

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Tuesday, April 29, 1969

MR. EVANS: Mr. Speaker, would you be good enough to call first Bill 15.

GOVERNMENT BILLS

MR. SPEAKER: The adjourned debates. Second reading of the proposed motion of the Honourable the Minister of Mines and Natural Resources and the proposed motion of the Honourable Member for St. George in amendment thereto.

I perused the amendment of the Honourable Member for St. George and it must be mentioned that at the same time cognizance of my ruling on the same subject on Monday of this week was also taken into consideration. I note that the first part of the current amendment before the House in the beginning takes issue with the detail pertaining to Bill 15. I read into the amendment that the Honourable Member for St. George does not favour approval of the second reading of Bill 15 at this time. The phraseology of the honourable member in his motion indicates he is proposing a reasoned amendment, which in accordance with practice as stated by May's Parliamentary Practice 17th Edition, pages 526 and 527 which reads as follows: "It is also competent for a member who desires to place on record any special reasons for not agreeing to the second reading of a bill to move what is known as a reasoned amendment." This amendment is to leave out all the words in the main question after the word "that" and to add other words. I must, however, reiterate that what he asks in the latter part of the motion requires that Bill 15 be held in the House pending a report from the Utilities Committee, which is irregular. The House cannot both refuse to give second reading and refer some provisions of the bill to a committee. It must take its choice. The amendment, in my opinion, carries with it two separate propositions, the first being in order, as indicated beforehand in my remarks. I must, however, point out that the second part, namely "that in the meantime Bill 15 be held in the House," is, as I have said before, irregular and contravenes Rule 84 of this House and as a consequence I have no other alternative but to rule the motion out of order in its present form. Are you ready for the question?

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, on the point of order under discussion I would like to ask a question.

MR. SPEAKER: I must advise the honourable member that I don't believe there is a point of order on my ruling.

MR. CAMPBELL: I know that it is not competent for you to debate the question but I think it's competent for me to ask a question from the point of view of . . . .

MR. SPEAKER: Possibly on a point of privilege.

MR. CAMPBELL: No, from the point of view of presenting an amendment that will be in order. I would just like to ask if Citation 386 of Beausiesne that makes the statement that the subject matter of a bill and the bill itself are two different things, and I'm asking for guidance because quite frankly we want to have an amendment that is in order. I suggest that the only thing for us to do is do what I suggested to one of the new, fairly new members the other day, and that is, submit it to the Speaker in advance. If, however, it's a fact that you have considered this matter then I would not have any alternative, I suppose, but to attempt some other method of bringing the amendment before the House.

MR. DESJARDINS: Mr. Speaker, the speech made by the Honourable the Minister of Finance dealt at length with the financial implications . . . .

MR. SPEAKER: Order please. I believe we must deal with this matter. I have ruled this out of order and I have not put the question on the main motion as yet. . . .

MR. DESJARDINS: Oh, I'm sorry . . . .

MR. SPEAKER: . . . which is now my prerogative. Are you ready for the question on the main motion? The Honourable Member for St. Boniface.

MR. DESJARDINS: . . . say Mr. Speaker, that the speech made by the Honourable the Minister of Finance dealt at length with the financial implications of the high level diversion project which is the subject of Bill 15. It was reasonable though that the Honourable Member for Portage and the Honourable Member for St. George devoted a large portion of their speeches to raising questions about and discussing the implications of the economic and power details of this project. The Honourable Minister did, however, include in his speech factors

(MR. DESJARDINS cont'd) . . . . other than those that are strictly concerned with economics and technical matters. For example, the Minister stated, emphatically, on Page 1554 of Hansard and I quote: "A united and growing Canada needs to take advantage of every natural resource that she has,"

I think Mr. Speaker that the emphasis must be placed on the word "every" because one of our major problems in considering this bill is to make certain that we ensure maximum possible development of all our resources, and I emphasize "all." And I see that the Honourable Minister agrees with me. The concern for the quality of our environment which is implicit in the statement is consistent with the principle put forward by the late Mr. D. M. Stephens which was quoted by the Honourable Member for St. George. I would like to remind the members of the last paragraph of Mr. Stephens' statement, and again I quote: "Manitoba Hydro, with respect to the Churchill Diversion is simply a party at interest. We are not, nor should we be, lords and masters of the water resources of this province. It is on this broad matter of policy . . . ."

MR. EVANS: Mr. Speaker, point of order. Would the honourable gentleman be good enough to tell us from whom he is quoting?

MR. DESJARDINS: Well, Mr. Speaker, if my honourable friend had been listening, I was quoting and I repeated what the late Mr. Stephens said. And I made that quite clear, Mr. Speaker, I'm sure that you understood. --(Interjection)-- What's the rest of my remark? I just said . . .

MR. EVANS: The question I want to ask the honourable member is did the same person write his speech as wrote the Honourable Member from Portage la Prairie's speech?

MR. DESJARDINS: Well, I might say, Mr. Speaker, that there is a -- Mr. Speaker, do I have the floor? --(Interjection)-- Is the Minister trying to muzzle us now? Is that the procedure of this --(Interjection)-- or is it applause? --(Interjection)-- The Minister is making quite a statement here. He wants to emphasize . . . .

MR. SPEAKER: Order please. Order please. I would again ask the indulgence of the House to be patient in order that this matter be dealt with as it ought to be dealt with. The Honourable Member for St. Boniface has the floor. I don't think rude interruptions add anything to this debate and I would prevail upon the Honourable Member for St. Boniface, knowing him as I do, to keep it within reasonable distance.

MR. DESJARDINS: I'll be very pleased to co-operate with you, Mr. Speaker. In fact you're stating that the Honourable Minister of Finance had no point of order and I will continue seeing that I have the floor. As I was saying, when I was so rudely interrupted, it is on this broad matter of policy rather than the details that I would like to speak for a few moments today, Mr. Speaker. It seems to me that Bill 15 not only raises a highly technical issue but also commits us to a form of decision making which does not seem to be clearly in accord with good planning principles. Mr. Stephens made it clear that Manitoba Hydro is a party at interest and that the ultimate decision concerning any project must be made by the government after taking independent advice. The question arising from this is simply, what independent advice has the government taken? What independent advice has the government taken?

MR. ENNS: The best.

MR. DESJARDINS: The best. All right. From the sparse information available to the House it would seem that the extent of such independent studies and recommendation is very limited. In the spirit of Mr. Stephens' statement I refer to studies and recommendations looking at all aspects, including the economic potential of this project, its effect on wildlife, fishing, trapping, recreation and tourist potential over and above the straight economics of hydro power production. According to the January, 1969 hearing, we know that Hydro has not studied any other aspect than the straight economics of power production. Has the government conducted proper studies of the probable effect of this project on the economic potential of other natural resources located in Manitoba's north? The Minister's answer seems to be "no". This government has discredited its own Task Force report of 1968, and my honourable friend just said "we had the best." The only known attempt by this government to study the major area of concern. Of course this task force produced a few rather startling results. Perhaps the Minister could explain why such a report was every conducted, why public funds were spent if the report was to be discredited. But more importantly, could he inform the House of any appropriate information which the government has which would serve as a basis for deciding whether the principle involved in Bill 15 is sound. Such a decision must be based on information which ranges

(MR. DESJARDINS cont'd) . . . . over all consequences of the project, not just those concerned with the benefit cost analysis of hydro interests alone. It is senseless to claim that the government will conduct resource studies after it has been decided to flood. My appeal for such fundamental but broad information becomes more significant when we realize the physical size of this project, Mr. Speaker.

The Honourable Minister of Finance stated in his speech that the area of impoundment will be 2,100 square miles when the project is completed. I think that it is important to put this into some perspective which we can all appreciate. The flooded area will in fact be such that it will be larger than Lake Manitoba - it's not just a little lake - which is some 1,890 square miles in area. The impoundment behind the . . . . Dam in Africa, well known amongst power authorities because of its immense size, is about 1,850 square miles in area. The point I wish to emphasize, Mr. Speaker, is that if flooded, Southern Indian Lake will become the largest man made impoundment in the world. The question, Mr. Speaker, is this: will future generations of Manitobans praise us or curse us for this act.

MR. ENNS: They will -- they'll praise us.

MR. DESJARDINS: They will what?

MR. ENNS: They'll praise us. They'll praise us.

MR. DESJARDINS: Are we certain of this, Mr. Speaker?

MR. ENNS: I'm certain.

A MEMBER: Hallelujah. Who are you?

MR. DESJARDINS: Have you ever heard anything so . . .

MR. JOE BOROWSKI (Churchill): Mr. Speaker, on a point of order. I'm wondering if the Honourable Member for St. Boniface could sit down so we can listen to the robotized jackasses from the other side.

MR. SPEAKER: Order please. I would hope that I don't get any more remarks from that direction as I heard a moment ago. I thought my earlier appeal would keep moderation within the Chamber this evening. I realize the importance of the discussions underway but I would ask all honourable gentlemen to be gentlemen on this occasion.

MR. DESJARDINS: Mr. Speaker, I'm certainly co-operating as much as I can. I don't think that we interrupted the Minister of Finance when he read every single word of his prepared speech and I think --(Interjection)-- yes, every single word, yes --(Interjection)-- In fact some of the members said they had that speech two weeks ago.

MR. EVANS: That he had written.

MR. DESJARDINS: Yeah, that he had written.

MR. EVANS: That he had written.

MR. DESJARDINS: With the help of who?

MR. EVANS: I -- that he had written.

MR. DESJARDINS: . . . -- (Interjection) --

MR. EVANS: I'm the author of my speech.

MR. DESJARDINS: Well, Mr. Speaker, if they want to interrupt this is fine with me. If not I will proceed as you directed because we feel that this is a matter of vital importance to the people of Manitoba. I repeat, Mr. Speaker, not only the question to one arrogant Minister of the Crown there but to all the people of Manitoba, I'm saying will the future generation of Manitobans praise us or curse us for this act. Are we certain on the basis of scientific evidence that we will not be creating the largest man made mess in the world. Let us remember the proposed impoundment would be the first of any significance to be made in permafrost, and this is an important point too. In addition, large areas of forest will be flooded without prior clearing. I feel that we need to hear in detail what the experts have to say about the possible effects and likely cost of these physical factors as part of our assessment of the principle involved in Bill No. 15, Mr. Speaker.

At the moment one cannot help being overwrought at their possible consequences. It is perhaps unfortunate that the lack of information of these matters gives the impression that because the proposed flooding will take place in the north we can ignore its effects. In other words, one could take the inference that if it is going to be a major mess it does not matter because so few Manitobans are likely to notice it, so few Manitobans will be affected. We have, however, the concept clearly before us of developing the northern part of our province. It is difficult to predict how quickly this development would proceed but we all hope it will go well. We all hope that as a result of this development the north will become more accessible to all

(MR. DESJARDINS cont'd) . . . . Manitobans and to visitors to this province. In fact within a year or so a road will connect southern Manitoba with this area. -- (Interjection) -- Mr. Speaker, I wish that my honourable friend would listen to you, if he doesn't want to listen to anybody else and refrain. He's liable to get too excited and he might be carted away again. We have then to consider very carefully the loss of resources and the likely harmful physical effect of this massive flooding. In other words, Mr. Speaker, we have a responsibility to look to the future so far as this area is concerned and to keep our options open, as open as is consistent with good economic planning.

To illustrate this point I would like to draw attention to an area most of us know very well, the Lake of the Woods. This lake is used for power reservoir purposes now but it is controlled in level so that extensive flooding does not take place. From a purely power point of view the effectiveness of this lake would be greatly increased if it were flooded to about 35 feet above its natural level, the sort of increase in level proposed for Southern Indian Lake. If power interests had predominated over all other interests and Lake of the Woods had been flooded to this high level when we were developing power sites on the Winnipeg River, it is interesting to note what effect this would have had. If our predecessors in 1914 had not had the foresight to look at potential recreational and other values, these are some of our present resource areas that would have been lost to man over the last 50 or so years - Falcon Lake, Caddy Lake, Crow Duck Lake, Minaki Lake, West Hawk Lake, Whiteshell Lake, Malachi Lake, Redditt Lake -- (Interjection) -- yes, for the last 50 years or so. Surely we are grateful to the government commissioners in 1914 for their foresight.

The question, Mr. Speaker, is how will our grandchildren view our decision regarding Southern Indian Lake. This is precisely what the eminent Chairman of the Science Council of Canada, Dr. Solan, was concerned about when he wrote his letter to the editor last week. To quote this distinguished scientist, and I quote: . . . . .

MR. CARROLL: Would the honourable member permit a question?

MR. DESJARDINS: Would you mind if I finished this and then you could ask your question? -- (Interjection) -- Could we have a five-minute break for these characters to keep on with their caucus. Mr. Speaker? -- (Interjection) -- You never wrote a speech in your life. You got moved out of the Potato Board and now you're going to get moved out here. --(Interjection) -- Can I proceed now, Mr. Speaker? What's that, Thelma? --(Interjection)-- I can't hear you.

HON. THELMA FORBES (Minister of Government Services) (Cypress): It's okay, you can't read either.

MR. DESJARDINS: I can't read. I thought I was doing a pretty good job according to you people. I wish you'd make up your minds. I'm glad to see that they're so much interested, Mr. Speaker, and if I may I'll continue. I know this hurts but I'll quote this distinguished Dr. Solan again and I'm quoting: "Future Canadians will find it hard to understand the logic of our area which has led us to destroy by flooding so much magnificent territory when alternative power sources were available at so little cost." A little lower in this letter, "I feel that the devastating of so much of the magnificent lakes and river system of the Churchill basin, both above and below Missi Falls, will deprive future generations of Canadians of recreational resources that are even more important to Manitoba than to the nation as a whole. For all practical purposes the flooding of an area such as Southern Indian Lake is irreversible; damage once done cannot be repaired. I hope that before a final decision is reached all possible alternatives will be carefully examined and that in that evaluation the future importance of wilderness area will be given due weight."

MR. SPEAKER: Is that the letter to the editor that was mentioned by the Honourable Member for St. George?

MR. DESJARDINS: Yes it was.

MR. SPEAKER: In other words, it's the same thing over again.

MR. DESJARDINS: That's right. Mr. Speaker, is this government prepared to deny that Her Majesty's opposition has a clear obligation to ensure that all the facts, all the known alternatives are indeed examined, that we as a Legislature must consider the future value of Manitoba's wilderness areas? Mr. Speaker, is the government not interested in proceeding with this Bill? We cannot proceed without the studies, without the facts, without all relevant information. Why is the government hesitating to give us this material? I ask why? Why is the government keeping us in the untenable position of being asked to vote in ignorance? What is the government trying to hide, Mr. Speaker?

(MR. DESJARDINS cont'd)

Mr. Speaker, now at this time I would like to move, seconded by the Honourable Member from Selkirk, that the motion be amended by striking out all the words after the word "that" in the first line thereof and substituting the following therefor: In the opinion of this House, having regard to the seriousness of the matter before us, and in view of the need for full information, and in view of the fact that the Minister of Finance failed to answer basic questions pertaining to Bill 15, and further, that the Minister had admitted that he does not know the answers to these questions (see Page 1560 of Hansard) regarding Bill 15, and further that studies have not been provided to the House to permit members to make a responsible decision at this time on the principle of the Bill, that the subject matter of Bill 15 be referred to the Standing Committee on Public Utilities and Natural Resources for immediate study and report back to this Session of the Legislature.

MR. SPEAKER: Moved by the Honourable Member for St. Boniface, seconded by the Honourable Member for Selkirk, that the motion be amended by striking out all the words after the word "that" in the first line thereof and substituting the following therefor -- Order please.

MR. EVANS: Mr. Speaker, on a point of order, am I to assume that if you read the amendment you are declaring it to be in order?

MR. SPEAKER: That is right.

MR. EVANS: If I may then raise a point of order before you complete reading, it does seem to me that we should give consideration to Rule 84 of our rule book, and bear in mind that where any conflict exists between various authorities that our rules in this House prevail over those of the House of Commons in Ottawa, and in turn those in Ottawa prevail over those of the House of Commons in Westminster, and therefore that our first and ruling authority in this House is our own rules, and I ask you to consider, Mr. Speaker, the bearing of our own Rule No. 84 - I think I have the number right - as it affects the amendment now proposed by the honourable gentlemen from St. Boniface.

MR. DESJARDINS: Mr. Speaker, on this same point of order, I believe that you've already ruled that this would be permissible on the last motion. The only thing that you objected to was that this Bill be held. There's no reference of this at all, Mr. Speaker, and it is the subject matter that we're referring to, not the Bill - and those are different things.

MR. CAMPBELL: Mr. Speaker, if I might speak on the point of order, I would suggest that the point raised by the Honourable the Minister of Finance is right in my opinion in the one regard, that certainly our own rules are what we should look at first, and you made it clear the other day that that's what you had done. But rule 84 says: "Every Bill shall be read twice in the House before being referred to a Committee or amended." The proposal here is not to submit the Bill to a committee but the subject matter of the Bill, and the rule that I quoted a little earlier - or citation rather that I quoted a little earlier, Citation 386 of Beauchesne, makes it quite clear that the subject matter of a Bill and the Bill itself are two different things. I submit that when you consider the two things together that this motion is in order.

MR. SPEAKER: I thank the Honourable Member for Lakeside for his candid opinion and I too would refer him to 386 sub-paragraph (3), which played a part in an earlier ruling. As I see this amendment, it will be for the House to decide as to whether or not it is in order, and from that point on, in my opinion, the Bill will be dealt with. I see it no other way, so I will continue.

In the opinion of this House, having regard to the seriousness of the matter before us, and in view of the need for full information, and in view of the fact that the Minister of Finance failed to answer the basic questions pertaining to Bill 15, and further the Minister had admitted that he does not know the answers to these questions (see Page 1560 of Hansard) regarding Bill 15, and further that studies have not been provided to the House to permit members to make a responsible decision at this time on the principle of the Bill, and that the subject matter of Bill 15 be referred to the Standing Committee on Public Utilities and Natural Resources for immediate study and report back to this Session of the Legislature.

MR. SPEAKER: Are you ready for the question?

MR. EVANS: Mr. Speaker, in gratitude to the Honourable Member from St. Boniface for affording me another opportunity to speak, I move that the debate be adjourned, seconded by the Minister of Consumer and Corporate Affairs.

MR. SPEAKER presented the motion.

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MR. GREEN: Mr. Speaker, on a point of order, and I don't wish to make a great issue of this, but it seems to me that the honourable member has already spoken, and I would refer the Speaker to the words: "In gratitude to the Honourable Member for giving me another opportunity to speak, I move that the debate be adjourned." And I submit, Mr. Speaker that nobody

MR. SPEAKER: I didn't hear the Honourable Minister.

MR. GREEN: You did not hear the Honourable Minister?

MR. SPEAKER: No, I did not hear the Honourable Minister.

MR. GREEN: Mr. Speaker, I would advise you that the Honourable Minister . . .

MR. SPEAKER: The Honourable Minister has moved an adjournment and that adjournment is before the House and I'm putting the question.

MR. GREEN: Mr. Speaker, I'm raising the point of order. I am telling you that that is what the Honourable Minister said in making his motion, and I submit that he can't make a motion after he has spoken in a debate.

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

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Health and Social Services, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

#### COMMITTEE OF SUPPLY

MR. CHAIRMAN: (a) (1) — passed?

MR. DESJARDINS: I think the Minister wishes to answer. If not, we're ready here.

MR. JOHNSON: Mr. Chairman, there was some questions the other day -- the House gets so voluble at times that a fellow doesn't get a chance to get up. I just thought I would start with some of the questions asked last evening if I can try and correlate them.

The Member for Rhineland asked a number of questions which I'd like to try and answer with respect to the phase out of farms with respect to our institutions. What we have in mind is that there is a general trend across the continent to phase out farms, especially in connection with our mental hospitals as they no longer really play a significant role in the rehabilitation of patients. When these hospitals were built in the '90s - one of them started, and both of them I guess around 1890 or so - pretty well every Manitoba family had a rural background and so on, and this was a major rehabilitation resource. Today they don't find that the farms, probably with the capital investment today that will have to go forward into such major institutions such as Brandon and Selkirk, and the fact that the community is now infringing on the outskirts of these hospitals and this land is becoming more valuable with respect to extension of the community generally, and where large capital investments would have to be continued to be put in to maintain these farms and they're not serving this rehabilitation resource, and being on the borders of communities, we thought that especially with our two major institutions at Brandon and Selkirk that a committee with our staff, the Department of Agriculture, Industry and Commerce, Government Services and Management, should go about the best method of phasing these out, and of course each one would be phased out at its own pace. We're out of certain operations in some of these farms now as to what we were in the past. They aren't serving, as I say, that rehabilitation resource that they have in the past, and at the present time I can inform the member that in our three institutions at Portage, Brandon and Selkirk, there are 45 farm employees in the estimates. The cost of operating these farms is \$437,000.00.

With respect to the Homes for Boys and the Headingly Institution and Portage, I think we intend to go more slowly there in a phase out, and possibly look at -- they're looking, with respect to the Home for Boys, of a horticultural type of activity that might be used as an occupation resource to the boys there, and some training on heavy equipment and so on could be done without operating a large farm. This, I might say, has been under consideration for many years and has only come about as the result of the cost-benefit ratio over the longer haul, and also the activities.

With respect to another question he asked, the matter of the hospital budgeting procedure,

(MR. JOHNSON cont'd) . . . . I would just tell him that in accordance with Section 21 of the Hospital Insurance Act the Executive Director of the Hospital Commission is required to examine each hospital's budget annually, that is that's licensed under the Act, and the budgets of the individual hospitals are submitted to the board for approval, and following approval of the Board, each hospital board, the budgets come into the Commission usually around October 1st each year and they're subjected to a detailed study, scrutiny, by the finance division. During the review of the budget the division use criteria developed by the Commission over the years for the equitable distribution of available funds, and as I indicated last evening, briefly, such criteria include the studies of prevailing salary rates being paid in hospitals and other industries, the numbers of staff per unit of work, supply cost based on the collective experience of hospitals by hospital bed size. This often gives a guide as to the varying costs. As well as these criteria, the finance section is continually referring to the hospitals past experience, the availability of staff and so on in certain cases being a factor. After that the Executive Director of the Commission forwards his recommendations to the individual hospitals in accordance with the Act and at this point the hospitals have a right to appeal to the Executive Director for further consideration. It's again reviewed at that point and the revised proposal may go forward to the hospital at this time and should they still not be satisfied, that is the hospital, they can again under the Act appeal to the Commission Board itself and following that review the Commission makes a regulation establishing the rates of payment for the year. And at the year's end -- and we've explained this I think before -- the hospital may submit an audited financial statement for the purposes of a deficit adjustment if some unusual occurrence comes up or something that was overlooked in the past, and these statements are again subjected to detailed scrutiny and provided the variances from the approved budget can be justified, additional payment may be made to the hospital by the Commission.

In arriving at final year-end approved costs legislation provides for the same appeal procedures as explained a few moments ago. The Hospital Commission of course employ a group of consultants in the various fields, laboratory and x-ray, nursing, pharmacy and so on and these consultants are continually visiting the hospitals throughout the province and standards are reviewed at this time. I could point out that that really is the routine carried out by the Commission with respect to hospital financing. I could say at the same time that -- he wondered about hospital autonomy and what autonomy has a local hospital. As he probably knows, before hospitalization came in the hospitals for many years were operated under a provincial licence that all that was required then was to maintain a -- or I shouldn't say "all", there was a provincial standard -- that adequate standards were maintained and of course with the introduction of universal hospitalization and since then -- I believe since the introduction of the plan and the experience in the past ten years -- the relative roles of the hospitals and their boards and the Commission have been defined more adequately and the relative positions are well known and understood. In today's terms a hospital's program is planned by its administrator in concert with the doctors and the employees, the nurses and other personnel and hospital board members, hospital association officials and by the Commission, and the collective charge really to all of these is to develop the unified approach by all hospitals to a rational program of services. It is really the Commission's objective to meet all reasonable costs of providing insured services to insured persons. This doesn't mean, for example, that hospitals are authorized to provide service without regard to costs and before careful analysis, and the Commission accepts this role as the agent of the taxpayer and their elected officials in the provision of services and the corollary responsibility of interpreting the hospitals' need to the government. At the same time these must be demonstrated to be real and reasonable and there must be of course the assurances that boards and administrations are making intensive concentrated efforts in applying their knowledge, skills, experience and ingenuity to keep costs at a reasonable level. My experience has been and latterly it is my position that there is a great deal more understanding of the respective roles of those who are setting the budgets; the consultants are well known to the people in the hospital field, they have a rapport, and I think the continued questioning and interest of boards, individual board members and boards as a whole in the Association certainly keep the Commission busy answering questions and meeting their demands.

But with respect to the local board, the hospital operations and costs remain within the control of the board, with the administration and medical staff. The board have the ultimate responsibility in admitting a patient and the treatment the patient receives. The board

(MR. JOHNSON cont'd) . . . . determines the operating program and is on the spot to detect trends which deserve immediate attention. The board is in an excellent position to determine its staff, if staff are used most effectively, to insure that they're adjusted in times of fluctuating demands for service and they really have their fingers on the pulse of the community services of the hospital. Such boards are autonomous in dealing with other hospitals in their areas; prevent duplication of facilities and explore economies, and they do this through group purchasing as the honourable member may know -- different hospital associations has given impetus to this. The board can intelligently keep the community informed about the services, scrutinize and take steps to curtail over-expenditures if they think that is the case in specific areas, and generally they are charged with the task of measuring the efficiency of their facility and their operation. I'm sure that the experience in our province has been on balance and certainly very good in that board members have exercised very excellent judgment over the past several years, certainly since the introduction of this plan and well before that.

The board representation -- the honourable member brought out interesting figures relating the discrepancy between the number of members on a board and the equalized assessment of an area. This is covered under The Health Services Act where the regulations setting up the district, the name of the district and the representation is provided for under that Act. It spells out the numbers, the terms of office and the number of the members of the board and -- there may be members at large -- power is given under that Act for a board to do this and another section provides that on request from the board by resolution and with the consent of the included municipalities a Minister may by regulation alter the number of board members or the representation of the included areas thereon. And really what happens in practice, this is a matter which generates from the board itself, and generally speaking the size and representation of a hospital district board is determined by the wishes of the people of the district, of the included municipalities. It takes in the size of the population, assessment of the various areas and very often the municipality in which the hospital is located may have a greater equity in the hospital and then has higher representation. And any alterations, as I mentioned, of the board membership are covered under the Act.

The member also asked, and it was raised again in the House today in connection with the Annual Report. I asked the Commission for the -- as you know in the Annual Report it shows the program that was completed in the previous year and referred to the projects for the coming year and in concert with their responsibility of developing an over-all integrated hospital program for the province. The projects as of January 1st, of this year now underway include Manitou, Morden expansion -- they're both expansion projects -- Neepawa, a new health unit building; Notre Dame expansion; Portage la Prairie, renovation of lab and x-ray; Virdein, new health unit and renovation lab and x-ray. That's in the rural areas. In Winnipeg the Children's had renovations - Children's Hospital, intensive care nursery; the Victoria General Hospital - this is the new facility; and the clinical investigation unit at the Winnipeg General. And in 1969 there's a new laundry facility planned for Dauphin, expansion at Flin Flon; facility at Gimli; Killarney, minor renovation and addition; Lynn Lake -- this is the new hospital required in that community; Russell it's a new 38-bed hospital; St. Pierre, expansion and renovation; The Pas, renovation and expansion. And within the Winnipeg area there's the Children's Hospital planned expansion; Misericordia, the Winnipeg General and some very minor projects. And then in the planning stage for the following year they have another group. These are the groups that were referred to in that address.

I would like to point out while I'm on my feet to the Honourable Member from Rhineland, I think he probably missed my remarks concerning the Canada Assistance Plan. I'd be happy to get him the Act. I think it's available and certainly a public document. There are four sections to that Act. I think I've dealt with this before but I could briefly mention that the Canada Assistance Plan has four parts in which the provinces must sign agreements and we have signed three of the four agreements, namely: the general provision -- the mother's allowance type of case is another section of the Act, Section 4 I believe. Section 3 is a work activity section and we have signed agreements under each of those sections to claim sharing for certain programs we are now operating. Part 2 deals with Indian health services, or welfare services to Indians and this is the matter I explained to the House would be meeting with the National Minister this fall following some joint studies.

With respect to the social service audit, I'm advised that this has been delayed -- I was advised about a month ago or three weeks ago it would be delayed somewhat. I'm not just sure



(MR. JOHNSON cont'd) . . . when it will be received but when it is received certainly all MLA's will receive one, I understand, on production. This is a very extensive audit that's gone over a few years now involving all the voluntary agencies in the field and looking at duplication of services, maybe services have grown like topsy. I understand how they may integrate these services and I can honestly tell the honest minister I haven't seen any of the drafts of the social service audit so I can't enlighten them other than to say I think it's going to be a very significant document. We have contributed toward that audit along with the Community Welfare Planning Council and all the agencies.

The Vaughan Street facility. I believe many of the members have seen the renovated facility but I would like to say if the members could indicate their desire I would be happy to take those who may be interested if they'd leave their names at my office over the next four or five days, I'd be happy to arrange a visit.

With respect to the social allowance the same needs test is applied both rural and urban. With respect to -- I believe the honourable member mentioned a widow who had no children but could get no assistance of any kind. I'm not just sure -- I'd be happy to look into any specific case. It would be hard for me to judge where this would fall under the program. But it would seem that it may be a healthy adult woman who may just need counselling and assistance in finding employment or it may be a case of physically handicapped. This can be looked into.

The other question he asked was re children under 18. Under the social allowance program a child under 18, or over 18, and who are members of a family receiving social allowance, assistance is continued to these children over 18 provided they are enrolled in a vocational course on a regular basis or in university attendance. This is up to the maximum age of 21. You usually find you're giving assistance to these children until their eighteenth or nineteenth birthday by and large.

The honourable member asks a very interesting question concerning housing. This is a subject in itself and I imagine now is as good a time as any to say a few words, although I could maybe enlarge on it at the time we come to that particular item.

The Manitoba Housing Renewal Corporation is beginning to develop a housing program. It's a little larger than the \$474,000 shown in the estimates and suffice it to say that generally speaking practically all capital financing is provided by an Act of the Legislature. At the last sitting, 8.3 million was voted for the use of the Corporation, 5.3 for housing and 3 million for urban renewal. The 474 shown in the estimates, \$474,000, covers such items as rental subsidies, the costs of studies and preparation of urban renewal schemes, and one-third of the corporation's share of the capital cost and implementation of urban renewal projects. The Corporation has worked with a number of municipalities in the past year trying to develop a suitable housing program. To date it appears that Brandon and Selkirk are the furthest advanced with their proposals, and Portage la Prairie close behind. It's expected that other municipalities will begin to carry out the necessary investigations to determine their need. The City of Brandon is proposing 50 units of public housing, which in proportion to its size is more than the present public housing in Metro. The Town of Selkirk is requesting 25 units, and they expected that the Corporation will be providing another 25 units at Selkirk without municipal participation to assist those families from the Interlake undergoing trade training. This is in connection with the ARDA Program.

The City of Winnipeg has continued to provide all the public housing in the Winnipeg area, and they're proceeding right now with the latest - 90 units I think are up for tender in the Burrows-Keewatin development. I'm optimistic that these programs now getting under way are but the beginning of a continuing effort to provide more and better housing for families in Manitoba. I sound one word of caution since the programs mentioned still require agreements to be signed with the Federal Government and the word from Ottawa is that public housing is not always being approved, particularly if they're very large. I think I touched on that and until we hear the final results of the Task Force we're not sure what the attitude will be. But I've been assured by the Housing Corporation that in our case every effort will be made to ensure that where ever possible houses are built they'll be blended with the community. This will not only assure quick approval from Ottawa I believe, but will also ensure the best accommodation. And as you know this year the government has given the authority to the Corporation to proceed with the development of 100 full recovery units in the Metropolitan area. It's a trial program, that if it proves at all successful it may or may not see further proposals

(MR. JOHNSON cont'd) . . . . made - not only here but other urban areas.

In remote areas, I mentioned that we're in concert with the Federal Government, we're embarking on a trial program to try and develop some housing in remote areas, and a two year program involving enough houses in various locations has been adopted as the best means of testing the program. During the first year it will only be possible to build the houses while the second year will give an opportunity to assess the program. Fifty homes will be built this year in five communities, and 50 next year, and we've picked these sites in concert with the Metis Federation and the Corporation has engaged a firm of architects who carried out a study of housing in remote areas for CMHC, and the purpose is to use the knowledge gained by these people in their investigation to produce a prototype home that might serve a wide range of purposes. This is a "first" in Canada, and we're following the development with great interest of course. Under that program the CMHC provides a mortgage for 75 percent of the cost of the home, with our Manitoba Corporation providing a mortgage for the remaining 25 percent. The family obtaining the house is required to make a down payment of \$200.00 in cash or labour on the house, and the monthly payments are based on the family income with CHMC, and the Manitoba Housing Corporation subsidizing the rents as required on the same sharing basis as the mortgage - 75-25. And in addition to these the Corporation purchased 16 mobile homes and located them at Thompson. These have been rented at cost to families who have been squatters living outside the townsite, and the families are being assisted to adapt to the modern community, and training programs have been in there. The Member from Churchill is aware of this development, and we think it's going to prove most helpful in assisting people moving into that community to become acclimatized and to become familiar with the modern living in these units. We have a domestic worker assisting the ladies in the home, and this is being operated by a committee at the townsite, including the Mayor of the community, our staff members and representatives of the Metis people.

In addition to housing, of course, the Manitoba Housing and Renewal Corporation is responsible for the provincial involvement in urban renewal, and as a result of the Task Force the urban renewal program may undergo some changes; some urban renewal studies and scheme preparations may be curtailed or modified. We still have a large commitment in the Lord Selkirk area. Total estimated cost of the renewal there was \$8,750,000 and to December 31st, '68, \$6,129,000 had been spent, leaving a provincial involvement of \$661,000 roughly, of which an estimated \$150,000 will be spent this year.

The City of Winnipeg has completed the preparation of an urban renewal scheme for the area adjacent to the Centennial Centre. They have asked the Corporation and CMHC to share the cost. The total estimated cost is \$10.7 million of which the Corporation is asked to accept 25 percent or \$2.6 million over a period of 8 to 10 years, and it's estimated that the Manitoba Corporation will spend \$423,000 this fiscal year.

The City of St. James is completing an urban renewal scheme for the former Town of Brooklands. If the scheme is implemented this year it is estimated that Manitoba Corporation will contribute \$220,215.00. It's expected, frankly, that with the programs outlined here, and with other programs undertaken within the year that the present capital authority for the Corporation will be used, and in order to complete all programs contemplated, in order to provide for making arrangements for programs the following year, the government will be introducing a bill later in the session to provide additional borrowing authority for the Corporation.

No additional money is being requested in housing in the estimates for rental subsidy for units not yet constructed, since such subsidies of course will not be required till next year. However, it's recognized that commitments made this year will result in some increase in subsidies next year. Because of the long periods required to determine exact needs, call for builders proposals, consumation of agreements with three levels of government in construction of houses, it takes a while before all the efforts begin to show results. However, I believe that as these materialize the effect will be noticeable.

I think that deals roughly with some of the matters before us. I could review for the Committee just briefly that in partnership, 75-12 1/2-12 1/2, that's the partnership agreement under CMHC, 165 units in Burrows-Keewatin have been supported by the Corporation; 328 units in Lord Selkirk Park, and the Burrows-Keewatin expansion of 90, for a total of 583 units, representing a total cost of \$8.7 million. The new program, the Rover . . . housing that I referred to, the 100 homes there will be 200 when it's complete. The City of Brandon,

(MR. JOHNSON cont'd) . . . . Town of Selkirk - the Town of Selkirk re Manpower Program, that's another 25 units; City of Portage. Provision for additional units in Brandon, Selkirk and other towns that we foresee - 100 units. And the full recovery housing in Metro and Phase I - 100 units - will be covered as I understand with the appropriations now spent, and then plans for the coming year will come under the additional borrowing authority that is being sought. I know while these sound like infant steps to some, I do feel in the last several months there has been increasing activity.

With respect to Elderly Person's Housing, however, I should point out to the House that that's one of the programs -- I was a little surprised at the Member from Burrows in a sense that we've had one of the most successful elderly persons housing programs in Canada. It caught the eye of Task Force, it caught the eye of people who have spoken to me who are familiar in this field. Since 1959, in co-operation, of course, with voluntary groups, churches, service clubs and municipalities, they've provided more elderly persons houses per capita than any other province in Canada. During that period more than 6,000 elderly and infirm persons housing accommodations have been provided. Half of which are housing; approximately 2,500 are hostel, and approximately 490 are new non-proprietary personal care home beds. The total value of that accommodation is in the neighbourhood of \$30 million; and by the end of the fiscal year the total accommodations for elderly and infirm housing will have increased to over 7,400. This is a big year for us with the several projects which have been approved and are in your current estimates. In fact in the coming year the capital authority is over one million dollars - that's \$600,000 in these estimates and the carryover of \$400,000 from last year. It's interesting, in the 1,400, roughly, beds under that Elderly Persons Housing Act - not beds, but the units that are coming up this year - 477 elderly persons housing units, 648 personal care beds and 255 hostel type of bed. And I cannot speak too highly, of course, of the tremendous involvement of the community in this program, without which it would not be as successful by any stretch of the imagination to that which it actually is.

I listened with interest to the Honourable Member from Logan. I couldn't hear him quite clearly and I thought he said rural area 2 for a while, but I realize, of course, that he was talking about urban renewal area 2 which, really while the study has been made, the scheme has never come through for approval. The study has been made but the scheme has not gone forward. I understand it is because the question of the Midland Railway property running through the middle of that urban renewal area was not resolved and while we have co-operated fully with the city in preparing the scheme and in the study, we haven't heard more from the city in developing that particular scheme, and it will be interesting in that connection to see what the recommendations of the Task Force are for future schemes of this nature. Certainly we want to thank the honourable member for his contribution to the debate and the concern he has expressed for that important part of the city.

I think these were the major questions that were asked of me last evening. I've talked a little longer than I had intended but I did want to answer some of the important questions which were brought up last evening, and I'm prepared to do my best to answer further questions, problems or suggestions or criticisms which the honourable members have.

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MR. CHAIRMAN: The Honourable Member for Elmwood,

MR. DOERN: Mr. Chairman, there's just two areas that I would like to deal with at this time from this very extensive department. (1) The question of the optometrist and another one on the mediplus ad. -- (Interjection) -- Am I coming in now? In regard to the optometrists I think one of the interesting questions that I think will arise in the minds of the public is the question of whether or not, since optometrists are now part of the Medicare plan, whether the price of glasses is going to go down. Anybody who has been to an optometrist in the past few years realizes that the price of glasses is getting to be astronomical. When prices ranging in the 30, 35, 40, 45 dollar range - not for any uncommon type of frame but for what one would consider to be, shall we say, contemporary or of the day, and without any special effect - then I think it's time that we looked at the question of the high cost of glasses.

If optometrists are now going to have the charges for eye examinations paid by the government plan, the question I ask the Minister is is the price of glasses going to go down by a corresponding amount? For example, are we going to separate the examination of eyes from the filling of the prescription? If you look at the medical profession itself, a doctor who prescribes drugs does not in fact fill the prescription. -- (Interjection) -- If he owns a drug-store that's right, he does. Similarly, an eye specialist or ophthalmologist who does eye examinations, then passes on the prescription to the person having his eyes examined, who then goes to an optician and has the prescription filled. So I think this is something that the Minister should give us some information on, because it seems to me that if the price remains the same, and if we are now paying for the eye examination, then in effect what is happening is that the price of glasses is increasing still further, and is getting into the \$50.00 range and beyond which is simply, in my opinion, exorbitant.

I raised a question not too long ago with the Minister of Consumer Affairs but the Minister of Health and Social Services is just as directly connected with it, the question of the Mediplus ads. The Corporation has been advertising in an extensive campaign of billboards and mailings, etc., for some time now and their advertising runs along a line indicating that they're going to pick up the cost of prescription drugs, nursing care, ambulances and so on. It's going to pay in effect the costly extras. But when one reads the fine print you find out that this is not the case at all, and I think that the Minister of Health has been rather slow to act. I don't know whose direct responsibility it is, I suppose it's shared by him and by the Minister of Consumer Affairs, but they promised us that they would look into this question, that they were speaking with the United Health Corporation about the Mediplus ads and that we were going to get some action.

Mr. Chairman, that was several weeks ago, and the ads continue to appear in unaltered form in newspapers and in mailings exactly the same. I don't know how many more weeks or months we can tolerate this situation. If the Minister of Consumer Affairs feels that this advertising is misleading - he admitted that there had been complaints, that as some of the members of the public put it there were deterrent fees being charged by United Health Corporation - and question is why is it taking so long? It also seems to me that the government need not have waited for complaints, that we drew this to the attention of the Minister, the public did, and I raised it in this House. It seems to me that these ads were obvious from the beginning, that the Minister of Health or anyone else could recognize that no corporation could, for the very small premiums of 55 cents for a single person or \$1.65 for a family, could possibly cover the costs that were indicated by the advertisements. When one looks at the plan in detail of course you find out that they'll pay 80 percent of eligible expenses - not all expenses, that there's a deductible of \$25.00 an individual and \$50.00 a family, and that there are all sorts of exemptions and that the most that one can pay for a family is one seventy-five a year and so on. Well, from reading the advertisements without reading the fine print in the pamphlets, one comes to a rather different conclusion. So I think this is something that calls for an explanation on the part of the Minister - why they were slow to act, why we still have not had any action on this matter, and when the ads are in fact going to be changed.

The Minister provided me with some information which I asked him for in the House. He indicated that the board that runs the United Health Insurance Corporation is mainly composed of physicians and a few citizens of the community, but it appears to be almost identical, at least in my judgment, to the MMS Board and it seems to be a, you know, a direct link with MMS. Some of us think that the main purpose perhaps of the United Health Insurance Corporation is to cover that 15 percent extra billing charge, that one of the major reasons for the

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(MR. DOERN cont'd.) . . . . . setting up of this corporation in its present form and under its present coverage is for the future, to first of all attract a large number of the public and then later on to provide what they might consider the main coverage, namely the 15 percent extra billing charge, so that the average citizen would then be drawn into the plan and the doctors would receive that extra charge.

So, Mr. Chairman, these are the two areas that I wished to raise at the present time and I look forward to hearing the comments of the Minister on them.

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MR. CHAIRMAN: The Member for Birtle-Russell.

MR. HARRY GRAHAM (Birtle-Russell): Mr. Chairman, I rise at this time not to nit pick with the Minister but to commend him. I'm not concerned about the publicity I'll get in the press, but I want to commend the Minister for the action he has taken with regard to the Russell Hospital District. In 1929 the Sisters of the Order of St. Benedict started a hospital in the town of Russell and they operated it on a voluntary basis. They served the community well and I want to commend them for the tremendous contribution they have made to the health and welfare of the people of that community, but I also want to commend the Minister for at last organizing this area into a hospital district and proceeding with the building of a new hospital to serve that area. The old hospital was built in 1913 and an addition was made in 1929. It has outlived its usefulness to the community and I would like at this time to thank the Minister for considering the people of our area and the health of those concerned.

MR. CHAIRMAN: The Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, I would like to commend the Minister too for being such a nice kind of a guy, but on the other hand I have a few complaints, and in consideration of my first compliment I expect him to lend an ear to some of the complaints that I would like to register at this time. One of the complaints, Mr. Chairman, incidentally, is that I have great difficulty in hearing him and I don't think it's my hearing aid that's at fault, but two or three members on this side of the House have - and my honourable friend the Member for Rhineland who is not noted as being deaf - but we do seem to find it difficult hearing the Minister for some reason or another. Perhaps the microphone is not turned up high enough or something I don't know.

Now perhaps, Mr. Chairman, I should start off on the same theme that the Honourable Member for Elmwood finished up on and that is on Mediplus and the United Health Insurance Corporation Limited, because I too found it rather difficult to decide in my own mind whether or not I should continue with the plan that I have been enrolled in with United Health Services for many years and I decided that I should continue and I did. I continue to pay my dollar a month I think because I have the only plan that is available to me. That is, as I understand it, the United Health Insurance Corporation will not enroll any group of less than ten, and so in our office where there are only four or five, as much as we would like to be enrolled for Mediplus, we find that we are not acceptable. They just will not take us in.

And so because of several inquiries that I had from my constituents as to whether or not they should continue to pay a premium to United Health Insurance Corporation, I took it upon myself to write the Corporation and I did so on March 24th last, and that's now five weeks ago. They replied on April 3rd, addressed to myself, and it is signed by A. G. Richardson. I don't know whether he is the Manager over there or what his position is, but he says: "I wish to acknowledge your letter of March 24th and I am sorry to note that there seems to be so much confusion in separating the plans now being offered to the public. However, I shall try to straighten them out. There are four plans in operation; two compulsory by the Provincial Government, hospital and medical, and then the United Health Insurance has two plans, the old plan supplying payments toward semi-private accommodations and certain ambulance services, and the new Mediplus plan introduced on April 1 provides for prescribed drugs, etc. I am enclosing a pamphlet on both of these plans for your information, and if you or if any of your members wish any clarification on any one of these points, I would only be too pleased to try to offer my assistance." And then he encloses the pamphlet on the new Mediplus program of which I cannot qualify.

Now surely, Mr. Chairman, this is a confusing situation where, as they set out in the letter, there is four plans now, two of which are compulsory - and I can understand that because I'm getting billed for the premium; one I have voluntarily agreed to accept; the other one I would gladly pay a premium for but I can't simply because we're not in the ten or over group. It is a very confusing thing and I think, as the Honourable Member for Elmwood has just suggested, that it's high time that the United Health Insurance Corporation Limited advise the public as to what is available, to whom, and the coverage afforded by their two plans. It is confusing to say the least.

Now, Mr. Chairman, one of the other subject matters that has caused me some concern, and I know it's caused some concern to every member -- to every rural member of the House, I'm not certain about the members in the urban areas, but I know that we members in the rural areas have been acting as ombudsmen for our constituents from the first day we were elected, and by reason of the fact that our office is situated right on the main street, we have

(MR. SHOEMAKER cont'd.) . . . . people in every day enquiring as to the various plans, programs and policies being offered by the government. The most recent I think is the one respecting exemption of premiums for Medicare.

Now I recall some two months ago when the Minister said that he was sure that the secretary-treasurers of the rural municipalities and the incorporated towns would be most happy to assist people in the area in completing the application for premium exemption. Mr. Chairman, they don't want to be bothered with it, and I don't want to be bothered with it either because it is a comprehensive kind of a form with about forty questions on it, and it has -- they enquire as to the assessed value of your property and all of these various problems that are personal in nature. And do you know what I'm doing, Mr. Chairman - and I'd advise everyone in this House to do the same thing - so what I've been doing for ten years, just simply write a one paragraph letter to the Old Age Assistance and Blind Persons' Allowances Board because they're the people that decide whether you're going to be exempt from premium or not, and say, "Would you be good enough to have your social worker call on Mr. or Mrs. So and So and assist them in completing an application for premium exemption." And they'll do it, they're a fine bunch of people and I want to thank now the co-operation that I receive from all of the civil service, whether they're working for the Health Department, the Welfare, or any of its allied departments. I have found them most co-operative.

Now you can understand that secretary-treasurers and their staffs are so busy now, most of them are overworked to the point that they have to stay after hours many of them and come back after supper to do their work they're doing now, and they just can't be bothered sitting down and making out these forms for premium exemption. They can't do it and I don't blame them, it's a frustrating kind of a business. So I would recommend to my honourable friend the Minister to follow the practice that I've been doing for ten years and don't load up the municipal men with this extra duty. Now I know, Mr. Chairman, that there probably is some obligation on the part of the municipal men to see that these applications for premium exemption are completed because you know who has to pay the premium if you don't, the municipality has to, and so if you walk into their office and say, "Well listen, I just can't pay the premium so you can pay it until you get me on the premium exempt list," then under those circumstances they may be more or less compelled to complete it, but I'm telling you right now that they sure don't want to be loaded up with a further workload of this nature - and it is a workload, I'm telling you.

Now, Mr. Chairman, I do want to say one or two words on what has become a problem to certain hospitals in the province - I hope not many. The Honourable Member for Rhineland I think touched on this particular subject. But back on October 15th last there appeared in red headlines in the Neepawa Press a very disturbing headline, and I'm sure my honourable friend can read it from over there. What does it say, Mr. Minister? It says, "The Hospital Board Threatens Resignation." And why are they threatening resignation? Because they're fed up, and that's the word they use here, with the treatment that they're receiving from the Hospital Commission over budgets. So I met with the finance chairman one night, invited him over to the house to listen to his story, and briefly it was this. He said in 1965 we had a balanced budget. In 1966 we had a deficit of \$1,100, which isn't so bad. In 1967 they had a deficit of \$12,500. In 1968 they had a deficit of \$30,000.00. Now he said on January 1st this year we had a bank overdraft of \$40,000 and the interest last year apparently on the overdraft was \$2,500.00. Now he said this probably doesn't appear to be so bad on the surface, but when you consider that we had a premium increase of 80 percent about a year ago, he said it just doesn't seem to add up. When you have an 80 percent premium increase on the one hand and an overdraft of \$40,000 on the other hand, what is wrong?

Now to get back to the story in the Press - I'm quoting now, Mr. Chairman, from the Neepawa Press, October 15th - it says: "A resolution was approved at a meeting of Neepawa and District Memorial Hospital Board of Directors Friday night which threatened resignation of several of its members if the Manitoba Hospital Commission did not act quickly and send representatives to Neepawa to discuss finances with the Board." Now in all fairness I know that since that date they have sent out representatives." Chairman Jim Young said the board was fed up with the present system of financing and that the local Board had no control over the way payments are being received from the Commission. The local Board has repeatedly asked for a meeting with the Manitoba Hospital Commission to discuss the matter and so far no answer has been received to the letters. The Finance Chairman, Lyle Hulme, said that the local hospital board was "the most frustrating board I have ever worked with. We never

(MR. SHOEMAKER cont'd.) . . . . . " . . . know if we have any money on which to operate or not. He pointed out that even when money was received for drug supply grants, the Commission often asked for a large portion of it back. The board members also said that they had been accused of irresponsible spending, but they said Neepawa Hospital per diem rates were well under neighbouring hospitals, which reported operating costs ranging from \$23.07 to 33.50 per diem and which received grants ranging from \$23.30 to 30.50. The Neepawa Hospital operating costs are \$24.47 per diem and receives a grant of 21.35 per diem from the Commission. The local board pointed out that Neepawa Hospital had the lowest per diem rate in the district. In addition to this, the hospital was operating at a rate of 83.3 percent capacity and was only receiving grants based on 80.4 percent capacity."

Now as the finance chairman has said here, one of the great factors in increasing the operating costs of the hospital was the purchase of drugs, and as he said, often the Commission had asked for money back. Now in speaking on the Throne Speech some two months ago, I said that the Neepawa Hospital Board was now purchasing their drug supplies through Selkirk of all places. Well surely to goodness, Mr. Speaker, that now in consideration of the fact that Medicare is on our statute books and everybody or nearly everybody should be interested in keeping costs down, that some central purchasing agency should purchase drugs for all of the hospitals in Manitoba. Now I understand that when the Neepawa Hospital Board started purchasing drugs through Selkirk, they were able to buy them at two-thirds of what they had previously been paying. Well this points up perhaps the profit that is made on drugs on the one hand, but it also points up the advantages of buying in bulk quantities, and I hope that my honourable friend will give consideration to setting up some kind of a purchasing agency to which all hospitals in Manitoba can look forward to purchasing their drugs, or place their orders for drugs through this central agency.

Mr. Hulme - this is on January 10th: "Hospital Building Inspection Problems Heard by Council." It's still a problem three months later." The present deficit is \$34,000 but some of this will be recovered from the Manitoba Hospital Commission. Mr. Hulme also pointed out that the Hospital Board had no idea what the actual deficit will be, and under the present setup they will have to wait two years to find out. The board has borrowed money from local banks using certificates as security in order to keep operating. The Manitoba Hospital Commission is forcing municipalities to pick up deficits, said Mr. Hulme, and this year the local board may have to ask for one mill from each of the municipalities connected with the local hospital. The cost of drugs is a big problem, Mr. Hulme explained. The city hospitals can buy drugs in quantity and get much lower prices," and so on. So now, Mr. Chairman, I do hope that my honourable friend the Minister will give consideration to some of these recommendations and thereby attempt to maintain the per diem rate of our hospitals at a reasonable figure. I know that most people think that the per diem cost has got completely out of hand in this day and age, but my guess is that it will be higher a year from now than it is at the moment.

I thought I heard my honourable friend the Minister say that if the local boards were not happy with the budget that had been set that they could appeal, that is there was provisions under the Act for them to appeal to some other group. But is it not a fact that they appeal to the Commission itself, so that it seems to me that that isn't very fair, that you appeal to the boss so to speak. You should be able to appeal to some higher court or some higher authority or someone else to make the appeal. In the insurance industry, as you very well know yourself, Mr. Chairman, that if a client of yours is dissatisfied with the treatment that he is receiving from you or from the insurance company, he can appeal to the Superintendent of Insurance who generally straightens it out to the satisfaction of everybody.

I wonder if my honourable friend is still in receipt of the brief that was presented to him on the "Delivery of Health Services to Manitobans," to the Minister of Health and Social Services and the Executive Council of the Province of Manitoba on behalf of the Manitoba Hospital Association in September last. I thought it was rather a good one. I don't know on which day it was presented to them but they do raise a couple of points here that I think deserve consideration. My honourable friend I'm sure will recall the first resolution that I ever moved in this Legislature 11 years ago, and that had to do with this government urging the Federal Government to declare that nursing homes would come under the Manitoba Hospital Insurance Plan and thereby relieve a lot of the beds in our hospitals that were occupied by persons who would be just as well served in personal care homes or alternate care homes. And this brief 11 years later - and incidentally, Mr. Chairman, my honourable friend who was then Minister of Health I do believe



(MR. SHOEMAKER cont'd.) . . . . 10 or 11 years ago, he voted for that resolution of mine and said that he too had been trying to get the Federal Government to move in this direction. It passed unanimously in the House. I would look the journals up if my honourable friend would like, but I'll just read you one or two sentences from Page 4 of the brief. "To the extent that Manitobans receiving institutional health care outside of hospitals are, and will be, unable to afford such care, welfare funds are paying for health services rendered in personal care homes. To the extent that Manitobans are occupying beds in hospital and personal care homes that could be relieved if alternate forms of care were available, both hospitalization and welfare funds are being improperly directed. The implications are that more and more beds in hospital and personal care homes will be needed to service the demand until some relief is provided through alternate forms of care."

I visit our hospital quite frequently, Mr. Chairman, because I live only a stone's throw from the hospital and I quite frequently walk down on a Sunday, and I'm as amazed today as I was 10 years ago that the number of people who occupy beds there that would be served just as well - and maybe better - in personal care homes, or in their own home as a matter of fact if they had the attention that they need in their own homes. I was happy to hear my honourable friend say the other day that they were moving in this field and placing some emphasis on personal care in your own home.

Now I know that the doctors in most cases are the adjusters in the health field. They are the people that determine whether you or I - and incidentally, Mr. Chairman, I believe you were in the hospital the other day - but it was likely your doctor that decided whether or not you would enter the hospital and when you would leave, so they are actually the adjusters. But if the doctor had said to you, now listen Earl, if we will prescribe \$25.00 worth of drugs and you go home and stay in bed for a couple of days and we'll send a nurse around to see you once a day, or twice a day if necessary, you would say "fine and dandy." Furthermore, you would be saving - you could spend three days at home or four days at home or five days at home for the cost of one day in a hospital bed, and you would be relieving a bed for someone that really needs it. So I think this is the area in which we should be working and I want to commend my honourable friend for having recognized this fact, because it is a fact.

So, Mr. Chairman, I see that the time is getting on and my honourable friend will want to speak at some length. I want to have something to say in this field of dental care and denturists a little later on. I've been waiting, Mr. Chairman, for a month for that Bill to come in that I believe will be coming in by the Whip of the government party, or he indicated he was going to introduce a Bill that would provide for denturists to work above the ground rather than below the ground as at present. -- (Interjection) -- Well they're working; they're being fined about once a week now I believe, but I will reserve my comments until the Bill does come in, and I understand that it will be here in a short period of time.

MR. CHAIRMAN: The Honourable Member for Turtle Mountain.

MR. DOW: Mr. Chairman, I too, would like to commend the Minister on the very heavy task that he's accepted from this government, and I would like to confine my remarks to be as helpful to him as possible.

Mention has been made tonight by different speakers in regards to the budgeting of hospitals in Manitoba and I listened with interest to the remarks made by the Minister in regards to the procedure as laid down by the Hospital Commission and his department. But I am wondering in my mind if the Commission is as agreeable to the integrity of the hospital boards as the Minister is. Because in my experience over 20 years sitting on hospital boards, area boards, and particularly after the scheme came into the government hands, we found that budgets no matter how careful you tried to set them out, how carefully you tried to adjudicate what would happen in a particular year, you found that the Commission did make a cut. Whether they had a formula of 5 percent or 10 percent or 20 percent, that's unknown to the boards, but there was always a cut made and then the bimonthly payments are made on the basis of the cut of the budget.

Mr. Chairman, this is not serious in the first instance. When the cut is made on a per patient day budget figure it does reduce the amount, but when you go over the hospital's record for the year you find that the budget has been pretty well maintained to the first analysis set in but it is now 5 or 10 percent above the figure that the Commission have cut them. So this means that they have a reduction in revenue of this percentage - and I don't know of any hospitals, or not too many of them anyway that have a working capital account that they can

(MR. DOW cont'd.) . . . . pick this amount up. One year, two years, as long as three years, the boards are still, through their auditors and through their claims department, working with the Commission and each year they get a certain amount paid back. But the end result is, and this is my statement I'd like to make to the Minister, that the added interest that is being paid throughout the province to cover this deficit type of financing does increase the hospital cost in Manitoba. Now the Honourable Member from Gladstone mentioned the fact that 2,500 in Neepawa and I'm not prepared to give figures in the province, but I know that the ones I've been associated with there is an interest bill each year, that in my opinion is not warranted. But it does increase the cost and it's the costs that most municipalities have to pick up in the long run. I would like the Minister to take a good look at the operation of the Commission and possibly give a little more credit to the hospital boards, and at least try it out for a year. That the board's budget be accepted as set in because I believe these people are doing a remarkable and intelligent job. They know the local conditions and they prepare the budgets accordingly. This I think, would reduce the cost in hospital care and possibly it would come into a premium reduction in the end.

I was interested, Mr. Chairman, in the remarks of the Honourable Member for Burrows in regards to the community of Erickson, and his remarks in regard to operating and setting up senior citizens homes. Mr. Chairman, I don't think there's anybody who will argue the fact that this has become an integral part of a community, but I think that certain procedure can be changed so that the ultimate capital costs can be reduced. I don't like to stand up here and say I can show you how to do it, but I think we do have an example in the Town of Boissevain that did reduce the capital cost a considerable amount - upwards of \$100,000 on a 46 bed unit senior citizens home - and all you have to do is work that out to see how much less it does take and how much the senior citizens have to pay less because of this saving. It is not a very heavy obligation but we did it on a basis that the municipalities guaranteed the debenture and after -- I think we've operated for five years now, the home has paid the bills, the municipalities have not paid a five cent piece to it, and I think if this type of procedure instead of going to some of the mortgage companies at higher interest rates than the municipalities can borrow would be something for the Minister to consider to give a reduction in senior citizens homes in Manitoba. We do have in Boissevain one that I'm sure meets the standards of any place in Manitoba; we have a full house and a waiting list, and a rate that is lower than most of the homes in Manitoba and some of them are much greater by a very large percentage. So I throw these remarks out to the Minister in some type of co-operation and hoping that he will gain something by it and that he will be able to present it to his department to make this a reduction not only in the hospital costs and senior citizens homes in Manitoba.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, I have a couple of questions that I wish to ask of the Minister. My first question deals with the matter of the Welfare Advisory Committee. I'd be interested to know who is represented on that committee. Is it social workers, is it businessmen, is it Department of Social Services employees or who is it? I'm particularly interested in knowing whether any recipients of any of the benefits extended under the social services program are represented on this committee, because I do feel that they should. Now are any of them represented. I have a couple of more comments to make but I would like to know this. Could I ask the Honourable Minister whether the recipients of welfare benefits are represented on the Welfare Advisory Committee. Does the Honourable Minister know? -- (Interjection) -- You don't know or there are not?

MR. JOHNSON: I don't believe there are any recipients on the Public Welfare Advisory Board.

MR. HANUSCHAK: Well this is very interesting, Mr. Chairman, and I'd like to know why. I'd like to know why they are not represented, and I'm wondering if it may not be the same reason for which this same category of people were denied representation on a similar council in the City of Toronto. And in the City of Toronto on the social planning council of Metro Toronto, which is not a provincial organization, but it deals with matters very closely related to those which the Department of Health and Social Services deals with, and one of the Board of Directors of the social planning council of Toronto had this to say: "That there is opposition to having truck drivers, labourers and welfare recipients nominated for office even though the board presumes to represent -- the board member, one of their board members, Harry Edmison, put it -- "a cross-section of reality." And this chap, Mr. Edmison, was asked

(MR. HANUSCHAK cont'd.) . . . . whether the poor should sit on the board, to which he replied: "I'm afraid that those who are supported are so self-conscious and so self-centred in their own concerns that they just have no perspective on a total situation." His unqualified "no" was based he said on the assumption the poor are so preoccupied with their immediate concerns they would certainly have a totally distorted unilateral look at things.

Now, Mr. Chairman, if this is the reason why the welfare recipients are not represented on the Welfare Advisory Committee in Manitoba then I suggest to you that we better take a second look at the role that this board ought to serve, and in fact at the function and the role of the department in general. Now why is it that in this field, and this field only, those people most involved in this department have no say in the department itself? In all other areas of activity, do we exclude doctors from sitting on any boards or commissions dealing with matters related to the provision of health services. Do we exclude manufacturers and businessmen from sitting on a TED Commission? Do we exclude businessmen from participation or serving on any other board dealing with the general economy of the Province of Manitoba? But when it comes to the matter of social services we do not give these people a voice. -- (Interjection) -- It was said in the City of Toronto.

A MEMBER: John Munro said it.

MR. HANUSCHAK: Now the other point that I want to make, Mr. Chairman . . . .

MR. EVANS: I wonder if my honourable friend is starting off on another line of questions? If he is perhaps he would agree that it being 10:00 o'clock we might rise now? I move the Committee rise.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply wishes to report progress and ask leave to sit again.

#### IN SESSION

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

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

MR. SPEAKER: I wonder if I may take a moment. I realize that a considerable number of members are absent so I'm counting on the honourable members to pass the word along. I would remind you all that tomorrow we have some distinguished guests, the Honourable Governor Guy of North Dakota and Governor Farrar of South Dakota, both of whom will be addressing the House at 2:30 and I would like to see a full complement. It is an historic occasion in the life of this Assembly and I look forward to it as I'm sure you do. So that for those members that are not here tonight would you pass the word along.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Health and Social Services, that the House do now adjourn.

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