

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Tuesday, July 6, 1971

OPENING PRAYER by Mr. Speaker,

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for Fort Rouge

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I beg to present the first report of the Standing Committee on Public Accounts.

MR. CLERK: Your Standing Committee on Public Accounts begs leave to present the following as their first report:

Your Committee met for organization and appointed Mrs. Trueman as Chairman. Your Committee has agreed that, for the remainder of this Session, the quorum of this Committee shall consist of ten (10) members.

Your Committee has examined the Public Accounts of the Province of Manitoba for the Fiscal Year which ended the 31st day of March, 1970, as published and finds that the receipts and expenditures of the monies have been carefully set forth and all monies properly accounted for.

Your Committee received, or has been assured that it will receive, all information desired by any member from the Minister, Heads of Departments and members of the Provincial Auditor's staff with respect to receipts, expenditures and other matters pertaining to the business of the Province. The fullest opportunity was accorded to all members of the Committee to examine vouchers or any documents called for and no restriction was placed upon the line of examination.

All of which is respectfully submitted.

MRS. TRUEMAN: Mr. Speaker, I move, seconded by the Member from Roblin, that the report of the committee be received.

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

TABLING OF REPORTS

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, before Orders of the Day, I would like to lay on the table of the House a Return to Order of the House No. 5 on the motion of the Honourable Member for Morris.

MR. SPEAKER: Any other tabling of reports? The Honourable Minister of Tourism and Recreation.

HON. PETER BURTNIAK (Minister of Tourism, Recreation and Cultural Affairs) (Dauphin): Mr. Speaker, before the Orders of the Day, I would like to table the Annual Report of the Legislative Library and Archives for the year 1970.

MR. SPEAKER: Ministerial Statements; Notices of Motion; Introduction of Bills.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery, to the Speaker's Gallery that is, where we have Mr. Jean Dechico, accompanied by his wife and his two children, Helene and Mark. Mr. Dechico is the Cultural Director of the Maison de C. . . . , cultural centre of Firminy, France. At the request of the Secretariat on Dominion-Provincial Cultural Relations, Mr. Dechico was sent here by the French Republic to advise on the construction of the French Manitoba Cultural Centre and to meet with some officials of the Department of Tourism and Recreation and Cultural Affairs. On behalf of all honourable members of the Assembly, I welcome you here today.

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

MR. LAURENT L. DESJARDINS (St. Boniface) welcomed them in French.

MR. SPEAKER: Thank you.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): In the absence of the Honourable Minister

(MR. McKELLAR cont'd) of Municipal Affairs, I would like to direct this question to the First Minister. When will the regulations to the automobile insurance policy for Autopac be announced?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Soon, Mr. Speaker.

MR. McKELLAR: A supplementary question. How soon?

MR. SCHREYER: Quite soon.

MR. McKELLAR: Mr. Speaker, another supplementary question. Will it be in the month of July?

MR. SCHREYER: I think so, Mr. Speaker, yes.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Will you call Bill No. 52, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Municipal Affairs. The Honourable Member for Fort Garry.

MR. JAMES H. BILTON (Swan River): . . . in his absence that this matter may stand. If there is any other person wishes to speak to this bill, of course they have the liberty of doing so.

MR. GREEN: . . . have today the person who would ordinarily be scheduled to speak tomorrow, according to the Conservative strategy.

CONCURRENCE

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. Johns): Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the Resolution reported from the Committee of Supply be read a second time and concurred in. Thank you.

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

MR. CLERK: Resolution 15, 16, 17 . . .

MR. SPEAKER: Order, please. Resolution 15. The Honourable Member for Souris-Killarney.

MR. McKELLAR: Resolution No. 15 - and I'll move my motion after I speak. I am sorry the Minister of Agriculture is not here today because I would like to address him personally. I don't know who the acting Minister of Agriculture is, but in any case I want to express myself on Class "C" fairs in the Province of Manitoba, on the announced policy of the Minister of Agriculture to the Advisory Board and to the fairs in the Province of Manitoba.

I regret to have to get up and make this speech for the simple reason that in the past these fairs have continued on with government grants, and the announced policy of the Minister of Agriculture is that from now on only one fair in every ag rep area. I think this is a sad day for the Province of Manitoba because I have fairs in my area that are going to be affected, and I know that other members here behind me have other fairs that are going to be affected. And what's this going to mean in dollars and cents? About \$30,000 to the provincial treasury out of a budget of 516 million, and for the life of me I can't see why the government are taking this attitude.

I want to speak on one particular fair in my area - it's Ninette. Ninette have had one of the most successful fairs, Class "B" fairs, in the Province of Manitoba. It's really the only event that takes place in that town, that village, the major event in the summer season except yachting, boating and camping. But it's the one day that the people really show up in the town of Ninette. We had around 2,000 people show up about two weeks ago and I was there at that fair. This is one of the fairs that is going to be told that they no longer get grants from the Government of Manitoba, and up until about two years ago - and I don't know this year because my Order for Return has not come forth with yet - they have been getting around a \$2,000 grant, Mr. Speaker, from the government of the day, but they are being told this coming year that their grants are cut off. Grants for the City of Winnipeg, grants for the City of Brandon, but no grants for Ninette.

And this is my concern, Mr. Speaker, that these people over there that practice rural diversification, they practice that they have a new plan for the Province of Manitoba, and what

(MR. McKELLAR cont'd) does this plan mean? Nothing for the rural areas, only something for Winnipeg and something for Brandon. The Minister of Industry and Commerce is so proud of that fact, that everything is going to Brandon. Well, I can assure you, Mr. Speaker, the people of Manitoba are concerned. They are concerned to the point where they don't know which way to move. They put their trust in the Advisory Board, but the Advisory Board have been told in no uncertain terms the game is all over. What's their next course of action? I don't know what their next course of action should be, but I must say on behalf of these people in my area, and whether I speak for the other parts of Manitoba or not, but I can assure you that the fair at Hartney is affected, the fair at Deloraine is affected, and many other fairs in other parts of the Province of Manitoba.

I would like to say, Mr. Speaker, it's about time, it's about time that the government of the day, if they are going to speak with real seriousness and earnestness about the Province of Manitoba and rural Manitoba, that they look at some of the policies, look at some of the policies they are bringing forth. For \$30,000, the exact amount the Minister of Health is paying to six families on welfare, they are willing to throw out to the winds all these fairs in the Province of Manitoba - the exact amount - six families on welfare. I think it's about time that some of the people who are trying to do something for themselves, along with a few government grants, are considered in this day and age.

Now I know it's not going to affect "B" Class fairs, "A" Class fairs, and this is the problem. It's only the small communities that are being affected. I hope, Mr. Premier, that you take a second look at this policy. I don't know where it originated, but I know that the Minister of Agriculture has already informed the Advisory Board on agricultural fairs, agricultural "C" class fairs, that from now on only one fair at every ag rep area is going to get grants effective the 1st of January '72. These fairs in the past have got grants for capital construction; these fairs have had grants for improvements on their buildings; and from now on these are all cut off.

So, Mr. Speaker, I don't think there is any need for me to carry on this debate because I hope that I have brought this point home to the members opposite, that they are against progress in the rural parts of Manitoba. And this is the very point I am trying to bring out. They are against progress in the rural parts of Manitoba, and if you continue on with the policy you have at the present time and not go for the policy that is expressed by the Minister of Agriculture, Mr. Premier, I'll thank you very much for this because I think the people deserve this kind of treatment, not the treatment the Minister of Agriculture is trying to put on these people, the people that have carried on these fairs for many many years.

Mr. Speaker, I hope this resolution, by my efforts, will change the policy that has been announced by the Minister of Agriculture.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker . . .

MR. McKELLAR: Oh, Mr. Speaker, I forgot - pardon me. While concurring in resolution No. 15, this House regrets that the government through it's announced Class "C" Fair policies has failed to appreciate the efforts of the many agricultural societies who have had successful fairs for many years, seconded by the Honourable Member for Minnedosa.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I'd like to address myself very briefly to the remarks of the Honourable Member for Souris-Killarney. I have a certain sympathy for the phenomena that he refers to, but I think it must be said that the honourable member failed to take into account the changing nature of agriculture in Manitoba over the past many years and the changing face of rural Manitoba. Communities that twenty years ago or so were able to muster together enough local people and local interests and effort did hold fairs which today those same communities, because of rural depopulation, because of consolidation of farming operations, now are no longer able to muster the kind of effort needed to put on a first class fair.

Now it must be asked, what was the purpose of the grant for the rural fair in the first place? It was to assist communities in rural Manitoba in sponsoring the annual fair, at which fair there would be a bringing together of people with exhibits of agricultural products, livestock exhibits, and various kinds of tillage and harvesting equipment and so on. Because rural Manitoba has changed in the post-war period, many communities have become so depopulated that now the concentration of effort, and really the attachment of the local people, is to the

(MR. SCHREYER cont'd) next nearest large town. The Province of Manitoba has continued to make grants available to rural fairs, the only difference is that the monies are now being made available more for the fairs in the larger rural communities. There has been no net decrease in the amount of monies for rural fairs, all that has changed is the internal allocation of those monies so that the concentration can be on what the department and the government feels to be the more productive use of such grant monies, and that is on the rural regional town fair, district town fairs. Many communities in the province that had a population of, say, 500 to 1,000 15 years ago, now have a population considerably less than that because of farm consolidation.

The Honourable Member for Souris-Killarney is speaking more from nostalgia than he is from reality when he tries to argue that every community that was eligible for Class "C" Fair grant in the past should still automatically be entitled to receive those monies even though the output or the exhibition of these fairs with each passing year is dwindling and lessening. The important point for honourable members opposite to register is that the totality of monies made available by the Crown for rural fairs has not been diminished, in fact as much money as has ever been made available is being made available now, with a change in emphasis and priorities.

Speaking personally, in the home district that I come from where there used to be annual fairs in the late 1940's or early 1950's, no longer is it possible to hold such fairs, and the attention and the relationship of the local farm population is now to the town several miles further distant. But in terms of what it does for agriculture, in terms of bringing people together from the farming community, in terms of giving people a chance to see modern equipment exhibits livestock exhibits, there is more benefit for these people in attending the fair in the larger town than in attending what used to be the local small Class "C" Fair. I don't think that the change in policy is hurting agriculture. It is perhaps sad in terms of rural life and old district traditions, but that is the reality of the times we live in.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. McKELLAR: Does he not consider Deloraine, Hartney and Ninette, progressive towns in the Province of Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I'm sure that those towns are progressive, I'm sure that they are larger district or area centres. It depends if the honourable member is referring to -- I mean there are some communities that I am aware of that used to sponsor Class "C" fairs; they no longer are able to muster that kind of effort. There is an open and admitted change of emphasis. We feel that monies available for grants for fairs should be concentrated on agricultural exhibits and this is better done in the rural regional centres.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I would like to support the resolution in the name of the Honourable Member for Souris-Killarney. I don't quite agree with him that if it's true the cancellation of so many of these "C" fairs. Now I come from a part of Manitoba that I think is recognized as the hotbed of the heavy horse class and they go to Toronto and make a name for themselves, but cancelling out these "C" fairs certainly will hurt the "B" fairs because nobody that is exhibiting is going to dress up a horse for one, two or three or four - or cattle beasts - for four fairs, but with a chain of "C" fairs they do the circuit, they do have them groomed and they're ready to hit the "B" fairs. They've went through the testing of the circuit, they may have assessed their good stock but the judges undoubtedly have weeded them out and they're ready for the "B" fairs.

I hope the First Minister is right that there isn't any interference with the "C" fairs, because I was associated with the Honourable Member from Ste. Rose only last Saturday at Rivers at a "C" fair and probably one of the ones that you would say have been holding their own, not really growing. They've had bigger days and they've had much poorer days, but Saturday was I think a fair that it would be a shame to see cancelled out. And I have many others - Harding, Elkhorn, Oak Lake, right in my immediate circle. If there is to be called one for every ag rep it would cancel those four out and more, and how in the world could you expect, Mr. Speaker, people to show at Virden or at Morris. The mileage they would have to go, and if the prize money was three times as big, there's no way of comparing.

So I just hope that I read tomorrow in Hansard what the First Minister did say, and if there is no interference I am very happy and I'll congratulate him. I am aware that the Minister of Agriculture last year was invited to a couple of "C" fairs that were extremely "C" fairs,

(MR. MCGREGOR cont'd) and as I said at Rivers and I said at other places, as a responsible Minister he maybe did the right act in advising the people to cut down on some of these fairs, but those who are holding their own, are showing a good effort - and there is a lot of work - but the people enjoy getting together. I think you are right, Mr. Speaker, when the First Minister says that you are disrupting rural life, and if ever there was a time we don't want to - governments seem to be famous for disrupting people in their happy state. We listen to Ottawa, their programs doing this, and now it is a threat here. I hope the First Minister is right.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. At this time I would like to identify myself in support of the motion of the Member for Souris-Killarney. I know in my own area in the coming week there is a fair in Rossburn on the 10th, there is a fair in Strathclair on the 13th, one in Shoal Lake on the 14th, and in Russell on the 16th and 17th.

Mr. Speaker, the classification of these fairs is something that many people are wondering about, who makes the decision as to what classification, and many of these fairs, while they realize they are in Class "C", one or two of them may be endeavouring to upgrade their standards to a Class "B". It makes it difficult for the fair boards to make decisions when they get an arbitrary decision handed down by government which in essence tells them that there will be no more grants for Class "C", and they either have to upgrade their fair to a "B" status or else operate without any government grant at all.

Mr. Speaker, in rural Manitoba many of the people want to make that decision themselves. These people that are on the fair boards are all serving voluntarily. Many of them have been on fair boards for many many years and have given untiring effort towards the work of promoting a one-day or a two-day fair, and I would suggest, Mr. Speaker, that people in that category are far more able to assess the situation and make the judgment on whether a fair should continue or not, rather than have the decision arbitrarily made in a government office.

The First Minister talked about the nostalgia of the rural area and their unwillingness to face reality, and I would suggest to the First Minister that the people in rural Manitoba are probably far more aware of the realities of daily life than probably some of the ones sitting in this Legislature.

Mr. Speaker, with these few words I have no hesitation in supporting the resolution of the Member for Souris-Killarney.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I think I should make a few remarks in connection with the motion before us. The Member for St. Boniface is interjecting -- maybe they have some kind of fair on their own, I don't know, maybe he should tell us just what they have.

I feel that the fairs in Manitoba are taking on a different character. We have many areas where the cattle and the horse population has been decreasing for many years and that you cannot bring about the kind of show that was done 15 years ago or so, and as a result you get a different fair altogether, but instead we find that the secondary industries are concerned and they bring in exhibits of their type, manufacturing articles that they build and so on, so that I feel that these fairs are still worthy of support even though it might not involve cattle or horses or so on. We still have the other exhibits, the garden vegetables and so on and the schools are participating. We still have the various clubs under 4-H and I feel that altogether the programs are worthy of support and if we withdraw the support the difficulty will be that much greater for these boards to operate.

I know the Sunflower Festival at Altona has taken on a different character. The Winkler one, or the Stanley one which is usually held at Winkler, is different and I know this has happened over the years, but certainly I don't feel that just because you take on a different character that we should discontinue support. I feel that they should be able to continue, because surely enough if they go into various industries and exhibit their products, this is worthwhile too for people to come out and see. Many people will not go out to a certain industry and go through these industries to see how the manufacturing is done, but they see the finished product at these exhibitions and I feel this is also worthwhile and that we should maintain the grant system for these fairs to operate.

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

MR. SPEAKER: Item 15 - passed.

MR. CLERK: 16, 17, 18, 19, 20.

IV. Resolved there be granted to Her Majesty a sum not exceeding \$9,567,400 for Attorney-General - Resolutions 21 to 27 separately and collectively.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: I would like to comment on one matter that appeared in the paper the other day and I know people have been very concerned. I read . . .

MR. SPEAKER: Would the honourable member address himself to the Chair. Order, please. Would the honourable member address himself to the Chair and indicate which resolution he is speaking on?

MR. FROESE: 21.

MR. SPEAKER: 21? Thank you.

MR. FROESE: Resolution 21 under the Minister's Salary of the Attorney-General's Department. This concerns a corporation and no doubt corporation law enters into this matter. Recently we saw the articles in the paper about Founders Acceptance showing very large losses. People have been losing enormous amounts of money through this particular corporation and I've had people come to me on this matter asking me what could be done and whether anything could be done on this matter. I would like to know from the Minister whether they have received any requests to investigate this corporation, or corporations of this kind where you find these large losses taking place and that people in the province are losing out to the extent that they have.

MR. SPEAKER: The Honourable the Attorney-General.

HON. A.H. MACKLING, Q.C. (Attorney-General)(St. James): Just briefly, Mr. Speaker, in answer to the Member from Rhineland. The question as to adequacy of securities and safeguarding the interests of shareholders or investors comes under the department of my colleague the Minister of Consumer and Corporate Affairs. If there is an irregularity in the maintenance of proper accounts and funds, then that department makes recommendations to the Attorney-General for prosecution should there be such necessary.

MR. SPEAKER: Item 21 -- passed.

MR. CLERK: 22, 23, 24, 25, 26, 27.

XVII. Resolved that there be granted to Her Majesty a sum not exceeding \$2,282,600 for Civil Service - Resolutions 28 to 31 for the fiscal year ending the 31st day of March, 1972.

V. Resolved that there be granted to Her Majesty a sum not exceeding \$1,173,700 for Consumer, Corporate and Internal Services - Resolutions 32 to 38 for the fiscal year ending the 31st day of March, 1972.

VI. Resolved that there be granted to Her Majesty a sum not exceeding \$361,800 for Co-operative Development - Resolutions 39 to 42.

VII. Resolved that there be granted to Her Majesty a sum not exceeding \$3,293,400 for Finance - Resolutions 43 to 47 for the fiscal year ending the 31st day of March, 1972.

MR. SPEAKER: Order. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I'd like to move, seconded by the Honourable Member for LaVerendrye, while concurring in this Resolution No. 44, this House regrets that the government has failed to shift the burden of taxation from the property owner, for our senior citizens, by exempting the first 2,000 of assessment on owner-occupied homes who are receiving old age security and supplement. A private member's resolution approving this principle was unanimously passed during the last session of the Legislature.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I will just make a few brief remarks because I'm sure all the members are still familiar that last year this resolution received a considerable amount of debate from almost all members of the Legislature and it did pass unanimously in this House. We're also all aware that the government two years ago during their election campaign promised to give 2,000 exemption for every property owner in the Province of Manitoba which would have involved a tremendous amount of money, money in the millions of dollars. Our resolution is asking for a very small amount of money; it would not even amount to a million dollars.

Mr. Speaker, the people that have made - I'm talking about the senior citizens - that have made tremendous amount of sacrifices during their lives, saving so that they can retire and live out their own lives in the home of their own, are forced today to be either moved out because they cannot keep up costs of these homes and in many instances they have to subsidize

(MR. PATRICK cont'd) in order to raise the money to pay the tax on the property.

I was in a place today, and I'm familiar with many cases that have come to my attention where people are really - and I'm talking about senior citizens - are forced to give up their own home, which is a very modest house I'm talking about in the neighbourhood of nine to twelve thousand on a 30 or 25 foot lot, and one instance that I can just bring to your attention that I'm familiar with myself, this one lady, she had to grow some garden at the back of her home and sell most of her garden, or whatever she produced on it, whether it was cabbages or vegetables or raspberries, in order to collect so much money each day in order that she can save and be able to pay her property tax.

Now we are all aware that what will happen when total amalgamation will take place, every homeowner will have to pay more tax. We're all aware that - (Interjection) - I would say most - (Interjection) -- yes. I will say the higher percentage of homeowners in Metropolitan Winnipeg, that's the experienced people that have tremendous amount of experience in municipal life that have stated so and have made these statements on many occasions, so surely they must have some experience, they have some background to be able to state such facts. So I feel, Mr. Speaker, that many of the senior citizens are forced to sell their property because they cannot live in it for the rest of their lives.

Now the situation is not too serious when the two people are still alive because with two old age pensions and supplements they manage quite well, but if one of them passes on then the one alone cannot, from one pension and one supplement, cannot pay the tax, the heat, the light bill, the grocery bill, and if they have no other source of income, cannot continue to live in that home. They have to sell it because they just cannot keep up the expenses.

Now I know the First Minister will get up and tell us about the biggest tax shift that we've ever seen in this province and I've heard that story about ten times. This is not what we're concerned about at this time. We are concerned about the tax shift, something that I'm asking is most reasonable, it does not take much money. I'm only asking for the people - it's not universal - I'm asking for the people who already have gone almost through a means test, who at the present time are receiving a supplement, which is a means test if they're receiving a supplement, so surely, surely the government can do as much as to help those people who are presently forced out of their own homes.

The promises that the government made during the last election, I know was in the neighborhood that would have cost 25 or 30 million dollars to exempt \$2,000 assessment on every piece of property in the whole Province of Manitoba. Every pamphlet that was distributed by every member on the government side carried on it a \$2,000 exemption for every property in Manitoba. That's what the pamphlet said. -- (Interjection) -- No, I can't say that the First Minister said it because surely the First Minister must have at that time, as Leader of the Party, have approved or authorized the pamphlet because every member -- but irrespective, I'm not saying that it was possible to have a \$2,000 exemption for every property because it would have destroyed almost every little community, because many of the properties in small towns the assessment is only between \$1,000, \$1,200 or \$2,000. What I am asking for is for some of the people who are really in need right now in small communities in the Greater Winnipeg area, who cannot afford to pay the tax on their wee little home that they have sacrificed many things in life for the family to be able to retire in their own home, and cannot do so today because of the rising, continual rising of property tax and the cost. I remember I at one time figured it out with - I believe it was the former Minister of Health in the former administration - which we tried to figure out how much money it would cost, and I believe it would not cost, would not even cost a million dollars if we're only talking about people receiving Old Age Security and the supplement.

So I hope that members will be able to support this resolution and I hope that the government will be able to act on it. I would have thought they would have acted on it already because last year the resolution passed the House, everybody said well something has to be done, we need it, it's these people definitely need it, and still nothing has been done. But what has been done, if you look at your property tax bill this year you know it's higher than it was last year, and I'm sure that if you look at it again next year it will be higher again than this year, so this is what is happening and there has been no assistance to these people.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, the New Democratic Party in the election campaign of 1969 certainly did recognize that there was a problem with respect to municipal

(MR. SCHREYER cont'd) government taxation, local property tax, and that is why we did fight frankly and unabashedly, I repeat now, we did put forward as point 4 of a four point major emphasis that we would move to transfer some measure, some portion of the burden of the municipal real property taxation on to the provincial tax base.

Now the Honourable Member for Assiniboia makes specific reference to pamphlets which he said were distributed under the authority of the New Democratic Party in 1969, which pamphlets he alleges made reference to a \$2,000 basic exemption on real property tax. I say to him, Sir, that I frankly do not have any recollection that this was in any pamphlet that was authorized by the Manitoba New Democratic Party - and I make that clear again. We did authorize in our pamphlets of that election campaign a statement - which was given considerable emphasis I admit - a statement that we would consider as one of a four-point priority, if elected, to transfer a considerable percentage of the burden of real property tax onto the more broadly based provincial tax base. That is one of the things that we are moving on in this session. We have made provision in the estimates, the Minister of Education could easily elaborate if required to, and it is part of a two-step process, because in the next year we anticipate making yet additional moneys available for purposes of this tax shift.

But I want my honourable friends to be frank and open enough to admit that when we talk about a tax shift that's what we mean, a tax shift and not necessarily a tax reduction. There's an important difference, and we do not want to have our program and our remarks construed when we talk about a tax shift, we do not want it misconstrued as meaning a tax reduction as was the case when we moved to reduce Medicare premiums. We talked about a shift method of paying for medical service and honourable members opposite tried to argue that we had somehow failed because we didn't reduce the totality of the tax burden.

But even arguing the matter on the honourable member's grounds, Mr. Speaker, there is quite a bit that can be said and ought to be said right now. For example, is the honourable member aware that in addition to taking an additional 5 percent of the Foundation costs off of the backs of the municipalities and on to the back of the provincial tax base, in addition to that, we are doing this year, we are making provision for approximately - just offhand I'm just not quite certain - but I should think something in the order of 7 or 8 million dollars for purposes of the homeowner grants to alleviate the tax burden.

In addition to that, does the honourable member realize that Manitoba is one of two provinces in the entire country that has continued to pay the same amount of Social Allowance to old age pensioners even after the Federal Government increased the guaranteed income supplement? The majority of provinces in this country, as soon as the Federal Government increased the amount of the guaranteed income supplement to old age pensioners, the majority of the provinces to that extent receded from their payments under provincial social allowances. Manitoba and one other province made the policy decision to continue paying the same amount to old age pensioners on supplementary allowance in addition to the increase in the Federal GIS, and that surely must be acknowledged, Mr. Speaker, as an indication that this government is aware that old age pensioners do have an onerous time of it meeting living expenses and real property tax burden. So I would say on at least four grounds, for at least four reasons this government is justified in refusing to accept any arguments from the other side that we have not done anything to alleviate the burden facing old age pensioners.

The Honourable Member for Assiniboia has phrased his motion, has worded his motion in terms of reference to old age pensioners and I recapitulate to him -- (Interjection) -- beg pardon? Right, and I repeat to him that there are only two provinces that have made a special effort to continue making the same amount of payments to old age pensioners even though the Federal Government increased the GIS and Manitoba is one of those two provinces. And that's, that's an important point to remember.

Secondly, we have, by means of accepting a larger percentage of the burden of the Foundation Program in Education, the province is taking at least marginally some of the load off of real property tax.

Thirdly, by making provision in the estimates for homeowners grants, this too will have some modest beneficial effect as far as old age pensioners are concerned who have to pay local property tax.

And finally, it must be said that those old age pensioners who up until nineteen, the fall of 1969, were paying something like \$17 a month for hospital and medical care, they are now required to pay something like \$8.30 a month - less than half. So that here too there has been

(MR. SCHREYER cont'd) a substantial benefit for old age pensioners who had to pay a much much higher health premium just a couple of years ago.

Add those four things up and it's an indication that this government has been more cognizant of the income and financial problems facing old age pensioners than the previous administration.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Would the First Minister not agree that old age pensioners receiving the supplement did not have to pay the medicare and the hospitalization?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, there are quite a number of old age pensioners who do not qualify to receive the guaranteed income supplement or the supplementary social allowance but whose income nevertheless, while it was above that line which disqualified them, nevertheless they could hardly be described as being wealthy and they were required to pay the hospital medical premium which was twice as high, more than twice as high as what it is today.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, I would just like to say a word to support the Honourable Member for Assiniboia in his resolution. I remember so well when the honourable gentlemen were over here, every year they came up with a resolution, \$2,000 exemption for senior citizens on their property tax. And the Honourable Minister of Education was always the leader, he was always the leader. I realize that the First Minister wasn't here at that time because he was in Ottawa. But this is the story we heard every year, we got to help the senior citizens, we got to help relieve their property tax, and every one on the back bench over here would say yes, yes, we got to do this, and if we were in power we'd do it right away.

I remember so well the last campaign and I remember the literature that was put out, the very same literature as the honourable member said, and what happened? Two years have gone by. It's true that you've helped some, it's true that you've tried to help, but has anybody's property tax ever gone down in Manitoba? Mine hasn't and I don't think anybody else's has. You might have tried to do the best - we tried to do the best over there too, we tried to extend the grants on education, tried to pick up a bigger share, but every time we did the teachers clobbered us. The teachers clobbered us and the teachers are clobbering you too. I know it, and they're going to continue to clobber us because out in my area right now in the Turtle Mountain School Division they're wanting the same grants as the City of Winnipeg. The trustees are holding out but I know how long it's going to go and it won't make much difference. When the teachers go back to work they'll be getting the same salary as the City of Winnipeg. And this is the story - this is the story. When you're over on this side it's easy, it's quite easy, but when you're over on that side it's difficult. We knew it was difficult, but yet the honourable gentlemen who are sitting over there told us time and time again that we had to help our senior citizens, they're going to lose their homes. They're still going to lose their homes and nothing's been done.

I remember so well at Altona when I went down with the Honourable Member for Rhineland and the Minister of Municipal Affairs was speaking on the propaganda that his party put out last election. When someone mentioned why he was voting for the Uni-city bill, do you know the reason he said? The only reason he is voting for Uni-city is because it was in the NDP platform of the last election. That's the only reason he could give, no other reason but because it was in the NDP platform in the last election. Now I wish he was here today because this is the kind of plank -- it's all right if you want it on your platform but don't put it in unless you are going to produce. This is the only bit of advice I'd like to give you from now on, the next election. If you can't produce don't include it. So let's not speak from both sides of your mouth. This is a simple bit of advice, after having sat eleven years on the government side. It isn't easy, it isn't easy but it's easy to talk, it's easy to talk when you're over on this side because you don't have to produce, you don't have to produce. You don't have to produce and it's fairly simple -- (Interjection) -- Yes, after I'm finished.

So, Mr. First Minister, I'll agree that you weren't here, I'll agree that you maybe didn't know . . .

MR. SPEAKER: Order, please. I would like to suggest to the honourable member that if we are going to have decorum in debate that he address his remarks to the Chair and not to the individual member because that's what gives us problems continually. The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, I'm sorry I wasn't looking at you because it's very difficult indeed to me. I happen to be an insurance agent and when I'm looking at somebody I like to look 'em in the eye. It's always been that way. I don't look over this way, I don't look over that way, I look right there. This is one of the problems I have in here and I always had in here.

Mr. Speaker, from now on when election materials comes out, when election material comes out, it's a good lesson for all political parties because they never know when they're going to be elected. They never know when they're going to be elected. Even the Honourable Member for Rhineland here, he has to be responsible even though he's only got one seat because he could be the next government in the Province of Manitoba. Who's to know? I know what he's talking about. I know when he's talking about Mr. Bennett's policy up there on grants to people that he means something, because I've been up there and talked to people and they're happy every time they run to pay their taxes, their property taxes, because they're very minimal.

And this is the problem. If you're going to say some election time - let's produce, let's produce. Now I don't know whether the government are going to bring this policy in next year, the year before the election, because I think it would be well-timed if it was, but if they haven't got the money I don't suppose they will do so. But it's very important, these senior citizens, to vote in the last election. They soon know what the government's intentions are and I think it is about time the people of the Province of Manitoba know what the intentions were. I believed them when they said they were going to bring in Autopac because they told us, they told us time and again - and I've got a speech on that before this concurrence is over too. I believed them on that because I knew what they were saying, but I had my doubts about the \$2,000 exemption even though the Minister of Education - even though the Minister of Education got up and proposed this resolution, I had my doubts if he was a Minister of the Treasury Bench whether it would ever be brought in.

Mr. Speaker, I don't think there is much else I could say at this time other than support the Member for Assiniboia in his resolution.

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

MR. PATRICK: Ayes and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

MR. SPEAKER: Order, please. The matter before the House is a motion of regret on Resolution No. 44 by the Honourable Member for Assiniboia.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Bilton, Craik, Ferguson, Froese, Graham, Henderson, F. Johnston, G. Johnston, Jorgenson, McGill, McGregor, McKellar, McKenzie, Moug, Patrick, Spivak, Weir, and Mrs. Trueman.

NAYS: Messrs. Adam, Allard, Barrow, Borowski, Boyce, Burtniak, Cherniack, Desjardins, Doern, Evans, Gonick, Gottfried, Green, Hanuschak, Jenkins, Johannson, McBryde, Mackling, Malinowski, Miller, Paulley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uruski and Walding.

MR. CLERK: Yeas, 19; Nays, 28.

MR. SPEAKER: In my opinion, the "Nays" have it and I declare the motion lost.

MR. CLERK: 44, 45, 46, 47.

IX. Resolved that there be granted to Her Majesty a sum not exceeding \$168,717,100 for Health and Social Development - Resolutions 48 to 55, for the fiscal year ending the 31st day of March, 1972.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker - oh, I'm delighted to see that the Minister of Health and Social Development has returned to the House just in time. The tradition of ministerial accountability, I think, would pretty well require him to be here during the second reading of the Estimates for his department.

Mr. Speaker, as a result of the manner in which the Estimates were brought before us, we have been unable to receive any satisfactory explanation of a number of questions which we proposed to the Minister. For instance, we still do not know the source of the unexpected additional revenues of about \$7 million. We are interested to learn of this. This sum apparently meant a net over-expenditure of only \$2 million. We would like to know whether there was an error in the procedures for billing the Federal Government, an error in the understanding of the sharing with the Federal Government, or whether this was due to a renegotiation and

(MRS. TRUEMAN cont'd) perhaps some increase in the Federal Government's sharing.

I think it's regrettable that we haven't been given adequate time to scrutinize the department's expenditures when they have risen over the last two years by 93 percent - an increase of over \$82 million. We notice that there has been increased welfare assistance due to the unemployment which has existed during the past year. The special warrants that were put out for \$6 million, we would like to know whether this actually went into direct aid or not. An Order for Return which was put in recently at this session came back saying that the persons on welfare had risen - I believe this was during the past year from 55,120 to 73,695, which I make to be up 31 percent. Now the Estimates for direct aid have increased from \$35 million to \$50 million. In the 1971 Estimates we voted \$136,693,800, but now in the column showing what is supposed to be the actual expenditures, that sum is stated as \$135,850,800 or \$1 million less. It just is not consistent with the rest of the story. In fact the finances are so scrambled that it's nearly impossible for us to be certain what they represent.

Also, we have received from the Minister no justification for an increase of 336 civil servants. This represents 336 new salaries, and we note that the salaries are up in every program except for some mysterious reason in public health nursing. This is a tremendous increase in people. It's not always necessary to have more people in order to give more service, and of course while there is an increase of a quarter million in the salaries of personnel carrying forward the field services programs, it really isn't necessary to have so very many more people simply to produce more of the direct aid.

We find that every program is expanded and yet we see little evidence of any real intentions to expand the Family Planning Services. Obviously, if the government is finally going to go into this program in any significant degree, they are going to have to hire obstetricians or gynecologists, they are going to have to provide examining equipment and office space and more public health nurses to go out and talk to the people.

MR. SPEAKER: Order, please. I wonder if the honourable member could be of assistance to me. I find myself unable to identify which resolution she is speaking to, and the problem with procedure is that if she is going to speak to all and then make a motion to a particular resolution, we have the problem of having complete repetition of debate as we make motions to each individual resolution as we go on, so I would ask the cooperation of the honourable members to let me know what they are debating.

MRS. TRUEMAN: Mr. Speaker, I am debating Resolution No. 48 and I have pretty well concluded my remarks. I simply would like to call the attention of the Minister again to the six unanswered questions which were handed to him at the time of the Estimates.

- (1) Does the person have the right to choose between welfare and work for reasonable pay.
- (2) How many people are employed by the Department of Health and Social Development as of June 30, 1971.
- (3) What is the true cost of running the Minister's office.
- (4) What was the source of the unexpected additional revenue of over \$7 million.
- (5) What were the true expenditures by this department in the fiscal year 1970-71.
- (6) Would the Minister please table the hospital construction program for 1971 and 1972.

Mr. Speaker, I invite the Minister to reply now, give him the opportunity by moving a motion, seconded by the Member from Brandon West, that while concurring in Resolution No. 48, this House regrets that the government through its handling of the Estimates has failed to allow adequate time to discuss the Estimates of the Department of Health and Social Development and to receive answers to our questions from the Minister as to future programs and policies.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): I don't wish to debate the resolution at length but there are a few questions that I would like to ask of the Minister, and I ask them now because I wasn't able to ask them during the time of the Estimates and it does deal with the administration of the department.

In private conversation with the Minister, I have suggested to him before that the people of Manitoba, I believe, have a right to know what, if any, plan the government has in formulating or forming or recreating or restructuring the society that we live in. It seems to me, Mr. Speaker, when we look at the estimates of the past two years there has been an increase, I believe, of some \$29 million in the last year, or the year before this last estimates, and I

(MR. GIRARD cont'd) think a \$33 million increase in the estimates of this particular department in the last estimates.

This tells me, Mr. Speaker, that in the last two years we have increased the estimates of the Health and Social Services Department by some \$60 million. That kind of increase should not go without an explanation of the direction in which we are going. I think the people of Manitoba have a right to know that we are trying to create a certain kind of society. If it is the kind of society that exists in Sweden, I think our people of Manitoba have a right to know that this is our objective. If it is a society that exists elsewhere, again I think the people of Manitoba have a right to know, because the people of Manitoba are asking where does it end, if not end, where at least does it taper off, because apparently we are still accelerating. If we've had 29 million expended in that department two years ago, \$33 million this year, does this mean that we can expect \$40 million next year? If not, fine, but let's get some kind of idea, let's tell the people of Manitoba where we are going and what we are trying to achieve.

Unless, Mr. Speaker, there is a very satisfactory explanation to this kind of acceleration, I would very much like to see a reduction in the estimates of that particular department. I would like to see a minimum reduction of \$10 million in that particular department and I have a place for it to go, Mr. Speaker. I'm not just saying it should come off, I am not saying we should necessarily lower taxes because the taxes are just too high, I'm saying that there are better places within the capacity of that government to spend that money with more potential and more satisfaction for the people of Manitoba. I'd be very interested to know what the Minister has in mind. Is there a master plan, is there a master plan of some kind that we are trying to achieve? If there is, I suggest that the government has a responsibility to inform its people and, if not, if we are going haphazardly, again let's be frank enough and tell the people of Manitoba we're going, but we don't know just where.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. GRAHAM: Well, I would just like to know, Mr. Speaker, is the Minister going to answer these questions? Has he any intention of answering them?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, during the consideration of concurrence on the resolutions of estimates of spending, it is permissible under the rules and practices of this House to move a motion and to speak to it. The mere suggestion that there are questions to be placed and answers to be given is clearly out of order. That is not permissible under the rules to ask questions and answer questions on concurrence motions as though we were back in estimates. The honourable member should know that.

MR. SPEAKER: The point is well taken. Order, please. I would like to indicate that the point is well taken and this is precisely the issue I raised earlier, and yesterday as well in regard to concurrences. I am of the opinion that concurrences are being called and they are agreed to pass, that we have a motion before us each time one is passed by agreeing and saying passed, and when a person wishes to offer a motion of regret that that becomes then an amendment. Is that the understanding of the honourable members? The Honourable Member for Swan River.

MR. BILTON: . . . the opportunity to answer extensively on behalf of the Minister of Agriculture yesterday afternoon, and surely he's not going to deny the Minister to answer the few questions that were asked today.

MR. SPEAKER: There is no denial of debate to anyone. I'm trying to determine the procedure, and since my impression is that we are in normal debate and a person can only speak once, I would assume the courtesy would be that the honourable member who is being queried would wait until the very end before he would reply, otherwise he would not be able to reply to all questions. Are you ready for the question? The Honourable Minister of Health and Social Development.

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): Mr. Speaker, before actually trying to answer some of the questions that were directed and making my own comments on Resolution No. 48, I was criticized by the Honourable Member for Fort Rouge for not answering questions. I thought I allowed time for members of the Opposition to make their comments of which I took note. I have got notes here that I could speak for two hours just answering comments made by members of the Opposition, and as you know, this is not common practice in this House that when we're dealing with resolution by resolution to

(MR. TOUPIN cont'd) have the Minister go at length answering questions. Insofar as the time allowed for the Estimates of the Department of Health and Social Development, it's not my fault if we had only three hours and fifteen minutes to deal with the Estimates of the department. We could have left maybe more time for that department knowing that it was one of the largest of the Provincial Government. In the few minutes allotted to me, Mr. Speaker, I would like to try and answer some of the questions raised just now and a few others that pertain, that direct themselves more specifically to Resolution No. 48.

The Member for Fort Rouge is questioning the columns, the left-hand columns that do not represent actual expenditures. They represent the funds voted last year, but adjustment to reflect transfer of functions between departments is something that is actually not reflected in the Estimates. Last year's Special Warrants money lapsed at year-end and is not available for carry-over for 1971-72. The member is questioning the actual expenditures. Actually, what I would recommend is that this be raised in Public Accounts Committee if the figures are questionable in the mind of the Honourable Member for Fort Rouge. The additional revenue 1970-71, which the honourable member is questioning, was raised from Canada, from the Federal Government after hard negotiation with the Federal Government, and negotiations for not only new funds but new programs that were accepted by the Provincial Government and then presented to the federal authority, and this meant new funds for the Province of Manitoba. As you know, the Federal Government is cost sharing 50 percent on additional expenditures, so when we had an amount of say \$36 million for field services last year and we actually spent over \$46 million, that meant that we received an additional 50 percent on the additional \$10 million. So that's additional revenue.

The honourable member was questioning the true expenditure for my department, that is for my office as Minister of Health. The figures that you see on Resolution No. 48 are the true amounts that are to be spent by my office in 1971-72. If there is any additional funds required I will have to go for a Special Warrant and this will actually be revealed when my report is presented for 1971-72.

On Resolution No. 48 we talk about the Minister and Minister's Executive Assistants, Special Assistants, and so on. The Member for Fort Rouge was quoted as saying that I had two Executive Assistants. I have one Executive Assistant, one Special Assistant which is a civil servant doing civil service work, and I have a consultant who is doing work not only in the Department of Health and Social Development but equally involved in the Manitoba Health Services Commission.

I cannot give you at this time the exact amount of civil servants as of the 30th of June, 1971, but I will endeavour to get this figure for you in the very near future. When you take in account the civil servants working in the Department of Health and Social Development and in the Manitoba Health Services Commission, it comes close to 5,000.

We are talking of a great deal of money when we're talking of Resolution No. 48 and other resolutions to come pertaining to the Department of Health and Social Development, and yet we are wanting to do much more pertaining to family planning like the Member for Fort Rouge was mentioning a while ago. We're hopeful that during 1971-72 that we will not have to spend the whole amount that is actually allotted in social services and that we will be able to convert some of these funds in a more productive manner - and that would include family planning.

This answers partially the question of the Member for Emerson pertaining to what is the objective, what is policy of government pertaining to escalating costs and expenditures in the Department of Health and Social Development. We're hoping to, at least part in 1971, put out the different pliers that we have pertaining to health problems, welfare problems in the Province of Manitoba and start planning and researching to see exactly where we are and where we hope to go in the future. Unfortunately, when I took the responsibility of the Department of Health and Social Development the planning and research capacity of the department was practically nil. If you want to know where you are and if you want to know where you're going in the future, you definitely need a good strong planning and research secretariat and this is being done in the Department of Health and Social Development.

They're actually looking at the possibility of setting out the guidelines for a demonstration project for GAI, Guaranteed Annual Income, in the Province of Manitoba. We're hoping through this demonstration project, and taking into account the project that they had in the States, that we're able to find the pitfalls of the future pertaining to welfare programs in our

(MR. TOUPIN cont'd) province. We're hoping equally that other provinces will endeavour to demonstrate these projects elsewhere in Canada. The provinces of Saskatchewan, New Brunswick, Ontario, the Province of Quebec have indicated at the Conference of Ministers of Welfare that they wanted to go ahead with demonstration projects in their province. So if we have a demonstration project in the rural area, and hopefully another province like Saskatchewan could have it in an urban area, we could compare and see exactly what this will produce insofar as service is concerned, better service in our province, and equally insofar as the possibility of lowering the cost of delivery itself pertaining to health and social development.

As you know, we have as government policy the creation of health and social development centres. We now have seven of these in the planning stage in the province. This is a way we feel that we can actually have a better delivery system, that we can lower the cost of rendering service pertaining to health and welfare in the province. We're wanting to - and we've actually done this for the last year - wanted to unify the Department of Health and Social Development. We have an Act that was presented, a bill presented for first reading, is up for second reading now that will unify the department, and then in 1971-72 I want to start decentralizing the method of operation throughout the province and I think we can be more efficient and have people, more people involved in the delivery of health and social services, and hopefully cost less.

There was a few questions that were actually brought forth again today by the Honourable Member for Fort Rouge that were actually presented to me the other day when we were discussing the Estimates for the Department of Health and Social Development. (1) was, does a person have a right to choose between welfare and work for reasonable pay. My philosophy and the understanding that is given to the civil servants in the Department of Health and Social Development is that if a person is able to work and there is a job available he should be working. If a person is in need, is not able to work, he should be given assistance to meet his needs.

Insofar as the second question, I will try and answer this as soon as I do get the figures from the department pertaining to the number of civil servants that we have in the department as of the 30th of June, 1971.

The third question I've answered a while ago pertaining to the office of myself and my assistants and other expenditures pertaining to Resolution No. 48, administration and financial services.

The sources of additional unexpected revenue, I tried to answer the honourable member a while ago pertaining to the approximately \$8 million additional revenue that we received from the Federal Government.

The true expenditures of the Department of Health and Social Development for 1970-71 have been actually revealed in the House about three weeks ago. I gave the figures. I've revised them during the presentation of my Estimates and I could give the member a copy of the figures that I gave to the House.

Insofar as the hospital construction for 1971-72, etc., this is something, as you are quite aware, we have discussed in Cabinet, there's been public announcement made pertaining to hospital construction. We're reviewing a lot of expansion to different hospitals of the province, and more particularly construction in the City of Winnipeg, and we're hoping to revise a lot of the proposed construction for the years to come in light of the planning that we're actually encountering pertaining to health and social development centres. So I will not table in the House at this time the proposed construction for 1971-72 as presented by the Manitoba Health Services Commission. This will be done once we look at the program that is envisaged and studied now jointly by the Department of Health and the Manitoba Health Services Commission.

The member was actually talking of the over-expenditure, and especially related to additional civil servants in the Department of Health and Social Development in the year 1970-71 of 23 percent. I would like to refer the honourable member to the fiscal year 1968-69 of your administration. There was an increase in Health of 20 percent and an increase in Welfare civil servants of 17 percent, for an over-all increase of 37 percent.

Pertaining to the over-expenditures of the department, just to make this very clear - and I do believe, Mr. Speaker, that it relates at least partly to Resolution No. 48 - the Administration and Central Services was actually underspent by \$42,000 and Mental Health and Correction was overspent - I'm sorry, underspent by \$758,000; Public Health by \$211,500. A lot of these funds can be used in 1971-72. We didn't have time because of plans and so on to get different projects under construction. Social Services was actually overspent by \$10,328,300 and, as you know, we got 50 percent of that back from the Federal Government. Elderly and Infirm

(MR. TOUPIN cont'd) Persons Housing was underspent by \$72,500; Agency Relations was overspent by \$140,600, which was a total at the time that I gave these figures to the House of \$9,468,900. There were revenues received in excess of budgeted revenue of \$7,015,900, and that figure is revised now because there is an adjusted figure of a million ninety as of last week which makes a grand total of net over-expenditure of \$3,543,000. So of the million ninety there's an additional 50 percent that will be paid by the Federal Government.

The Honourable Member for Fort Rouge placed a question: What is the present judgment of the government in regards to what the ideal bed ratio per thousand in the province, or should be for Manitoba, taking into account alternative methods of health care delivery that are not now being planned such as community health centres, home care, the effect of increased emphasis on preventive health measures, etc. I believe the honourable member mentioned the Willard report. The Manitoba Hospital Survey Board Report stated that in 1969 - I'm sorry - stated that in 1959 there were 6.8 hospital beds per thousand population and that this should be increased to 7.3 beds per thousand by 1965. If the Honourable Member for Fort Rouge obtained these bed ratios from Page 72 of the Willard Report, the bed ratio and bed need projection she mentioned were for the Winnipeg area only. The bed ratio and the bed need projections she mentioned were for Winnipeg, and in 1959 for all of Manitoba there were, according to the Willard Report, 5.7 beds per thousand population and the Willard bed need projection for 1965 for all of Manitoba was 6.6 beds per thousand population. As of December 31st, 1965, according to the 1965 Annual Report of what was the then Manitoba Hospital Commission, there were 6,675 hospital beds in Manitoba at a ratio of 7 beds per thousand population. As of December 31st, 1970, and here I would refer you to the 1970 Annual Report of the Manitoba Health Services Commission, Manitoba hospitals had a total of 6,826 beds, again 7 beds per thousand population. In other words, from 1965, at which time the bed need projection for all of Manitoba based on the Metropolitan Corporation of Greater Winnipeg population estimated at 522,641, again the projected bed needs for Winnipeg recommended by the Willard Report were exceeded.

It should be noted, however, that Winnipeg is a medical centre to which rural residents as well as non-residents of the province are referred for specialized care. In 1969, approximately 74 percent of the hospital days of care given by Winnipeg hospitals were provided to Winnipeg residents; 21 percent were provided to rural residents; and 5 percent were provided to persons from outside of the province. Making allowances for the Winnipeg beds used by non-Winnipeg residents and making allowance for the beds used outside Winnipeg by Winnipeg residents, the ratio becomes 5.69 per thousand population.

We have received advice from a number of recognized authorities in the hospital field in the world, and one such expert has mentioned a ratio of 3.5 beds per thousand population as being sufficient if alternative methods of health care delivery can be developed, and we are suggesting alternative measures like health and social development centres. I believe that the ratio for the whole of the United States now is 4.5 beds per thousand population; for Canada it is 6.9 beds per thousand; in the United Kingdom it is 3 beds per thousand population.

I consider the question asked by the Honourable Member for Fort Rouge to be most relevant to what is happening today. We have now reached a critical point in hospital bed planning where some most important decision had to be made. My answer is that we don't know yet what the ideal bed ratio is for this province or should be. As a partial answer to the Honourable Member for Fort Rouge, I would suggest that we have to be open-minded on this question. As alternative care programs such as community health centres are developed over the next years, their effectiveness will have to be measured most carefully related to hospital beds. Our planning now anticipates that bed needs will be reduced in the Province of Manitoba. The Kaiser Permanente planning in the United States, which you may have heard about, is for 2.5 beds per thousand population. We must look for ways to make the most effective use of health dollars in our province. We must plan for more effective use of the hospital beds and services we now have. We must develop new methods of health care delivery. There must be a continuous search for positive needs and methods to ensure that there is an adequate system of delivering health care which can be met within the province's means.

According to present estimates, if we continue to go in the direction that has become the pattern over the recent years, there will be almost a 100 percent increase in the cost of health care over the next seven years. This is our danger signal. Our citizens, I believe, will not bear taxation necessary to meet such costs in the next seven years. We have, Mr. Speaker, we have to react now to any overburdens or imbalance of hospital beds which are at

(MR. TOUPIN cont'd) a cost ranging from \$40 to \$70 a day, and even for some patients that we have in hospitals today the cost is over \$40 a day for special care.

The policy now of the Manitoba Health Services Commission, with which I concur, is that programs of health care such as community health centres, which are alternatives to active treatment hospital care, must be pursued actively and vigorously in the year to come. Priority is being given to the development of such alternative care programs rather than the continued expansion of more expensive in-patient active treatment facilities. The extension of extended treatment programs and nursing care programs under the umbrella of insured services is also being given close attention. The hospital building program of the commission is now being closely scrutinized to ensure that projects and planning stages will be balanced with planned changes to the health care delivery system, and this is the reason why, Mr. Speaker, that I have no intention of tabling the recommended hospital construction for 1971-72 because I do hope that we can make changes insofar as the additional acute care beds that are planned for 1971-72.

Certain projects will have to be adjusted; perhaps some will have to be completely re-planned and even deferred for some years to come. The members of this House can trust me to make the appropriate announcement of capital programs adjustment as they occur. If the House is in session, I will do it while the House is in session; if not, I'll make press releases so that you can be kept aware.

By the way, there was a question equally I believe, Mr. Speaker, that can relate very easily to Resolution No. 48 which pertains to the Health Resources Program, and was actually accepted by the previous administration at an amount of approximately \$97 million. We have actually surpassed the amount of \$97 million voted around the end of 1966. We are actually looking at the Health Resources Program now. There are four projects that had been given the go-ahead and are now planning. The rest of the projects under the Health Resources Program is being looked at and hopefully we can change some of the proposed bed ratio that they had under the plan in 1966 to reflect the needs of the 1970's.

Mr. Speaker, I don't really know if I will be able to get up and answer other questions, but if I can't, I won't. I know I haven't answered all of the questions but I wasn't prepared for this. If there is any other questions, would you please ask me while we are on the question period in the House.

. . . Continued on next page

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, I think we on this side welcome the contribution made by the Minister of Health and Social Development. I think it's necessary, Mr. Speaker, to clarify one point with respect to the question of estimates and the timing because reference was made to it both by the Honourable Member for Fort Rouge and the Honourable Minister himself, and I don't think that this should be the issue between us at this particular time. The selection of the way in which the estimates were presented to the House was the decision of the government. The management in this matter is the government's responsibility. The members on this side requested . . .

MR. SPEAKER: Order, please. I realize I must allow latitude in debate and reference may be made to many subjects but the resolution before us is 48, which is Administration and Central Services, and I do believe that the Honourable Leader of the Opposition may be straying a little far afield if he's going to discuss the estimates and how they were proposed before the committee. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, on a point of order, I should like to read the resolution itself. The resolution says that while concurring with resolution No. 48 this House regrets that the government, through its handling of the estimates has failed to allow adequate time to discuss the estimates of the Department of Health and Social Development and to receive answers to our questions, from the Minister, as to future programs and policies. And because this was the resolution, Mr. Speaker, and because there was reference, I felt that it was necessary to make my contribution in connection with it, although I must suggest to you, Mr. Speaker, it's my intention not to deal with this issue as such but rather to deal with future programs and policies which the Minister has already referred to in his contribution. But I must indicate for the record, and I think it's necessary, to point out that the management of this was in the government's hands, that the members on this side have asked right from the beginning that an opportunity be given for Health and Social Development to be presented in the early part of the estimates. That request was refused and we have a situation where basically Health and Social Development was brought at the end.

Now the contribution that the Minister has made today, albeit in the answer of a variety of questions that have been given to him, indicates there was no fear on the part of the government that the Minister couldn't handle himself, or the Minister couldn't answer for his department, and why we were denied the opportunity for the kind of scrutiny of this particular department which represents one-third of the total budget of this province is beyond me. And Mr. Speaker, we should recognize that when we talk of \$168 million for the Department, we add to that the Hospital Commission, which I believe is \$105 if I'm correct, then we're talking \$273 million, and so we are talking in terms of a significant amount of money.

Now, Mr. Speaker, the increase in this department over the previous year was \$33 million. The increase that can be expected next year if the same percentage takes place will be \$42 million; and within five years the increase in the Department, or the Department will have increased to \$500 million, or practically the present budget. And while the Minister has indicated that there is probably a period of seven years in which the danger point would be reached, or the significant danger point would be reached, I suggest to you that the danger point will be reached much earlier than that and that we are already into it, and this then goes to the question of government programs and policy.

The Minister indicates that we have to have the planning and research done to be able to complete the work that's required. We have had an opportunity to discuss in concurrence the question of what purposes and programs of the Planning and Priorities group of Cabinet were supposed to be. But, Mr. Speaker, it would seem to me that if we were spending, and I haven't the figure in front of me, \$1 million on Planning and Priorities of Cabinet, why was it so necessary now to have Planning and Programming within the Department of Health and Social Development. Surely the planning and programming that should have been undertaken by Cabinet was the planning and program that would have set the priorities of government spending, which would in fact, identify correctly the programs that should be undertaken and which would have given the thrust and direction that was to come forward.

Now, Mr. Speaker, I do not think that the Minister has correctly presented the Department's position. I think it can be interpreted in a different way and I think it's important to interpret it in a way in which I believe that it has been presented by him today, and so far in this House.

(MR. SPIVAK cont'd.)

The government does have a program. It has in fact set a priority item, and the priority item is in the Health and Social Development Centres that the government is proposing to undertake. And this, Mr. Speaker, appears to be at this point, their answer to the question of the escalation of costs. While they have indicated it is their belief that there will be a better delivery of service inherent in the remarks of the Minister, essentially it is the fact that this is the way in which control will be exercised; and in effect he has indicated now that there will be seven such centres that they are actively engaged in working in now. He indicated that it will be pursued vigorously in time to come, so I suggest, Mr. Speaker, we do have the thrust of what they are intending to do.

We now have the thrust of the policy of the government and, Mr. Speaker, this should be debated. This should be debated and should have been debated in estimates, because we are talking about a judgment, a value judgment on the part of the government as to the kind of programs that should be undertaken. I think it would be very important, Mr. Speaker, to discuss this in great detail with great - at least very detailed examination and specifics being presented by the Minister and with an opportunity for us to debate it by referring to the experience of other areas, because, Mr. Speaker, if in this experiment as some other experiments that the government has undertaken, the government was to fail in their objective, then the kinds of escalation that I have mentioned with the increased cost of \$42 million next year, if the same percentage was to take place, with the increased cost of \$50 million and \$60 million the year after, if this is to happen, Mr. Speaker, the question is, where will this money come from?

And in addition, Mr. Speaker, you cannot discuss the department of Health and Social Development without really discussing the cost-sharing programs with the Federal Government in great detail, so that in fact we have all the information available and understand at this point, the negotiation procedure that the government intends to undertake or hopes to be able to undertake to be able to salvage its basic position and to know what it can anticipate and expect.

We have had -- and I think the Minister referred to it as a demonstration program on the guaranteed annual income -- which I admit is leadership by the government in a potential area which would be an opportunity for a solution of some of the basic problems inherent in our welfare system today. I must say, Mr. Speaker, that in many respects what the Minister is offering is not really what the Speech from the Throne suggested, and is not really consistent with some of the more expansionistic pronouncements that the government has made in this field, but, Mr. Speaker, we on this side would be prepared to support this program and we hope that the government will be very serious about its introduction and will not use the demonstration program as a means simply to test something for a period of time in the hope of being able to hold back for the kind of reform that should be undertaken with respect to our welfare system so that in fact those in need will receive it, those who are in fact disadvantaged will be able to have the benefit of it and the incentive to be able to get themselves out of their situation will still exist.

Mr. Speaker, the Department of Health and Social Development warranted a far greater attention than this House has given to it at this point. May I suggest through you, Mr. Speaker, to the government, that this is one department that requires the kind of consideration in estimates that may take, because it is a third of the budget, 20 hours and that next time the government should show its leadership and show its good management by seeing to it that that department is presented to us at the beginning.

Now the government can suggest to those of us on this side that it's not our responsibility to tell them how to run the show here. That's fine, we don't have to do that but, Mr. Speaker, the Minister of Mines and Natural Resources has often said that my purpose, every time I stand up is to defeat the government and I have simply said to him that his purpose every time he proposes something, or handles something is to see to it that the government isn't defeated. And, Mr. Speaker, if we draw that conclusion then obviously one of the reasons why Health and Social Development was not allowed to be discussed in this House was because, if in fact there was an opportunity to discuss it, the government could be defeated, because in this area, Mr. Speaker, there is far more, there is far more than the superficial examination that is being given here today, or frankly the presentation that has been presented, or given by the Minister today. This requires a kind of -- the kind of scrutiny, and the answers to questions

(MR. SPIVAK cont'd.) that Estimate time allows us, and, Mr. Speaker, we have reached the point in this province where people are concerned about the tax levels; people are concerned about their ability to be able to handle their own affairs, and are concerned about the financial and fiscal capabilities of both the Provincial and Federal Governments.

Mr. Speaker, having indicated to you that we are now talking about \$273 million in this field, when you take \$168 million and \$105 million with respect to hospitalization, when we talk in those terms, Mr. Speaker, when we talk in terms of escalations of \$42 million next year, and the possibility within five years of a \$500 million budget, we are talking about the necessity of a government taking hold of a situation and in fact coming forward with the kind of programs that will pare the expenditures down, will in fact see to it that those in need receive assistance and guidance from government, and those who cannot make it are helped to make it but at the same time to see to it that the program is reformed, as every program must be reformed, so that in fact the costs are not watered to a point that they cannot be absorbed, or cannot be accepted by the people in this province. And so far, Mr. Speaker, with the exception of the Health and Social Development Centres which truly has been proved to be an experiment in other areas, an experiment that has failed so far, has failed so far in accomplishing its over-all objective with the exception of that, Mr. Speaker, we have no, we have no opportunity, Mr. Speaker, of being able to deal -- (Interjection) -- At the end. Well I will tell the Minister because I anticipated it. -- has failed in Eastern Canada where Mr. Tulchinsky or Dr. Tulchinsky has been involved. -- (Interjection) -- Well the Kaiser program I must suggest to the Honourable Minister of Mines and Natural Resources you know you do not work for or represent the Kaiser Corporation or the Kaiser plan. No. The Kaiser -- Kaiser's not a failure. Kaiser is not a failure and for a good reason but do not -- are you suggesting at this point that the Kaiser plan is in fact this plan?

MR. SPEAKER: Order, please. Order, please.

MR. SPIVAK: Mr. Speaker, I suggest that the experiment that has been made already in Canada with this may have contributed some good, I'm not denying that, but, Mr. Speaker, it will not, it will not accomplish the over-all objective of controlling the costs and paring the government program down so that it can be handled within our financial capability and, Mr. Speaker, I suggest as well that the opportunity be given at the next session when we deal with the Estimates to deal with this Department and to deal with this Department first.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, the honourable member said he would permit a question at the end. Would he now permit a question? Mr. Speaker, would it not be open to the Honourable the Leader of the Opposition to say that no matter what department we called at the end of the estimates that we were not getting to, that we were trying to prevent the defeat of the government by not calling it?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the Minister of Mines and Natural Resources would stand up and give a straight answer. Was it not the request of the members of this side that the Department of Health and Social Development be called early, and was that not request made over and over to him?

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: It was made. That's a straight answer.

MR. SPEAKER: The Honourable Minister of Health and Social Development.

MR. TOUPIN: I would like to ask a question of the Honourable Leader of the Official Opposition. Just a question. In the mind of the Honourable Leader of the Opposition was the Planning Secretariat of Cabinet effective pertaining to the Department of Health and Social Development while he was in office?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, this is a very interesting question and I hope that I will be given the opportunity to be able to answer this and the scope to be able to answer this. I say this directly before I commence my answer because the Premier made reference to this yesterday . . .

MR. SPEAKER: Order, please. I realize the Honourable Leader of the Opposition was sort of placing a question to the Chair and the rules still apply. Questions should be pertinent to the debate and the answer should be terse and to the point. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, the Premier indicated that Planning and Priorities when the government took over had a skeleton staff. The truth of the matter is it did have a staff. The question of whether that was a skeleton staff depends on what kind of a body you are going to create. Now I'm suggesting, Mr. Speaker, that the skeleton staff was capable of establishing the kind of priorities that could have indicated exactly the stages and steps that government should have undertaken with respect to not only the Health and Social Development Department but others. Now, Mr. Speaker, if the members on the opposite side suggest that that's not the case, and suggest that it was necessary to expand Planning and Priorities, then fine. You've expanded Planning and Priorities but the Minister of Health and Social Development stood up and said what our problem was that we didn't have a Planning Secretariat within our own department and we are now in the course of arranging to have our planning secretariat established and I fail to see the justification for the Health and Social Development Department establishing its own planning secretariat when Planning and Priorities jumped from \$250,000 in one year, or the year before, to \$1 million for this year, which was a 400 percent rise. The money having been placed in Planning and Priorities in Cabinet, the staff having been increased, the amount of research being done by people who have come in as consultants, and who are doing term work for the Planning and Priorities, would seem to have indicated to me that with the capability of dealing in the two fields of economic and social development and examining government programs, and that could have been undertaken at that stage, it wasn't necessary, Mr. Speaker, for the separation to have occurred.

But, Mr. Speaker, I come back to something else. I do not accept the Minister of Health's statement. I suggest to you that the government has an answer, the government has an answer, and the answer is in the Health and Social Development centres. This is what the Minister is really saying. This is going to be their answer to control costs; this is the real thrust of the government's program. And it would be far better for them to stand up and to say it and to give us a chance to understand it and be able to debate it than to make allusions to it and then for us to wait and see whether this experiment will work because if it fails, Mr. Speaker, the people of Manitoba are going to pay, and pay through the nose.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Rhineland.

MR. FROESE: Yes, Mr. Speaker. I think this Department certainly hasn't received the scrutiny that it deserves with the large amounts of money that are being spent not only in the Estimates but also by the Hospital Commission and the Medical Insurance Corporation. I feel that we should have the budgets of both those corporations placed before us. We've always had them in past years, why don't we have them this year? Because this involves much more money than is indicated in the Estimates before us. The Estimates show 65 million for the Hospital Commission. This is not the total amount. The Leader of the Official Opposition mentioned 105 million, so this is a difference of \$40 million. Where does the difference come in?

I feel that we should have a proper presentation made in this respect that we have a budget for these corporations placed before us so that we know in what terms we are speaking of, because the way the medical insurance is being financed, what's — on a percentage basis when the premiums were changed. Does this still hold true under the new budget? Do the percentages hold true? I certainly would want to know where we stand in this matter, and will the premiums be increased, as they will have to be increased, or how much will the corporation be subsidized from general revenue of the province if there is a shortage, and a shortage was indicated this year. Just what is the shortage going to be for next year and how much will we be subsidizing this very corporation by way of public funds from the Consolidated Revenue Fund?

The same holds true from the Hospital Commission. Here again where are the monies going to come from, the additional monies? How much are we receiving from patients from outside the province? Which monies go toward the payment I take it of the costs of maintaining hospitals. How much are we receiving in this respect? I know there is many people come here from across the line, from the U.S. to hospitals in southern Manitoba for treatment, and this must be quite an amount.

So I certainly would like to know from the Minister and if he can't reply now certainly we should have the material placed before us before we pass the Estimates in total and before we award the total amount required in the Estimates for the Department.

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

MR. CLERK: 48, 49, 50, 51, 52, 53, 54, 55. Resolved there be granted to Her Majesty . . .

MR. DEPUTY SPEAKER: The Member for Fort Rouge.

MRS. TRUEMAN: Thank you, Mr. Speaker. I would like to speak on Resolution No. 55. We have received as of the day that the Health and Social Development Department's Estimates were to be discussed a community health centre proposed demonstration, a blueprint for the forthcoming health and social development clinics. Now I think this subject also needs to be discussed very thoroughly because it is going to represent a major shift not in premiums but a shift in health care, not just the delivery of services but a shift in the actual - probably the quality of care. It is an unproven theory. As a matter of fact if you were going to say that it had been tested at all I think you would have to say that it has been failing.

Now to look at the proposal, I think we could all agree with the World Health Organization's definition of health, that it's a state of complete physical, mental and social well-being and not merely the absence of disease. However it doesn't tell us how we arrive at that happy state and I think that we must realize that to attain this goal we have to give very serious thought and consideration to the provision of adequate food, shelter and clothing. Nutritional problems are very often at the bases of ill or poor health.

Now it said that consumer participation is very desirable in order to preclude such programs from being directly administered by governments. Now it's a fact that in the Board of the Manitoba Hospital Commission this government has interfered to the extent that it has not been able to function properly and within the last two or three days we have evidence of this in newspaper reports. On June 7th in the Free Press, Dr. Tulchinsky said in speaking of -- he was speaking to the Manitoba Federation of Labour. He was talking about the conventional types of hospitals no longer being justifiable. He said: "Hospitals of the older type will not be approved unless they have the other components to go with this." Now this should be a decision of the Health Services Insurance Commission. They make the recommendations as to the needed facilities and so on. This is direct interference by the government.

Now I think that consumer control is a fact of life. We all know that if a customer is not satisfied with what he's getting for his money he's going to go somewhere else and this is a pretty effective control. There is mention of the desirability of very strong involvement from the information that we receive in various ways; so far it appears to us that the government is applying coercion. So far the real consumers have not risen up to ask for any new delivery of services. The government is coercing them into believing that this is so desirable that they must proceed to spend literally millions of dollars in order to save, presumably to save in the long run. Now the appearance to us is that the government is applying pressure and that it's actually withholding funds that had already been approved for hospital expansion as for instance the Concordia Hospital. Our information from newspaper reports, from speaking to people is that Seven Oaks, Mount Carmel Clinic, Concordia, really don't want to change from their original purpose.

Now throughout this document there is great confusion caused by trying to relate the quality of service to the method of payment and this just doesn't follow. The dedicated doctor will do his best regardless of how he is paid, or even whether he is paid at all. The dedicated doctor will make his night calls and will do a proper job regardless of what the manner of his payment is. And this is misleading to say the least to try to prevent this theory in the document.

Now within the City of Winnipeg there are 25 clinics already operating, employing 300 doctors. In the rural areas there are 27 clinics with 150 doctors. Some of them do include some additional services, there's for instance dental services. Well it would certainly be interesting to know whether these existing facilities can be used and have social services added to them or are they to be pushed out of business by the new proposed community health centres.

Now the model that's used seems to be the Kaiser Permanente which is associated with the Kaiser Company in California and I was most interested to hear the Honourable Minister of Mines and Resources and the Honourable Minister of Finance looking as if this was such a relevant model that we should all recognize it and regard it as something to be followed. But the truth is that the Kaiser Permanente in the States operates where there is no medicare system of payment. There is no universal health insurance and the company has set up its private insurance plan so that families for instance, prepay a group of doctors for a year of service. Now if the patient has a choice and goes into this willingly then I think he is more

(MRS. TRUEMAN cont'd.) likely to approve of this prepaid service. However even that model does not provide a comprehensive service and the incentive as I say for a similar plan here has disappeared because we do have universal medicare.

Now the St. Catherines Clinic has been mentioned so often and again held up as an example, a wonderful example of what we should have in Manitoba, and we have been able to talk to people who have had the opportunity to study the St. Catherines Clinic at first hand. Now we find that it has seven doctors, the additional services are one physiotherapist, one optometrist and a nurse who doubles as social worker. Now the public that started this St. Catherines Clinic was the union membership in - I'm not certain which union it was. But our information is that half of that membership no longer uses the clinic. It was built before Medicare and represents about a half million dollar plant and because the people have paid into it when they go elsewhere for their services now, that clinic pays for the service that they get elsewhere -- and we understand that the St. Catherines Clinic is on the verge of bankruptcy. Each doctor who is tied to the clinic represents a cost of about 75 to 100 thousand dollars per annum.

Now on the second page of the document it says that there's very compelling evidence that an integrated pattern of health service is best delivered by a health team, then it goes on. Now because of the great capital and operating costs involved in setting up the proposed clinics, not only in the city but in all areas of the Province, and not just where services are non-existent but where there already are adequate services. For these reasons I think that we have a right to know what that compelling evidence is, and therefore I would ask the Minister to table that evidence for us. -- (Interjection) -- At the top of the page there is now very compelling evidence, well what is it? -- (Interjection) -- This is the paper that was given to us on community health centres about, well just last Wednesday, I believe. If you read the second page of the community health centre of proposed demonstrations. First line -- (Interjection) -- we'd like to know what the compelling evidence is.

Now in reference to the supposed benefits of a per capita system of payment there is mention of a present problem of coverage for acute care but not for extended care. Now it would be relatively simple and perhaps less destructive if this were one of the goals to add nursing home care to the list of insured services, and furthermore the municipal hospitals which do provide extended care services are included in the medicare system now in the hospital medicare system.

There is mention of incentives for the provider and disincentives for the consumer, that is it seems that that the incentive is not to give unnecessary services, and yet we are not told what are those unnecessary services, who decides what are unnecessary services? I think that we deserve to be told. I don't think you can just make statements like that without supporting evidence. For instance there is a mention of unnecessary surgical procedures. I have never yet seen a person who wasn't scared to have a surgical procedure, and they require a lot of persuasion to be convinced that they'd be better off having an operation. It's - I just -- (Interjection) -- Later when I'm finished. I think too if we are going to speak of unnecessary surgical procedures that we have to recognize the fact that hospitals in this province, both in the Metro area and outside it, have put in onus tissue committees that review all pathology reports and, of course, if a doctor is found to be removing too many healthy appendixes - they'll occasionally take one out when you're in there anyway -- he has a lot of explaining to do and he is apt to lose his privileges at doing surgery in that hospital.

Now a statement regarding prepaid group practice programs showing relatively high ambulatory rates also is not true here as it is in the States where such services are not included in Blue Shield. I think that we - perhaps it's because Dr. Tulchinsky has had his extra training in the United States that he may tend to lean a little heavily on the experience that he has had there and it is not really necessarily relevant to Canada or Manitoba.

The capitation payment system in the two clinics in Ontario can't be regarded as proof of its value since one of these clinics is failing. And in Saskatchewan -- where I understand Dr. Tulchinsky had his first experience with these clinics during the withdrawal of services there at the time of the introduction of Medicare -- in Saskatchewan most of the similar clinics have also failed because people are just not interested. I think that when this government made such political mileage by reducing medicare premiums it painted itself right into a corner. Now they are boxed in and with costs rising they have to find a way out and community clinics could be the vehicle for controlling patients' usage and also for gaining control over the medical profession by guaranteeing the payments that are delivered through these

(MRS. TRUEMAN cont'd.) centres and perhaps penalizing the patient who wants to go elsewhere by the patients having to pay his fee if the service is sought elsewhere. I think the patients have a real reason to be concerned and when the Premier was speaking this afternoon about - with such pity in his voice for the elderly, the old age pensioners, and the reduction of medicare premiums for them, and so on, I think he might have taken a little broader look at the whole thing and asked himself whether under these proposed clinics he is going to require those old age pensioners to go to the clinics for their health care and whether they will no longer be able to go to the doctor that they have been going to for many years. -- (Interjection) -- Well, I -- Tell us that, tell us. If you don't tie people into these clinics how are you going to keep them there? -- (Interjection) -

And that's another thing I'd like to talk about. Now everyone -- (Interjection) -- everyone who has spoken here today on this subject has taken a most pessimistic view. The Minister has talked about 100 percent increase in the next seven years. I really don't understand why we should be so pessimistic, perhaps we have to be ready for the worst but I can't imagine that in the period of time mentioned that we could fail to find the causes of cancer, with the volume of research that is being done everywhere in the world surely there will be some breakthrough. Something like one bed in four is occupied now by schizophrenics, and it may be that we have come to understand the problem that causes this, chemical or whatever it is or -- (Interjection) - not yet. And any finding at all could greatly reduce the cost of our health services. We all witnessed this when the cause and cure for polio was found.

There is another way of looking at this, and I think this is something that you have to think about very seriously. When Medicare was brought in, I think it is safe to assume that there are a number of people who had elective surgery that they had postponed. For instance suppose a man had a hernia and he knew that health services insurance plan was coming, it's quite possible that this sort of thing was delayed and that in this first year of complete insurance we may very well have caught up on a backlog of similar types of elective surgery and therefore it's quite possible that the usage has peaked.

In my opinion the proposed clinics, the remarks of the Minister - I notice that in the Tribune on June 30th he is quoted as being most distressed by these rapidly accelerating costs, obviously this rate of increase cannot be tolerated indefinitely -- (Interjection) -- It seems to me that this whole plan just completely contradicts the spirit of Medicare, which was that medical care should be freely accessible and that patient and doctor should have freedom of choice. Now apparently there are to be incentives for not providing services and disincentives for the patient, likely in the form of some additional cost if they go elsewhere. Now it's possible that cutting back on lab. or X-ray examinations, that is that under-service may result in financial gain, but this may very well reduce the quality of care and the accuracy of diagnosis.

The proposed model for community health centres is very large, it suggests forcing your administrators and the medical and allied services suggested couldn't be provided economically for anything less than 20,000 or more patients. Housing all these proposed services might require a one to two million dollar investment in buildings and then we have to ask ourselves whether the staff is going to be assembled within this building and simply sit and wait for people to come; unless the government plans to tie them in to a clinic within their area. So we have to ask and sincerely want an answer as to whether the patients and the doctors are going to be coerced into joining these health centres.

Much of the capital cost of course could be saved by drafting the additional services onto existing facilities. Having to raise a considerable portion of the capital could be quite discouraging for those who have no complaints regarding their present care. I think the theory of a new clinic may be fine, particularly in a new community where no services exist at the present time, but here there has been little or no discussion with the municipalities, for instance, that are developing Seven Oaks Hospital or with professional organizations that will supply the care and it's not certain that even the government knows how to integrate the various services. More importantly still, I think, is the fact that the Federal Government has appointed a new task force to study group methods of practicing medicine. It will be studying the organizing and financing of such groups and the community clinic is only one method to be studied. It may not necessarily be the best and during the period of time that the Federal Government is conducting this study it seems unlikely that they will decide to cost-share a large experiment such as is being contemplated here before their own study is completed.

(MRS. TRUEMAN cont'd.)

I think it would be of some value to look at the present services provided by the Manitoba Health Services Commission and the costs which apparently have led to the proposal of Community Health and Social Service Centres. The annual report of the Manitoba Health Services Commission shows that - it was interesting that 79,000 people were exempt from their premiums during 19 . . . -- that is at December 31st, 1970, and that two-thirds of the residents of Manitoba paid their premiums through an employer. Now the analysis of the increase in cost to \$91,620,465 to a large extent was a direct result of the raising of the minimum wage. Increased salaries represented 7.1 million dollars of that additional cost for health services. Of that, 4.5 million or 63 percent, represented increased salary levels and 2.6 million or 37 percent represented additional staff.

The costs of drugs, medical and surgical supplies was up about a million dollars. Food costs were up. Capital costs were up, just due to inflation, and the average in-patient cost per bed was \$13,330 compared to \$11,809 in 1969. That's up about \$1,500 or an increase of 12.9 percent. The administrative costs were up 2.7 percent, but it's interesting that the average length of stay in a hospital is 9.3 days for the fourth consecutive year. Last year -- (Interjection) -- it's not getting any worse - in extended treatment hospitals the average stay decreased to 15.8 days. The optometric and chiropractic services were included last year for the first time and this represented another \$708,000 -- (Interjection) - there's been a full year? I thought it was a half-year. And the medical services provided were \$7,335,071 at a cost of \$50,202,873. This was interesting to learn for 1970 but I haven't been able to secure any comparative figures for the previous year, 1969, before the two services were integrated and if the Minister could provide us with that so that we will know by what numbers the services have been increased I think it would be interesting and worthwhile information.

I don't know whether the Minister has had an opportunity to study an article which was written by a Winnipeg doctor, Dr. Gellman, and was published in the Canadian Medical Association's Journal on March 6th, 1971, but it explains part of the reason that health costs have gone up so much. He mentions the conflict between the desire to make all the benefits of new medical knowledge available to everyone and our reluctance to accept any further substantial increases in cost. He notes that specialists now number 49.2 percent of all physicians but he also recognizes that many of them do act as primary physicians as well. Between 1953 and 1968, a period of 15 years, the number of consultations had increased by 247 percent, that's between 1953 and 1968, and I wonder if the Minister can give us the percentage increases from 1968 on, particularly during 1970 and 1971.

He notes that there's been a proliferation of investigations as new tools and techniques have been developed but that these investigations have not always been necessary. He says that neither patient -- and I quote: "Neither patient nor doctor is willing to accept a diagnosis based solely on the basis of a history and physical examination." And of course the fear of legal action also makes a doctor want supporting clinical evidence. He provides an interesting analysis on this so-called "free psychology service". This is the cervical smear for the detection of cancer which is generally taken at the same time that examinations are made for family planning services. In 1968 there were 102,000 cervical smears processed for a cost of \$300,000 and to that you would have to add the cost of physicians' services, further investigations, hospitalization and surgery and the direct cost of the program becomes more than \$1,200,000.00. That is four times the cost of the supposed free psychology service. In that period of time 358 new positive cases were turned up and some might lead to invasive cancer but not all and there apparently has been no significant reduction in the number of invasive cancers as a result of the routine Pap smears. There might be a reduction of eight to ten deaths per year as against a cost of \$1,200,000 or \$120,000 per life saved. Now in my opinion anything that saves your life is worth it; however I think we do have to look at these things and try to analyze them and see why costs are so high.

The intensive care unit at the General Hospital has a direct and indirect cost of \$1,215,000 to run and it's interesting to observe what happens to the patients who use it. Thirty-eight percent of them don't survive to leave the hospital; 47 percent died within 18 months and some of those who survived have become chronic invalids. Again, if you're looking at a cost-benefit study, the cost is great and the benefits are limited to a few people. Again, I say can we have it? But let's figure out where the costs are. The treatment for dialysis for instance for chronic renal failure costs about \$10,000 per patient per year in the hospital,

(MRS. TRUEMAN cont'd.) it costs \$5,000 per year at home. Transplantation of kidneys, for instance, costs \$13,000 including dialysis. Obviously no one could afford it unless we had mutual insurance. Of these 50 to 60 percent survive for one year or more and then return to dialysis at five to ten thousand dollars per year. In the United States a study was made which showed that 4,000 out of 40,000 are restored to complete well-being. If that can be achieved perhaps that's fine. At present in Canada the per capita costs for medical insurance is \$55.00 and the hospital cost if \$85.00 per capita and I think this fits in with the analysis of the -- where the costs are that we find in the Annual Report of the Health Services Insurance Commission. Now it's likely that specialization will increase still further and that a patient with several illnesses or several complaints might see one generalist and three or four specialists. This may be better service to the patient but again it quadruples the cost.

The Federal Task Force on the Cost of Health Services in Canada makes the following statement, which I quote: "At some point in the health system there is a need for those concerned to arrive at a philosophical balance between highly expensive services of limited general application and facilities which can be used by greater numbers of people." Apparently the cost of hospital services is growing faster than medical life expectancy which is increasing at the same rate as it was in the 1920's though costs then were only a fraction of what they are now.

There is one more brief quotation I would like to read from Dr. Gellman's article. He quotes a Dr. Cotterell who is writing in The Lancet. It says, "As a result an inordinate amount of effort and technological expertise is spent in intensive investigation and treatment of interesting but usually uncommon conditions and is heroic but frequently unsuccessful attempts to postpone death with little regard to the quality of a life which is being temporarily preserved." I think we all have to agree that the dilemma is not only moral but social, ethical and medical and it may be that the priorities, as Dr. Gellman suggests, will have to be determined by government.

MR. SPEAKER: Order, please. The honourable member has five minutes.

MRS. TRUEMAN: Mr. Speaker, I therefore, on the basis of the need to discuss the proposed changes in the delivery of health care, move that while concurring in Resolution No. 55 this House regrets that the government through its health and social development policies has failed to make clear to the public the manner in which health services will be delivered in the future and whether they will retain freedom of choice as to where they may seek their health care. Seconded by the Member for Brandon West.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Health and Social Development.

MR. TOUPIN: Well, Mr. Speaker, we are dealing with Resolution No. 55, a voted amount of \$63,352,300.00. As I look at the amendment presented by the Honourable Member for Fort Rouge, we have never said that we would take away the freedom of choice of the individual in the Province of Manitoba. I have stated on many occasions that individuals will be left their freedom of choice. That has been made very clear.

The Honourable Member for Fort Rouge is looking at health and social development centres as a big bad wolf trying to take over any existing facility that we have in the Province of Manitoba that is meant to help deliver good, sound health and social development service in our province. The fact of the matter is, Mr. Speaker, is that in the seven projects that we have we are making use of private agencies. As an example, in the constituency of the Honourable Member for La Verendrye we are making use of a private group of doctors. They are building the facility themselves; they will be running it and they will be part of a team. When we talk of health and social development centres we are not only talking of a health team, we are talking of a health and social development team including social workers, doctors, etc.

The Honourable Member for Fort Rouge seems to indicate that health and social development centres have failed in North America. They have not failed in North America because we haven't got any in North America. We have no health and social development centres in North America. We have health centres; we have health centres in Ontario; we have them in Saskatchewan; there's some in the States; we're starting what has actually been tried in England, Scotland and other countries of the world and they have not failed. They have proven to be worthwhile and able to render a better service to individuals and still offering a freedom of choice and lowering the costs of Medicare and of social services.

(MR. TOUPIN cont'd.)

If the St. Catherine experiment has not had the success that we'd like to see it's because the Provincial Government in Ontario hasn't given the blessing that they should have actually given to the health centre in St. Catherines or Sault Ste. Marie. They've only had seed funds only to help them start the individual projects but if this government is willing to cooperate with private agencies, with the cooperative movement, with the unions, etc., with a group of individuals, either doctors or citizens of this province, health and social development centres will be a success and will lower the cost of rendering this type of service. -- (Interjection) -- I don't hope, I know. Mr. Speaker, the only problem with a Conservative mind is that when you look at something new you often don't want to do anything, you just stay there and don't change anything. I think we have the other part of the name of your party which is "Progressive". We're trying to look at new methods, we're trying to make use of the experience that learned from elsewhere, other provinces in Canada, other countries of the world. What we have now today is not good enough. You said it yourself. What we want for the future is something that will be better, not only insofar as services are concerned but like I said a while ago, we just can't see an increase of 100 percent in the next ten years in the delivery of health and social services, even though the Member for Fort Rouge is saying that for the first year of Medicare some people have taken advantage of the plan to actually get things done pertaining to selective surgery and so on. I can't see under the existing method that we have today that we can actually lower the cost of rendering this type of service in the year to come unless we find alternative measures of offering the service, and the only way you will do this is by offering preventive measures in health and social development.

The Honourable Member for Fort Rouge was mentioning the participation of consumers in the health and social development delivery system. We must make the point, Mr. Speaker, that consumers are not only consumers. Consumers are providers of better methods of operation for the future and they should be part of what government intends to do pertaining to any delivery service, and specially when you talk of health and social development. I'm not apologizing for holding back, at least for a short time, funds that were earmarked for hospital construction or hospital renovations or expansion in the Province of Manitoba. I feel it would be unwise at this time in view of the policy that has been announced by this government to let the planning that had been done five or ten years ago go ahead today in the 1970's. I do believe that we have a responsibility as a government to look at the present needs of our province, the future needs, and plan and actually change the planning and research that took place five or six years ago, and this is exactly what we're doing when we're saying that we're holding back some of the funds voted back in 1966 by the Roblin administration.

The honourable member seems again concerned later in her remarks about the outcome of the success of community health and social development centres and what they will offer. What are the clinics offering today when you look at private clinics? What is the Winnipeg Clinic, the St. Boniface Clinic and other clinics in the Province of Manitoba offering? The 25 clinics that we have in the urban centre, the 27 clinics in the rural areas, what are they offering? Are they satisfactory for the honourable member? Is that proof enough of group practice being satisfactory to the doctors concerned, to the individuals, to the patients? What we're talking about is making use of some of these clinics. We want to cooperate with individual doctors or groups of doctors, but to cooperate means that we have to actually deal with a party that is cooperative. You can't cooperate by yourself. It's like a marriage. If you have a successful marriage you have to have a sharing basis. You can't always give, you have to take sometimes. The only thing we're adding, Mr. Speaker, when we talk of health and social development centres, you can take the concept of private clinics that you have today and add social services, all the aspects of social development and you can change the emphasis somewhat and maybe in some cases get away from the fee for service principle that we have today and there you have a great possibility of reducing the cost of rendering health services in our province.

Why would the honourable member insinuate that the government is not willing to give freedom of choice to individuals in clinics? If the honourable member would take maybe an hour or so to study the principle of the cooperative movement in the Province of Manitoba, she will notice that there is a freedom of choice insofar as entering the movement or leaving the movement. The individual would have the same choice pertaining to clinics of entering or leaving, they would have the choice of the doctors available by that clinic. There is actually

(MR. TOUPIN cont'd.) no services that are not now available through the existing clinics in our province that could not be made available through our Health and Social Development Centre and every patient would be free to either enter the plan or not, to accept it or not; but there is a great possibility that if he enters the sphere of operation of the Health and Social Development Centre that he will be able to get better service, better referral to doctors that are not included under the group and actually save a few dollars for the province that I would like to see in the years to come.

The Honourable Member, Mr. Speaker, from Fort Rouge seemed to show some concern regarding the elderly people in our province. If you look at the available services through private clinics today for elderly persons in our province, they are available to everyone. When you take the proposed seven or eight or eventually maybe 20 Health and Social Development Centres in our province they will be made available to everyone; and I as Minister of Health and Social Development today hope that the type of service that will be rendered for everyone will be better than what is offered today and hopefully will cost less.

Is the honourable member, Mr. Speaker, aware of the federal government's policy pertaining to Health and Social Development Centres? Has the honourable member, Mr. Speaker, discussed with the Honourable Minister of Health and Welfare from Ottawa, the policy of the federal government pertaining to Health and Social Development Centres? Mr. Speaker, has the honourable member discussed with other ministers of Health and Welfare in Canada, the trend that practically every province in Canada is taking pertaining to alternate health and social development facilities in Canada. Is the honourable member, Mr. Speaker, aware of the willingness of the federal government to cost share in different types of facilities that we have today? Is the honourable member, Mr. Speaker, aware of the planning and research that has been done by the federal government, by the different provincial governments in Canada pertaining to alternate type of treatment centres in Canada and abroad?

I would like the honourable member, Mr. Speaker, to pursue this matter with persons that we employ in the Department of Health and Social Development, even though one of them is the son-in-law of Mr. Douglas, I don't apologize for that. I'll even hire a good Conservative, and I have in the past. If a person is qualified, if he desires to work for the people of this province, I don't really mind what party he is from. If he's a Socialist, if he's a New Democrat, fine and dandy. If he's a Conservative and he's willing to serve, I'll look at him and if he can contribute something to the Department of Health and Social Development, this will be done. And even Liberals, sure; yes we hire some Liberals.

Mr. Speaker, the Honourable Member for Fort Rouge was asking percentages of increase for services offered through the Manitoba Health Services Commission from 1968 to 1971. I haven't got these figures at my fingertips, Mr. Speaker, but I'll endeavour to get them and supply them to the honourable member.

MR. SPEAKER: Are you ready for the question.

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

MR. CLERK: . . . 55 passed. Resolved there be granted to Her Majesty a sum not exceeding \$5,360,400 for Industry and Commerce, Resolution 56 to 60 separately and collectively for the fiscal year ending 31st day of March, 1972.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye, while concurring in this Resolution No. 57 this House regrets that the government has given lip service only to the development of industry throughout Manitoba and has failed to produce policies, to develop industry and has failed to decentralize government departments and agencies throughout Manitoba on a regional basis.

MR. SPEAKER presented the motion.

MR. SPEAKER: Are you ready for the question. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I think I'll be able to complete it within three minutes. I'm sorry to see that the Minister is not in his seat. It seems to me that we have to expand our economic base. If we are able to provide the necessary funds for the Minister of Health and Social Services, if we are able to provide the funds for other Ministers of government, then we have to expand our economic base and I'm somewhat concerned that the Minister of Industry and Commerce has done in fact, very little as far as industry is concerned in this province. It seems to me that his time has been consumed by such things as CFI, Lake Winnipeg Navigation, Futronics, Western Flyer Coach and some of these things and he has

(MR. PATRICK cont'd.) done very little as far as attracting or bringing new industry to the province of Manitoba.

Mr. Speaker, we have moved resolutions that the Department of Mines or partly Department of Mines or Department of Agriculture could be decentralized in places like Flin Flon, Thompson or, for instance, Brandon, Manitoba and at that time one of the members of government spoke and was certainly against this. So I am somewhat concerned about rural disparity and regional development. There are other areas that we should be concerned. At the present time we know that there are at least 700 insurance people displaced by some 13, 14 insurance companies pulling out of this province. There probably will be more. I think there are things that the government can do. There are things such as establishing an Economic Affairs Office in Ottawa. I think that we can develop our tourist industry that has been suggested by the COMEF report, has been suggested by the Advisory Board to the Government, the COMEF report came out some eight or nine years ago and if you look at the Minister of Tourism's estimates, in fact they are decreased this year, so we are not moving at all in that area.

There is no reason why we cannot initiate provincial incentive grants to have industry locate in certain areas out like Brandon or Dauphin or Thompson. There is no reason that we cannot have some tax credits given for industry to locate in rural areas like Ontario has done and has been very successful. I am concerned when people, when companies like R. C. Baxter are leaving this province and taking with them such very able personnel. There is no reason for this government to expect certain companies to locate their head offices here. For instance, there is no reason that the Canadian Head Office for INCO, for International Nickel should not be located in Winnipeg, in Manitoba somewhere, it may be in Thompson, or it may be somewhere else. With the amount of work that this company is doing in the province of Manitoba, I think the government can make demands on some companies to see that they locate their head offices, it doesn't have to be in Manitoba but at least it should be in the province of Manitoba. One more minute, Mr. Speaker, . . .

MR. SPEAKER: By leave.

MR. PATRICK: It's unfortunate the minister is not here. I think we could also make analysis of things that we import, that if these things could be produced in the province that we should produce them in the province. We should initiate public work programs - and I give credit to the government in the area this winter, what they have done. When you see our river banks, in West Kildonan Park they are falling in, there will be very soon very little of the park left and still we have many people on welfare. There is no reason that we can't create a public works program where we can offer jobs to these people. So I feel that this resolution is justifiable and I hope to hear some of the other members on it.

MR. SPEAKER: The hour being 5:30, the House is now adjourned until 8:00 p.m. this evening.