

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8 o'clock, Tuesday, April 7, 1970

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable 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 Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: (Resolution 57 - (f)(2) to (l)(2) were read and passed.) Resolution 57-- passed.

MR. CRAIK: Mr. Chairman, just before we leave off 57, I asked the Honourable Minister a question during the question period back some time ago and mentioned it again on his salary regarding - I guess the category "Special Dependents Care" that comes under Social Service. Can you hear? Maybe we've got the electronic wires crossed here. The question was, Mr. Chairman, with respect to the people qualifying for old age pensions who prior to about October, 1969 were in receipt not only of their medical services but also of dental care and of drugs, and then found themselves in October in the position of having to go on a very strict means test, which in effect said that if they had any more than \$500.00 in their name which was adequate enough to pay for funeral expenses, that they must be assessed for their dental care and for their drugs.

Now I understand the indications are that there are quite a number of people in the province that have been caught on this. There are people in almost every senior citizens' residence that have been caught on this and have been now required to pay for dental care and for drugs since then. I was wondering if he could indicate - there wasn't anything came out, there wasn't any information published that I know of indicating why this move was taken. Could he indicate what the policy change was and how it came to pass? I think the name for it is Special Dependents' Care.

MR. CHAIRMAN: Resolution No. 58--

MR. JORGENSEN: Is the Minister not going to reply to the question?

MR. TOUPIN: Well, Mr. Chairman, if I was going to reply, I'd be standing up.

MR. CRAIK: Mr. Chairman, as long as the Minister would indicate whether he considers it or not a reasonable question, or does he want to answer it before we get to the end of his department? It looks like we're almost there.

MR. TOUPIN: The reply that I can give, so far as the question asked by the Honourable Member for Riel, is that this was a matter of policy that was passed last fall. I haven't got the exact resolution that was passed, presented in front of Cabinet. I know for a fact that this is being reviewed now and that's all I can tell you right now.

MR. CHAIRMAN: The Member from Lakeside.

MR. ENNS: I just wanted clarification. This then was a matter of policy to take away from certain underprivileged senior citizens in Manitoba the kind of services that they were accustomed to under the previous administration which is, namely, free medical cards and free dental care, that this was in fact a matter of policy on the part of your government to change this last October. I'm just asking for clarification on the part of the Minister. He indicated this just a minute ago in reply to a question by the Honourable Member from Riel.

MR. TOUPIN: Mr. Chairman, I'm going to get back at the Honourable Member for Lakeside later, but now the only thing that I can say, it's not a question of revising the policy of the people who are in need, the people who are in need and are proven to be in need will still have assistance. It's under the means test.

MR. ENNS: Mr. Chairman, I don't want to prolong the debate on this particular point. I thought we were progressing reasonably well on the Honourable the Minister's estimates, but my colleague from Riel, I thought, reasonably clearly pointed out the fact that certain senior citizens up to last October enjoyed certain medical and dental privileges, and the Minister arose just a minute ago indicating that as of October a policy has been changed which deprived them of those services. Now I think this is a relatively simple thing that should be cleared up within a minute or two. I don't want to prolong the estimates, the debate on the estimates, but

(MR. ENNS cont'd.). . . . is that the case or is that not the case? The fact seems to be fairly clear that a fairly significant number of senior citizens, particularly in our homes, our nursing homes and so forth, now find themselves in a position of having to pay for Medicare costs, or medical costs and dental costs which they heretofore have not had to pay for. Well, the former Minister of Health and Social Services shakes his head. Perhaps he can come to the aid of the present Minister of Health and Social Services. But if I understand the question correctly as posed by the Member from Riel, and I believe I do, this was a very simple straightforward question, that for what reason has this been changed. I await the Minister's reply.

MR. PAULLEY: May the member could restate the question.

MR. TOUPIN: Mr. Chairman, I'd like to make another comment on this by saying that if the underprivileged were receiving up 'til October, 1969, they are still receiving under the means test. Now if the previous administration was giving medical and dental care free of charge to elderly persons who were able to pay, I feel that this was enough of a reason to review the policy that was established. I say that we should give this service, whether they be old or young, to anybody who is in need and cannot afford it.

MR. CRAIK: Well, Mr. Chairman, the Honourable Minister is suggesting that perhaps the former government was being too generous. Now I'm not completely aware of all the details but I think the people that were getting it qualified for the old age supplement, that is supplement to their normal old age pension, which means that they were on limited means to begin with. And again I don't know how many people have been affected, but it's very definitely a fact that quite a number of people, numbering in the hundreds, were cut off in October from their dental services that they received free and from their drugs which they received free, and from that point on were required to pay for them. And what I want to -- I'm dismayed that nobody on the front bench here seems to know, because it surely must have been Cabinet decision to do this and this very definitely was a policy change that occurred last fall.

MR. GREEN: Mr. Chairman, just to make it clear. I was the Minister at the time, and because my honourable friend says it is so doesn't necessarily mean that it is so. I can't recall -- well the member is referring to something that was supposed to have taken place in the fall of 1969, and I cannot recall any change in regulation or other law of the government which would have resulted in reduced benefits, by virtue of regulation, that people were receiving prior to that date which were reduced during the fall of 1969. My honourable friend will have to be more explicit to show that this did occur.

MR. ENNS: Mr. Chairman, I take the words from the former the Honourable Minister of Health and Social Services as being a truthful statement. It dismays me, and it points out something that some of us on this side have been concerned with for some considerable time, that in fact the treasury benches have all too little knowledge of what in fact is going on in the government today. If the honourable member wishes - or the Minister, combined Ministers wish to have further specific knowledge, I can assure you that not by one or by two but by the hundreds, by the hundreds of citizens of Manitoba can make that picture much plainer than either the Member of Riel or myself can to him, that can testify to the fact that benefits that they received, benefits that they received under the previous Conservative administration, have in fact been withdrawn from this. . . .

MR. TOUPIN: Mr. Chairman, I'm not going to quarrel with the figure that was thrown out by the Honourable Member for Riel by saying there were hundreds who were affected. I believe that the previous administration was aware of the review that was being made insofar as these cases were concerned. As I said a while ago, that if the people are not getting this paid today, it's because the review showed that they did not meet the needs test. And there's about 1,000 that we mention here. This is actually following the review that the department did of persons in receipt of old age security who had social allowance, they had actually the social allowance services cards, and the review which has been completed indicated that a number of persons, approximately 1,000, lost their cards because their income was found to be higher than the allowed amount under the needs test.

So now if the Honourable Member for Riel says that the review that was made was incorrect and that there are persons that he's aware of that should be receiving this, I for one will accept this and would be glad to review them again if need be. Of those that don't need it, naturally I don't think the Honourable Member for Riel would agree to pay them. I don't think that he has this intention. -- (Interjection) -- Last fall. The social allowance health services,

(MR. TOUPIN cont'd.) . . . in order to get cost-sharing with Canada, we had to solve that people holding social allowance cards met social allowance needs. Actually this was a requirement by the Federal Government.

MR. CRAIK: The Honourable Minister has alluded to several things here. You've alluded to the fact that they were found in the review that they didn't meet the requirements, but you haven't indicated what the amount was. If the conditions did not change, I'm certain that these thousand people did not have their income increased over the last couple of years. They certainly didn't have it increased if they're on old age supplement and they didn't save enough money on old age supplement to get up to that point. And your second statement indicated that it wasn't a review, it's meeting a new requirement.

MR. TOUPIN: Mr. Chairman, I thought I made this quite clear, that if I'm correct in this the review was called upon by the previous administration, and that following results of this review there was approximately 1,000 persons affected by this because their actual earnings did not qualify them to receive this free of charge. I think it's as simple as that, and if we are proven to be wrong as far as the review is concerned, I am sure that - well I am ready to reconsider and make another assessment of the problem.

MR. CRAIK: Well, if it's based on the earnings, can you tell me what the earnings are then that has been set and what are established and used by this government? -- (Interjection) -- I didn't ask about a change in policy, I'm asking what is the limit set by the government as the needs test limit.

MR. PAULLEY: May I suggest to my honourable friend the Member for Riel that he talk to his colleague the Member for Pembina who's raised this question just in the reverse though of the Honourable Member for Riel in respect of eligibility for social allowances.

MR. ENNS: Mr. Chairman - fine, fine. Let's leave this thing but let's have it recorded, Mr. Chairman, that this group of people here that raised such serious points of principle on the question of any kind of a means test, any kinds of a means test on any other issues, is now doggedly and determinably impressing himself behind a means test that we had to set up and they're saying that they hadn't changed anything. Well, Mr. Chairman - Mr. Chairman, you know, I wish to blazes these fellows would get on with the fact that what we did, what we did - and we took our responsibility for it - and what the people of Manitoba voted them is what they promised the people of Manitoba for. But don't have the Minister stand up here and say: Look, we're only doing the same thing as you fellows did, and as a matter of fact we are enforcing it a little bit more rigidly than we did, because perhaps we had a little bit of charity on this side or compassion that we allowed, that we allowed 1,000 people - I said we allowed -- you know, Mr. Chairman, this wouldn't be the first law, the first regulation that was bent, and as a matter of fact I will make no apology for the fact that if under our provision - the former Minister of Health and Social Services says, there has been no policy change - if under our provision 1,000 senior citizens of Manitoba received some additional care, medicare, denticare, that perhaps under the strictest rule of the law they weren't entitled to, God Bless 'Em. But these compassionate fellows here, when they came in in October, they cut 'em off - and that's what it amounts to.

MR. TOUPIN: Mr. Chairman, first of all I'd like to mention to the Honourable Member for Lakeside that I for one can hear quite well. You don't have to speak that loud, I can hear. And I believe that the other members in the House - I hear the other members in the House can hear equally well. Now I don't really think that the people of Manitoba are concerned with politicians that try to raise their voice just to be heard. I think they should be involved much more, and this is what we're trying to do in this department. We're not going to what you say the "means" test - it's the needs test. N-E-E-D-S. Needs test. And whoever was receiving with the previous administration was not cut off. Let that be clear.

MR. GRAHAM: You got to have an NDP card do you?

MR. TOUPIN: Oh come on, don't be stupid. Don't be ridiculous. Now let's get the record straight. So far as the income of the Old Age Security, it increased by 2 1/2 percent, each year, and as a result the thousand were no longer eligible within the income ceiling. If they're making more money, we don't have to give them everything, I think they're happy about this; and if they're not, they should be. A social allowance card is granted if the person's total income is less than the amount of money allowed under the social allowance needs tests.

MR. HENDERSON: How much is that?

MR. TOUPIN: When people on Old Age Assistance have their income go up by 2 1/2

(MR. TOUPIN cont'd.) . . . . percent, their income exceeded the needs test - this is more or less what I said a while ago. What are you laughing about?

MR. ENNS: Your repeating it.

MR. TOUPIN: I beg your pardon?

MR. WEIR: I wonder if anybody remembers the old argument . . . . need plus 10 percent? I heard it several years when I was sitting on the other side.

MR. TOUPIN: The Honourable Leader of the Official Opposition - if he has something to say, I ask him to stand up please.

MR. WEIR: I'm not shy, Mr. Chairman, and I can make myself heard when I stand up. I enquired and I'm sorry the old rooster isn't in his seat.

MR. BILTON: He's behind you though.

MR. WEIR: He's in the House? I hope he's within sound of my voice because we had some difficulties and things have changed, as the revenues of people changed on different occasions, different policies have been established over the past 10 years while I've been watching them, and sometimes the limits were raised slightly to encompass the difference and sometimes limits weren't. I gather here that limits weren't. I just ask my honourable friend, the former leader of the NDP if he remembers phrases that were tossed back and forth across the Chamber a few years ago, about "need plus 10 percent", need plus 10 percent, and various definitions. I really get the impression that this is what we're talking about and that the policies that the government had before that were applied when it went up, comes down to really the point that the former government was maybe a little too generous.

MR. PAULLEY: If my honourable friend asked me the question dealing with the 10 years of ineffective inept administration by the Conservative Party, I certainly can answer it. . . .

MR. WEIR: Mr. Chairman, on a point of order. In the interest of the Minister of Health, might I ask the Minister not to raise his voice. He's got tender ears.

MR. PAULLEY: No, I'm not raising my voice, but sometimes it's awful hard to penetrate the thick skulls of my honourable friends opposite. I appreciate the fact that the Minister of Health and Social Services has all of his faculties -- which I doubt very much whether I could attribute to my honourable friends opposite -- so I'm not yelling, really, but I'm sure that what I do say is not very soothing to the ears of my friends opposite, because even what the Honourable Leader of the Opposition has just said in reference to the last 10 years and the protestations that came from that side in order to try and at least get some activity from the previous administration is quite correct. But boy oh, boy, Mr. Chairman, it took an awful lot of persuasion - over 10 years, to get them to move even a little itty bitty bit on behalf of the people who needed care. And if, if per chance that now we have an efficient government in Manitoba, we have discovered certain people, because of income were receiving benefits that the Member of Pembina has suggested, that they were not entitled to, please Mr. Chairman, I would suggest to my honourable friends, don't fault the administration, but praise them, because they're going to utilize the monetary resources of the Province of Manitoba to help those that are least able to help themselves, without inefficiency in the application of their program, and that is what the Minister of Health and Social Services is suggesting this evening. I'm sure that the Honourable Member for Pembina would agree with the assessment that the Minister of Health and Social Services is making in this area at the present time. My honourable friend, you know the previous Premier, who loved to talk about old roosters and the likes of that, I'm sure that he will appreciate and understand now that he's temporarily occupying that position, because he has got somebody close to him that's trying to take over from him and be wary my friend, be wary, the little jack-in-the-box that gets up and down periodically there is after your hide.

MR. WEIR: There's the voice of experience.

MR. PAULLEY: Oh I'm the voice of experience. Only I voluntarily, I voluntarily relinquished my position for a very capable, or far more capable individual than I am. Anyway, Mr. Chairman, I suggest to my honourable friend, again, as I suggested this afternoon to the charming member for Fort Rouge, don't talk past history of this Assembly while the old rooster is around.

MR. ENNS: Mr. Chairman, let's get on with the debate. We just want to establish one little point, that that government was taking a thousand plus people off of benefits that they had enjoyed up to now.

MR. CHAIRMAN: The Member for Fort Rouge.

**MRS. TRUEMAN:** I think it might shed quite a bit of light on this whole discussion if the Minister of Health and Social Services would tell us what the merits and advantages are in a "needs" test as compared with a "means" test.

**MR. TOUPIN:** Mr. Chairman, pas de reponse a la question. That wasn't too loud was it? But I would like to mention though, I think it may answer partly your question - the review really that was initiated to see what hardship might have been caused by the high medicare premium -- I think the honourable members on the other side can remember the high medical premiums that we had -- (Interjection) -- Oh I don't think so. Not when we're talking about a review -- and to see what money could be saved by the government and by the people actually concerned, having taken over medicare, practically the whole premium, 88 percent of the medicare premium - in view of the certain health care services provided to the needy, the review was to find out that under the needs test a number of people were no longer entitled to receive extra care free of charge. -- (Interjection) -- N-E-E-D-Y. Needy -- now the follow-up on this here -- well I'm not going to read it right away.

**MR. GRAHM:** Mr. Chairman, I think in the heat of debate there has been some points that have been missed; certainly they have been missed by the Minister and the members of that government over there. I think we have to go back and look at a statement that the Minister of Education made here not too long ago when he stated that the assessment in the province had raised 100 million dollars, and this is the means by which the Minister of Health is now escaping his rightful duty in paying to the people of need. By an artificial means of raising assessment on property to the point where a person no longer qualifies, by the means of using 5 percent of assessed value of property as a source of income, when it is not, the Minister has artificially raised the income of a person to the point where he no longer qualifies for what he considers to be the essentials that are necessary for a means test. I think this is unfair, unscrupulous and downright scurrilous, that they should use assessment as an inflationary tactic to raise a person's income beyond a level that is set as the necessary medium for a means test in a person's income for medicare and dental services. I as a rural member have had numerous occasions where members of my constituency have no longer qualified for assistance just because this government has raised the assessment of their house, the only means that they have to provide shelter, to the point where they no longer qualify for assistance under this program, and I object to it.

**MR. CHAIRMAN:** The Member for Birtle-Russell.

**MR. EINARSON:** Mr. Chairman, I just want to add a few words to the debate this evening after what I have listened to. I want to verify what my colleague from Pembina has said and make sure that no one misunderstands myself. That I agree concurrently with saving money if the government can where monies on welfare cases are being received and probably unwarranted. But on the other hand, I want to make this abundantly clear, where people who do need the assistance, and particularly we're talking about senior citizens who have nothing more probably than their pension, and a number of them when we were government, I think 30,000 of them, somewhere in that neighbourhood, were provided and have been provided with a Medicare card. I think from the comments that my colleague from Birtle-Russell has just made, is indicative of some problems I have had in my constituency. I want the government to know about it. Where the case had been reported and this involved the doctor in question and he couldn't understand why that person or the other person were cut off, because it was definitely a case of need and I had to become involved and investigate the matter. And when you talk Mr. Minister, about the investigation that you carried out, I have no quarrel with that, but there are a number of cases that have been cut off that list and should never have been.

**MR. TOUPIN:** Mr. Chairman, I'm very happy to hear this. Not because they were cut off, but to hear you say this; and I would like all of those who are concerned that you know about, to ask them to re-submit, because I feel that they should. If they are in need I think we should have a second look at them. I'm not aware of this. I think it may well be possible that one or two or maybe quite a few of them of the thousand that were cut off would have been cut off in error. Everybody makes errors and I'm the first one to agree. Well I mean it's quite possible. My honourable predecessor says it may not be so, but it could be - you know I'm ready to accept it. But there is always this appeal board that they can appeal to, or directly to my office.

I would like to make a comment on the needs test itself. I said awhile ago that this was being reviewed by this government. It is. But this was established, I don't usually like to go

(MR. TOUPIN cont'd.) . . . . back in history, but it was established many years ago, many years ago. -- (Interjection) -- Yes, okay. Well we're talking about now; and I say that now we are reviewing it. Okay?

MR. CHAIRMAN: Resolution 58.

MR. BEARD: Mr. Chairman, I thought perhaps the Minister was going to review the policy of the last government in respect to qualifications under need. Is that short enough for you to review it tonight? Or is it long drawn out? I would like to know what the requirements are to obtain additional assistance under a needs test. Is it too long to discuss tonight? Because you have said that the Old Age Assistance has gone up 2 1/2 percent which could cut out those people from Medicare and I am just wondering, the average cost of living usually goes up more than 2 1/2 percent a year, but I just wonder if you could review for us the actual policy in respect to need itself - what level does it come at?

MR. TOUPIN: Mr. Chairman, I have to mention to the Honourable Member for Churchill that it is actually a long procedure and complicated really because it is based on need. I haven't got it here and I couldn't give it this evening. I could possibly come with it within a few days.

MR. CRAIK: Mr. Chairman, there is a pretty important factor in this. I still sit here in amazement to think that the whole front bench was not aware of this move, you were absolutely unaware that this change has been made, you sat there and were not aware all the time in the initial period until you started getting your messages down, that this had even taken place, and even at this point, we still don't know concretely what is the limit on an individual or on a couple, an old age couple who are on old age supplement, what is the maximum allowable they can earn, what the changes were; we don't have any of these factors. All we know is that because there was a 2 1/2 percent increase in the - as the Minister has said there's a 2 1/2 percent increase in the supplement, that 1,000 people were put over the limit, and as the Member for Churchill says, the cost of living goes up by more than that every year. Why wasn't this qualification figure shifted up by 2 1/2 percent because I'll tell you what you've got, you've got an awful lot of people that are on this brink that have been shifted over to pay for dental and drugs all of a sudden, and to get back into the qualification category they're moving around trying to disperse what little few dollars they have by pre-paying their funeral expenses and so on so they can get back and get into this category. I think that this is a pretty glaring example of something that has gone on without the Cabinet or the Minister at least even knowing what's happened.

MR. EINARSON: Mr. Chairman, I rise just on a point to say that I agree that my colleague from Riel has a legitimate point and I think we should know what these cases are all about.

MR. GREEN: Mr. Chairman, I take exception to what my honourable friend says that no one knew. I got up before and I said that there was no change in the regulations, there was no change in the policy, there was no change in the procedures that were used to determine the policy as to what would occur. What the honourable Minister has indicated, and which the members of the opposite side should well know and what they are continually asking for, is to make sure that nobody is receiving monies on the basis of social allowances. Nobody in this party has ever said that there should be no means test with regard to social allowance, or no needs test with regard to social allowance, that there was a review as to whether people who were receiving allowances were still entitled to receive them. And let me tell my honourable friend one more thing, that when the social allowances were increased in the month of August or September of 1969, it is my understanding - and I make this statement as a result of my understanding, and I am fairly sure that I am not wrong - that by the very fact of increasing the social allowances you also increase the categories of people who can qualify for social allowance, so that, if anything, the possibility of receiving social allowances went up and not down since the government took office.

MR. CRAIK: Mr. Speaker, I'm giving him the benefit of the doubt of possibly not knowing what had happened, but if you did know what happened then I think there is less credit coming to you because you should have changed this upper limit to accommodate those thousand people that have suddenly been shifted over, and I'm willing to bet at this point that they did not in fact receive any greater social allowances. They were in fact previously to that point, and previous to the institution of medicare, there were a great deal of these, I don't know how many of the thousand, would be on free medicine, free dental and free drugs.

MR. CHAIRMAN: (Resolution No. 58 was read and passed.) Resolution 59 - (a)--

MRS. TRUEMAN: Mr. Chairman, are we -- oh, on 59, excuse me.

MR. CHAIRMAN: (Resolution 59 was read and passed.) Resolution 60--

MR. FROESE: Mr. Chairman, on 60, the Manitoba Hospital Commission, this afternoon we received the report, the financial report for the year 1969, and we've had very little time to go through it and assess the situation. There are a number of points that I wish to touch on as far as the financial statements are concerned.

First of all, I should indicate to the Minister that I would like to get budgets for both the Manitoba Hospital Commission and the Manitoba Health Services Insurance Corporation. All we have is financial statements. I want to know how they arrive at these figures that we have in our estimates, the allocations of 21,458,000 and the 30,100,000 for the Health Services Insurance Corporation and the Hospital Commission, because we know from the financial statement that this is only a small part of the total expenditure that is being made by these two corporations, and I feel that we definitely should have the budgets for both these corporations before we proceed with the estimates concerned. I feel that they should be held in committee until such time as we have these budgets before us so that we know what are going to be the costs for the next ensuing year, because if we take a look at the increases that have gone on over the last two years - for instance on the Manitoba Hospital Services Fund on Page -- or Exhibit "C" of the report, we have under receipts a total of \$102,555,736. That same figure for two years ago was \$63,923,000. That is almost a difference of 40 million, 39 million dollar difference. This is two years. Now, what can we expect for the coming year? Surely enough there must be a budget somewhere, how else could you arrive at a figure as to what you should put in the estimates? I for one, as a member of this House, request that we have a budget presented for the two corporations before we proceed with a discussion of these items and before we approve of them.

Then, too, on that same exhibit we find there is under Receipts - Premiums, collections for the Manitoba Health Services Insurance Corporation of 33,481,000. Under the disbursements column we find that payments to the Manitoba Health Insurance Corporation re premium collections was \$18,700,000. Where does the difference go? Is this being held as a reserve against this corporation within this Hospital Insurance Services Fund? How much is there in the way of reserve for the coming year as far as this corporation is concerned? How much backlog do we have to fall back on?

MR. CHERNIACK: Hospital or medical?

MR. FROESE: Well, that's the Manitoba Hospital Services Fund. And there's another thing here. I think we should have statements of both these corporations so that we could differentiate and find out just how they compare with previous years and singularly, not combined. I take it in certain instances this is a combined statement.

MR. CHERNIACK: No.

MR. FROESE: It is not? Well then, Mr. Chairman, I definitely want a statement of the Manitoba Health Services Insurance Corporation, a financial statement of the last year before we proceed, because how can we intelligently discuss these items under consideration. We've had budgets in the previous years placed before us and I see no reason why we should not have the same this year, and if necessary, I would move that these two items be held in committee before we proceed.

MR. CHERNIACK: Mr. Chairman, -- (Interjection) -- well, that's the point, I don't think the year has been completed or has just completed for the medical services, and surely the honourable member knows that statements take some time to complete after the end of the fiscal year.

MR. FROESE: Well surely the Finance Minister must have had some budget presented to him by the Insurance Corporation, how else could he put into the estimates an amount of 30,100,000. How did he arrive at that figure? There must be some figures to back this up, to back up this request.

MR. TOUPIN: Mr. Chairman, I'm going to try and answer the few questions of the Honourable Member for Rhineland. I know they won't be satisfactory because you are definitely right, all you have before you, which you received yesterday, was the report from the Manitoba Hospital Commission. I have in my hand an audited statement from the Manitoba Health Services Insurance Corporation. The report will not be ready but I'm ready to give you the figures that we have in this report.

MR. FROESE: Mr. Chairman, could we then not have that duplicated in some way so that we would have printed copies before us in order to discuss it? We cannot remember figures in large numbers; we can't remember them just by quoting them.

MR. TOUPIN: I can give you the figures here if you like, and we'll follow definitely with the reports. The figures that I will give you here is the figures that are going to be submitted.

MR. FROESE: Mr. Chairman.....

MR. CHAIRMAN: Would it be all right with the member if the Minister continues, and then if it's still unsatisfactory he can comment afterward.

MR. WEIR: Mr. Chairman, before the Minister continues, if he does have a statement there which he is prepared to read from, is there any reason why copies can't be provided to the members of the House? They're going to show up in Hansard and it might be that I would have to support my colleague, my friend from Rhineland, in passing on to another department and holding this in abeyance until such time as we've got Hansard, if we're going to have that kind of statistics put on the record. We're dealing about very large amounts of money, Mr. Chairman, and it would appear that the Minister has a copy of some kind of report in his hand.

MR. CHAIRMAN: As a question to the Minister through the Chair, would the Minister care to comment on this?

MR. CHERNIACK: Mr. Chairman, it's clear that the practise is that reports are filed in accordance with the requirements and the report will be filed. Now the Minister offered to give to the committee the information which he now has and the committee can take advantage of that offer or otherwise, but other than that, the report will be made available in the same way as in the past and in accordance with the requirements. I think that honourable members who want to participate in this debate this evening can take the trouble to make some notes as they get their report. On the other hand, if they would like to wait until they have the full report they can get the full report as soon as it becomes available for distribution.

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: First of all, there's a provision in the Act, the Manitoba Health Insurances Corporation, that the report doesn't have to be filed for another four months really, and I'm saying that I'm ready to table this report that was just finished a few days ago, audited statement, December 31, 1969.

MR. GRAHAM: That's four months ago.

MR. TOUPIN: A lot of things were done four months ago. Here's the figures: Cash in bank - 194,681.89; Funds on deposit with the Government of the Province of Manitoba - \$2,644,269.93. Would you let me know if I'm going too fast? Accounts Receivable - premiums less provisions for uncollectable items - \$1,136,723.95; Government of Canada, Note No. 1 - \$934,003.00; the Manitoba Hospital Services Fund - \$787,247.10; Others - 29,199.23; the Government of the Province of Manitoba, a grant - \$4,400,000; Land, building and equipment at cost - \$1,100,000; Total of assets - \$11,226,125.10; Liabilities, accounts payable and accrued charges, medical claims - \$8,110,108.89; Other accounts payable - \$33,981.01; Premiums received or charged in advance - \$321,885.40; Advances from the Government of the Province of Manitoba - \$1,650,312.75; Surplus - excess of revenue over expenditures - \$1,299,072.92 less expenditures of prior years - \$189,235.87, gives us a surplus of \$1,109,837.05; Total liabilities - \$11,226,125.10.

Statement of Revenues and Expenditures for the year ended December 31, 1969.

Revenues: Premiums earned - net - \$20,261,232.97; Grants for insured services, Government of the Province of Manitoba - \$4,400,000; Grants for insured services from the Government of Canada - \$14,403,103.00; Interest on miscellaneous income - \$303,132.47; Third party recoveries - \$2,566.83. Total revenue - \$39,370,035.27. Expenditures: Insured Services, medical services - \$35,190,472.60; Optometric and chiropractic services, \$947,062.00; Administrative expenses - \$1,933,427.75. Total Expenditures - \$38,070,962.35. There is an excess of revenue over expenditures of \$1,299,072.92.

Statement of Administrative Expenses for the year ended December 31, 1969. Charges for administrative services by the Manitoba Hospital Services Fund - \$823,880.58; Manitoba Medical Services - \$861,220.44; Professional services - \$53,489.38; Salaries - \$26,259.64; Stationery and office supplies - \$31,162.55; Publicity - newspapers, radio and television - \$61,851.49; Directors' fee - \$18,000.00; Grants in lieu of realty taxes - \$28,612.82; Furniture and equipment - \$17,880.00; Travelling - \$7,121.52; Miscellaneous - \$3,949.33. Total administrative expenses - \$1,933,427.75, the same figure that was given awhile ago.



MR. WEIR: Mr. Chairman, might I ask the Minister a question? Can he give me the date of the fiscal year end of the Health Commission? Is it the calendar year end or is it the fiscal year end the same as the province?

MR. TOUPIN: The report presented to me is December 31, 1969.

MR. WEIR: Mr. Chairman, I'm not really talking about that report, I'm talking about the fiscal year end of the corporation. Is December 31st the end of the Corporation's fiscal year?

MR. CHAIRMAN: The Member from Churchill.

MR. BEARD: Mr. Chairman, I'm sorry I didn't catch when the Minister said he was going to discuss the policy on ambulance service. Was it under Manitoba Hospital Commission?

MR. TOUPIN: Mr. Chairman, I did talk quite briefly on the ambulance service. What I said briefly, without having the figures in front of me, that I felt according to the review that was made by the members of my staff that it would cost, apart from the equipment, about \$100,000 for the ambulance service for the north that we are going ahead with.

MR. CHAIRMAN: The Honourable Member from Birtle-Russell.

MR. GRAHAM: Mr. Chairman, the figures that the Minister has just given us has only reaffirmed what I had stated previously when we were talking about the Minister's salary, and this is the concern of municipal people throughout the province with the problem of uncollected medicare premiums. The Minister stated that there has been \$20 million received in medicare premiums. There is in excess of \$8 million receivable in premiums, which is over 35 percent of medicare premiums are still uncollected, and by his own figures over 60 percent of that is uncollectable. Now can the Minister please explain these circumstances?

MR. CHERNIACK: Mr. Chairman, I was trying to listen to the honourable member as to what he said was uncollected, and I would like to hear him repeat the amount which he said was uncollected in premiums.

MR. GRAHAM: These were the figures of the Minister, Mr. Chairman.

MR. CHERNIACK: How much did the honourable member say was uncollected?

MR. GRAHAM: The Minister had said that - I can't give you the exact figure, I haven't got them in front of me, the Minister had them - but 60 percent was uncollectable.

MR. TOUPIN: Mr. Chairman, I guess Hansard will prove if I am right or wrong, but I can't recall saying 60 percent of the premiums were uncollected.

MR. GRAHAM: Mr. Chairman, the Minister did not state that but he gave figures and he gave what was collectable and what wasn't, and I did quick mathematics which came to roughly 60 percent was uncollectable. He did tell us that over 20 million had been received, there was \$8,110,108.89 still receivable, which is 35 percent has still not been collected, of which 60 percent is uncollectable.

MR. GREEN: I would advise my honourable friend that I don't know what the exact figures are, but I know that when they were trying to collect those old premiums they were having a very, very difficult time. The premiums were so high that nobody could pay them and they were very difficult to collect.

MR. GRAHAM: Mr. Chairman, this just further emphasizes the point that I tried to make previously, that this should not be the responsibility of municipal governments.

MR. GREEN: The law making it the responsibility of municipal governments was passed by my honourable friends.

MR. WATT: Collect them now.

MR. GREEN: Well now it is very easy to collect; now there are no uncollectables.

MR. MACKLING: Mr. Chairman, I think it should be pointed out to the Honourable Member from Birtle-Russell that it's improper for him to suggest that the Honourable Minister has given percentages when he did not give percentages. The honourable member has now indicated that he computed this percentage and I think it would assist the deliberations of this committee if he would frame his questions accurately and concisely, indicating what his basis is.

MR. GRAHAM: Mr. Chairman, if the Minister would provide me with the information on my desk here, I would gladly answer the Attorney-General.

MR. CHAIRMAN: The Minister of Health and Social Development.

MR. TOUPIN: Mr. Chairman, could I try and throw a little light into this. The figure that was quoted just now by the honourable member was \$8,110,108.89, but this was in liabilities not in assets. This is actually payable by the Manitoba Health Services Commission, so actually

(MR. TOUPIN cont'd.) . . . . this is not something -- in the assets we have the amount, premiums less provision for uncollectable items, of \$1,136,723.95. Now the amount that you quoted was \$8,110,108.89 in liabilities.

MR. GRAHAM: Mr. Chairman, I'm using the Minister's figures because I have nothing else in front of me. He quoted that premiums received to date had been in excess of \$20 million, and I haven't got the exact figures but there was still liabilities of \$8,110,108, which is 35 percent still uncollected.

MR. TOUPIN: Mr. Chairman, I'm just going to make a short comment here. When we talk of assets - and I'm quite sure the honourable member knows this - when we talk of assets we talk of something that we own, that belongs to us; this is really what belongs to the Manitoba Health Services Insurance Corporation. I'm quite sure the Honourable Member for Rhineland, having dealt with so many credit unions and financial statements, would know this. When we talk of liabilities, this is something that we owe to someone, to somebody, to a corporation, to a government and so on. So the amount in excess of \$8 million that was quoted was an amount in liabilities that was owed by the Corporation, so it's not something that is in the assets. Let's make this quite clear.

MR. CHAIRMAN: The Member from Churchill.

MR. BEARD: Mr. Chairman, while our mathematicians are figuring out their percentages, I would like to go back to ambulance service because I have felt that we may need it throughout the province. We may not need it in the constituency of Arthur, I don't believe it would pay to bring those people in, but I do feel that there are other areas that we should be concerned about.

MR. WATT: Mr. Chairman, if I may interrupt my honourable friend, I have a great deal of compassion for all the people in the north.

MR. BEARD: My heart bleeds for you, Sir. Thank you. There were some figures given in the paper some time ago, approximately \$4.5 million, in a comprehensive ambulance service for all of Manitoba. The Minister now speaks in terms of one million for a **northern** service. I would have hoped that we could have had comments on it, such as the request from Lynn Lake where they say that in respect to the very high cost of bringing people into a centralized medical centre such as Winnipeg where a great deal of our medical funds are being invested in a complicated medical and hospital complex, which it would seem was being built to serve all of Manitoba, then I do not feel that we can roughly pass over ambulance service which is the only way in which the people in rural and northern Manitoba can reach this very complicated system of health service in the City of Winnipeg, City of Metro Winnipeg.

And I accept for the time being at least that possibly this is the only way that we are going to have a modern medical system in Manitoba, but there have been problems brought up by the people, and I would point out Lynn Lake again, who say if they are cancer patients then they must come in for treatment whereas cancer patients in Winnipeg, it costs them very little to have their treatments. If you have a medical problem, whether it be in Lynn Lake or Churchill, whatever it may be, they have to in many cases fly in. If they fly in it takes two seats, and if the nurse has to come along, three, and this they have to pay out of their own pocket.

Your medical service is not providing this assistance and you cannot have a universal Manitoba medical program that is fair in any respect if you are going to build this large package in Winnipeg, out of necessity I suppose, and not deal with those outside of Manitoba on a fair basis. I don't think it's just good enough for the Minister to say, well, we will consider this ambulance policy that we have in mind for Manitoba without making some type of major statement, because it does fit into a large growing area outside of Metro Winnipeg and which you are trying to diminish in many cases in size and introduce these services into one central area, and in doing that you are robbing the people of rural and northern Manitoba of the same service that is being offered to centralized Winnipeg areas.

Factually, I believe that maybe there should be a charge made for ambulance service but it be a once over charge. Some call it a deterrent - I don't know whether you want to call it a deterrent or not - but if it was \$25 or whatever it may be, then you are treating all people the same. It's well and good to have an ambulance racing around Winnipeg charging them \$10 I believe, but if you go up to Swan River I believe it is \$80; if it's Dauphin I imagine it's in the \$50 bracket; if you went to Lynn Lake it would be well over the \$100 bracket; and it reaches out again and again to a point where in Churchill, under the same basis, it would probably be \$300 and in Flin Flon it would be \$150 or \$200; and these people are paying the same taxes as the

(MR. BEARD cont'd.). . . . people in Winnipeg. And I'll shut up if you will give us a statement on this, Mr. Minister, but these are the problems that we had hoped would be dealt with when you introduced your ambulance services.

MR. TOUPIN: Mr. Chairman, I wouldn't want the Honourable Member for Churchill to sit down, but I thought I made it quite clear awhile ago, Mr. Chairman, that we had dealt with a public ambulance service and that we decided to go ahead with a public ambulance service for the north. This is included. Now so far as the details are concerned, I can't give you the details now because they are not finalized, but Cabinet has decided to offer a public ambulance service under the scheme for the north and this will be finalized within weeks.

MR. CHAIRMAN: The Member from Fort Rouge.

MRS. TRUEMAN: I would like to ask the Minister if he could tell us, if there's \$100,000 plus equipment, is the government planning to buy the necessary ambulances or planes or are you going to buy the service from airlines or other ambulance companies? Which way will it be?

MR. TOUPIN: Well, Mr. Chairman, as the Honourable Member for Fort Rouge probably knows, I couldn't give you all the details now but we probably will do both. We will be using the facilities that are there now, and in remote areas where we can't actually make use of these services, we may have to buy equipment ourselves.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I am most concerned with this Minister making a statement such as he has made here. Where do you draw the line in the north?

MR. TOUPIN: No. 2 Highway.

MR. MCKENZIE: I'd like to have that clarified before I could leave the Chamber. Does that include Roblin constituency, does that include Camperville - Camperville's the north. I'd like to have that clarified.

MR. TOUPIN: Mr. Chairman, I will clarify this when the statement comes out. I've quoted the 51st parallel in a previous statement, but still this has to be studied, looked upon by Cabinet and I'll come back to the House.

. . . . . continued on next page

MR. CHAIRMAN: The Leader of the Opposition.

MR. WEIR: Mr. Chairman, might I ask the Minister or through him the Minister of Finance. We've had some quotes out of what I gather is an audited statement of the Commission, and the Minister of Finance has indicated that in accordance with the Act we would be receiving it when we're entitled to it. Can the Minister tell me when we will be receiving it? I've been attempting to check the statute and if I found the right sections, and I'm not sure that I have -- as you can see I've been through quite a number of books -- and the statute as I see it indicates that the Minister is supposed to receive a report by March 31st and that he is supposed to table it forthwith in the Legislature if it has been in session; if it is not in session within 15 days. This being the 7th of April or so I'm wondering if it's fair to ask the Minister when we might expect it, if in fact I have the right sections of the Act.

MR. CHERNIACK: Well, Mr. Chairman, I accept the word of the Minister of Health and Social Services that it will be tabled as soon as he is able to do so. He has just received it apparently and I suppose he has to have copies made. Now if the Leader of the Official Opposition has been unable to get the information he wants out of the statutes I would certainly make an effort to get the information for him and supply him with the information as soon as I have it.

MR. CHAIRMAN: The Honourable Member from Rhineland.

MR. FROESE: Mr. Chairman, I would think that we should hold these two items over in committee until we have the statement from the Minister. I tried to copy the figures that they gave us, but then this is only a financial statement of the operations, there's no budget. I am not only interested in the financial statement, I'm also interested in the budget for the coming year, because Mr. Chairman, I noted the costs have increased so very considerably for the Hospital Services Fund. In '67 it was 63.9 million; in '68 it was 72.6 million; and now this last year it was 102 million, so that you can see the great increase that has taken place. What is it going to be for the coming year? I would like to know what we're budgeting for and what total figure in the way of receipts and expenditures is contemplated. Surely the department must have figures on this. They must have drawn up budgets for that purpose, otherwise how they could arrive at the figure that is contained in our estimates?

Then, too, I note from the Manitoba Hospital Services Fund statement, Exhibit C, of 1969, under receipts - I mentioned this before - premiums including collections for Manitoba Health Services Insurance Corporation - this is part of the Insurance Corporation Fund - 33,481,000.00. And then out of these funds we paid over to the Insurance Corporation 18,000,007. so that there must be reserves of the Insurance Corporation held by the Manitoba Hospital Services Fund, because the statement that was just read to us by the Minister showed that the net premium received was 20,261,000, which is much less than the 34 million stated in the financial statement here on Exhibit C. I would like to get closer and better figures so that I can compare them and also have a budget before me for these two corporations, because we're dealing with large amounts, we're dealing with at least 100 million as far as the Hospital Services Fund is concerned and we're dealing with at least probably, anyway about 40 million for the Insurance Corporation. Last year we were told when we started off with the Insurance Corporation that the cost would probably run between 28 and 29 million. Now we find the total cost to be 39 million in the first year, exceeded, so I would like to know from the Minister if that is the case where do we go next year?

MR. TOUPIN: Mr. Chairman, I will try and answer the question that came from the Honourable Member from Rhineland.

I think you have, Mr. Chairman, the amount in your estimates to what extent we are going next year. We are saying on Section 60 insofar as the Hospital Commission is concerned, \$21,458,000; for the Manitoba Health Services Insurance Corporation, \$30,100,000.00. This is the net amount.

So far as the question that was raised by the Honourable Leader of the Official Opposition, I was told that for the report of the Manitoba Hospital Commission it had to be tabled in the House by the 4th of April; and so far as the report of the Manitoba Health Services Insurance Corporation was concerned that we had time to submit it. I was quoted a period of four months. I got the report today, the report that was submitted by the auditor. But I said awhile ago that I'm ready to have copies made of this first report that I have and bring it in the House as quickly as possible. And so far as the rest of the report will be submitted, I don't know, maybe in a month from now, that report will equally be submitted as soon as I get it.

MR. CHAIRMAN: The Honourable Member from Fort Rouge.

MRS. TRUEMAN: Mr. Chairman, I don't want to hold up the discussion on these items any longer, but I am interested to know what the hospital construction program is for 1970. Can you tell us what hospital beds will be added to the present supply. I'm particularly interested in the psychiatric wing at the Children's Hospital. Perhaps the Minister could undertake to table this information for us. Could you undertake to table this information for us?

MR. TOUPIN: Mr. Chairman, I gave a list, I thought was a quite complete list of the projects for the Hospital Commission for 1970/71. It's in Hansard. If it's incomplete I'll bring forth additional information.

MR. CHERNIACK: Mr. Chairman, I wonder - I've just received the information requested by the Honourable Leader of the Official Opposition. The Manitoba Health Services Insurance Act, that's the Medicare Act, Section 19 (1), I'm informed that a quotation from that section provides that "within four months after the end of the fiscal year, December 31st, the annual report of the Corporation" -- January, February, March, April, so that would be at the end of April; and the Hospital Services Insurance, March 31st, which has been tabled.

MR. CHAIRMAN: Resolution No. 60. The Honourable Member for Rhineland.

MR. FROESE: I think the government should hold this in committee so that we could look into the budgets and have those amounts tabled, because I'm sure that the Manitoba Hospital Commission does not operate on 21 million. It's much, much more, and therefore, I would like to obtain a budget from the government, and also on the Insurance Corporation, because I feel that already there are reserves in the Hospital Services Fund, reserves for the Insurance Corporation, because there's so much money collected and so much money remitted to the Corporation so there is a balance there.

I did have some more questions on the financial statement but if the matters will be held then I can wait until we have a more complete picture so there could be less time spent in committee on this.

MR. TOUPIN: Mr. Chairman, I have submitted them a few days ago, I think it was last week, but I'll restate for the benefit of the Honourable Member from Rhineland who may not have been in the House when this was stated, so far as the amounts that we're called upon to vote. The amounts that you have in Resolution No. 60 and 61 are the net costs. Well here is the total cost. So far as the Hospital Plan is concerned, 88.5 million; the financing of this is through premiums, \$24 million; the province is \$21,458,000, as you have in your Resolution No. 60; the Federal Government, \$43 million, which gives you a total of 88.5 million.

Regarding the medical plan, the total cost is \$55 million. The financing of this, the province under Resolution No. 61 is 30.1 million; the Federal Government, 21.3 million and through the premiums, 3.6 million, for a total of \$55 million. I've been told here by the staff of the Manitoba Hospital Commission that the Manitoba Hospital Commission has tabled a five-year budget program in this House. There is no requirement to table a budget, only an annual report according to the Act.

MR. CHERNIACK: Mr. Chairman, I wonder if I'd be permitted to just enlarge somewhat on this. The previous government in establishing the Hospital Commission and then the Health Services Commission, under the terms, and I assume in accordance with the requirements of the Federal Government in this partnership if I may call it that, established the commissions which operate the funds and carry out the program; and I am certain - and now I'm not quoting fact I'm quoting an opinion - that in estimating the premiums did not wish to see to it that the premiums should be varied from month to month as costs might rise or shrink. The honourable member no doubt recalls that there was a time when premiums in hospitals were increased when indeed costs had risen; but there is a reserve certainly planned when the premium is first established because of rising costs and the reluctance to foresee changing premiums at all times, and one would hope that there would be surpluses every year, if possible, in the carrying out of the programs; these surpluses would be there as reserves to take care of increasing costs.

Now I want to assure the honourable member that - and again I will correct myself if I discover that I'm wrong - that any surplus funds of the Health Services Commission or the Hospital Commission, are deposited with the Minister of Finance for investment on behalf of these two corporations. And as I say, if I am wrong I'll be corrected, but I am certain I am right, and that these funds are then left on deposit to the credit of the Commission and are used, and constantly used, for the requirements of the province. The budgets will of course be reviewed from time to time because it would be senseless to accumulate great surpluses beyond the needs of the long range or the well-planned needs of the corporation; but the surpluses that are there and the cash flow in excess of what is required from day to day and month

(MR. CHERNIACK cont'd) . . . . . to month are used by the province in financing the province's operations.

MR. FROESE: Mr. Chairman, I'm not quarrelling with what the Minister's just stated. All I wanted to know, just whether those reserves are actually sitting in the Manitoba Hospital Services Fund, because . . . .

MR. CHERNIACK: No, as there are extra monies, cash monies in the Commission, these monies are turned over to the Minister of Finance for investment purposes and are so invested. So they're not just sitting, they're earning money.

MR. CHAIRMAN: Resolution No. 60 . . . .

MR. FROESE: Well, the other members are urgent that this be passed. I feel that I wanted to have things clear in my mind as to what the financial situation is, and when I go out and discuss these matters, so that I can give people an answer to the questions that they will be putting to me. Maybe the Minister could answer me another question that I have on the financial statement on Exhibit A of the report, where it says under liabilities "provision for hospital construction grants." What is the policy of this government? Is it that certain monies are taken from operating capital for the purpose of hospital construction? Because we find the year before 1.8 million was used; this last year 2,081,000 was expended for hospital construction. Is this a practice that certain monies are taken from operating capital for the purpose of constructing hospitals? Maybe you can give me a reply to that.

I haven't had time really to analyze these latest figures that the Minister provided to us, but he gave us a figure of 88.5 million for the Hospital Plan as a total budget. Last year the total revenue was 86.5, roughly two million less than what he's budgeting for this year. Yet we find that the allocation that we're making from estimates is very much identical to the year before, just about 100,000-dollar difference. Where is the additional money to come from; where will the extra two million come from?

MR. GRAHAM: Mr. Chairman, I think the Member for Rhineland has a very valid point here and we do not have figures in front of us, and I think he also has a very valid point that this thing should be tabled until we do have figures in front of us.

MR. TOUPIN: Mr. Chairman, I would just like to try and answer the last questions by the Honourable Member for Rhineland. He has quoted the figure of \$88.5 million that this is going to cost for the year 1970-71 compared to \$86,532,220.77 for 1969, and it costs 70 million - as you can see in your report - 70,292,459.97 for the year 1968. Now your question -- in Liabilities, Exhibit "A", Provision for Hospital Grants. This is the grants that are made to the hospital projects that I tabled in the House - I think it was last week I gave you a list of all the hospitals that are to be built in the year 1970-71 - and this is according to these constructions, or grants for the constructions that are to be made in 1970-71.

MR. FROESE: Do I understand then, Mr. Chairman, that all capital required for hospital construction is taken out of current revenue, out of the hospital funds? Is that correct?

MR. TOUPIN: Apart from the federal share.

MR. FROESE: He says apart from the federal share. Could we have the amount of the federal share that is involved here?

MR. TOUPIN: I haven't got it here.

MR. FROESE: You have no idea. The other point I wish to raise is back to the Medical Insurance Corporation. Last year we had revenue of 39 million and we spent 38 million. We now have a budget for this year of \$55 million. Where do they expect that the increased costs will come from? Is the increased cost going to be on the insurance services or are we expecting large increases in optical and chiropractic service costs? -- (Interjection) -- Yes, well it's just short - no, it's a full year. Oh no, that's right, you are on the calendar year so you have a nine months -- (Interjection) -- Yes, that explains a certain amount of it. I haven't got time to figure it out whether this would . . . .

MR. MOLGAT: Mr. Chairman, I believe there are still some outstanding figures to be obtained from the Minister though. He indicated to me yesterday that he would see if he could obtain what the total cost would be of covering the people who are presently in nursing homes under the hospital premium. He indicated to me that there had been a study made on this and that he would give it to the House. Now this would obviously have to include the extra cost of people who are presently in nursing homes to be covered, but a deduction for those who are presently occupying acute beds and who could then go to a nursing home at lower cost. Has he that information available?

MR. TOUPIN: Mr. Chairman, when I accepted the information required by the Honourable Member for Ste. Rose, this is still acceptable. I haven't got the answers, but in any case it's not included in this financial statement.

MR. MOLGAT: We can expect to get an answer though at some later time. I think there was a further figure as well that the Minister was going to check -- I haven't got the exact quotation right here, I'll have to wait.

MR. CHAIRMAN: (Resolutions No. 60 and 61 were read and passed.) That completes the Department.

MR. CHERNIACK: We go now to the Department of Agriculture.

MR. CHAIRMAN: The Department of Agriculture.

MR. USKIW: Mr. Chairman, the last time I was on my feet I recall that I didn't finish my particular remarks, I didn't complete my speech and I did have a number of goodies for the members opposite to listen to, and that hopefully I can at this stage bring them back to mind as to what the trend of thought was some one week ago, and indeed to continue with my remarks and complete my reply to points that were made during the debate.

As I recall it, the last item that I dealt with was the question of the credit program as presented by my honourable friend the Member for Pembina. He had some very severe criticism of the program, the implication was that Manitoba's high interest program was not going to help the industry but that indeed it was going to hinder it, because to qualify for a loan one might have to consolidate all his debts which would mean, in his opinion at least, converting some low interest credit into some very high interest credit arrangement. As I recall it, I think I made the point in reply that he probably was looking at old Conservative policy and philosophy when he made that statement, because it was in fact the policy of the government of Manitoba since 19-- oh I forget what year the credit program was introduced but some ten years or so, and that that particular item, Mr. Chairman, was changed last fall sometime or when the regulations were completed. The fact of the matter is that full credit is given to anyone that is consolidating a loan and asking for additional credit, so that there isn't any loss sustained by the borrower.

The other change that was made, which is a very important one, was in the area where a farmer wants to sell his farm and he perhaps does have a mortgage on it to our corporation, that that mortgage can be transferred over to the new owner without a shift in the interest rate as well. So these are very positive programs that I think ought to be recognized and we ought not to spread the rumour that the government of Manitoba indeed is not recognizing the needs of our farm people through its credit program.

MR. HENDERSON: May I ask a question here? Mr. Minister, do I understand you to say that if a man has a mortgage on his house and it's over a 20 year term and it has 20 years yet to go and it's running at six percent, that you don't change this when you consolidate his loans and put it at the other rate?

MR. USKIW: Not at all. He gets full credit for the amount outstanding and for the interest rate that he had at the time. That's right.

MR. HENDERSON: Some of my boys have taken the wrong impression on this, or some of your boys gave it to them.

MR. USKIW: Yes, that's right, you've had the wrong impression and again I want to point out that there was a change of policy when the new regulations were drafted after the fall session. I think it's a good change and I am sure the farmers in Manitoba will appreciate it.

The member also suggested that he hoped that I was serious about a marketing program, that I wasn't just toying around with the idea and that indeed something was going to be done. I don't know how better I can by example show the seriousness of the program other than to mention that the budgetary item dealing with marketing is up from 27 to \$115,000, and notwithstanding the fact also, Mr. Chairman, that the overall increase in the budget of the department is up by over 20 percent from a figure of \$8,370,000 to \$10,059,000.00. So while there was an increase there it does not mean that there was a decrease elsewhere in the total budget.

As far as the Pembina Dam is concerned, I think members opposite will appreciate that this is a subject matter that comes under the Department of Mines and Resources, and while I may agree with the importance of the dam, I think the Minister of Mines and Resources will have some observations to make during his estimates and at this point I don't want to enter into any discussion on that particular program.

The Member for Gladstone was suggesting that the government of Manitoba might be

(MR. USKIW cont'd) . . . . . overdoing some of its livestock programming in the cow-calf area, and also that we will likely have to have a great deal more emphasis on veterinary services and indeed we might have to spend a lot more money in trying to attract veterinarians into the province. On the first point I want to say again that I don't see a problem in terms of quickly developing an over-abundance of livestock in Manitoba. We have a long way to go; I think there is a lot of room. I recognize the need for veterinary services, and again I have to remind my honourable friends that there is a very substantial item in the budget for the provision of these services and that we will have possibly up to 10 veterinary clinics established in Manitoba this year with a provision also for assistance to Veterinary students or students entering Veterinary College in Saskatchewan, an increase in the grants from \$500 to \$750 per student. So this is a well rounded-out program as we see it, Mr. Chairman, with respect to the livestock industry for Manitoba for the current year.

There are other measures that are naturally undertaken, the fact that we have set up teams within the department to assist in the development of the industry. We have a cow-calf team, we have a hog production team and we have a feedlot team that are ready to respond to the requests and needs of people that are either expanding substantially their operations or entering for the first time the area of these kind of enterprises. We recognize that there are many problems in the industry and that new people entering into it could run into very serious difficulties if we didn't attempt to provide the services which I have mentioned.

The Member for Rock Lake made a point, which really wasn't a point. I was very disappointed to hear the remarks of my honourable friend because I know that he couldn't be serious about those remarks. I want to say that with respect to the meeting at Pilot Mound, which was an important meeting, and the fact that I was unable to attend that meeting because of my presence elsewhere, attending the Food and Agricultural Organization Meeting in Rome, meeting of the United Nations which also was a very important meeting, Mr. Chairman, because it dealt with the food needs of the world and it dealt with the question of how do we respond to the food needs of the world. I think that it was a very valuable thing to participate in and I want to say that I did so on the invitation of the Government of Canada which is a member of this organization. And I want to say also, Mr. Chairman, that the reason the invitation came is because provincial legislatures had expressed some disappointment that in previous years the Government of Canada neglected to invite provincial members to that particular meetings, and rather than disappoint my honourable friends in Ottawa, after having received some requests from the provinces, I decided the proper thing to do was to attend the conference. And I think in very good faith, Mr. Chairman.

I think it is somewhat negative to take the position that a meeting in Pilot Mound was supreme and that the meeting in Rome was not important because the whole question of food production in the world, Mr. Chairman, is the most important item, in particular when we know that the world is striving to reach a balance as between food production and the hungry people which that food production must serve. I think that it's too bad - it's too bad that previously the government of Manitoba didn't see fit to participate in those conferences. I want to say for the record, Mr. Chairman, and for my honourable friend from Rock Lake, that there was a representative sent to Pilot Mound in my place and that representative, as I understand it, did indicate the reason for my absence and did represent the province at that particular meeting.

The Member for Lakeside - he's not in his seat - he expressed a great deal of concern about the fact that the civil servants within my department may be finding things difficult. He expressed a concern that ideological differences would not hamper the operation of the Department of Agriculture, and I want to say for the benefit of members opposite that such is not the problem in my department, that we do have civil service in the government of Manitoba that respect policy decisions as established by the government in power, regardless of who that government is. We have people in the civil service that hold a great deal of respect for the role of the civil servant and are not about to scuttle the efforts of any department because of any ideological differences between themselves and their ministers. And I want to say I am quite pleased with the performance of the members or the civil servants in the Department of Agriculture, contrary to what may be said for certain other departments.

The Member for Lakeside pointed up that there was a reduction of some \$40,000 in grants to the University of Manitoba and that is true, it's shown in the estimates, but I want to say that that in no way shall reflect a reduction of research capability. There was discussion



(MR. USKIW cont'd) . . . . . between the university and the province during the time of the budget process and it was felt that the University of Manitoba was able to accommodate that kind of a reduction without any loss of research capability. They may have less a need for capital expenditure but the research function will continue normally, so I just simply want to state that for the record.

The Member for Lakeside indicated that he thought that the area of expansion in marketing dollars should be under the section dealing with Manitoba Marketing Board, and I suppose I can answer him by stating that perhaps he has been too long away from the Department of Agriculture and has forgotten the role that the Manitoba Marketing Board played. It isn't the role of marketing development, promotion, research, it is a role which supervises and helps to establish marketing boards and commissions and so forth, quite a different function from a marketing research intelligence program which we are implying under the other section in which there are some \$115,000 made available.

The member also stated that he was concerned that the government of Manitoba was wasting some dollars in entering into the computer accounting system, that we were going to duplicate a federal program, and again it probably exemplifies the fact that he has been away from this department so long he can't recall what happened, because really it is a joint effort on the part of the Government of Canada and the provinces that this program is made available, and Manitoba's share is shown in the estimates and it is not a duplication. My honourable friend from Arthur perhaps might bring his friend up to date on just what is happening in that program.

The question of A. I. has been put and it's a fair question because I think we have to admit that the whole area of A. I. has come into question and some very serious problems have occurred in the last number of years which require a lot of attention if we are at all to deal with the problem adequately. I want to say that I did inherit a very rough situation in the A. I. industry and a great deal of research is going to have to be done to resolve it in the best interests of all the people of rural Manitoba that are in the industry. But I want to say that I have not yet made up my mind what form that research is going to take. Currently I am thinking of the idea of establishing a committee or commission or someone to study the problem and bring in a report. I haven't decided at this point just who is going to undertake this. I realize the seriousness of the problem; I think that we are not sitting on it; there has been a great deal of dialogue as between the industry and myself during the last several months. Certain sectors have attempted to bring about certain recommendations but were not able to complete them and things are in a state of flux, but hopefully before too long, Mr. Chairman, we are going to move along and try to decide just what the future is for A.I. in Manitoba.

The question was raised as to what was the intent of the government of Manitoba when it presented its views on the cash shortage during the Federal-Provincial Conference at Ottawa. The idea as presented by Manitoba that the Government of Canada co-operate with the Province of Manitoba in the extension or the additional supplementary cash payments that we will be prepared and are prepared to make to the grain producers of Manitoba that have a great deal of difficulty because of surplus grain situations.

I want to say that it is untrue, as the Honourable Member for Lakeside suggested, that all we were attempting to do was to put farmers deeper into debt by giving them greater amounts of cash advances. What nonsense, Mr. Chairman. A cash advance is really a payment for work, that's what it amounts to, and it is my belief, Mr. Chairman, that that particular program should have been expanded at the federal level a long, long time ago, that the \$6,000 maximum is not nearly sufficient in this day and age. In essence what I'm saying, Mr. Chairman, is that I believe in the concept that once the grain is produced that I think the state could play a very useful role by taking possession of the grain and paying the farmers for their labour and their investment rather than waiting for the sales that happen to fluctuate from year to year and operate in very severe cycles if you like, Mr. Chairman. The highs and the lows really are difficult to handle by the individual farmer and it's probably time that we approached it in a much more sophisticated manner, assuring the farmer that he has a return at the end of the year so that he can pay his bills and that the state can take the bumps in the market place as they occur, and I would certainly hope that members opposite agree with that particular proposition. That is why we have always insisted on an expansion of the cash advance program, because all that really does is pay the farmer for his work when it's completed, the same as you want to get paid, Mr. Chairman, when you are through in the

(MR. USKIW cont'd) . . . . . Legislature, the same as any person that's employed wants to get paid on pay day, any salaried person, any worker that works by the hour. This is not unreasonable and it can be achieved. It takes a little bit of . . .

MR. G. JOHNSTON: Mr. Chairman, could I ask a question of the Minister? Does the Minister of Agriculture for Manitoba, is he suggesting that the Federal Government should pay all producers of agriculture for whatever they grow - apples, tobacco, peaches, grain - the state should pay automatically?

MR. USKIW: I want to say, Mr. Chairman, that I believe in a great deal of planning capability within the area of the industry, that is largely an area of export where we have very little control as to what happens with the supply-demand situation, where we don't have a capability within any sector of this industry to cope with the fluctuations. In that particular instance, Mr. Chairman, I believe that the state has a vital role to play, in particular because it's a direct relationship, or has a direct relationship with trade policy for example. The Department of Trade and Commerce in Ottawa will determine, for example, through their trade policy, how many bushels of wheat we might sell next year, depending on their flexibility in the markets of the world and their willingness to trade with members of the world community. So because of that, Mr. Chairman, and because of the fact that we have a tariff situation that does protect certain people in this country to the disadvantage of the rural people of Canada, there is a responsibility on the Government of Canada, a greater responsibility than they have been willing to recognize, to assure that there is a situation of income, guaranteed income to the rural people within a certain limit, Mr. Chairman.

MR. MCKENZIE: . . . the Minister already made a statement that this type of a program is where farmers will get paid for services rendered. Would he add that an acreage payment would do similar service to the farming industry?

MR. GREEN: Mr. Chairman, it certainly was no point of privilege and I hesitate to interrupt the . . .

MR. USKIW: Can I answer the question?

MR. GREEN: I'm very sorry, I would like to move the committee rise. You can't answer in 15 minutes.

MR. USKIW: Yes, I can.

MR. WATT: . . . do with the motion, but I think there was a point of privilege, or a right to . . .

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Supply has passed certain resolutions directed me to report progress and asks leave to sit again.

#### IN SESSION

MR. BOYCE: Mr. Speaker, I beg to move, seconded by the Member from Kildonan, that the report of the Committee be received.

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

MR. SPEAKER: It is now 10:00 o'clock; the House is adjourned and will stand adjourned until 2:30 tomorrow afternoon.