg regulation postponed, or perhaps abandoned, rather than the postponing or abandoning of South Indian Lake flooding? If the Lake Winnipeg control had been proceeded with how would the economic benefits and costs of the high level flooding at South Indian Lake be altered relative to the alternatives available? Mr. Speaker, these are the types of questions which the Minister's statement poses for us. All of these questions and many more questions are extremely pertinent to our problem here today, our problem of trying to decide how to vote on Bill 15 or trying to decide which course of action would really be in the interests of all Manitobans. We must have the answers to these questions. For example, a great deal has been said recently about the need for the storage value of South Indian Lake. The problems and dangers of reduced river flow in dry years is often cited. However in 1966 Lake Winnipeg was normally referred to as a dominant source of water storage for the Nelson River system. Mr. Stephens in the March 8, 1966 hearings said the following, and this is from Page 11: "Going back to Lake Winnipeg, this very large lake does provide to the Nelson River a fairly helpful degree of natural regulation of the flows of the Nelson. Water coming into Lake Winnipeg from the Saskatchewan and the Winnipeg and the Red and so forth can accumulate in there during the summer and is released from the lake in slightly more uniform pattern or somewhat more uniform pattern than the flows into Lake Winnipeg, but the presence of this lake affords an opportunity to improve upon natural regulations." That is the end of one quote, Mr. Speaker, and here is another short one, on Page 12: "By controlling the outlet of Lake Winnipeg, which already affords a high degree of natural regulation, it is possible to take some of this summer water that is high when the loads are low and hold it over and release it during the period of the high power demand." These points taken from our 1966 discussions present a . . .

MR. SPEAKER: I must interrupt the honourable gentleman. I have let him go a minute or so beyond.

MR. EVANS: this side of the House that if you care to allow him to continue we would give consent over here.

MR. SPEAKER: (Agreed) The Honourable Member for Portage la Prairie.

MR. JOHNSTON: These points taken from our 1966 discussions present major arguments

(MR. JOHNSTON cont'd) as to the reasons for advocating this as an integral part of Phase I. It will be important to determine why these arguments do not apply today. It must be clear, however, that, any agreement between the Federal Government and the Government of Manitoba regarding Phase I facilities does not bind Manitoba to each program as initially defined in Phase I.

While it is true to say that the 1966 agreement specifies the Churchill River Diversion as part of Phase I, however, definition of Phase I on Page 13 of the agreement also specifies a control dam, a spillway and flood control works to be located in the vicinity of the outlet of Lake Winnipeg, which works will be designed to permit the levels of the water of Lake Winnipeg and the outflow to the Nelson River to be regulated and controlled. Thus, if Lake Winnipeg control can be legally abandoned - and we must presume, Mr. Speaker, that although it was a quiet abandonment it was legal - thus if the Lake Winnipeg control can be legally abandoned, so can the Churchill River Diversion be legally abandoned.

Once again, the issue at stake is the economic issue of what is best for all Manitobans. In addition to all of the above considerations, the Lake Winnipeg regulation was expected to provide certain secondary benefits. The regulation, according to the charts and discussions between the pages 39 and 40 of the March 21st hearings in 1966, according to this data the regulation would reduce the probability of extremely low or high levels of Lake Winnipeg. And I make that point, Mr. Speaker, the regulation being considered at that time would reduce the probability of extremely low or high levels on Lake Winnipeg. All these considerations given during the 1966 hearings show that this change, as regards to Lake Winnipeg regulation, represents a major change in Phase I. Furthermore, the type of change involved, particularly as relates to storage conditions, is extremely pertinent to the principal issues involved in Bill 15, and I emphasize the fact, Mr. Speaker, that these changes are extremely pertinent to the bill that is before us.

Mr. Speaker, on page 1554 . . .

MR. EVANS: Mr. Speaker, I wonder if my honourable friend can tell us how many more pages of his speech he expects from the outside before he comes to the end of his address?

MR. JOHNSTON: As to the point of order, Mr. Speaker, the Minister has had the benefit of some weeks of preparation. We did not receive your Hansard until yesterday and I worked on rough notes most of the night, and my speech was still not typed up at 10:00 this morning.

MR. SPEAKER: Order please. I believe the honourable gentleman will appreciate the fact that the Chair has recognized the fact that he has been quoting considerable detail in reply to words that have been said in the House, but he has continued to read his speech from the beginning to the end. This I have noticed and it has come to my attention that members are bringing in sheets of paper from time to time. So I think the rules are sort of being abridged a little. I'm sure he'll appreciate that.

MR. LAURENT DESJARDINS(St. Boniface): Mr. Speaker, may I speak on the point of privilege also. It is true what has been said, that the member is reading from a prepared text and it's a text that's being typed now, and it's true that it's coming from outside the House, but it is also the fact, Mr. Speaker, that the Minister himself, who thought that he made such a clever point just a minute ago, read all his speech. And Sir, if this is important enough, it's all right for maybe the Leader of the NDP to confer with them, this is important enough. This was the best way, two or three of our members have been at it all night, and we are trying to do our share. Now we can't get the information in if we can't do our best after working all night. We haven't the research facilities that they have.

MR. SPEAKER: I am not questioning the sincerity of the honourable member.

MR. DESJARDINS: I know, Sir, but I'm . . .

MR. SPEAKER: Will the honourable member please take his Chair. I'm not questioning the sincerity of the honourable member in his efforts, but I would remind the honourable gentleman that the Ministers when they are -- they have the authority to speak from a prepared text when they're talking of policy of the government. And I presume, when the Minister was speaking the other day, he was replying to a large number of questions that have been put across the floor, and this was his endeavour to do so.

The Honourable Member for Portage la Prairie has the floor and no one else at the moment.

MR. JOHNSTON: Thank you, Mr. Speaker. I might state, Mr. Speaker, that a large part of my speech consists of quotations of what the Minister, the former Premier, the late

(MR. JOHNSTON cont'd) Chairman of Hydro and other people have said in past years and in past sessions, so I beg your forgiveness if you feel that I should not be reading but there's no other way that I can keep a continuity to my speech.

MR. SPEAKER: The Honourable member may proceed as before.

MR. JOHNSTON: Thank you. Mr. Speaker, on page 1554 the Minister stated - and I'm speaking now of the Minister of Finance, and this is in quotations: "It can be stated that in the light of present knowledge it is highly probable that continued development of the Nelson River potential will prove to be the most economical source of energy to meet Manitoba's growing power needs up to the year 2000." At this stage, without a great deal of technical advice and discussion, I fail to see how one can attach much certitude to this statement. Even in the span of a few years, since 1966 Phase I has undergone major changes. In the future, a number of major points would seem to militate against the Minister's statement for nuclear power possibilities to the need for another transmission line.

However, this particular item need not receive too much attention. The basic issues at hand must deal with the more limited case of the Churchill Diversion. Does Bill 15 represent the best economical alternatives? Once again, just following from the above comments, the Minister refers to the total potential of the lower Nelson, the 30 billion annual kilowatt hours, which will be raised to 42 billion kilowatt hours if the Churchill Diversion proceeds. In addition, the Minister points out that 5 billion kilowatt hours of annual energy can be potentially produced by - and I quote - "the four plants to be built along the diversion route."

There are a few items that perhaps could be clarified. First, when is it planned that the four plants will be built along the diversion route? I don't believe the Minister detailed this or gave us any dates. Will they be included or will they be built as part of Phase I, or as a part of potential later development? Mr. Speaker, the Minister never covered this point at all. Where will their power be sold once they are developed? Will this power be carried on the existing transmission line or will other transmission lines, at least one other, have to be built? It may be interesting to note that the potential power of these four sites is much greater than the power now being produced on the Winnipeg River, but this fact in itself is not terribly relevant unless it is economic to develop these sites.

On Page 1555 of Hansard, the Minister states that 1966 reports showed that these four sites - and I quote from the Minister's speech - "could be economically developed when the high level diversion now being applied for is constructed." I would like to note that in the '66 hearings and in the Blue Report, the economics of these sites was not discussed. In fact the Blue Report claims that the studies were not yet complete, nor to this day, I suppose, have we received copies of what would be called a completion, or a completed report. However, on the basis of information contained in the Winnipeg Free Press of January 24, 1969, studies in 1966 show that these four sites had a capacity of 590,000 kilowatts and that their 1966 cost was estimated at \$236.00 per installed kilowatt.

As the 1966 Blue Report suggested, these four sites could be expected to be relatively expensive power on a comparable basis, without the need for major new transmission lines. More power capacity is available at cheaper costs along the lower Nelson - at Long Spruce or at Gillam, for example, each of which would have a capacity of over 700 megawatts, and yet a cost of less than \$195.00 per installed kilowatt in the 1966 estimates. Thus it seems unlikely on the basis, admittedly, of sparse evidence, that these four power sites will be in fact developed as part of Phase I. Their construction date would seem indeterminate. Thus it does not seem that the 5 billion kilowatt hours potentially available from these sites would be applied to Phase I.

Now Mr. Speaker, I appreciate your generosity in allowing me to read my speech, but I would like to say at this time that we on this side are not satisfied with the answers supplied by the Minister so that we can vote on the principle of Bill 15 on second reading, and I would like a moment, Sir, to write out an amendment to the bill if I could have the time - to write out an amendment to the motion.

MR. EVANS: Mr. Speaker, may I ask -- the motion is, as I recall it, to give second reading to the bill. Now if my honourable friend has more amendments to propose to the text of the bill itself, there will be an opportunity to do so at committee. This is a debate on the principle of the bill and if my honourable friend has now had an opportunity to write out whatever further material he wants, perhaps he should be allowed to proceed with it.

MR. JOHNSTON: I would expect that you would judge whether or not the amendment was in order.

MR. SPEAKER: Just a moment please. I'd like to have a word with the Clerk in this particular regard so that there would be no misunderstanding. Probably the honourable member would move his motion and I can see what he has to say and then I'll determine what we'll do about it.

MR. JOHNSTON: Mr. Speaker, I move, seconded by the Honourable Member for La Verendrye, that Bill 15 be held in the House and that the contents of the bill be sent to the Public Utilities Committee for consideration, and that the Public Utilities Committee report back at this Session.

MR. SPEAKER: The matter being what it is, I think I would be well advised to take this matter under advisement and I will deal with it at the next sitting.

Second reading . . .

MR. EVANS: Mr. Speaker, I think it would be the intention of this side to call the Supply motion. Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Transportation, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for Souris-Lansdowne in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: The Department of Health. The Honourable Minister.

MR. JOHNSON: Mr. Speaker, yesterday I was outlining in my introductory remarks some of -- got down to the different departments of the government and just making an introductory statement. I believe I have the Social Service Division agencies and housing to complete this morning at this stage.

The Social Services Division as you know replaces the Department of Welfare and the establishment of this new department has given the division additional responsibility for probation and parole and juvenile and family court services and juvenile correctional institutions. You will note that the juvenile detention homes, the Manitoba Homes for Girls and the Manitoba Home for Boys are placed under Mental Health and Correctional Services in the printed estimates. These facilities have been moved to social services as a result of on-going discussions on the relation of correctional institutions to program and staff resources. Adult and juvenile probation staffs will be kept together within the social services division but arrangements have been made to make adult probation officers immediately available to the adult correctional institutions. In pursuing the Department's goal of a simple and efficient delivery system the probation function has been integrated with other social services at the regional level. In those regional offices where there is a heavy requirement for the specialty of the probation officer, it will be met by a probation specialist. In those regions where the probation service requirement is of a low content and does not probably require a full time specialist the need will be met by other social service staff who are of course professionally trained. Because of the population of Greater Winnipeg and the high requirement for probation service here a separate Metro probation unit will be maintained.

The Department of Government Services has now virtually completed the renovations of the Vaughan Street Detention Home and I think members of the House who have had the opportunity to tour that facility recently would agree that the situation has been improved immensely. I can say categorically at this time that we have continued to look forward to the establishment of a new facility which would include juvenile detention and family court and so on. In January, 1968, the Minister at that time I believe announced that they would be proceeding with the new facility but in the meantime the site that had been chosen was felt to be unsatisfactory and we're right at this last few months have been finalizing a site and I am in the process of looking at the acquisition of same. I can't reveal the exact location at this time but it is the plan to develop such a facility. The functional plans, some architects have been appointed for some time and have been working on the functional plan with the officials in the Department. This is therefore proceeding and I think will bring about an integration of services that would be most desirable.

The Canada Assistance Plan which provides for substantial federal sharing of our social services program has as its goal, as we all know, the provision of adequate assistance to and

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(MR. JOHNSON cont'd.) in respect of persons in need and the prevention and removal of the causes of poverty and dependance on public assistance. Under The Social Allowances Act of Manitoba this Department tries to ensure that no resident lacks essential goods and services - that is essential to his health and well-being. The Department has tried within the resources available to take full advantage of federal cost sharing. A notable exception at this time is Indian welfare. The Canada Assistance Plan is really the same concept as our Social Allowance Plan was. It deals with things on the basis of need. And the Canada Assistance Plan is divided into four parts. It was passed by the Federal Government, as you know, and all provinces have -- the Federal Government under this agreement agrees with the province to contribute 50 percent of the cost to the province and its municipalities of welfare assistance for persons in need. Part One of the plan provides for the sharing in the cost of basic requirements such as we know in The Social Allowances Act, food, clothing, fuel, utilities and for the cost of care in homes for the aged, nursing homes and other homes for special care; special needs associated with rehabilitating a person in need and returning him to employment, and the costs of welfare services, counselling, homemakers, day care services purchased by assistance agencies. Where welfare services are provided by designated provincial and municipal welfare departments new costs of welfare administration may be shareable under the plan.

Now this Part One of course we've all signed, it's really a more liberal extension of the former unemployment assistance agreement. Part Two -- and I'll come back to that in a moment -- is Indian Welfare Services. Part Three is Work Activity Projects. We've only signed this last August. I believe only one province in Canada to my knowledge has entered into a work activity project under this agreement and we have been discussing with the Honourable National Minister the kind of projects that might be eligible under that particular section. We understand the one that is signed and is in effect in another province is of the same nature as Pembina House which we are sharing under the vocational rehab agreement which is a separate agreement. So we are looking at this section and have signed it. The third section of course is the Mothers' Allowance section and is the same really, an extension of the old unemployment assistance agreement.

The one section which we have not signed, and I believe Ontario are the only province who have signed with the Federal Government, the part two section, provision is made in the Canada Assistance Plan for the same type of services on Indian reserves to be administered in total by the province. I could just reflect to the House that in meeting with the western Ministers last winter we all felt that we would, in our meeting with the Honourable Mr. Munro, bring to his attention that we in the three western provinces had a somewhat different problem than for example Ontario where this part of the agreement has been signed - namely that the people of Indian ancestry in that province measure about .6 percent of the population; in Saskatchewan it's 3.7 percent and 3.6 in our province - and we felt that in going and in signing into the C. A. P. Part Two there were some weaknesses. One, the Federal Government could withdraw and pull out of that agreement within one year, although I don't think quite frankly they would without consulting us -- but it is a possibility. Secondly, the big thing was we wanted some notation taken of our regional problem and our high percentage of such people. And thirdly, we didn't want to go into it without a guarantee that they would continue in this field for at least some years, and arbitrarily we chose a period of 20-25 years, on the basis that once we move in and assume completely the responsibility for these services on reserves, the input will be very large indeed. There's a massive input required not only in terms of welfare but housing and morbidity and all the other factors that go into bringing people forward in a short time in these reserves. At the same time we don't want to in any way indicate that we do not feel our people of Indian ancestry should not enjoy the same benefits in any way as any other Manitoban, but I can advise the Legislature that we at that meeting met again with the Honourable Mr. Courchene who is in charge of Indian Affairs, and members will note that he is meeting with all the Indian people with respect to The Indian Act and the Federal Minister will be convening a conference again this fall at which time we provinces will sit down with him and look at the proposition that he may be making to us at that time. But we do have problems here and it is also necessary of course to review this whole matter with the Indian people themselves and just where we're going in this area. But I did want to bring this to the attention of the members as to the reason for not at this point having signed Part Two of that agreement.

The other point that I would just like to share with the honourable members is that the details of assistance provided under our Act are currently under review and recently the Ministers of the three prairie provinces met at the request of the Prairie Economic Council

(MR. JOHNSON cont'd.) and reviewed our social allowance program and I found it remarkable how in isolation we really almost have identical support programs in the several items that go into the make-up of a budget and we're having the same problems. Our respective Directors of Public Welfare will be meeting periodically to review our rates and to carry out reviews, of course, within our own provinces regularly. So we have the fullest liaison with our neighbours, especially to the west.

I think members would also be interested to know that we feel sometimes the Department of Community Development is not really fully understood, it has brought forth criticism from many sectors. But it is a process of helping disadvantaged and underdeveloped communities assess their assets and liabilities and develop their own ways of improving their social and economic situation. And as members know, in many of these communities there is a high dependency on public assistance and pouring more money in to keep people dependent solves nothing. Two particular indications of the success of the program are the evolution and development of the Manitoba Metis Federation and the Manitoba Indian Brotherhood and the movement toward the independence by the community at Norway House. And a most recent proposal which the Honourable Mr. Courchene has suggested to the province, namely that the Indian Brotherhood in Manitoba would assume responsibility for the community development program on reserves. We're at the present time talking with both the Federal Government and the Indian Brotherhood concerning this matter and I think we as Manitobans can take pride in the fact that our Indian people have, through community development, really moved towards the independence of these people throughout Canada. Our people of Indian ancestry in Manitoba are well ahead of other provinces in Canada through this activity program and we're working and seeking and getting this recognition from senior governments.

I would also point out that generally I think in the welfare field and the social services I think you will all agree with me that our objective is to take such measures as will prevent dependency on the taxpayer, to assist people who are dependent to take full advantage of training and employment opportunity. I think these are really the objectives and philosophy of our department and we're trying on a regional level because considerable reorganization had gone on in the Department over the past year and a half before I've had the pleasure of taking over the division and they had worked out a regional concept where the regional director in each of say eleven regions throughout the province would be responsible totally for the program within his area and he would have a community development officer on his staff, the vocational opportunity services would be just part of the regional service and this more full integration so that we would not have different departments dealing with different parts of a problem a patient may present. Some of the highlights in the social service division that really eat up the dollars are really the aged and infirm section where through — and with the Canada Assistance Plan, in these homes for special care we are assisting people in complementing their own resources to assist them in better facilities and I think we have come a long way in this area. And incidentally, with respect to homes for special care we are working closely with the National Minister at this time. At our most recent meeting to define more clearly just what are homes for special care so that we might take the same advantage of the Canada Assistance Plan as other provinces do and some of the criteria are being worked out with our people at the present time, and may lead to some extensions.

In addition to maintaining our senior citizens in institutions, it's interesting to note that over a thousand elderly and infirm are being financially assisted in foster homes and boarding homes rather than institutions. I might remind members of the House or bring to your attention that with the drop of old age security eligibility down to 65 years of age, the old age assistance program will disappear in January of 1970, this coming January. And of course any services we provide through these estimates to our senior citizens have been deliberately established to bring about the closest possible working relationship with voluntary health and welfare agencies in order to provide a comprehensive and co-ordinated service.

I thought I'd like to just share with members the development of the Lions Manor here, the tremendous voluntary support of that organization. For example, a new addition is going up on that facility for senior citizens and below that they have a tremendous thing that's kind of unique I think in that in that particular area of the city the President advised me there are about 6,000 senior citizens who use the day centre facilities at that Manor right in the heart of Winnipeg. So it's the involvement of the community, the concern of all of our people in addition to dollars which come through both federal - provincial resources that make the way

(MR. JOHNSON cont'd.) of life for our senior people much more pleasant than it had been heretofore.

In the area of child welfare, I think that our objective here is to use all available measures and resources of the Department and those in the community to maintain the child in his home with his own parents, and where this is not possible, in a home or institution that is in accord with a child's needs. This service is provided, of course, through our regional offices and the five Children's Aid Societies. In Manitoba, as in other provinces, the number of children coming to our care is increasing as a result of the high incidence of family breakdown with, as noted, the increasing number of unmarried mothers, the increasing difficulty in obtaining housing and the alarming shift in population from rural to urban centres, and very often some people not functioning adequately in this setting. Of increasing concern to the department is a significant increase in the number of children who, in addition to being physically neglected, are found to be emotionally disturbed and our costs for caring for these children in treatment institutions, group homes, and providing specialty psychiatric services, are rising, and we see that we have to develop and continue our efforts of preventive measures in this field.

Things can't be done over night, but we are aware of the problem with our agencies and are attempting to do the best we can. I think generally we're concerned about the increasing number of Metis children - as we mentioned in the debate the other day - we're unable to place, but I'd like to report to the House that this last year there was an increase in total adoption placements and a substantial increase in the number of our Metis children placed for adoption, and we're taking positive steps to involve the community in this problem and seek their help in finding homes for these children. I mentioned the Open Door Society made up of parents who have adopted children of mixed races, and they are working closely with our department and our societies in promoting adoption of these children. I think it might be a very good idea to proclaim "Going To Beat '70" in this year to make it a year in which all children who are available for adoption be helped to find a suitable home. But the department, along with the societies in connection with these comments I've made, are continuing to develop methods and techniques in finding adopted homes.

With respect to just some comments on our Vocational Opportunity Service which is now an integral part of the regional program, it's interesting to note that this has done an excellent job. This is a service with not necessarily trained social workers, just trained people on our staff, to concentrate on helping people to find complete training or find suitable employment, and last year they report to me that 3,000 people of Indian ancestry were assisted into gainful employment through the Vocational Opportunity program which is now part of our regional program. One of the things which has drawn the attention of the Honourable Mr. Munro, and which the Federal Government are supporting us in and has received national attention, is the People's Opportunity Service program in the north end of our city. This is really a program where we try to help people in this area to determine their assets and liabilities, to work out a positive plan for social and economic development, and within their existing resources to achieve objectives, and we have many people - they call them indigenous workers which I don't think is too satisfactory a term. I'd rather think of them as welfare assistants or social service assistants who work with the professional staff in determining the exact needs of these people and try to take practical approaches. These people function in house-school problems, homemaker, health, and assisting in interpreting problems of these people and employment opportunities and so on, and that again is a subject in itself.

With respect to the probation, juvenile and adult probation parole; as I mentioned earlier, the Social Services Division will be taking over the juvenile institutions and the probation program and now, the probation officers are responsible to the regional directors of the relative Social Service regions and will, of course, continue to provide services as in the past. The major difference is that they will be part of total social services regional operation and will have direct access to a multitude of resources and services that were not as readily available in the past. The integration of the probation function into the over-all social service regional operation will facilitate the provision of a more comprehensive service to juvenile offenders because they can deal with the total problem rather than dealing with the individual offender, and, as I pointed out, we will have a specialist in this particular area of Winnipeg. Nothing has changed in the sense that they will operate and function as they have in the past, but they will have the resources of the entire department to call upon.

There are many aspects of the welfare program, or the social services area, which I am sure will call for questioning and I will then move on for a moment to the Housing Division.

(MR. JOHNSON cont'd.) On the one hand, I don't want to be lengthy in my opening remarks; on the other hand I think these important areas do deserve some comment on introduction. As we all know, the problems involving the housing of our people received national attention during the past year as a result of the activities of the federal government's Task Force on Housing. The department produced several statements of policy on housing matters and I'd be happy to supply the submission to the Task Force which we offered, and Mr. Hellyer, of course, proposed a number of amendments to the Housing Act designed to increase the availability of federal loans. Generally, we have given support to these amendments by the federal government of course were still reviewing their housing policy, and until their intentions were made known we're unable to make very great commitments to future action. I could share with the House that, following the Task Force and the receipt of the document, we have studied this and see much to commend it, many commendable points in here, but of course it really covered the waterfront, following which Mr. Hellyer invited the Ministers to Toronto to discuss with him some of the Task Force recommendations and his approach to it, certain attitudes which he had gained from attending the hearings across the country, and to generally discuss where he was going to go from here. He indicated to us that there were some simple amendments which he could proffer, which he thought would cause no difficulty, but other more extensive policy changes would require considerable time for him to discuss with his colleagues. We, of course, have had nothing firm on some of these major points.

I think it would be interesting to the committee to know that our program for providing accommodation for our elderly and infirm continues to move forward. During the coming year some 20 projects of varying sizes will be under construction and will provide more than 1,400 additional housing, hostel and personal care beds. The provincial contribution to these in the estimates includes \$600,000 printed and another \$400,000 in the program's capital reserves. This is going to be a big year for us as many of these programs come to fruition.

Members will note that while the Housing Corporation allotment is \$474,000 in the estimates, these funds are to be used partially for rental subsidies and administration, but mainly for urban renewal schemes and implementation. The Corporation's efforts in the housing field are, as you know, financed through both capital borrowing rather than appropriation, and to permit the Corporation to extend its housing operations, the government will be looking at the extension of borrowing authority which presently exists for the Corporation.

I thought it would be interesting also, some of the highlights of the housing in my term as Minister here have been the Task Force, of course, and our attitude; secondly, the co-operative venture with the Federal Government to provide housing in five remote unorganized areas of the province. The communities are being selected in consultation with the Manitoba Metis Federation and the funds for these remote housing units, admittedly few in number, have been offered to us by the Federal Government on a trial basis through a special interpretation of the public housing programs of the CMHC. We'll be assessing this program as it proceeds and negotiating with the Federal Government to enlarge its contribution in the future.

In the other area, planning for public housing projects in Brandon, Selkirk and Portage is nearing completion and we'll be entering agreements to build public housing in these communities. A number of other communities have made enquiries and the corporation has felt the need to respect the wishes of the municipalities and it is required that they be responsible for initiating programs. At the same time, every effort has been made to inform municipalities of the financial arrangements which are available.

In addition to these, we have recently invited private contractors to submit proposals for 100 units of low rental full recovery housing, to be made available to medium and low income families in the Metropolitan area. I'm advised the response has been very satisfactory and I would point out the Corporation's role in this project is that of developer and landlord, and the costs of these units would be fully recoverable in rentals.

The Urban Renewal Scheme for No. 3, Urban Renewal area No. 3, around the Cultural Center, has been substantially completed and consideration is being given to the implementation of the scheme. Work on schemes for St. James, Brandon and Altona have been delayed while the Federal Government formulates new policy regarding urban renewal.

So, in summary, in the last several months we see going forward the remote housing program with our Indian and Metis Federation; the public housing projects in Brandon, Selkirk and Portage; the full recovery housing; and the pilot project we initiated this fall in Thompson at Wingate Wye, moving 16 trailers in and using them as training grounds for people coming and seeking employment in the Thompson community from remote areas who need some

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(MR. JOHNSON cont'd.) assistance both socially and in adjustment, and these are all filled, I am told, at the present time. They were just started this year.

Well, Mr. Chairman, another division of the Department is the area of Agency Relations, and here there is an item which is really the staff item because the monies for this are spread throughout the estimates. The Agency Relations staff review agency budgets and programs and recommend appropriate financial support, ensure that the expenditures are maintained within this support, and it was the duty of the staff to provide one clear channel of communication with government for all private health and social service agencies to assist in achieving a uniform standard of service throughout the province, to co-operate closely with planning and financial bodies. We work closely with the United Way, the Community Welfare Planning Council, The Winnipeg Foundation, City of Winnipeg and so on, and right now they're participating with the other funding bodies of the voluntary health agencies in a joint Review Committee reviewing our programs, and, as I say, the monies that are paid to these agencies are reflected throughout the rest of the Social Services Division.

The Social Service audit, which had been expected at one time in February or at the end of January, I understand will be coming forward - the last I heard, around the middle of May. My understanding is that the purpose of the audit has been to examine in great depth the system of delivering public and private social services within the Greater Winnipeg area and to develop a new system, make most efficient use of all our resources. The government, as the committee may know, has made a substantial financial contribution toward the cost of producing the audit and will be certainly giving it a great deal of consideration. We have agreed with the Social Service audit people to continue to participate this year as they continue to hire a minimal staff to deal with the audit once it comes out.

Now my honourable friends may wonder if it is humanly possible to handle such a large variety of programs within one departmental structure, and I must confess that sometimes late at night I wonder myself. Nevertheless, these programs, Mr. Chairman, cry out for the kind of intimate coordination that is possible only within a departmental structure. This province can't afford now, or at any time, the luxury of duplications, contradictions, omissions or deficiencies of service, and within the framework of this department we feel we can do much to economize and at the same time improve service. It is an on-going challenge and one which I am confident that all departmental staff are ready, willing and able to meet. In the up-coming debate, Mr. Chairman, I'll do my very best to relate these programs to last year's estimates. If I become mixed up with figures it will not be done purposely; it will be because of the considerable detail involved. I'll do my best to give the members the facts, if not immediately, then as soon as I possibly can, and I will do everything I can to accommodate the members to the best of my ability. Thank you, Mr. Chairman.

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

MR. DESJARDINS: Mr. Chairman, last night the Honourable Minister started his remarks by saying that he was honoured that his Leader chose him to head this new, or I should say reorganized department, and he thanked him very much. This indeed was some information because I was certainly under the impression that the First Minister disliked them intensely for loading him with such a difficult department.

In the closing remarks here this morning the Minister stated that he thought that maybe we would feel that this was too much for the one department but he stated that he felt that co-ordination of all these different areas was necessary and it could be done only under the one department. Well, Mr. Speaker, I don't think that it is humanly possible for any one person to carry such a load. It might be if the person is lazy and if he's satisfied to have all his work done by his staff and if he just reads certain things like a parrot; but if he's going to study things and put his heart in it, well it just isn't possible, there are not enough hours in the day. I think that the worst man to head such a department is my honourable friend. I say the worst man because, if anything, if you can accuse a man of having too much of a quality in this case you could do it, and say that this man is probably too conscientious. He's not the type that will just be satisfied to repeat things, he wants to have his finger on things and he wants to know what's going on. And I appeal to the government, the First Minister, to have another look, take another look at this. I still say that this is too much for one person to handle if he's going to do a good job and you are unfair to that person by doing such a thing.

Now yesterday in some of the remarks that I made I suggested, and this is something that I've been doing for a number of years that maybe we could have a department of youth and a new

(MR. DESJARDINS cont'd.) Minister, with a full-time Minister of Youth. I just mention this in passing now. I feel that probably the field of correction, detention, rehabilitation of juveniles could be taken away from this department. At least it would help some.

I think that it is possible to have co-operation even if everything is not in the same department. We were told that the government since the last Session has indeed reorganized. I think the Cabinet now is divided into - somebody looking after the finance and others policies and so on - and this is very good. If you feel that co-operation is needed in these things, and indeed they are -- we might say that co-operation is needed between all the Ministers and all the Members of the Cabinet of course -- but I mean specifically in certain areas like health and welfare, I think that it is possible to have one or two Ministers who might meet periodically; I think that this could be done. But I don't think that we should ask of any man to do something that is humanly impossible and I think that this is the situation here. I don't think that it is fair. But nevertheless, the Minister I'm sure is certainly doing his best. He's accepting this responsibility. I'm sure that it is the most difficult department of any department, and probably one of the most important. As I said before, the Minister said that he was honoured at receiving this post, that he was pleased. Another reason why I'm not sure if I'll believe him or not - I don't think he would like to come in in this year of Medicare. I think that he was put on the spot a bit there . . . Now, Sir, I don't want to bring in the - by the way before I leave this I should say that I wish the Minister a lot of success in this, and also all his reorganized staff and the heads of his different departments, within a department I might say. I might say that from this side of the House anyway we feel that this department - when we're dealing with the health and welfare of the people of our province it's something that we should be responsible, and if we can assist the government or the Minister in any way we'll be very pleased to do so. We won't try to embarrass more than need be because I think he has - as I said before he has a heavy load. Of course that doesn't mean that we will not make any suggestions and fight for our suggestion if we feel that they are good ones and if we feel there should be changes.

Now Mr. Speaker, at this time I do not intend to revive the Medicare debate but I do intend to take this opportunity to make a public statement, a statement for the record on Medicare. Mr. Chairman, after the speech that I made in this House on Medicare - I think it was on March 24th, a few doctors accepted my invitation to send me their comments. I was interested to know what they felt and I think that this is the way that we could learn what's going on. Well it certainly was obvious to me that they objected to some of my statements. It was also clear that they have misunderstood certain parts of my speech. I believe in the sincerity and honesty of these gentlemen and I appreciate them taking some of their valuable time to write me long and detailed letters explaining their views, telling me why they did not agree with me. And after reading their comments I realized that I wasn't explicit enough, and because on that occasion I was speaking for the Liberal Party and because we certainly respect the profession and value of their co-operation, we need their co-operation or this plan will never go, I would at this time like to endeavour to clarify our position a bit. Again I must repeat that I personally am not - the Party to my left will also bring this back and they're right -- I am not and was never in favour of a compulsory plan, especially here in Manitoba where we had such a good thing going for us in this field. I am also of the firm belief that members of the medical profession should be free to opt in or opt out of the plan - and I have repeatedly stated as you know that I admire those, who because of principle decided to stay out, because no doubt some of them even though they're opting out, we would think that they'll make more money and this is not going to be the case at all.

I also agree with mostly everything that has been said by the members of the profession in regard to the advisability of not being controlled by the government; of being entitled to a good income, and an income that would take into consideration the fact that doctors have spent many years receiving their education and that they must provide for their retirement and possible sickness. I think that all this has to be considered. But many could not resist Sir, while replying to me or offering me their comments, they could not resist the temptation of referring to my occupation or profession and state that they did not wish to control my profession, and would I like the government, etc. etc. , -- (Interjection) -- This is the price one must pay when he's willing to devote some of his time to politics; I must accept this. But I do not intend to cry the blues about the views that politicians do receive at times, especially if you're trying to be sincere and honest and if you have to step on some toes once in a while. Let me assure you, and assure them however, Mr. Speaker, that I never spoke in this House

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(MR. DESJARDINS cont'd.) at any time as a Funeral Director but only as an elective representative of the people. I think that I've tried to take my responsibility seriously and think of the people that I represent - all the people not only one class or one group.

I repeat again that I do not agree and I do not like this plan that was imposed on us. I had nothing to do with it but I cannot bury my head in the sand, nobody can. It is here now and we must forget what we like and what we don't like and we must try to make it work. This is simply a fact. I know that most doctors are of the opinion that I'm against them and there's very little I can do about it, so I'm not going to worry about that, because I have repeatedly stated my position in the House and outside the House. But the main point, the main point it seems that these members of the profession were objecting to in some of the statements that I had made in that speech was first of all that doctors were allowed to set up an astronomical fee increase, and they have increased their fees by more than 50 percent during the past few years. I might say more than 90 percent in the last five years or so. This is what they disagree with mostly. Well many doctors will say that the schedule had not increased that much, and will even cite examples and invariably mention and admit that some doctors are abusing or will be abusing the plan, that some will not be giving proper service, and that a few will be after a fast buck. Most of the members of the profession who do not belong to clinics will criticize the clinics and so on. So you can see that even amongst that group there is some criticism of their colleagues. So can't you see then, Mr. Chairman, that when we are dealing with as many members of a profession, who admittedly must also be businessmen, that it is quite difficult, if there are so many different opinions amongst the members of the profession themselves, how do they expect the politicians to satisfy all of them and the general public also at the same time.

We are dealing with free enterprisers but also with a compulsory socialistic plan, and believe me this is not easy to do, and probably this is where I should have been a little more explicit when I referred to fee increase. I wasn't referring necessarily to the schedule of fees, the schedule of fee that was increased, but mostly in the increase in the total yearly income of the doctor. This is what I meant when I felt that this was quite high. Now the income increase as you know, Mr. Chairman, is not solely dependent on the schedule of fees but on many factors such as the percentage of the schedule accepted, increased utilization and we know that no longer any or very little charitable work will be required to be done. During the past 10 years or so the average income of a doctor has risen from say 15,000 to 25,000 and by the end of the first year under this plan it could easily be the average and I think it would be more than that - \$40,000.00. Well under MMS there were approximately 830 doctors practising in this plan. This as I'm told, being about 97 percent of the practising doctors in Manitoba. I might be wrong there but this is the best information I could obtain. The Minister of Health tells us that 40.8 million will be the amount paid to doctors. Divide this amount by 850 doctors and you have an average of \$48,000.00 -- of course there might be a few more doctors, I don't know. I'm just trying to give you an average -- then the opted out doctors could charge another 15 percent above this and that would be another \$7,200.00. Of course I know that some of them who are opting out for principle would not charge anything at all, and I doubt if anybody will charge 100 percent. But one member of the profession, Dr. Shaw, publicly stated that he will extra bill 95 percent of his patients. Therefore, he could collect, if he was one receiving this average, he could collect another \$6,840.00. Now the only reason - I'm not complaining - the only reason is to explain that it is quite an increase in fees over a short term. Now we could play with figures all day. It will be suggested that fees for some services are now lower, but it is impossible to deal with every individual doctor and on final analysis the important factor is the total income of all the doctors in the province which will have a direct bearing on the cost of medical services in the province. In other words, the total cost - what the people of Manitoba are paying for services.

Now our Party does believe that this is rather a heavy increase on the cost of medical services within a short period. But actually this is not the main point that I was trying to make. The main point I was trying to make is this: No blame was placed on the profession for making this demand but rather on the federal and provincial governments who through their actions and through their lack of early negotiation with the medical profession, and because they did not try to get some sort of a status quo from the doctors while the plan was being implemented. This is the point that I was trying to make - that the costs have gone up. Then again without blaming the profession I compared it to a trade union and this, Mr. Chairman, was also

(MR. DESJARDINS cont'd.) objected to. Those who said that it wasn't a trade union because some doctors were opting in and some out had a valid point indeed; but I still believe that my comparison in using the term was justified, when we remember that the doctors threatened to quit the MMS until they received full payment - just a while ago; when the doctors in Ontario were preparing to strike; when the Canadian Medical Association was urged to form itself into a sort of trade union to ensure that Canadian physicians get the fee, under Medicare, the profession thinks they deserve; and that the CMA establish a special department of collective negotiation. And again I'm not criticizing this, but I'm saying that you have the comparison to a trade union if this is the case. My point was that as an elected representative of the people we had a responsibility to face facts, to face the medical profession as we would a trade union, and not necessarily give in to them on all points, because theirs is an honourable profession. We have to remember that Canada and Manitoba were committed to a compulsory medicare plan. We have to remember that the medical profession was not in favour of such a plan, and until it became a reality they would - most of them anyway - do everything possible to kill it. Again I ask you, is this abusing the profession or is that accepting our responsibilities? Of course, regardless of what is allowed in other provinces, our Party is of the opinion that doctors who choose to work outside of the plan should be left alone, but should not be paid directly by the Corporation, as in our view this would kill the intent of this plan. Well I will not get in to this again; I'm sure that our views on this are quite clear. But I wanted nevertheless to correct some impression, especially with these doctors who I feel were interested enough to pass along their views.

Before I leave this question of Medicare I would like to ask these questions - maybe the Minister can get this at a later date while we're discussing this. I would like to have the number of active doctors in Manitoba; the number of full-time of those that are employed full-time in education - that is, not practicing at all; those that are working administration for them or government full-time and are not practicing, and those that are practicing full-time.

Now, I want to be sure of something. I'm going to ask the Minister again to inform us - I wouldn't want us to find anything else later on - I want the Minister to inform us if there is anything else that previous to this plan coming, this plan of Medicare coming forth, was being paid out of Consolidated Fund or any ways at all, or maybe out of the hospital premiums. I'm talking about the field of education and all these things. I think that this is important. Anything else now that would be covered, would be paid for through the financing of Medicare with these premiums. I would like to make sure that we have all this information. I thought that following Medicare -- of course we were talking about the economics and finance of the plan a lot. It seems that you're talking about money all the time and, well, I think that this is natural that people must feel some security before they can do their work properly, and this is fine, and I think now that we will get down to business and probably we'll give the people of Manitoba -- the medical profession, I am sure, will give the people of Manitoba a good working plan.

But while we are talking about salaries I would like to bring up for a minute, to have the Minister maybe take a few notes and answer me on this: Are we satisfied with the salary that other people are getting in this field of health? And I'm referring mostly to the nurses. -- (Interjection) -- No, the nurses, I think that they were getting \$415.00 in 1968 and now they are getting \$440.00. I'm not trying to compare this with the medical profession at all, but I'm trying to say that they are also quite vital to the people of Manitoba in this field of health and care. And as I say, I don't want to compare them to the medical profession but I would like to compare them to other professions - the teaching profession, for instance. And it revolts me. I'm in favour of unions; I'm in favour of organization and this is the best proof that we need this, but it revolts me to see that in society those that are oftentimes most dedicated are the ones that are not recognized. I know that the government wants to hold the line and they must. They must. But isn't it a bit sad that some people that do not insist too much, well, we won't do anything willingly for them?

When I compare the nursing profession to the teaching profession, I'm not criticizing the teaching profession at all. But I'm teaching us, I'm criticizing us, the legislators. Are we just faced in what we're going to do, what politically is good for us if we're faced with the teachers, the Teachers Society and so on, or do we feel, do we say, well, there's so much money, like we did if we were the head of a family, let's say; or if we were running this as a business we might say, "All right, we have so much money; this is the case and let's be fair

(MR. DESJARDINS cont'd.) on it." And again, I'm not criticizing, I'm not saying the teachers are getting too much pay - nothing of the sort. But I'm saying that it is time that we do something for a profession who has done an awful lot of work in this province and who are dedicated people that are needed. I do hope -- (Interjection) -- yes, I do hope that they will soon be able to organize. I think that they are doing that now. I think that they will be organizing some kind of a bargaining union. It seems that this is the only way to do anything, and I think that they are getting ready themselves to do so and -- (Interjection) -- so call it what you want. Call it -- I've never been, my party has never been against unions; we're all for it. We're all for it, and this is why. I wasn't criticizing the doctors when I suggested that compare them to that -- this is fine. But as I said, it is too bad. It is just showing that this is needed. If everything was perfect it wouldn't be needed because human nature, you would try to treat everybody in a fair way, but apparently like they say - what is it? - the squeaky wheel gets the grease, and I guess this is it. I hope that these people will soon be able to organize. -- (Interjection) -- I beg your pardon?

MR. RUSSELL DOERN (Elmwood): The squeaky wheel gets depressed.

MR. DESJARDINS: What? Did you have a message to give or... because I've heard you squeak a heck of a lot. If you feel that nobody from this party should speak on this ...

MR. SIDNEY GREEN (Inkster): He never said that.

MR. DESJARDINS: No, no, but I know what he feels. If you want to go back on education again where you can show what you know, maybe we can. But in the meantime we'll keep on.

Now there's another thing that pleases me very much, Mr. Chairman, and I would like to congratulate the Department on this. It wasn't always the same a few years ago and maybe this is the way democracy works. We pushed and pushed for the shortage of nurses and I think that we've accomplished quite a bit on this. I say "we", I mean we here in Manitoba. I don't know if there was ever too many nurses but I think that we certainly don't find the shortage that we had a few years ago. We had to import some, and I think that our schools are improving now. But I think there is still a shortage in those that are going to university because I think that this is our problem. We need to do a lot of work and to save a lot of money; also we need more nurses that are qualified to teach and to teach at the university. This will take time but maybe it would be well to have a good look at that and maybe we have to import some of them also. Eventually we'll develop our own. This is quite new here, this university course for the nurses, but I think that in this field I don't want to leave the impression that I'm satisfied that we have no shortage of nurses at all. I think there's a big improvement, but there is quite a shortage and, well, it's only natural, I guess. We didn't have this course here before so there was no demand for them. We might have to import some but we need some of the qualified nurses that could enter the field of teaching, teaching at the university.

Now I was a little disappointed. I thought that the Minister would say -- of course, I know that he has a lot of time to reply to this or to come back to this. He couldn't cover everything, he couldn't guess what we wanted; but I would like the Minister to report on this two-year course. I think that there's a pilot project in the Victoria Hospital only, at this time. How is it working or is it too early to tell? Now one thing that -- again we're back on dollars, Mr. Chairman, but the financing is going to be a problem and I would like to see the comparison of this and the people in other fields. I am told that in this course, a two-year course in Victoria Hospital, that new the students must pay, of course, their board and room, and there is \$200.00 tuition, and they must purchase their own books and uniforms. Now I don't like to always say I told you so. I'm not criticizing this. I want to see, again, if it compares well with the people in other fields that are being formed, that are getting an education. But, as I said, I don't like saying I told you so.

This is a little ironic. All of a sudden we're told, well why do they have to pay \$200.00 tuition? They never paid that before. And the answer - and it's a good answer and it's the true answer - the answer is, "Well they no longer work. They were working before." You know, there was a three-year course and they were on the floor, and this is the point that I made quite a few years ago that I tried to make so strongly. I don't remember who the Minister of Health was at the time but he assured me that they were just spending the time on the ward that was needed - in other words, they were being taught; and we knew this wasn't the case. They were doing a lot of work and they were subsidizing this commission for a long time. I mentioned this point at the -- I remember when I was in the hospital there were no registered nurses at all on the one floor. Mind you, the girls were doing good work but they were all

(MR. DESJARDINS cont'd.) students. Now I don't want to go back to that but it only proves that this is the thing that I've said for years, that these girls were working too much; they were working on shift work and everything, and they were spending most of their time working instead of learning. Mind you, experience is a great teacher and I'm not denying that at all, but they were doing quite a bit because now, although it's only two years, they must pay tuition.

Now there's another thing I'd like to get the impression of the Honourable Minister on this: Will we ever have in Manitoba, is it possible, and what -- he's knowledgeable in this -- what does he think about this? That the -- I'm not talking about the university, the nurses going to university now, but as far as the diploma requirements. Shouldn't they be uniform? I'm not saying they should. I'm asking the Minister shouldn't they be uniform. What I'm trying to say is: should we have some sort of a community college like we have in the teaching profession? Will that ever come? If so, why? If we're working towards that, why? And if not, well what are the advantages of having people taking this in either General, Brandon, St. Boniface hospitals and so on. It's a question that I'm asking at this time but it seems -- I know that some feel that the diploma requirements should be uniform across the province. The Commission, the report of the Commission, annual report of the commission, tells us that a research project has been finished, research looking into the more effective use of registered nurses, and this was supposed to be done with the Department of National Health and this was supposed to be terminated. I might have it somewhere but I've looked all over the place. I haven't got it and I'd certainly like to have a copy if at all possible.

Then there was another project that I think is being done in Victoria hospital. It is what the Member from Lakeside has talked about and I've talked about so many times. It is the clerical work done by the nurses where it should be done by the clerks. Now I think that this is very very important and I think that we are lax on this. We have mentioned this on this side of the House many many times and I realize that we have to slow down in the spending. We don't know where we're going now, even -- I'll talk about that later when we talk about the commission report but we've had an increase every year of 9 or 10 million dollars, and if you think it's something new there's very little new. We can't afford having anything new out of that. Over \$7 million -- I'll get the figures later on -- 77 percent of this increase is wages, salary only, but we can't do anything about that. The price of drugs has gone up by 15 percent. The price of food is going up so it's -- even if we don't do anything new this is increasing. So we wouldn't be responsible from this side of the House if we would just advocate that more spending should be done. It wouldn't be fair. We have to point out ways that maybe we could save a bit of money and save a bit of time.

We've been talking about the shortage of nurses, and it is true that you'll go at certain times, especially in certain hospitals, and there is nobody on the wards and there's a pile of nurses that are all bent over a paper, writing and writing. They have to do reports but this to me is exaggerated. Why can't we train specialists who will do this? And only that. They would do a better job probably. They would do a better job and the nurses would be left for what they were taught, for what they learned, for what they want and what they love -- that would be nursing. And I think on this that the government has been kind of dragging behind a bit on this. I think that something should be done and I hope that this is it; this will be the start, if this report -- maybe this report that the government was waiting for, and I would like to have a copy of the report. I don't know if it's a confidential report. I ask the Minister anyway, if possible, to see that we get copies of these reports on this side of the House, because we're also very interested in them.

Well we're still in the question -- we're not too far away from Medicare yet, and when I leave it I hope we'll leave it behind and not talk about it. But I would like to know a little more what's going to happen to the Indian population now that we have Medicare. It might be a good way to start this integration that we want. We've given a lot of lip service about the trouble with the Indian and the Metis, and the Minister I think probably will have something to say on that. I would like to see them come in the Plan. Now I'm not suggesting that the province pays all the bills. I'm not suggesting that. I think that Ottawa has a responsibility in this -- and maybe this is done now. I don't know, and I'm sure I've had an informal discussion with the Minister and we've talked about this. I admit I haven't got all the answers so far but I think that he's looking into this very seriously and he's quite concerned, and I think it would be of some interest to the House if the Minister would give us a little bit more information on the subject.

(MR. DESJARDINS cont'd.)

Now, I took a few notes during the remarks when my honourable friend was speaking and he talked about the housing. Again, I think -- I said earlier that this man had too much to do and this department was too big, and I don't know why housing has to come under this department that is already loaded with work, but if this is so, if he accepts it and if the government feels that this is the best way to do it, I would expect the Minister to give us a clear-cut policy on this. We're having trouble in Ottawa. All right. Let's see what the Ministers do. Did they agree with Mr. Hellyer or do they feel that the government and Mr. Trudeau is right. Now, I don't think that I'm asking too much but I'm saying that we want their policy; we want to know what they want. I don't think it's right to say, well, we've got to wait and see what Ottawa has to offer. This government went to Ottawa and stated their preference as far as the Medicare plan is concerned, and a lot of people, maybe even some of us from this side of the House, felt that maybe there was quite a bit of good in this proposed plan of the government. Now, I think that this government must have some ideas. They've worked on this. We are told that the province has been working on this. I don't think there is anything hidden. I don't think that we have to wait until Ottawa passes any legislation on that. I think that it helps if we have this before, because then there might be certain amendments or certain changes that might be suggested and might be passed in Ottawa. So I hope that the Minister will elaborate a little more on this.

MR. CHAIRMAN: May I interrupt the honourable gentleman? He can continue on Monday. Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply wishes to report progress and asks leave to sit again.

IN SESSION

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

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

MR. SPEAKER: It's now 12:30. I'm leaving the Chair to return again at 2:30 this afternoon.