# THE LEGISLATIVE ASSEMBLY OF MANITOBA 2:30 p.m. Wednesday, April 14, 1976

Opening Prayer by Mr. Speaker.

## INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 40 members of the International Centre. This Centre is located in the constituency of the Honourable Member for Wellington. On behalf of all the honourable members I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Health.

# MINISTERIAL STATEMENT

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, I wish to report on the current status of developments with respect to the possibility of a Swine Influenza epidemic in Canada.

The latest information available indicates there have been no further developments of Swine Flu since January, 1976. In summary, 12 recruits of Fort Dix, New Jersey, were diagnosed as suffering from influenza due to a virus which normally produces disease only in swine. There was one death on February 4, 1976, a 19 year-old recruit who had just returned from a route march and who was found to have pneumonia due directly to the Swine Flu virus. It is quite probable that the strenuous exertion of the route march contributed to his death.

Swine virus flu itself is not clinically different than the ordinary types of influenza that have swept across North America in recent years. This year Canada and Manitoba have been affected by influenza a "B" virus and influenza "A" Victoria virus. These have caused three or four times the number of deaths that would normally have been expected amongst the elderly. In fact the Swine Flu virus so far has proved to be a milder illness than other types of influenza. This is shown by the fact that in blood screening programs carried out at Fort Dix, over 500 persons were found who showed evidence of having been infected with the Swine Flu virus but who were not at all ill, and that is they have a symptomatic infection.

The cause for concern is that the Swine Flu virus at Fort Dix appears to have developed the capability of spreading from one human to another human. Normally it spreads only amongst animals. It is possible that as it adapts to growth in human subjects its virulence may be enhanced and it may cause more serious disease. However this is purely a theoretical possibility.

The usual pattern of new strains of influenza is to appear during the winter months. Swine Flu appears to have disappeared from the North American continent but may turn up in the southern hemisphere during July and August and return once again to North America for our influenza season which usually starts about the end of December and peaks in the middle of February.

The only method of primary prevention of influenza is by vaccination. The process of manufacturing of a new type of flu vaccine is such that several months lead time is necessary before it can be mass produced. A decision therefore has to be made now if we are to have any vaccine available in time to use it next September, October and thus prevent an epidemic from December onwards. The United States have made a decision to immediately embark on a mass production program and Swine Flu vaccine will be offered to all American citizens. Canada, with the agreement of all the provinces, would also embark on a vaccination program, however, a survey in Canada has shown that about 88 percent of citizens over the age of 50 are immune to the Swine Flu virus because it is very similar in structure to the virus which caused outbreaks of influenza from 1918 until 1930.

Persons over 50 therefore do not require Swine Flu vaccine. Children under the age of three tend to have a feverish reaction and possible convulsions if given Swine Flu virus vaccine and it is therefore not recommended for this age group. Young persons

#### MINISTERIAL STATEMENT

(MR. DESJARDINS cont'd) . . . . . under the age of 20 tend to have mild influenza which they shake off without untoward effects and they also tend to react more severely to flu vaccine. Initially it was believed that the crash flu manufacturing program would produce a somewhat crude and unrefined vaccine and therefore Canadian authorities felt that it should not be offered to persons under the age of 20. However it has now been learned that a more purified vaccine will likely be available and in view of this, the age groups that have to have the vaccine are being reconsidered by the National Advisory Committee on Immunizing Agents. A decision at a later date on this age group will be taken based on the availability of the supply of vaccine and as the pattern of the emergence of the disease becomes clearer.

Manitoba was represented at a meeting in Ottawa, of epidemiologists on April 13th, 1976 to consider the Swine Influenza situation and to make plans for dealing with any possible outbreak. The group had before it the results of discussions held by experts of the World Health Organization in Geneva on April 8th. One of the major questions facing these experts related to the availability of the vaccine. It is in great demand and short supply. Supplies are not likely to become available until September and then only in small quantities. As mass production gets under way it is expected that increasing quantities of vaccine will become available during later September and October. Officials of the Canadian Government are searching diligently for sources of supply and hope to obtain an allocation from U.S. sources. Attempts are also being made to obtain equipment for manufacturing vaccine in Canada from the fertile eggs necessary to grow the virus but as can be imagined the quantity of such materials is severly limited because of the tremendous demand. Nevertheless it is hoped that some vaccine can be manufactured in Canada. Manitoba has agreed along with the other provinces to authorize the Federal Government to act as its purchasing agent to obtain supplies for vaccine as well as jet injector guns, sterile disposable syringes and needles, etc., to mount a mass vaccination program.

Any vaccine containing the mixture of Victoria "A" Influenza Virus as well as Flu "B" vaccine will be made available for medically high risk groups. As has been the practice in former years this includes old folks over the age of 65 in institutions, persons suffering from pre-existing chronic heart disease, chronic lung disease, kidney disease, diabetes, myelitis and other chronic metabolic disorders. Authorities across Canada will agree on a list of most essential occupations and depending on the quantities of flu vaccine available it will be offered first to those in these most essential occupations and hopefully will eventually be available to every person between the age of 20 and 50.

There will be a continuous exchange of information and further meetings of Canadian experts. My staff will be carrying out intensified surveillance procedures and will maintain constant communication with National Health and Welfare officials on all current national and international developments. The Provincial Public Health Laboratory has already begun a study of blood samples for evidence of the disease in co-operation with nine other Canadian viral laboratories. My department will be providing additional public information as it becomes available. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. First of all I would like to thank the Minister for inviting me to the press release. It was very beneficial to me and I am sure it answered a lot of questions that I had in mind.

The way I understand it is that senior citizens with chronic ailments will be immunized first and then the 20 to 50 age group, and if vaccine is available others will be considered.

I hope that the Minister will attempt to obtain vaccine for the entire populace of Manitoba. The costs of the vaccine, which I understand to be around \$500,000, to immunize the populace of Manitoba certainly justified the total immunization of Manitobans. I hope that the Minister will make every attempt to make this possible.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills. The Honourable Minister of Mines.

# INTRODUCTION OF BILLS

HON. SIDNEY GREEN, Q.C. (Minister of Mines and Natural Resources) (Inkster) on behalf of the Honourable Attorney-General, introduced Bill 51, The Retirement Plan Beneficiaries Act and Bill 56, The Foreign Cultural Objects Immunity from Seizure Act.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows) introduced Bill 54, an Act to amend The Teachers' Pensions Act. (Recommended by His Honour the Lieutenant-Governor).

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs. HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne), introduced Bill 37, The Corporations Act. (Recommended by His Honour the Lieutenant-Governor).

MR. SPEAKER: I would ask that the honourable gentlemen co-operate and give that information as they make the motion. It saves the pages a lot of steps, and they are overworked sometimes. The Honourable Minister of Tourism and Recreation.

HON. RENE TOUPIN (Minister of Co-operative Development) (Springfield) introduced Bill 59, The Co-operative Act. (Recommended by His Honour the Lieutenant-Governor).

# ORAL QUESTIONS

MR. SPEAKER: Questions. The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, my question is to the First Minister. I wonder if he can indicate and confirm now, as a result of the Budget Presentation last night and the indication of an \$11-1/2 million deficit for the accounts of this past year, I wonder if he can confirm that the government underexpended its expenditures by approximately \$50 million to \$60 million.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): I'm sorry, Mr. Speaker, I want to be sure I heard that precisely, that the honourable member is suggesting or asking confirmation rather that we have under-expended the expenditures. I seem to recall that he was accusing us of the very opposite not too long ago.

MR. SPIVAK: Mr. Speaker, I'm asking the First Minister, who I believe has knowledge of this and whose Budget would indicate at this particular time, without knowing the revenues but from the information available, that in effect . . .

MR. SPEAKER: Order please. The honourable member is debating the issue. I think he could probably take this better up under Ways and Means and debate it at that time. Thank you.

MR. SPIVAK: Will he now confirm that considering the Estimates, Special Warrants and Supplementary Supply that in effect there was an under-expenditure of some \$50 million to \$60 million.

MR. SCHREYER: Mr. Speaker, I couldn't confirm that as being an accurate summary and we are really perforce dealing with summary in attempting to answer the honourable member's question. I would have to say, Mr. Speaker, that the final result on the 1975-76 fiscal accounts really are an amalgam of over-expenditures of certain appropriations, under-expenditures in others, a shortfall of some revenues and beyond anticipated amounts on other revenues. When it's all brought into amalgam, the netting out does come to in the order of magnitude of \$11-3/4 million.

MR. SPIVAK: I wonder then if the First Minister is in a position to indicate the overage received in total at this point, or estimate of received in total, over the budgeted revenue for last year.

MR. SCHREYER: Yes, Mr. Speaker. I can't hide the fact - in fact I've no desire to hide the fact that for reasons which are not entirely clear to me and may I add to my advisers, we seem to be in a habitual pattern of always somewhat understating revenues and that has been a consistent pattern.--(Interjection)--Yes, I thank my colleague. There is a word for that and that is that we are excessively 'conservative' in our Revenue Estimates. But we do not plead guilty entirely because some of the Revenue Estimates we take unrevised from the estimate given us by Revenue Canada. Other items

# ORAL QUESTIONS

(MR. SCHREYER cont'd) . . . . of revenue which are provincial in scope and collection, of course, we are on our own in terms of the Estimate of Revenue.

MR. SPIVAK: I wonder then if the First Minister is in a position to indicate now that the information supplied by the Canada Tax Foundation on revenues received by Manitoba from Equalization, Income Tax and Corporation are therefore not correct.

MR. SCHREYER: Well, Mr. Speaker, I'm not quarrelling with the Canadian Tax Foundation figures; I'm surprised that my honourable friend is, he was using them as a basis of evidence for questioning last week. I think it's fair to say that in fiscal 1975-76 that we do not quarrel significantly with the figures used by the Canada Tax Foundation publication. There has been in 1975-76 with respect to the Corporate fiscal yield somewhat less than anticipated but on other revenue items the yield has been somewhat higher.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I have a question for the Honourable the First Minister relating to his Budget Speech last night. Has the First Minister estimated the total loss in resale value of present heavy cars in the hands of private owners due to the announced increase in the tax on heavier cars.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I'm not sure what distinction my honourable friend is drawing as between the particular treatment that I announced yesterday as opposed, let us say, to emulating all the provinces to the east of us that have a seven percent general sales tax. The impact in dollars on larger cars would be I think at least comparable.

MR. G. JOHNSTON: Another question, Mr. Speaker. Would the First Minister consider adapting the new tax to only apply to cars that are being sold for the first time rather than on cars in the hands of private owners?

MR. SCHREYER: Mr. Speaker, I'd have to be extremely careful in responding extemporaneously to that question. I will have to take it as notice.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister in charge of the Manitoba Development Corporation and would ask the Minister if Saunders Aircraft has repossessed the three airplanes they sold to the Colombian Government.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I am not acquainted with that. I am aware that there was some difficulty with that account but I am not aware that there has been a repossession as yet. I'm certain that I would be made aware of it eventually if it occurred.

MR. BANMAN: A supplementary question then, Mr. Speaker. Is the Manitoba Government getting pilots ready to go across to Colombia and pick up these airplanes?

MR. GREEN: Mr. Speaker, I understand that pilots have been trained to fly Saunders aircraft in the eventuality that it is necessary to repossess the planes. I'm not ruling out a repossession of the airplanes but I'm not certain that it has occurred at this point. The account is a little better than the Federal Government's account.

MR. BANMAN: A final supplementary. I wonder if the Minister could inform the House whether all these three airplanes are flightworthy.

MR. GREEN: I couldn't say, Mr. Speaker. What I could say is that if they're not flighworthy we would not ask pilots to fly them back.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Education. In view of the announcement of the Secretary of State that there is to be a new cost-sharing program for French language instruction, can the Minister indicate whether this province intends to put forward new proposals of programs for expanded French language instruction in the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, I can't say whether we'll be putting forth any new proposals but as I have indicated previously and as the honourable member will have

## ORAL QUESTIONS

(MR. HANUSCHAK cont'd) . . . . . ample opportunity during the debate of my Estimates to acquaint himself with the continuing expansion program of the francais program in Manitoba and that certainly will continue. Certainly we would take advantage of whatever Federal assistance there will be available. We'll seek to take maximum advantage of it.

MR. AXWORTHY: A supplementary, Mr. Speaker. Could the Minister confirm that in fact the Province of Manitoba, the Department of Education, unilaterally cancelled a proposal to the Federal Government for the expansion of French language instruction in the City of Winnipeg School Division.

MR. HANUSCHAK: Mr. Speaker, there has been no proposal that has been cancelled for the expansion of the French program in the Province of Manitoba. The approach that we are taking is a universal one, not one directed only at one school division or to assist one school division but one that would be of assistance and benefit to all school divisions wishing to proceed under the provisions of Section 258 and that is to provide instruction in both official languages of the country.

MR. AXWORTHY: A supplementary, Mr. Speaker. If the Minister indicates that there has been no cancellation, could be report to the House then whether the proposal put forward jointly by the Province of Manitoba and the City of Winnipeg School Division for financial assistance to expand and improve facilities for French language instruction is still being considered or is still pending a decision.

MR. HANUSCHAK: It's still pending as part of our overall negotiations with respect to the expansion of the development of our French program in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW (Flin Flon): I direct this question to the First Minister, Mr. Speaker. With respect to the increased corporation tax announced in the Budget yesterday, is it true it's worthless trying to tax corporations because they don't pay the tax anyway . . .

MR. SPEAKER: Order please. Order please. If the honourable member wishes to ask a question, he is entitled to it. If he wants to make a speech afterwards, he'll have to find another time. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, in order to avoid exaggeration of the issue I think it would be correct to say that under the present Income Tax Act as it applies to corporations, that there are different expense abilities or deductions allowed. But I for one am not that cynical as to believe that corporations do not pay taxation; they do. Anyone who suggests that they don't is probably labouring under a misapprehension. Some suggest that they may only pass on the cost. It all depends, Sir, on what kind of activity they are engaged in. If they are selling product into national or international markets, they're not passing on directly proportionately the costs to Manitobans.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I wish to address a question to the Honourable the Minister of Mines and Natural Resources. With respect to the farmers in the vicinity of the Portage Diversion who have been caused flood damage by the break at the Lake Manitoba end of the diversion, my question is: are departmental officials in the field now measuring the damage or are they going to wait until a later date?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I would hope that the first alternative is correct and I would assure the honourable member that his question and my answer is being transcribed immediately, going to my office, and to make assurance doubly sure it will be immediately communicated to the departmental officials.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Because of complaints of delays in the settling of claims in the same area in one previous year at least, would the Minister consider using aerial photography to record the actual damage so that later on, when the discussion and the arguing between the officials and the farmers are taking place, that there's at least a visual record of what has happened.

MR. GREEN: Mr. Speaker, that suggestion too merits consideration.

I should, Mr. Speaker, indicate that the Floodway, when it was constructed, was

(MR. GREEN cont'd) . . . . . constructed to take a total of 25,000 cubic feet per second but was constructed so that it would spill at the northerly portion of it at 15,000 cubic feet per second. Now I'm not going to second guess the government at the time but they in their wisdom felt that that would be the lesser of an expense to the province because of the relatively lower amount of private land that would be involved compared to the cost of constructing it at a 25,000 cubic feet per second rate for the entire length of the Floodway. There is no break in the Portage Diversion; this is a designed spill.

The length of time per settlement of complaints last year is something that I could not really assure the honourable member will not take place this year. I wouldn't want it to happen but I have been too long involved between people who are making a claim and the people against whom the claim is being made as to the differences of opinion that result, to be optimistic that there wouldn't be some disagreement regarding these discussions. The suggestion that my honourable friend makes, and any other suggestions, as to creating better certainty will certainly be looked into.

MR. G. JOHNSTON: One more question on the same subject, Mr. Speaker. Because the design has not given proper protection now for two different years to the farmers living alongside the Diversion, will the Minister give serious consideration to changing the design to a permanent dike all the way through the marsh so that this problem will not occur again?

MR. GREEN: Mr. Speaker, at this stage the government is in a slightly different position than it was when the design was first made. We would have to calculate the number of years that it could be expected that this type of occurrence would result, the amount of damage that would take place, capitalize that damage into a figure to see whether there is a cost benefit in lengthening the amount of the Diversion which takes the 25,000 cubic feet per second capacity. We would have to deal with it as if it was a new program.

MR. SPEAKER: The Honourable Member for Thompson.

MR. KEN DILLEN (Thompson): My question is to the acting Minister of Labour. Can he confirm that the Anti-Inflation Board has rolled back the settlement reached last month between the United Steel Workers of America in Thompson and International Nickel from a 20 percent to 12.9 percent.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, my information is that the Anti-Inflation Board has not concurred in a settlement that was arrived at between the company and the employees with respect to the wages that would be paid to those employees under a new collective agreement. It's also my understanding that the agreement was signed on the understanding that if the Anti-Inflation Board did not concur in the settlement that both the men - well I suppose in this case it would only be the men - that the men would reserve their right not to continue to be employed at the plant. I can't be certain as to what the effects of the action of the Anti-Inflation Board will be.

MR. DILLEN: I wonder if the workers in Thompson, Sir, could expect a similar percentage roll back on rent, mortgages, heating fuel, hydro rates, propane gas, professional fees, gas and oil and food, and any of the other expenses incurred by those same workers.

MR. GREEN: Mr. Speaker, I think I should make it plain that this particular Anti-Inflation Board decision is one that would be made irrespective of any other government's position. This is a part of the Federal Anti-Inflation Program. I am not going to make any assurance but I'm going to say that in theory the Anti-Inflation Program is supposed to deal with the kinds of things that my honourable friend has referred to. As to the effectiveness of the program, that is something that all of us are looking with interest at.

MR. DILLEN: Is the Minister suggesting that this roll back would have occurred whether or not the province was a party to the Anti-inflation Program, or a signatory to that agreement?

MR. GREEN: Mr. Speaker, that is certainly my impression.

MR. SPEAKER: The Honourable Member for Fort Rouge.

#### ORAL QUESTIONS

MR. AXWORTHY: Mr. Speaker, I have a question for the Minister of Agriculture. In light of the forecasting made by the U.S. Department of Agriculture predicting dryness or near drought conditions in the north central states, can the Minister indicate whether there is any similar forecast for Canadian agricultural areas to indicate that there may be extreme dryness or near drought conditions in Manitoba in this growing season?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I don't have any recent information on that particular subject. However even if we were advised so there isn't much we would do about it.

MR. AXWORTHY: A supplementary, Mr. Speaker. In light of the Minister's last statement, does the Manitoba Department of Agriculture not have the capacity to provide information or guidance on anti-erosion measures and other forms of ways of protecting against conditions of dryness or a very dry year for agriculture?

MR. USKIW: Mr. Speaker, that particular information has been on the books for decades to say the least, since the 1930s. At least 40 years.

MR. AXWORTHY: Well a supplementary, Mr. Speaker. If the information has been on the books does the Minister indicate then that he's not prepared to make sure that there is proper distribution or dissemination of that information through the Department of Agriculture and its field workers.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, the staff of the department and I would say virtually all of our farmers have had that information and are fully knowledgeable in that respect.

# COMMITTEE SUBSTITUTION

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, by leave, I would like to make a substitution on the Public Utilities Committee for Tuesday next. The Member for Fort Rouge replacing the Member for Portage la Prairie.

 $\ensuremath{\mathsf{MR}}\xspace$  . SPEAKER: Is it agreed? So ordered. The Honourable Member for Flin Flon.

MR. BARROW: Mr. Speaker, with leave, I'd like to change two members on the Law Amendments Committee - replace them rather. The Minister of Renewable Resources will replace the Minister of Corrections.

MR. SPEAKER: Is it agreed? So ordered. The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you proceed with the Orders of the Day just as they appear on the Order paper.

# ORDERS OF THE DAY - BUDGET DEBATE

MR. SPEAKER: Thank you. Adjourned debate on the proposed motion by the Honourable First Minister. The Honourable Leader of the Opposition.

MR. DONALD W. CRAIK (Leader of the Official Opposition) (Riel): Could I have this matter stand, Mr. Speaker? (Agreed)

# ORDERS FOR RETURN

MR. SPEAKER: Orders for Return. The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I move, seconded by the Member for Birtle-Russell,

THAT an Order of the House do issue for a Return showing the following information:

- 1. The total number of pay cheques issued by the Manitoba Government on March  $26,\ 1976.$
- 2. The total amount of public moneys required to meet the payroll for the biweekly period ending March 26th, 1976.

#### ORDERS FOR RETURN

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, perhaps I could indicate that there is no problem in principle in accepting this Order. I would like to have an understanding if possible, with the Honourable Member for Morris, that if there is some technical reason – I've asked for advice as to whether there is any technical problem, I haven't received a reply on that – if there is a technical problem which I don't anticipate, that I accept it subject to that caveat.

MR. SPEAKER: Is it agreed? The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, if there is a technical problem I would suggest that perhaps through the process in negotiation we could arrive at the proper kind of ... MR. SPEAKER: Is that agreed? So ordered.

## GOVERNMENT BILLS - SECOND READING

MR. SPEAKER: Adjourned debates. Bill 23. The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, could I have this stand? (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Minister of Mines, Bill No. 30. The Honourable Member for Morris. Stand.

Bill No. 39, proposed by the Attorney-General. The Honourable Member for Birtle-Russell.

Russell.
MR. HARRY E. GRAHAM (Birtle-Russell): Stand, please, Mr. Speaker.(Agreed)

MR. SPEAKER: Bill No. 42, proposed by the Honourable Minister of Health. The Honourable Member for Rhineland.

MR. BROWN: Stand, Mr. Speaker. (Agreed)

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House Resolve itself into a Committee to consider the Supply to be granted to Her Majesty.

MR. SPEAKER: Let me say again to the honourable members that when I'm putting a motion, if members stand up I expect them to make a speech. So would they kindly sit for that one minute until the motion is done? Thank you.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair for Health and the Honourable Member for St. Vital in the Chair for Renewable Resources.

# SUPPLY - HEALTH

MR. CHAIRMAN: I wonder if we could have just a little less noise. I refer honourable members to Page 29 of their Estimates Book. Resolution 59, Central Medical Services (a) Office of the Chief Medical Consultant: (1) Salaries \$98,500 - the Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Chairman. Can the Minister tell me how many people are involved in this Salary?

MR. CHAIRMAN: Resolution 59(a) - the Honourable Minister of Health.

MR. DESJARDINS: . . . last year and six this year.

MR. CHAIRMAN: Resolution 59(a)(1)--pass; 59(a)(2) Other Expenditures--pass; 59(b) Psychiatric Services: (1) Salaries \$666,100 - the Honourable Member for Fort Garry

MR. L. R. (Bud) SHERMAN (Fort Garry): Mr. Chairman, I would like to get back to the Minister now in connection with the point, and a discussion of policy and approach, that we first broached earlier in the consideration of his Estimates in perhaps a necessarily superficial way, waiting for the opportunity to get at it under the correct item and we now have arrived at that item.

At the time I was proposing to the Minister that a substantial amount of initiative is necessary in this province in the field of Psychiatric Services and particularly in the area of psychiatric services and therapy and treatment generally for seriously emotionally

(MR. SHERMAN cont'd) . . . . . disturbed children. I want to emphasize at the outset that I'm not talking just about emotionally disturbed children in general, although there really should not be too many distinctions made between the degrees of disturbance and the degrees of difficulty. I am concerned primarily at this point anyway in our consideration of these Estimates with the problems of treatment, lack of facilities in this province, the need for initiatives in the area of treatment for seriously emotionally disturbed children, those who require medical treatment for their disturbances.

There are approximately, Mr. Chairman, 1,800 children in the Province of Manitoba under the age of 19 who would fall into this category, who are classified as seriously emotionally disturbed and requiring medical treatment. The total is .6 percent of the total figure of 300,000 children in the province between the ages of infancy and 19 years. That works out to, as I say, 1,800 children in this category. There is an appalling and a deplorable lack of facilities for treatment of these afflicted youngsters and there is a substantial cost borne by Manitoba taxpayers, carried by the Manitoba Government, when it comes to obtaining treatment and attention because of the necessity of sending these children outside of the province to Saskatchewan and other parts of Canada for the treatment they require. Even at that there is only a fraction of the number requiring treatment who can be supported and assisted in that manner.

I want to emphasize very clearly, Mr. Chairman, that I am not standing here asking the Minister of Health and his departmental aides to spend any more money in the current fiscal year than they have already committed themselves or pledged themselves to spend. The total appropriation with which we're faced, where this department is concerned, is certainly high enough if not indeed too high. It constitutes approximately one-third of the entire budgetary expense of the people of Manitoba and certainly I am not asking - and I believe I can speak for my colleagues when I say that we're not asking that one additional dollar be voted or appropriated - but what we are asking is that the dollars that are available be spent in the most efficient and effective manner, that the programs be screened and culled for value and return and that where it is possible, the government permit and undertake other programs, other methods and means of funding these kinds of necessary services when those other means of provision of such services are available to them. My reference of course is to private agencies and private individuals who may and in many cases are willing to initiate activities in health and social assistance fields.

Where it can be demonstrated that a private agency or a private individual or a group of private individuals is in a position to fill a vacuum, fill a void, provide a service that is a vital one for the community in which we live and that is not being provided at the present time by the province, then I urge the government, with all the strength at my command, to consider those avenues and those alternatives of operation, particularly, and in fact I would say specifically, if those alternatives can be demonstrated to be manageable from a financial point of view in such a way as to relieve the burden now on the Manitoba taxpayer. I'm not suggesting that we go into other programs or areas that are going to cost more; I'm suggesting, Sir, it is possible to get into alternative provision of programs and facilities that, in fact, are going to cost the taxpayer or going to cost the Government of Manitoba less, at least, are not going to cost any more, than is currently incurred. For if the Province of Manitoba has to spend so many tens of thousands or so many millions of dollars to provide treatment and services outside the province, to citizens of the province in need of such treatment, and if that kind of service cannot be provided due to program and budgetary and building restraints by the government itself, then it seems self-evident and logical to me that the government should be prepared to listen to approaches from the private sector for provision of those facilities as long as it can be demonstrated that that kind of provision and the kind of government support and funding that would be necessary to launch that kind of provision of service, is either equal in cost to the expense the government is already incurring by going outside the province to seek treatment, or in fact - and especially if it's less in cost, if a cost saving can be demonstrated.

We're dealing here in a field that concerns me by the difference in the appropriations for 1977 as opposed to the fiscal year just ended, March 31st of this year, the

(MR. SHERMAN cont'd) . . . . .fiscal year 1975-76. There aren't very many places in these Estimates where the government's expenditure this year is pared down from where it stood last year. There aren't very many items on which we're being asked to vote a smaller appropriation than we voted last year. Here is one area where that is the case. Where last year we voted \$1.1 million in this area; this year we're being asked to vote \$872,000.

Now if the Minister and the government could demonstrate to me that when we were looking at the total appropriation for Health and Social Development that we were spending no more and hopefully spending less than was the case last year, and that this particular program and this particular item, Psychiatric Services, conformed to the general kind of fiscal approach, then there would be no criticism from me, Sir. But I say to the Minister and to this government that when the total being spent for Health and Social Development is up by some \$80 million over last year, which is approximately 25 percent in terms of overall increase, is up from \$315 million voted last year to \$395 million voted this year, that there is something seriously wrong that that \$80 million increase in spending takes no account of the needs in the field of Psychiatric Services. --(Interjection)--Well the Minister says to me, "Don't get in too deep. I may find an explanation." Well that's a hopeful sound and a hopeful sign. I would be greatly encouraged if the Minister can explain that there are things being done in this area that represent steps forward, that represent progress.

At the same time I reiterate that I'm not asking that the Minister spend more money, I'm asking that in the budget that he's got with the money that he's spending, that some semblance of priorities be maintained that admits of the importance of this particular field, Psychiatric Service. Now the Minister suggests to me that I should not get in too deep, that he's coming up with a package. It'll be something perhaps of a surprise package to us on this side and I will await with interest what information he can give me on this point.

But looking at the Estimates as they are presented to the opposition, I think it's a fair and legitimate question and criticism to raise, Sir, when we look at the figures I've just sketched, when we look at the decrease in the obvious appropriation being voted for Psychiatric Services and the increase in the obvious overall appropriation being voted for Health and Social Development in total. If there is some subtleties and some book-keeping applications that permit for a fair response to psychiatric needs in this province then I'll be very pleased to have the Minister reveal them to me. But I would suggest that he would, in fairness, perhaps be prepared to admit that at least to the uninformed eye as it exists in the opposition at the moment where the presentation of these Estimates are concerned, there seems to be a considerable discrepancy and a considerable anomaly and it certainly requires some explanation.

Sir, the Minister suggests in his comments to me that something may be coming in this area. Well I want to suggest to him that it's high time, beyond high time in fact, that proper Psychiatric Services for particularly the group of people in our community to whom I've referred, were established here or at least were initiated at some level. The continual expense and the continual responsibility of the Manitoba taxpayer, through the Manitoba Government, of providing care and treatment outside this province for seriously emotionally disturbed children is one that I think commends itself to the attention not just of those in this House who would approach this subject from a social assistance and humanitarian point of view, and I'm sure that includes everybody here, but recommends itself to the attention of all in this House who are interested in budgeting and who are interested in proper fiscal and financial management. For there is money being spent in that area that could perhaps, Sir, demonstrably be saved or be reduced at least, by the establishment of proper services in this field within this province itself.

This leads to the kind of philosophical argument on which we touched, some of us, a few days ago in the early consideration of these Estimates including the Minister, including the Honourable Member for St. Johns and myself and others. Because I want to suggest that if there is a rigid dogmatic attitude on the part of this government that services in this kind of field should only be provided by the state, or should only be

(MR. SHERMAN cont'd) . . . . . provided by the community in a public way, and that there should be no opportunity for the private sector to try to fill the void and fill the need in this area, then I take exception and take a position of philosophical dispute with them at that point. I believe that the important thing is to have the services. I believe that, as I said the other day, that ideally persons should not be in the health and social assistance field, that is at the level of provision of health and social assistance, with profit in mind. I believe that if the profit motive could be kept out of the provision of this kind of service then that would be the ideal thing.

But there are many ideals that we seek in society and there are many ideals in terms of long-range goals that all of us in this Chamber and other similar Chambers pursue without being so naive, Sir, as to assume that they are attainable in this day or even tomorrow. We know that it's going to take a substantial amount of time before the kinds of things that we would want to supply in that ideal environment are going to be possible. Rather than go without services in these fields, I say the existence of a profit motive, while an evil, is the lesser of two evils and the greater evil is the fact that there is no facility for providing particular health and social services that we need. In this case I'm talking about psychiatric services for seriously emotionally disturbed children.

It's a greater evil that we can't provide those services than would the evil be should we have somebody in the field providing those services but on a profit motive. I don't think that the profit motive is paramount in the minds of those who would like to get into this kind of field anyway, from those with whom I've talked. Obviously one can't operate a facility that would be serving people in this kind of health and social assistance field without proper budgeting and without the assurance that they could make ends meet; without the assurance that they would have sufficient revenues to meet expenses and to pay salaries, to pay proper wages. But what they're primarily interested in is the provision of a professional service for a disadvantaged group and a fair professional wage for doing so. They're not interested in or motivated by the concept of building up a big business. They're motivated by the desire to utilize their talents, their expertise and their professional training and they see a field where this can be done, in which they are the experts and have the talent and the training. They see a need and they see a situation at the present time in the province where that service is not being provided. They're not faulting the government and I'm not faulting the government for not providing those services when one compares fields of priority and looks at other areas where government initiative perhaps has been required before government assistance in this field or government initiative in this field.

But I do find fault, as do the groups to whom I'm referring, where there is an opportunity for government to open the doors and say to one or the other operators of this kind: okay, we recognize that there is that need; we recognize that we can't fill it at the present time because of certain constraints; we'd like to see you do it; we're not entirely keen on the profit motive kind of thing but let's get the service and we'll do what we can to help you and support you.

I know of one specific initiative that's been taken in this particular field by people in the psychiatric profession, psychiatric nurses, trained psychiatrists who would like to launch a project geared to serve and treat upwards of 16 to 20 seriously emotionally disturbed boys in the Province of Manitoba. It would be in the Greater Winnipeg area where the persons involved are concerned with receiving a fair and a sincere hearing on the part of the government. My concern is that the government's attitude may be, and I haven't had the Minister by any means confirm this to me, but my concern has been that the government's attitude may be one of closed door, closed mind to any kind of private operation in that field.

The Minister told me a few days ago when we first touched on this subject that he didn't have a closed mind on the subject, he'd consider every case on its merits and that being so, I find that hopeful and encouraging. Because I would like to ask him whether he and his department would be prepared to consider on its merits an application by a group that would like to build a facility to provide this kind of service, but would require, of course, per diem assistance from the government.

The per diem assistance would guarantee the government, I would suggest, a pretty close and intensive right to scrutinize the budgeting of the facility and that's as it should be.

(MR. SHERMAN cont'd) . . . . But far more important than that, it would provide the service here in the province and save the government the expense of sending these youngsters out of the province for treatment elsewhere. I suggest that that runs into considerable thousands of dollars a year, Mr. Chairman.

So, it's at that point that I would like to launch my discussions with the Minister on this particular item and I hope we can go into it fairly deeply and I would hope that he will be able to assure me and those who are interested that he does indeed have an open mind on this policy and that he is looking for humane and necessary services in this province but he's also looking for prudent financial management and budgeting. If the services can be provided cheaper by the private sector than is the case right now where the state is involved, then I would hope that he is going to be sympathetic enough to consider that prospect well worth pursuing.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Chairman, I've been invited by the honourable member to go into this quite deeply. I think that we've done that; I think that my honourable friend made his case quite clearly and in fact is somewhat repetitious. I'm going to try to give the information but I'm not going to dwell on this that long because I could very easily, without hesitation, say that I can agree with 99 percent of what my honourable friend said.

I certainly have stated that I would prefer, and my honourable friend also was saying the same thing, that he feels that there should not be a profit motive if at all possible. But if it is a situation where that's the only thing available then we should keep an open mind and look at it and I said that that's exactly my feeling.

I might say when I told my friend not to get in too deep, he was looking at the item in front of us and he saw the reduction. I meant that there's an explanation for that, that there's been five staff man years and all related costs have been transferred to - that was for the Winnipeg Psychiatric Services - that has been transferred to the Manitoba Health Services Commission. But more important than that there is also a large amount of money, an amount of money, \$176,000, that has been transferred to the Manitoba Health Services Commission to have this kind of service that my honourable friend said that we didn't have. This is being transferred and will be transferred to the Health Services Commission and there will be exactly this kind of service that my honourable friend is mentioning, that will be done.

The plan at the Health Science Centre is this: presently they have 15 beds for acute beds. I'm talking about the children now. There will be another 15 beds, extended treatment beds, for the children. It could be called a holding hospital and so on, to have the people there and try to get them ready to go to another facility – maybe a foster home, to get them out of these acute beds. Then there will be programs. There will be the day care program also of these kind of children. So we are moving exactly in this direction.

It took a while; it took a while. I think that the department, the Provincial Psychiatrist and the Deputy Minister and so on have been working on that, have been taking this very seriously. We at one time look at a program for the old Grace Hospital and it was felt that this would not be the best way to move, the best direction to move. This is being done and that is only phase one.

When I brought this to Cabinet I can tell you that, probably the first time that I can remember, not only were they saying that this is passed but all of a sudden, you know, they wanted to go much faster than that. The staff has been told to develop facilities, something to have even less people – first of all to stop the increase of children going outside of the province because that's a fact. That is definitely a fact that they've been leaving. It started with a few and now there is more and more and it is very very costly. There is no reason why we can't do that in Manitoba and this is the second step. I feel quite sure that next year, if I'm still here in this department, we'll be announcing phase two of this area.

Now my honourable friend made a pitch for a private investor, private operator who has been requesting to go into this. I must tell him that we did look at it very

(MR. DESJARDINS cont'd) . . . . . seriously and this is not a question now that the government will run it, this hospital that I'm talking about will be at the Health Sciences Centre. The expertise that we have advise me that this will be the best way. You'll have the acute beds and then you'll have the extended beds and then you'll have the day care and then you'll have all the services that go with this hospital. So we are going in this direction only as phase one.

The next step will be another facility as I mentioned before. We're working on that now. The staff has been instructed to have another facility, maybe on the outskirts of the city, and to go in that direction. I still agree with my honourable friend that if there is nothing else, but that would be the same as he himself has stated, this would be the last thing that we would want to do.

If there is no other way to provide the service - and when we're talking about a profit. Profit motive doesn't mean necessarily that that is bad but I mean this is something that I think we all agree. If at all possible there shouldn't be any profits in hospitals and in this kind of services. That doesn't mean that you can't give good service but without hesitation I'll say that this is something that we certainly don't favor but without hesitation either I'll say if that's the only way well then we'll keep an open mind. But the next step, we would much sooner see somebody in a non-profit organization, a volunteer or a non-profit organization. But again if that is not available well then I'll continue to look at individuals.

I'll say without playing games with my honourable friend that this was considered very seriously but it was turned down. That doesn't mean it wasn't considered, because it was turned down. While this was going on our own people were planning - as I say my honourable friend, Dr. Tavener here, has been trying to push something at Grace Hospital and that was modified, it was worked on and now everybody agrees - or staff anyway - that we're going in that right direction. This hospital, these new beds and this day care, that's important. It's not just the full time beds. Together with the 15 acute beds that now exist this will be a step in the right direction.

But there is one thing that we shouldn't forget under this area and we've covered an awful lot of that already. Many of these children are already taken care of. This is not the only amount spent. Many of these children are being taken care of in the Childrens Care. Many of these facilities that they have are exactly - you know what we talked about all afternoon one day and part of one evening - dealing with these kind of children also.

But I certainly welcome the suggestions of my honourable friend. I have no hesitation in endorsing what he has said. I'm saying that we are moving in this direction. It might be that there wasn't enough done in the past; we're trying to organize to see what we have, as I mentioned before, in all these facilities, our foster homes and so on, to make sure we get our moneys worth. That doesn't mean we want to stop doing anything because we're not always doing it. I admitted that we were quite weak in the administration of some of these things. We're talking about working together with these agencies, with the committees and I think that since last year we've taken a big step in that direction. But it's not the end, it's certainly not the end, it's just the start.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Can the Minister advise how long it will take to get this phase one unit into operation, the phase one unit he referred to?

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: Approximately a year and half or so before it's all finished. You're talking about the beds being in place and so on, yes.

MR. SHERMAN: Did the Minister say that this would contain something in the neighbourhood of 15 acute care beds, or did I misunderstand.

MR. DESJARDINS: Mr. Chairman, I've stated that there is already 15 acute beds for children and this there will be another 15 extended treatment beds. See when these people can leave the acute beds they're there to get them ready to go back into the world or other facilities and then maybe come back for day care, because the day care is a big part of this operation also.

MR. CHAIRMAN: Resolution 59(b)(1)--pass; (b)(2)--pass; Resolution 59(c) Medical Public Health Services: (1) Salaries - the Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Chairman. I would like to know first of all how many public health doctors there are working in the Department of Health at the present time?

We seem to have a hit and miss venereal disease program. Free venereal disease treatment centres should be situated right in the problem areas. In this particular area I believe that positive action by the government is needed now. Follow-up on patients with venereal disease leaves much to be desired. Venereal disease has reached epidemic proportions in Manitoba with more than 4,000 cases reported and goodness only knows how many cases have not been reported. Prevention methods, not only remedial methods, must be instituted. This will need the close co-operation of local authorities, local doctors. Social workers alone cannot do the kind of programming that is needed in this particular area.

Now some of the problems that are experienced in the rural areas are that blood and urine tests have to be transported many miles, either to Brandon or to Winnipeg, to be analyzed. If the venereal disease bacteria is not incubated at the proper temperature or exposed to oxygen, the bacteria dies and results come back negative even if the doctor is certain that the patient is suffering from venereal disease. Now much better facilities and programs have to be implemented by this government and this has to be done now. I wonder what the Minister's plans are in this area?

I wonder if the Minister is going to take a close look at his immunization program and maybe immunize a large portion of the population of Manitoba against the various types of flu every year. The cost of patients in hospital as a result of flu and the cost of man hours lost must be very high each year and I hope that the Minister will study this situation and report back to this House. I wonder if the Minister could elaborate on his preventive health program.

MR. CHAIRMAN: Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, during the Routine Proceedings in the House the Minister made a statement to the House with respect to Swine Flu and went on to elaborate on his immunization program. I think, if I heard him correctly, that during the course of his remarks he suggested that the vaccine was going to be obtained from the United States. I wonder if the Minister could tell the House why it must be obtained from the United States. Is there not the possibility that that vaccine can be produced in Canada or are there any impediments in the way of vaccine being produced in this country. I wonder, for example, if he could tell us, since my understanding is that the vaccine is produced from eggs, that as a result of the supply management program in eggs that now this country is short of eggs with which to produce vaccine. I wonder if the Minister would look into that possibility.

MR. CHAIRMAN: The Honourable Minister for Health and Social Development.
MR. DESJARDINS: Mr. Chairman, the last question first. First of all the
provinces have agreed that the purchasing should be done - and I don't think that anyone
will quarrel with that - should be done by the Federal Government. We'll get larger
orders.

Now the first thing that is being done is whatever can be produced in Canada will be done in Canada. The equipment and so on is not that easily available. Much of the equipment to manufacture this has to come from the United States and where the producer and the labs and so on in the United States could deal directly with Canada, now it must go through the White House because they've announced that every single person in the States will be vaccinated, innoculated. Now there is the . . . Institute in Montreal that now are producing as much as they can. Don't expect too much. Then there's one in Toronto, the Connaught Lab in Toronto. Those are the only two.

Now the eggs. Right away I thought that I could help my friend the Minister of Agriculture who at times - I don't know too much about agriculture, even less than I know about Health - but at times he seemed a bit in trouble and I thought I'd help him. But I'm told that the eggs have to be fertile eggs and it's very very difficult to have those.

(MR. DESJARDINS cont'd) . . . . . I shouldn't say that it's very difficult but there's not that many. I heard him say - in fact I asked him, apparently some of the producers - and I don't want to get in too deep with something I don't know about - but they won't let the rooster in with the hens at all and it is quite difficult. Anyway this is something, I think we would welcome that if we can use the eggs in that way. I am told anyway that of course everything that can be done in Canada, we'll take everything that Canada can produce, there's no doubt about that. But it's also the equipment that's needed apparently to manufacture the vaccine that is difficult to get. They're gearing as fast as they can and they're going to give us all they can produce.

Now add to that the United States, usually the lab directly would deal with us and they usually give us six, seven percent of their total, this is about the average that we get. But as I said before the order is that it must go through the White House. They're ready to sell and the Federal Government has been in daily contact with the White House and nothing so far. Besides that the Federal Government doesn't want to make too much noise about that because they might rely on the United States, but they are also looking in other countries and I think there are some countries, I know that there are two countries, I think, that have made the offer to sell some. One is much more expensive than what we would get in the States but anyway I'm satisfied that the Canadian Government is doing everything possible in there by getting what we can produced in Canada and then to get enough vaccine for a national program, not necessarily a program that we will innoculate everybody, this is not the intention at this time. Now this might change as we go along but the feeling is - they've made tests and so on and they feel that anybody from 50 to 65, most of these people are immune; they've had tests and so on. Also those up to twenty years old, especially three-years old and less could be seriously affected. A lot depends on the kind of supply that we get also and this will be reviewed.

I might say that our Doctor Snell is not right now - I don't want to mislead now he's not that concerned. He feels that the flu we have now is much more serious. There are people who die from flu every year. They've had one person that died and they've had other cases known; they've had about 500 cases and that is good because there are 500 out of that with no serious effects at all. But the danger, why people are afraid, it's mild now compared to the flu that we have here this year. The thing is that this is an influenza that usually comes from animals directly and it seems that this might have been given from man to man and as we go along this will leave now probably and go to China - it's usually in the winter and I think that they'll have winter there before we have ours. Then it might come back, and if it comes back and if it's transmitted from man to man then it could be dangerous. The thing is though that you cannot wait. You cannot have the supply sitting on the shelves. After a year or so it's not good. Then it would take the lead time. We have to order now to have it ready to be able to innoculate, to have the vaccination by October or so which probably would be the ideal time and then it's too late. So we will have to make up our mind and we'll have to order some fairly soon and therefore we will have to commit tourselves to the Federal Government.

MR. CHAIRMAN: The Honourable Member from Morris.

MR. JORGENSON: Mr. Chairman, I can't resist the opportunity to tell the Minister that he should not let the Minister of Agriculture snow him into believing that there is any great difficulty in producing fertilized eggs. Any farmer knows it's a very simple procedure. It's difficult only when you're locked into a rigid system of production and marketing such as we have in this country. I find it rather interesting that the Americans, who operate under a freer system, are able to respond to that demand almost immediately and the producers in this country would be able to respond to that demand equally as well if they were given that opportunity. I suggest to the Minister of Health that he should have a talk with the Minister of Agriculture and tell him that his program is preventing Canada from obtaining its own supplies of this flu vaccine here in this country and that he should have another look at the kind of program that he has implemented in this country and the dangers that we face in being subjected to the rigidities of supply management.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Chairman, I certainly will explore that avenue. I want to say now that it was not the Minister of Agriculture who told me that it couldn't be done. I don't think he knew too much about it until I mentioned it to him because I think he saw a way to get rid of all the surplus eggs until I told him that it was fertile, and then he did recognize that it was much more difficult. This is what I've been told by the people. Apparently that's the same in all the provinces. I don't think that the only thing is the eggs, I think there's more than that to manufacturing that. Now if that was the only thing I am sure that that could be changed very fast. There is no doubt that I think that the Minister of Agriculture should look into it, there's nothing to lose. My honourable friend wanted to know how many doctors in there. We have two epidemiologists. The one doctor that's in charge - I think my honourable friend gave me some advice and asked me to report to the House. I can say that the advice is very good, but this advice, we've had it for a few years and we have some where we've moved in that direction and that is one of the reasons why you feel that there's more danger in there, because there's more reporting than ever before. We're better organized. We have a Dr. Scatliff who is in charge of that program. That's all he does, the VD and so on. So we are moving in that direction and it's much better than it was.

There's six Public Health Doctors, also an occupational health doctor. I think that the program - there is something in the report, I think that the report can do it better than I. It tells you a bit about our program of VD here. But Dr. Scatliff has been for now for two years, two and a half years, and we realize that this has been the case. We very much need the co-operation of the medical profession on that also. It's easier said than done, it's not everybody that's going to report other people. I think that we're moving in that direction, we're trying to have the people do it voluntarily because you know we can't guess. These people have to be reported and then we must go after these people and they must give us leads so we can find these people that need help and that have to be cured. But we are certainly going in that direction and we have been for the last two and a half years.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. BROWN: Mr. Chairman, I wonder if the Minister is also going to take in advisement some of the problems that I mentioned in regards to that particular program that are experienced by the rural areas, where so many of the tests, blood samples and urine tests that are being sent in, where they come back negative through lack of incubation and so on, where they have to be transported many miles. I wonder whether the Minister is going to take that under advisement and see what can be done with that particular situation.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: We are reviewing all the lab services that we have. For instance the Cadham Lab is in a bad situation and this is one of the things that we announced, that they do most of the work for the province and then I think that although we didn't have too much increase in staff I think that, if I remember right, the Manitoba Health Services Commission was granted some increase, one or two, to help in the situation that my honourable friend is talking about.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Chairman, I'd just first of all like to congratulate the Minister and the Department for the manner in which they've handled the infectious syphilis, because that statistic that was, I think before us in 1973 was a pretty glaring one and now he's brought it down to where basically it's a very minor problem and I am sure, we hopefully will get the results from the gonorrhea as well.

There is one question that I was wanting to raise to the Minister in the Occupational Health Service. I know the functions of the directorate are to monitor occupational health standards amongst workers and they monitor people who work in mines or foundries, and sand blasters. I'm wondering - and it's been raised to me several times - that the chaps who handle the grain in the grain elevators, the dust factor - I've had over the last four or five years, four or five chaps who are grain buyers come to me and wonder if

(MR. McKENZIE cont'd) . . . . somebody would monitor that factor and do a test on it at some future date in the province because the dust factor in the grain is apparently becoming higher and higher every year. I don't know whether it's due to our weather or what. There seems to be some concern there so maybe some time the Minister could take a look at it.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: This is something that we're very concerned with, the department has been very concerned. It is under the Minister of Labour and in fact the Cabinet has been concerned. There's been some discussion and that's another area here where five staff man years for Occupational Health and Safety, the kind inspector that you were talking about, have been transferred to the Department of Labour. That represents about \$82,000 and also the cost which is another \$45,000 or so. But that will be under the Minister of Labour. We have been careful; we don't just want to release that without knowing that the health of the people is looked after and we will have some input on that. But the responsibility and the inspectors and so on will be through the Minister of Labour. We felt that it would be easier there.

MR. McKENZIE: It may be that the next time you could address it to the Minister of Labour and tell him it was raised in Committee and in next year's Estimates he could maybe bring something back.

MR. CHAIRMAN: 59(c)(1). The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I'd like to go back with the Minister to the issue that arose last summer in connection with the incidence of encephalitis and the question of spraying which has caused some discussion in this House. One of the things that I've noted as we've gone through that issue is that there seems to be almost a virtual lack of medical evidence that is produced concerning the damage or effects of different kinds of chemicals upon individuals. In the discussions that have been held, either in terms of the political exchange or in the representations made before the Clean Environment Commission or other technical bodies, there doesn't seem to be any way in which we can determine the health hazards that either individual kinds of chemicals would have upon groups of people in the population or perhaps more seriously, what the combined effect or impact of these chemical sprays have upon people, that we're able to - and I think rightly so - the Minister's staff identified the danger that was inherent in the mosquitoes themselves transmitting that particular disease of encephalitis but on the other side we weren't able to do a similar kind of assessment about what the health hazards, physical damage, might be to people who are particularly sensitive to different kinds of chemical sprays.

I recall, Mr. Chairman, a group of people came to see me over the past two or three months who had gone through a very tragic situation in connection with an illness that one of their children had contracted and found out that in many cases tests are not administered for chemical poisoning or chemical reactions in many of the normal medical examinations that are given when someone is brought into the hospital, or in fact, if it proves to be fatal that there doesn't seem to be any chemical testing included in autopsy reports and likewise. I'm just wondering whether we shouldn't be looking at the necessity of providing forms of measurement and testing of public health hazards related to air pollutants and contaminants, particularly those that are chemical, in light of the sort of evidence that's coming out that show for example that if there is a certain mixture of chemicals in the air there is a much higher incidence of carcinogenic statistics in those particular regions so that cities or towns where there's a high degree of chemical poisoning have also much higher rates of cancer particularly the lung variety. I'm just wondering, the kind of testing that goes on now where we rely almost exclusively on the Department of National Health and Welfare to do a test in Ottawa, which is usually done on animals, done in small quantities, they'll take one particular quantity of a chemical, test it on animals or monkeys or ducks or whatever they use and declare it safe for human consumption meaning that it's primarily safe for the people who administer it. But there doesn't seem to be any way of testing it empirically, that is once you've put the stuff in the air, and it combines with different atmospheric conditions and may combine with the

(MR. AXWORTHY cont'd) . . . . different chemical content of that particular community, of determining what the impact might be upon people who have respiratory diseases or liver ailments or other things, who constitute a fairly significant number in our population.

So the issue that I'm really raising is whether there shouldn't be, as part of our protection in the public health field, more adequate means of both measuring the impacts of different kinds of chemicals, not just spraying for insects, but sulphur dioxide that comes out of smoke stacks and all the rest of it, to determine what the health hazards might be and whether in fact they are particularly dangerous for certain kinds of people who have suffered certain ailments so that the authorities who are spraying or who receive permission to spray would therefore be able to give people warnings, the people themselves will be able to get warnings that they shouldn't stay around or that they should be moved or transmitted, or get out of town, in effect, while it's on, if that's the only protection they have, or in fact, whether there shouldn't be also ways within the public health area that people who feel that they have been affected, that it has affected their sinuses or their lungs or whatever it may be, can determine whether it is as a result of chemical spraying or whether it's caused by some other source or some other factor. It just seems to me that there is a gap in our public health service at the present time which is understandable considering that I guess our awareness, our consciousness of chemical problems is just now beginning to grow and it does take time to catch up to this. But it seems to me an area where we at the present time don't have adequate means of measuring, testing or in fact of informing people of the kinds of dangers that may be inherent in the chemical mixtures in our air, and what then they might do about it.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: Well, Mr. Chairman, that's also in an area that has been transferred. Part of it has been transferred to the Minister of Labour and the reason for that is it is getting to be serious. Part of it was in this department, and part in Labour, and part in Environment so it was decided in the recommendations that they have in the book, a final decision I don't think has been made yet, but most of it is there now but I mean to bring all these things together.

As far as the testing, my honourable friend if he is suggesting that this should be done provincially instead of federally, I don't think that I could agree with him. It's done by all the provinces. They're geared for that. They can do it much better than us. Now maybe they're not doing as good a job. We have people - every province is represented on this Committee. It's the Food and Drug Directorate of the National Health and Welfare and in the Health Protection Branch also. All these drugs and so on, nothing can happen until it is approved by these people and whatever information we have we certainly make it available. It might be that - I know I've had the same concerns, especially when I look at the mercury poisoning and it seemed that nothing was being done by the Minister in Ontario and I was wondering what the heck was happening. But this is something that now I think that most of the people in Canada are quite concerned. It is something that a few years ago we didn't worry about that too much but we do now.

As far as the mosquito thing. As far as the spraying this department is not concerned with that. In fact if you had asked our opinion we don't really believe in it. There was an article not too long ago that a doctor said yes, he believes in it. I think it was yesterday in the Globe and Mail. It's no good but he believes in it because the people are all excited and that's the only thing, they'll feel that everything is all right. What we are doing after last year, is that we are even more careful; we have increased the sentinel . . . and we're monitoring the thing, we are taking the experience that we had last year and the department will not move. We have no program to help municipalities to spray or anything like that. But if there is another occasion like last year we'd be ready to move and we would probably do this larvaciding which we think is the only way.

If is true there wasn't too much information and that was one of the difficult things and I was very proud of my staff and in fact I happened to be away when this started and it was the acting Minister of Health that should take the credit with the Deputy Minister. I think they got on this quite fast and I think they did a good job. We had

(MR. DESJARDINS cont'd) . . . . help from Americans, from people in Edmonton, and so on, everybody came in and they were meeting nearly every day and there is a lot of information. My honourable friend was saying he didn't seem to have anything on that but there is. I know that I approved today the expenditure of getting all this information together and it'll be printed by the Canadian Journal of Public Health, the report of all the information that we have on that particular thing. My honourable friend was saying that there didn't seem to be anything available. I think that that should help maybe not only our province but help others. I think that it's worth paying the expense of getting it printed by that publication which is fairly well known.

MR. AXWORTHY: Mr. Chairman, if I could just come back to the two points that the Minister raised. One of the problems that I see in this is that the testing of chemicals that is now presently being done on the federal level is done in a laboratory situation where you take chemical ingredients, take some animals, test it, then they give it a safety rating or a rating and determine whether it's safe or not and then sort of say it's safe for human use or certain amounts of it within the air. What doesn't happen is that there is no way of assessing its impact under local conditions. Like any other chemical first it reacts to other chemicals that are in the air; secondly it reacts to atmospheric conditions and if there is a volume of it, in other words if it is repeated in certain periods then it can exceed its safety factor or exceed the measurement that has been given under those laboratory conditions. While I agree I don't think that we want to go about repeating all the testing, what I am suggesting is that there should be some way here that within the province we are able to determine or make some judgment about the impact such chemicals would make under local circumstances, or in circumstances which are used and I used the term empirically meaning based upon those existing conditions. In particular where I would see its usefulness is that presently when applications are made to the Clean Environment Commission, prior to the passing of the bill that the Minister of Mines and Resources had, where technical information would be asked for so that one could make a judgment based upon a more objective set of criteria, we are almost totally lacking in medical evidence being produced. Here you get entomologists and agronomists and so on but in terms of having a medical person saying that we consider that this kind of chemical use at this time will have this impact upon people with these kinds of ailments, there isn't that kind of evidence being produced which would seem to me to be a very vital part of any assessment being made of whether we should go ahead and allow different kinds of contaminants to be put in the air. At the present moment there just isn't that kind of health or medical assessment available about the use of chemical testing, and I think that the information I referred to in relation to the mosquito spraying was that we were able to make a judgment about the danger of encephalitis and what constituted a health hazard in that respect but we weren't able to make the corollary judgment about what the health hazards were as a result of the spraying itself. There was no way in making assessment, other than - I think Dr. Thorsteinson from the University of Manitoba made presentations, but that wasn't based upon medical testing. Even under the requirements of medical testing of individuals, it's my understanding at the present moment that when somebody comes in for a normal examination, the test for a private individual does not include tests for chemical poisonings or chemical implants. They're just not included as part of the normal testing, and therefore people who may have contracted a particular ailment or problem as a result of chemical spraying it simply passes by, it isn't picked up in those kinds of tests that are being administered, which seems to me a pretty serious problem that that in fact is not taking place.

So that's really the kind of testing I'm referring to, Mr. Chairman, that lack of medical evidence that's available concerning chemical use; and secondly the individual cases that people have when they may have in fact have contracted some problem as a result of chemical contaminants. And it is interesting that with the transfer of the Department of Labour which seems a kind of odd place to put it, but if that's the place it's considered most appropriate, then fine, but those are really the issues I was referring to.

MR. CHARMAN: The Honourable Member for Flin Flon.

MR. BARROWS: Thank you, Mr. Chairman, I'd just like to add a little to this I'd like to talk about the industrial health as it pertains to my area. I know that it's not just the Minister concerned here, there's the Minister of Mines of course, the Minister of Labour, all involved in it. Lately there's been a lot of publicity - we've brought people in from Ontario, the steel people have brought in experts to look into conditions in the mining area. And they've come into places where they are bad, or they say they are bad, as in the smelter, zinc plant, tank house, the crusher, and some mines, and saving quite frankly and loudly that conditions are not healthy; that men working under these conditions live a very short life, they get tagged with diseases relative to the conditions in those different places. And I'm not saving here, Mr. Minister, that this is so. I'm not saying that this is as bad as they say it is; I'm not saying that it's not either. But I do know in the tank house where they have an enormous amount of acid content in the air, that teeth are rotten; and I say, if it does that to your teeth, what does it do to your system, what does it do to your heart, your lungs? What makes me particularly conscious that conditions are bad in that place, the company will supply the person with new teeth - and my God, when HBMS goes that far, there must be something to it.

But anyhow, Mr. Chairman, the president of the union and the Steel Rep. have been on CBC and on TV, they've been on radio, and they're accusing the corporation of working employees under very unhealthy conditions, and amazingly it's been very stymied on the part of the corporation. I know the crusher, one chap worked with it over 30 years, and it's a dry atmosphere, dusty, and he has a lung condition – and he is told to stop smoking of course. Emphysema is the problem there, and this is an industrial disease, and it can be brought under compensation. But what I'd like to ask the Minister to do, if he will, and I think he will, is have a board go up there or an expert, and with both sides, the corporation and a safety committee from the union, to work together and come up with some answers. Is it as bad as they say? Are they exaggerating or are they not?

I know it's an old mine, it's been there since 1928, and they have the same conditions. And then go on to say, well if it's so bad, why do you work there? But in those days any place was a good place to work, and as you worked there year after year you became very used to it. They're having trouble with new employees, they're not staying in these places. They work a week, sometimes two weeks, they draw pay and they go. But what I would like you to do, Mr. Minister, is take a look at it and maybe remedy it. And I'm not saying the remedy be fact but it can be much better than it is now. Thank you, Mr. Chairman.

MR. CHAIRMAN: Resolution 59(c)(1)--pass; (2)--pass; (3)--pass. Resolution 59, resolved that there be granted to Her Majesty a sum not exceeding \$2,065,100 for Health and Social Development--pass. Resolution 60 Social Security Division (a) Office of Social Security Salaries \$213,500--pass; (2)--pass. Resolution 60(b) Income Security Head Office (1) Salaries \$126,400--pass. The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Chairman, this is the section where the Minister referred me to quite a while back. When I asked him about, and I'll just bring him up-to-date - I asked him about the situation where a family on welfare or somebody receiving assistance makes application, or the worker decides that they need a new appliance; and the money is given to the person to go out and purchase it, and a couple of weeks later or so the Social Worker finds that the appliance was not received or purchased, and under that basis the only way of collecting the money back is to make a deduction from the payments going to that person on social assistance. Now if that person leaves social assistance, the only way that it could be collected then is the government take the person to a Small Debts court. Now I asked the Minister previously and maybe he's had time to get these figures, how much money has the government got in Accounts Receivable in this kind of a situation at the present time that can't be collected without going to court, and how much is outstanding at the present time for people that are receiving assistance, that are having to pay back the money because they didn't buy the appliance?

MR. CHAIRMAN: The Honourable Minister of Health and Social Development.
MR. DESJARDINS: Mr. Chairman, I'm told this - actually we're very close, it should be in (c), this is just the salary for the staff, but I'm sure that we could take it up now. I'm told that this doesn't exist, we don't have that problem.

MR. F. JOHNSTON: Mr. Chairman, the Minister is saying that there is nobody who has received money to purchase the appliance, that didn't apply it, spent the money otherwise. I have reason to believe, now I can't come in with proof - I would certainly take the Minister's word for it, if he says that there has been nothing or no abuse of this whatsoever. As I say, I can't come in with evidence, I have just been informed that this has happened, and I bring it up for this reason, that if that is happening I think we have to look at the voucher system as far as appliances are concerned. I'm not talking about clothing or food, but if this has been happening - now the Minister says he has no Accounts Receivable on this basis at all.

MR. DESJARDINS: Mr. Chairman, I'm not saying that there is no abuse at all. I'm saying that it hasn't been a problem because it hasn't come to our attention. 1975 Recoveries on Welfare Overpayment was \$110,000 and this would be part of it. And also in 1975 Recoveries on Welfare Liens totalled \$365,000. So liens \$365,000, and Welfare Overpayment was \$110,000. Now the vouchers that we give we're usually quite careful, and that could be only used for a special purchase. Now you know, if somebody comes in the next day, then a month after they sell it, fine, but if we ever hear anything about that we would certainly investigate. But the point that I was trying to make, we haven't had these kinds of complaints so far. There is no way that we can be positive, that we can check that much, but if we had any complaints of that - and of course they are allowed so much money for things like that, we certainly keep records of this, and if they come back, well then there is no way. There is no doubt in mind that there must be some abuse somewhere, but I think that if we really want to stop all abuse, it would cost us more money. The police setup that we would have to have would be prohibitive. If we have any complaints we'll certainly check into it. My answer, and I want to make this clear, that this hasn't been brought to our attention and it hasn't been a problem. I'm not saying that it doesn't exist at all. We have been careful. I think that we've tightened up a bit, and we probably should tighten up some more.

MR. F. JOHNSTON: Just one more question. The Minister mentioned vouchers. Do you use the voucher system where heavy appliances, chesterfield suites, furniture is concerned, or do you give out cash?

MR. DESJARDINS: We've done both. We've had the . . . and then we'll give money to the people also. But the whole thing, for all furniture, all that item, there is only \$150 per year for people. You know, it's not an unlimited fund, that they come in one day, they want a fridge, and then the next day they want a chesterfield, and then they can go and sell it and come back again. The total that they would get would be \$150.00. You know, this would be checked by the social worker also.

MR. CHAIRMAN: Resolution 60(b)(1)--pass - the Honourable Minister of Health.

MR. DESJARDINS: Excuse me, I don't want to leave him with this, Mr. Chairman.

If there's a special . . . cases of fire and so on, it will go more than \$150, but normally it is \$150 maximum a year.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Chairman, I would just like to carry this just a little bit further so that I have not misunderstood the Minister. He indicates that when someone applies for welfare or has been involved in welfare, the social worker comes to that person's home - and I've heard it said, and I'm only going by what's been said, and maybe the Minister could correct me if I'm right or wrong - that a social worker will come into a home and say, you should have a new electric stove, or you should have some other new appliance. Is that the case? And if so, then is a voucher given to that person to get that, say, stove or whatever it is, or is cash given? Because I have heard this said, and I just wonder if the Minister could agree on it.

MR. CHAIRMAN: The Honourable Minister of Health and Social Development.
MR. DESJARDINS: Well, Mr. Chairman, the member makes it sound pretty bad,

(MR. DESJARDINS cont'd) . . . . . that somebody is out there and telling him hey, why don't you buy this, why don't you buy that - that doesn't happen. It might be, as I say, that they come in and they want to be qualified, they say that they need certain things and then this will be looked after and so on. And the maximum is \$150 per year. At times there will be cash. If we have any doubt at all, or if there's somebody - the case that my honourable friend mentioned - that we suspect that somebody will not use the money for that, well then we definitely use vouchers. We use vouchers also, not a 100 percent of the time, but if there's any doubt we use vouchers.

MR. CHAIRMAN: Resolution 60(b)(1)--pass; (2)--pass; (b)--pass; (b)(2)--pass; 60(c) Income Security Program, Social Allowances - the Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Chairman. I notice in the Annual Report that there was quite a decrease in cases requiring Mother's Allowances, yet we have an increase in this expenditure over here of \$7 million. I wonder if the Minister could explain that increase. I'm also wondering what we are doing to those people that are disabled, what is being done to get these people, those that are employable, to get them into the work force. I wonder if there is any incentive like - transportation for instance is a big problem, and I would like to know just exactly what the department is doing in that regard. Also I would like to know who checks into the conditions of the blind people. I've been receiving numerous telephone calls in the last while that conditions are not exactly what is desired, that the food really is not up to par and that the heat is insufferable within the building. I wonder who checks on these conditions and how often are these conditions being checked on.

MR. CHAIRMAN: Resolution 60(c)(1) - the Honourable Member for Rock Lake.
MR. EINARSON: I was just wondering, Mr. Chairman, there is an increase
here of almost \$7 million, is that because of inflation? Have they made some increases
in the allowances on all the things that people need for necessities? There's a number
of areas here in which this money has gone. Would the Minister indicate whether more
of this money has gone to Mother's Allowances or the Age Allowances or the Long Term
Disability? I just wondered if he could break that down.

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

MR. DESJARDINS: The question that had been asked by . . . well, first of all the actual last year was not \$40 million, it was 42.844, and that then makes 11 percent over what was spent last year. This increase is almost entirely because of inflation and rent control. You know, with the control, it also results in the shelter costs being kept at a lower level now. It is approximately 11 percent, because as I stated, the actual during the fiscal year spent was \$42,844,000.

What else? Oh, the Long Term Disability Allowance: provision of financial assistance to a person who by reason of physical or mental health or physical or mental incapacity or disorder requires assistance for more than 120 days. As of March 31st, 1976, there were 8,820 long term disability cases. Now I didn't quite get the question on the blind, who looks after the blind and so on. You know, these cases are visited by our workers, by people in the area and the . . . I might say that we're transferring the Blind Allowances to Social Allowances and this in effect will increase their monthly payment.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. BROWN: The question that I ask the Minister is, who checks on the conditions, like to see whether the food is the type of food that they should be receiving...

MR. DESJARDINS: Where?

MR. BROWN: At the CNIB.

MR. DESJARDINS: The institution?

MR. BROWN: Yes.

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

MR. DESJARDINS: They certainly do that themselves. We assist them; we have grants for them, but this is something that they do. This is a private agency that's doing very well.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Chairman. I wonder if the Minister could inform us how many people are involved, if he would have the statistics as far as receiving federal assistance and those on provincial assistance, what the statistics would be on that.

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

MR. DESJARDINS: About 50,000 federal, approximately 24 provincial. Oh, excuse me. 24,000 as far as people, but the case is, there's 50,000, that's provincial only. Federal, what is federal? We haven't got the federal. I can give you the different people in all under different . . . It's 23,930; Mother's Allowance 6,690. Is that what you want? Okay. Age and Social Allowances, 6,326; Long Term Disability Allowances, 8,820; Short Term Disability Allowance, 471; Special Dependent Care, 49; Student Social Allowances, 552; General Assistance, 864; Special Cases, 22; Blind and Disabled Personal Allowance, 136.

MR. CHAIRMAN: Order please. According, under Rule 19(2) I'm interrupting the proceedings of the committee for Private Members' Hour and to return to the Chair at 8 p.m. this evening.

MR. CHAIRMAN (MR. WALDING): Order please. There being a quorum, the Committee will come to order. I will refer honourable members to Page 54 in their Estimates Book. Resolution 108 (b) Air, Radio Services: (1) General Administration (a) Salaries and Wages - the Honourable Member for Brandon West.

MR. McGILL: Mr. Chairman, I was asking the Minister when we left off yester-day about the utilization of some of the leased aircraft. Approximately how many hours were flown on the MU2s during the period of lease? That would be the year covered by the Air Service Report.

MR. CHAIRMAN: The Honourable Minister.

HON. HARVEY BOSTROM (Minister of Renewable Resources)(Rupertsland): Mr. Chairman, in the period January, 1975, to December, 1975, we had the CFROM which is the regular MU2 on a lease purchase which flew 449.8 hours. There was the C-GLOW MU2 which was on a replacement basis, during the period that the ROM aircraft was unserviceable, which flew for 352.3 hours.

MR. McGILL: Now on your lease purchase contract was there any minimum number of hours for the year's contract that had to be paid for, regardless of use.

MR. BOSTROM: No, it's on a regular monthly lease basis, Mr. Chairman.

MR. McGILL: Does the replacement aircraft just sit there available on a straight hourly basis without any minimum contract?

MR. BOSTROM: It's on a minimum ten hours a week when it's on a replacement basis.

MR. McGILL: Were the minimums met in that case, or was there any penalty experienced in that lease?

MR. BOSTROM: There were no penalties, Mr. Chairman. The minimum was met.

MR. McGILL: Mr. Chairman, it points out in the report that some aircraft are leased to various departments of government. Could you tell me which departments of government had MGAS aircraft on a lease basis and on what terms these were provided?

MR. BOSTROM: Mr. Chairman, some of these are leased to agencies such as the Youth Corps, Hydro, Northern Affairs and so on. The aircraft in question I believe are operated by Air Division. They're flown and operated by the Air Division personnel.

MR. McGILL: On the Youth Corps, what department of government does that come under? Health and Social Development?

MR. BOSTROM: At that time it was Northern Affairs, Mr. Chairman.

MR. McGILL: Well how is the internal accounting carried out? Is it on an hourly basis? When you lease an aircraft to a department of government is it just on a straight hourly basis or on a minimum number of hours a month or how?

MR. BOSTROM: Depending on the nature of the requirement, Mr. Chairman. If the requirement is to go from destination to destination it's on a mileage basis. If they're using it for say moose survey or deer survey or something like that, it would be on an hourly rate.

Another example is the forest fire surveillance where aircraft are paid on an hourly rate or leased on an hourly rate because the destinations are not clear and often the aircraft flies in unusual flight patterns and so on.

MR. McGILL: Which aircraft specifically were on this lease to departments of government? Can you tell me which models were provided in that way?

MR. BOSTROM: Forestry, for example, would be requiring the use of Aztecs, Peavers and what we call the push-pull, the twin-engine aircraft they utilize mainly for surveillance. The Beavers and Otters for transportation of firefighters and water bombing in the case of the Otters. Of course we lease as well to cancel water bombers for the summer fire season.

MR. McGILL: Mr. Chairman, for the Aztec, and for the purposes of billing other government departments, what rate per mile and what hourly rate would you charge?

MR. BOSTROM: The rate per mile for the Aztec, for that period, was 75 cents per mile or \$130 per hour. The Cessna 337 which is the push-pull aircraft is 65 cents per mile or \$120 per hour. The Turbo Beaver, \$1.35 per mile or \$175 per hour. The

(MR. BOSTROM cont'd) . . . . .Beaver is \$1.00 per mile or \$110 per hour. The Otter is \$1.45 per mile or \$160 per hour.

MR. McGILL: Mr. Chairman, does the Manitoba Government Air Service have a statement of revenue and expenditure for the year in terms of the billings that they make to other departments of government and the cost of operation? I presume this is internal accounting but is such a statement prepared and if so, what kind of a situation results after twelve months of operation. Is there a deficit on the operation or are they making expenses or how does it work out?

MR. BOSTROM: There is a budgeted deficit, as you will see in the page of the Estimate Book before you. Last year there was a budgeted deficit of \$718,600. The fiscal year which is to come 1976-77 is budgeted for a deficit of \$709,600. Last year, we are just getting the final recoveries in at the present time. The financial administration people are making every effort to get recoveries as quickly as possible so that we can balance our books for the end of this fiscal year. We are anticipating either a small additional deficit or it could be, if all the recoveries are made, we could have a small surplus. The budgeted deficit here would be less than it is if we were to achieve a surplus of recoveries over the anticipated.

MR. McGILL: Mr. Chairman, is it the intention of the Air Service to make charges that are roughtly comparable to the charges which would be applied if the various departments of government used the services of other carriers other than government carriers. Is it the intention of the Air Service to provide a cheaper rate, below going rates in the trade?

MR. BOSTROM: What we've tried to do traditionally I believe is to maintain about the same rate as the comparable charter services, the other charter services that are providing service to the public and government.

MR. McGILL: So there is no particular advantage to a department of government in terms of dollars to use MGAS as compared with say, Lambair or some other operator.

MR. BOSTROM: Well it would depend on the costs and revenue picture of course. There may not be that much financial advantage. There is in most cases a decided advantage in terms of being able to provide service where and when required. The patient air transportation part of the Government Air Service for example is one in which I believe the Government Air Service has excelled and has provided a service that was not formerly available with the private carriers.

MR. McGILL: Mr. Chairman, I would ask the Minister then, if charges are roughly similar and there may be some slight advantage in the availability of service, does he feel that the deficit experienced annually by the Manitoba Government Air Service is warranted in this situation? In other words, what's the advantage of having an Air Service if we're charging our departments about the same rates as we would get from private carriers who would be paying taxes to the government and at the same time having an overall deficit annually.

MR. BOSTROM: The deficit of course includes other services that are provided by this division of government. There's the administration of the whole section covered in here. There's the flight co-ordination function of government. That is the Air Division provides flight co-ordination service for all government departments. Any government department that requires the air service telephones the Air Division; Air Division has the responsibility of providing co-ordination either - if there is a scheduled carrier available for the service of someone going to a particular destination, they are advised of that availability. If charter service is required, if Air Division can provide it most economically then Air Division will provide it. If not, then a commercial carrier is contacted. But the co-ordination is completely done through the Air Division personnel. The patient air transportation is administered by this division of the department. That cost is included in here.

The radio services which are provided to all government departments are within this section. That is a fairly extensive two-way radio system throughout the province which is installed and serviced, maintained by this section of the department for all departments of government. So that as well as providing the air charter transportation, they are providing these other services as well. I believe they are doing a good job of it.

MR. McGILL: Well again, Mr. Chairman, to the Minister. If we're getting

(MR. McGILL cont'd) . . . . . roughly the same return as the private carriers and we're still having a sizeable deficit, between \$500,000 and a million dollars in the annual operation, there needs to be some real benefits other than those normally provided by regular carriers in order to justify the operation. Perhaps the difficulty may lie in the number of aircraft and the utilization of the fleet in terms of annual hours flown. I notice you have 17 aircraft owned and about eight on a regular lease basis. Can you tell me on the 17 that you've owned what the number of hours flown would be annually for last year on each of the - well using say six Beaver you could tell me what the total hours flown by the Beaver aircraft were for 1975 and for the five Turbo Beavers, the two Otters and so on. This would give us an idea of just the kind of utilization you're getting from your fleet of aircraft.

MR. BOSTROM: Yes, Mr. Chairman, I have those figures available here if the committee requires them.

The six Beavers had a total hours flown of 2,901.4. One had down-timed that year. It had only flown 209.7 hours. It was unserviceable from June to December. The other aircraft were all above 500 hours with the exception of CFMAT which has 472.4 hours of service.

MR. McGILL: I'm sorry, Mr. Chairman, I don't understand. What type of aircraft was MAT?

MR. BOSTROM: This is a piston Beaver. That was the call numbers I was giving you of the piston Beaver in question.

MR. McGILL: Mr. Chairman, I understood the Minister to say that they have achieved more than 500 hours or 500 hours or more of annual utilization on each of the aircraft in the 17?

MR. BOSTROM: With the exception of those two that I - I'm going through the Beavers right now. The Otters, there were two Otters that are owned which were operated, one had serviceability of 443.3 hours flown and the other 393.4 hours for a total of 836.7. Those are mainly used for water bombing, Mr. Chairman. I might point out that I do not believe that these are available in the private service.

MR. McGILL: Mr. Chairman, on the eight leased aircraft. There is no minimum requirement of hours on the five Aztecs? Are these leased on an annual basis or on an as required basis?

MR. BOSTROM: These are on an annual lease, Mr. Chairman. I might point out these have all had quite extensive use in that year that we're discussing, January '75 to December '75. Every aircraft in question here had over 600 hours of use, the highest being 881.3 hours of use and going down from there to 659.6 hours of use.

MR. McGILL: Mr. Chairman, in respect to personnel, are personnel provided by the department, pilots and so on, to other departments of government? If so on what kind of a repayment basis?

MR. BOSTROM: No, they're not. In the case where aircraft such as Otters and Beavers are used in summer, forest fire season for example, the aircraft is provided with pilot so that the pilot is in the employ of the Air Division.

MR. McGILL: Mr. Chairman, has the Government Air Service ever provided for the purpose of flying an aircraft for another department of government?

MR. BOSTROM: Just for the Saunders program Mr. Chairman, and that, as you know, has terminated.

MR. McGILL: Mr. Chairman, I'd like to ask the Minister, does he provide pilots for say, Manitoba Development Corporation if they had to repossess an airplane, or some other reason in which an aircraft had to be picked up. Would the Government Air Service then provide that?

MR. BOSTROM: Not officially, Mr. Chairman. Two Manitoba Government Air Service pilots are flying an aircraft back from Columbia I believe for the Saunders Aircraft Company but they're doing it on their own time. It's not provided as a service of the Manitoba Air Division.

MR. McGILL: Mr. Chairman, those pilots then are not working for the Manitoba Government Air Service during the course of that ferry flight. Is that correct?

MR. BOSTROM: That's correct.

MR. McGILL: Mr. Chairman, what would be their position in respect to pensions and other things in the event of any difficulty that occurred during the course of that ferry flight?

MR. BOSTROM: Well, Mr. Chairman, it would apply the same as if they were on holidays and doing any other activity. If there was an accident the same rules would apply I would expect.

MR. McGILL: Mr. Chairman, then there is no charge by MGAS to any other organization for the services of these pilots, they're simply on leave without pay from the organization, from the Government Air Service, and they will go back on staff after the completion of the flight. Is that correct?

MR. BOSTROM: The pilots in question here, Mr. Chairman, a specific example I gave of the pilots flying an aircraft back from Columbia, they're on holiday time. They have taken their holidays.

MR. McGILL: Mr. Chairman, I have no further questions at the moment.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, I only have one question. When we were talking about leasing these planes to different departments, you said that one had been used by the Youth Corps. I wonder, would you mind explaining what you mean by this.

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: The Youth Corps is part of one of the extension programs of the Renewable Resources section in my department. They have a youth camp which has been in operation for several years now. There's a camp located in the Caribou Lake area near Bissett and they take students that are 17 years old, I believe, and they're from different areas of the province. They have different activities during the summer much like a Boy Scout camp, or whatever, where they learn the various aspects of renewable resources, wilderness living. They have been used to build . . . All of the camps that are in the area have been built as a part of the activities of these youth. They have performed other types of useful activity such as clearing out portages on waterways, recreational waterways, canoe routes, etc.

MR. HENDERSON: You said, Mr. Chairman, that they were from all areas of the province. Did you probably mean more from different areas within the north? Is it, shall we say, more for the native people up there or is it for all people?

MR. BOSTROM: No, Mr. Chairman, this is open to all. I don't believe we're on the particular aspect of the Estimates that would deal with this right now, but with leave of the committee I guess we can discuss it.

I believe most of the students or young people that have taken advantage of this program are from the city. I don't believe they've been able to get as much interest from those in the north as the activities are very similar to just living in northern Manitoba. They're of more interest to those who don't have the opportunity to have that kind of life.

MR. HENDERSON: What was the cost involved in the leasing of this plane for the Youth Corps?

MR. BOSTROM: I don't have that figure here, Mr. Chairman. I could take the honourable member's question as notice and supply him with the specific information on that.

MR. HENDERSON: I think I'll let it go at that.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, under this item, can the Minister indicate how he co-ordinates chartered flights? There seems to be a considerable amount of expenditure in this area and I know just last night the First Minister indicated there's going to be a tax on heavy cars or large cars and we look under this item on charter flights, is there just one person going, has to go somewhere so we are flying all over the north with half empty planes or just one person, or is there some co-ordination that there's full usage and utilization that's taken advantage of when you make flights?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: The whole idea of flight co-ordination, Mr. Chairman, is to avoid having the kind of situation where several civil servants are travelling to a northern community and all going with different aircraft. The whole idea was that people would call ahead of time and that the Air Division having the responsibility of flight co-ordination would ensure that aircraft get maximum utilization and that the most economical services utilized in terms of air transportation. Wherever possible, as I was indicating in my opening remarks here today, they have the people who utilize the scheduled Air Service. If there is a scheduled air service going to a particular community in the near vicinity of the time frame that the person is wishing to travel there, he is advised of that availability.

In the case where a charter is absolutely required where in some case there is no scheduled air service, then the most economical charter is arranged, that is, either Air Division and/or a regular private charter service.

MR. PATRICK: The Minister indicated that there is such a thing as flight coordination that's taking place all the time. I'm sure that you'd have the information from your log. To what extent is the charter utilized? Are they 50 percent fully utilized or 25 percent, or we find ourselves that the flights go with one person in them because some civil servant has to go somewhere? Did you have that information available?

MR. BOSTROM: I don't have it here, the actual passenger mile flown. You may get some idea from these statements that, as of December 31st, 1975, Air Division has flown a total of 18,557 miles, carried 191,624 passengers, in excess of 35,281,000 passenger miles. In addition to that, quite a substantial amount of freight has been carried as well.

MR. PATRICK: Can the Minister indicate, are most of these planes used for freight and the cargo, or is it more for passenger service.

MR. BOSTROM: It's mainly a passenger service. There is freight and most of the freight could be attributed to the firefighting season I believe where men and equipment associated with firefighting have to be moved, and moved quickly in most cases.

MR. PATRICK: Okay.

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

MR. MINAKER: Mr. Chairman, through you to the Minister. I wonder, I'm interested in these pilots that have decided to work extra time on their holidays. When did they commence their holidays?

MR. BOSTROM: These two gentlemen commenced holidays last Friday night.

MR. MINAKER: And how long are their holidays going to last?

MR. BOSTROM: They're due back this coming weekend.

MR. MINAKER: So it's one week of holiday. Mr. Chairman, through you to the Minister, in the Public Accounts for last year in Supplements, the Supplement portion of it, there's amounts paid to airlines and I wonder if the Minister can advise in the amount paid to Air Canada, there was \$124,871 I believe, was there any overhaul services in that amount that his department paid to Air Canada? There is also a figure of \$55,124 paid to Air Canada.

MR. BOSTROM: Mr. Chairman, I don't think there would be any application there from this department. Flight arrangements that are made out of province are the responsibility of the respective departments. Air Division co-ordinates flights within province. Where there's payments to Air Canada for flights that would be each department. There might be some paid by Air Division as a result of Air Division personnel having to travel on business.

MR. MINAKER: Mr. Chairman, I believe the Minister misunderstood my question. What I raised was, in those figures has his department got any transportation overhaul services being done by Air Canada?

MR. BOSTROM: No. No. Mr. Chairman, there's no overhaul.

MR. MINAKER: Midwest Airlines, \$327,000. Was there any overhaul services done by Midwest?

MR. BOSTROM: Major expenditure there, Mr. Chairman, would be for helicopter rental for the forest fire season.

MR. MINAKER: But there was no overhaul services performed by the Midwest?

- MR. BOSTROM: Some avionics I'm told about a year ago but nothing to speak of.
- MR. MINAKER: Northwest Airlines Incorporated: Did they do any overhaul service?
- MR. BOSTROM: No. The expenditure there would be on freight for parts.
- MR. MINAKER: Parsons Airways Northern Limited to Flin Flon for \$50,000: Would there be any overhaul services?
  - MR. BOSTROM: No.
- MR. MINAKER: Transair, Mr. Chairman. Transair Limited, Winnipeg for \$405,000: Would there be any overhaul services performed by Transair Limited and how much?
  - MR. BOSTROM: Those would be for flight tickets, Mr. Chairman.
  - MR. MINAKER: I'm sorry I didn't hear the answer.
  - MR. BOSTROM: There wouldn't be any overhaul.
- MR. MINAKER: For Comair Limited, Lynn Lake: Would there be any overhaul services there for \$104,000?
  - MR. BOSTROM: No, Mr. Chairman.
- $\ensuremath{\mathsf{MR}}\xspace$  . That's all the questions I have at this time under that particular section.
  - MR. CHAIRMAN: The Honourable Member for Minnedosa.
- MR. BLAKE: Thank you, Mr. Chairman. I wonder if the Minister might give us a brief comment on the setup with Skywest. There were some pilots trained for Skywest at one time. Could he inform the committee how many pilots were taken on for that training and how many pilots have been laid off, or are they still in the employ of the Air Services?
  - MR. CHAIRMAN: The Honourable Minister.
- MR. BOSTROM: There were ten pilots involved in that, Mr. Chairman. We are in the process of cutting back on Air Division staff at the present time so that some of these pilots may be involved in that cut-back but I rather do not expect that because these are the more senior pilots in the Air Division, the most competent senior ones who were in the training process on the Saunders and are back in the employ of the Air Division. So that in the event that there are cut-backs in pilot staff it would occur in the more junior ones.
- MR. BLAKE: Has the Air Division sold any aircraft or it considering selling any of its aircraft?
- MR. BOSTROM: We're terminating the lease on some of our aircraft, Mr. Chairman, but not selling, no.
- MR. BLAKE: Could you give us some indication of what leases are going to be terminated?
- MR. BOSTROM: There are approximately five aircraft for sure that, while they were part of a package last year of about 30 aircraft, that were utilized at one time or another during the year and there's approximately five, equivalent of about five leases that we are terminating.
- MR. BLAKE: Yes, Mr. Chairman. Would the Minister have the figure at his fingertips, the ambulance flights, how many were made and how many patients were carried?
- MR. BOSTROM: Yes, Mr. Chairman, I have the charters here. The bulk of the patient air transportation was accomplished through the use of scheduled flights and other transportation. The commercial charters: There was 427 charters in the previous year, '74; in '75 there were 875. The number of patients carried in '74, it was 491; in '75 it was 937. The MGAD charters: In '74 there were 296; in '75 there were 381. The patients carried in each case were 341 and 466 respectively.

Scheduled flights, there were 4,615 patients transported in '74; there's 6,343 in '75, plus escorts in each case. I didn't indicate the number of escorts but in many cases an escort is required if it's a baby or a small infant that must be taken from a remote community to a hospital in the north or in Winnipeg, or wherever.

- MR. BLAKE: Yes, Mr. Chairman. Could the Minister tell us, most of the flights are there two pilots on the aircraft? Do they fly with a co-pilot in most cases?
  - MR. BOSTROM: Only the MU2, Mr. Chairman, requires a co-pilot. The other

(MR. BOSTROM cont'd) . . . . . flights, the patient air transportation flights that are handled by Aztecs or the C337s are handled with one pilot.

MR. BLAKE: Thank you, Mr. Chairman. Could the Minister tell us something of the number of pilots under the native training scheme. How many are involved and actively employed in the Air Division, and how many are flying?

MR. BOSTROM: Mr. Chairman, there were three native pilots who were trained and who obtained employment with the Manitoba Government Air Division. One of those has subsequently found other employment and has resigned from the Air Division. There are two still in the employ and they will be utilized this summer. In specifics, they will be flying forest fire surveillance for the department.

MR. BLAKE: Are there any other native pilots in training now, Mr. Chairman?

MR. BOSTROM: Not that I'm aware of, Mr. Chairman.

MR. BLAKE: Thank you, Mr. Chairman. Could the Minister tell us if the department has done any cost analysis, or have they had cost consultants provide any analytical reports on the air operation in the past year?

MR. BOSTROM: Yes there was an Air Division Study which was an internal study completed this year, which was just completed after I took over the Air Division responsibilities from Northern Affairs.

MR. BLAKE: Could the Minister comment on that in any way. Does this prove that they're getting full value for the expenditures or what were the findings in the report?

MR. BOSTROM: There were recommendations made in the report, some of which were subsequently made effective, others that were not considered feasible. We're still looking at it. We're in the process of rationalizing Air Division right now. As I was saying there will be a minimum of five aircraft cut from those that are either owned, leased and operated by Air Division. And we're reviewing that further; there may be even further cuts yet before the year is out.

 $MR_{\bullet}$  BLAKE: How many directors does the department have? Do you just have the one director or do you have two directors now?

MR. BOSTROM: There's three acting directors right now.

MR. BLAKE: For different functions?

MR. BOSTROM: Right. Administration operations and construction.

MR. BLAKE: Administration, operations and construction. I think I'll pass it on, Mr. Chairman. We want to move the committee along so someone else may have some questions at the present time.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Yes, Mr. Chairman, thank you. Several of the questions I had in mind have already been asked. But I would like to go back to this air ambulance project. I've been an advocate for this in the '70s, as a member of the Northern Task force, but I do hear different comments as to the service that's being given. I noted with some interest the increase in patients being handled last year as opposed to the preceding year, which is quite extensive. And I wonder if these flights are carried out as they were originally intended when we discussed this on the floor of the House, and that is emergencies. I wonder if the Minister can assure us that there are no abuses of this service that's being given. Now I do hear that people are being flown out to have their eyes tested. I hear of other opinions in the same respect, and I wonder if this is going on or whether or not the service is being scrutinized, and I'd like to know who authorized the flights, and when a flight is being made to meet a so-called emergency or bring someone out that is ill, does the Minister get some report from the doctor that accepts that patient from that flight in order that he can give some opinion as to whether or not the flight should have been taken in the first place.

What I'm trying to say, Mr. Minister is, that this has obviously become a very expensive service and is being used by a large number of patients, and personally I have no objection to that so long as the utility is being used to the best advantage and the most economical efforts on behalf of those in charge of this work. Could the Minister give us an opinion in that regard?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: Well, Mr. Chairman, I believe from all the information that we have available to us that there is certainly a minimum of abuse. There is a requirement for a warrant to be issued before a patient is transported and this must be issued by a doctor, a hospital or a nursing station in a case where there are people in remote communities where there is no doctor or medical personnel, senior medical personnel available, a nurse from the nursing station can authorize a patient to be escorted and air transportation flight arranged. And many of these, Mr. Chairman, are dire emergencies where there are people whose lives are at stake and the service has been credited with saving many lives in the course of its operation. Where there is minimum abuse I believe the service is entirely warranted by the success stories that we hear coming from all of the flights that have been taken. There are people all over the north today who can tell you of the lives that have been saved by this service and I believe there's enough moccasin telegraph, if you will, travelling around the north that where the system was being abused we would certainly hear of it. . .

MR. BILTON: That's how it got to me.

MR. BOSTROM: . . .not necessarily through our own service, but we would hear that from the people in the communities who would be seeing the abuse take place.

MR. BILTON: Thank you, Mr. Chairman. Could the Minister advise the committee as to how many patients were handled by commercial aircraft?

MR. BOSTROM: I just supplied that to the Committee, Mr. Chairman. Commercial charters were 875 in the January '75 to December '75 year. The scheduled flight complement of patients was 6,343.

MR. BILTON: I may not have expressed myself sufficiently well. What I was trying to find out, Mr. Chairman, was how many patients were handled by the ambulance aircraft provided by the province . . .

MR. BOSTROM: Oh, well that's a . . .

MR. BILTON: . . . as opposed to, well for the sake of a term, Lamb Brothers, or any other commercial aircraft. How many patients were handled by the commercial aircraft?

MR. BOSTROM: In that year in question, Mr. Chairman, there were 466 patients handled by Government Air Service; there were 937 handled by commercial carrier, commercial charters; and there were 6,343 handled by scheduled air service. Where the situation was not an absolute life and death situation and there was a scheduled service available, of course, it was utilized.

MR. BILTON: Thank you, Mr. Chairman. Now, with regard to people in remote areas where there isn't a health nurse or there isn't a doctor, and an appeal comes out for an aircraft to go in there, do you have many calls of that kind, and if so, what happens?

MR. BOSTROM: Mr. Chairman, in this case good judgment is used and in most cases it's a responsible person from the community, the chief or mayor, or someone elected on the local government, that would call the Manitoba Government Air Division number. This has occurred in the middle of the night at times when Air Division was called out in even stormy weather where the MU2, which is an all-weather aircraft, pressurized, was able to slip into a community and get somebody out and save their lives.

MR. BILTON: Well, my final word then, Mr. Chairman, is that I would ask you, Mr. Minister, at least personally to carry through to your employees in this direction my congratulations and hope that they'll carry on a good job.

MR. BOSTROM: Thank you very much.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON (Wolseley): Some of these questions have been asked already, but I did want to get them on the record. It stemmed from my concern about the private sector versus the government \$709,600 loss, and I wondered how many miles have been logged in this last season. In 1972 it had that there was 920,444; and in 1974, 2,199,030. It seems to me to be an extremely substantial increase in mileage logged, and I wondered if the figure has gone up for this coming report.

MR. BOSTROM: In 1975, Mr. Chairman, the hours flown - I don't know if you

(MR. BOSTROM cont'd) . . . . mention it there - but it's total hours flown by aircraft that are either owned, or leased and operated by Government Air Division, was 16,430.

MR. WILSON: Well, could the Minister explain, what are these figures then totals of - it appears to be in this one 1,432,555, and these are based on all the different government air fields, I guess, or airports like Lac du Bonnet, Norway House, The Pas, Thompson, and so on. I took these for the subsequent years and I was able to get the figures as I mentioned for '72, '73 and '74. If these aren't miles, what are they then? Miles flown?

MR. BOSTROM: I'm not sure. What you may have there is the number of landings at government air fields.

MR. WILSON: My second question is - again it probably has been asked - but how many airplanes do you own and lease and how many pilots do you have full and part-time. --(Interjection)-- I appreciate that they may be, but I'm leading up to something.

MR. BOSTROM: I've already given the answers to the first part of your question at least. The number of aircraft owned and leased I can give you again if you require. There are a total of 17 aircraft owned by Manitoba Government Air Division and last year, at one time or another, there were approximately 12 or 13 that were part-time leased.

MR. WILSON: Then the figure that I have of 39 planes is incorrect.

The other question I have to the Minister, or maybe the Member for Thompson later on could answer it, but I first became aware of this department when I was involved in the problems with the government experiments in my area. I notice that Midwest Airlines has \$327,143.88, plus the cab fares. This concerns me as to how and who determines that these people and patients should be brought in from the north, and I wondered if the Minister had ever considered approaching Transair or the scheduled air lines for a flat group fare. Because if you have 6,343 people, compared to only 466 travelling on the Government Air Services, then would it not be in your best interests from a cost-saving point of view, to approach them on a volume basis. Has any thought been given to that?

MR. BOSTROM: Mr. Chairman, the patient air transportation program for the member's information is being reviewed constantly and it's under review right now. It's being considered by the Health Education Social Policy Committee of Cabinet, it's being discussed in Cabinet as to various ways that the program can be contained. There has been quite an escalation in the use of this program over the years, that is correct, and there is quite an escalation in the cost. However, this can be associated with increasing costs in other areas of the health field and we're always looking at various ways of trying to contain those costs.

MR. WILSON: Well, the observation I make is, has there been a great population explosion in the north, or is it because government employees and people don't feel that the government aircraft is safe. I say that because I have here, to the best of my knowledge, figures which many of the northern travel agencies in the business that they have enjoyed from the government, and it would seem to me that if this department is losing money then some review should be taken as to why so many people, government employees, seem to be ignoring the Government Air Services in favour of the private sector, which of course I support. But it's reason for me to make the comment, and I'll only make the one since on the Estimates, if the Chairman would allow me this flexibility, it would seem to me reason for the government to certainly carve their fleet down substantially and get out of the transportation business because you have Flin Flon Travel and Lynn Lake Travel. Lynn Lake Travel has over \$116,000 in business. United Travel in Thompson is \$76,332; Bonnycastle Travel has over \$100,000, and Johnson Travel in The Pas has \$137,100, and Byron Travel in Thompson has \$27,588. So what I'm saying is that I appreciate that --(Interjection)-- The Member for Thompson will have a chance to say to me that he himself . . .

MR. CHAIRMAN: Order please. Order please.

MR. WIISON: I'm simply saying that if the government costs are going to continue to go up . . .

MR. CHAIRMAN: Order please. The Honourable Member for Wolseley.

MR. WILSON: Well basically I am saying that this particular department should get out of the air line business if its own employees aren't going to use the aircraft, because in an article here it simply states that somebody will not dare stand up and say the same thing March 30th, in the year of 1976 pertaining to this as operating as a private enterprise would. Now, if we're losing seven hundred and some odd thousands of dollars, then obviously something is wrong and my comment is that if we can't bring this thing into some type of economical situation where their own government employees and MLAs from the north use the private scheduled carriers instead of their own Government Air Services, then something is wrong with the air services.

MR. BOSTROM: Well, Mr. Chairman, as I was trying to explain earlier, and I don't know if the honourable member was listening or not, but the Manitoba Government Air Division has the responsibility for flight co-ordination, and you cannot say that the deficit that is budgeted for this Air Division is a loss, because the other activities that the Air Division, the other responsibilities that the Air Division staff carry out are part of the cost of running this operation that are extra costs that other agencies, other private carriers, do not have. Lambair and other private carriers do not administer a Patient Air Transportation Program. They do not administer a radio services program and provide radio services to all government departments. They do not have a flight co-ordination program where they arrange flights for public servants throughout Manitoba. The Government Air Service provides flight co-ordination, and one of the reasons that these private carriers are providing service for government is simply that the government aircraft cannot supply all of the service that is required for public servants in this province. It's evidence of the fact that the Manitoba Government Air Service is co-ordinating and is using private carriers wherever possible.

The first priority is to use scheduled carriers because that is the cheapest. If scheduled carriers are not available, then the most economical air charter is arranged, whether it be a private charter or a government charter, and wherever possible flights are planned so that they are shared so that not just one person is going on an Aztec on a 300 mile trip, but in fact three or four government departments may be sharing the same aircraft, whether it be government or private aircraft, a private company.

Your comments about safety and the fact that some people may not want to travel with Air Division because of safety is one argument I never bother to use but if the fact is known, most people in this province, including public servants, would like to travel by Government Air because it is the safest air service in Canada, I would believe. There's only been one fatality in the Government Air Service in 32 years, since 1932, which is 44 years of service. There's been only one fatality and the plaque is up on the wall in the hallway over here if the honourable member wants to have a look. There was a fatality due to pilot error in Berens River in 1952, I believe. That's the only fatality in the entire history of the Manitoba Government Air Division. They've got an enviable record in the air service business in this country. It's second to none so that you can't make a statement that the Manitoba Government Air Service is providing a service which people are reluctant to use. If they had a choice they would want to choose Government Air Service. They don't always have the choice though, because the government policy is that the most economical service will be utilized, whether it's scheduled carrier or the most economical air charter service. Whatever is available.

MR. CHAIRMAN: Before I recognize the honourable member, I should remind all members that we do have a rule against repetition. The Honourable Member for Wolselev.

MR. WILSON: I was very pleased to hear the Minister say that he's going to use the most economical and I would hope that government would continue a policy of emergency only, because the reason for my comments was to get the truth of the matter out and I think that has been accomplished. In other words, that the most economical is to use the private sector. I simply said that this report says that the main function of the Manitoba Government Air Division is to transport government personnel, to transport freight, and the Patient Air Transportation Program. It says during the year that it satisfied 83 percent of the demand for air transportation logged by government personnel,

(MR. WILSON cont'd) . . . . . . so what I'm simply saying is that those other figures don't support that, so if it's emergency demands and charter demands only, then I welcome that and I say continue on your program of trying to cut down the government air force and get into the most economical, which has been pointed out by the Member from Brandon-Souris. Thank you.

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

MR. GRAHAM: Thank you, Mr. Chairman. I'd like to ask a few questions dealing with the training program, if I may. I don't believe it's been discussed too much before, has it?

In your training program, do you have your pilots qualify on as many aircraft as is possible, or do you try and restrict them to one or two types of aircraft.

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: Mr. Chairman, pilots are assigned to aircraft according to their ability, and if pilots are required for various aircraft then they're assigned to the aircraft and training is provided where required, it's not on want but it's based on need.

MR. GRAHAM: In your training program is there a constant check kept? Do you require pilots to take two or three hours of training per month, or have you any set policy in that respect?

MR. BOSTROM: Yes, Mr. Chairman, I believe that the Ministry of Transport regulations require that a certain amount of recurrent training is required by the regulations.

MR. GRAHAM: Could you give me any idea of what that entails?

MR. BOSTROM: Well it entails the use of more senior personnel within the pilot complement to check out those who do not yet qualify on some of the aircraft that they're being assigned to. Check rides are required, training flights, etc., which are all part of the ongoing training process, both that which is attributed to updating the pilot skills and secondly, to continuing his skills to ensure that his skills are being checked out.

MR. GRAHAM: Is this done on a monthly basis or a three month basis or a six month basis or is it as required?

MR. BOSTROM: It's done on a regular basis, Mr. Chairman. I have a report here giving some indication of flight training. Flight training on all airplanes, including take-offs, landings, normal and crosswind, inflight procedures, including turns, stalls, abnormal altitude and recovery from same. In the case of multi-engine aircrafts in addition to the above procedures pilots must be given instruction on all emergencies, including engine failures during take-off, inflight and landing, fire control procedures and systems malfunctions, including undercarriage, flap, hydrolic and electrical malfunctions. For IFR operations all pilots in command must be given route checks over all routes to be flown. They must demonstrate competence on all enroute navigation facilities and instrument approach and landing facilities at destinations. Many of the emergency procedures outlined above are included in route checks.

 $MR_{\bullet}$  GRAHAM: Is this on an annual basis or is it more often than an annual basis?

MR. BOSTROM: It's more often than that, Mr. Chairman. I have a report here from Air Division indicating the training time logged at each base in the province. The pilots, for example, in the month of March, 1976 there were seven pilots for a total of 6.4 hours logged on the Aztecs, 2.5 hours logged on the MU2. I'm sorry, seven pilots were associated with the Aztecs, two pilots on the MU2, for a total of 2.5 hours, just as an example.

 $\mbox{ME}_{\bullet}$  GRAHAM: Would the Minister have the total number of training hours flown in the past fiscal year?

MR. BOSTROM: If you want to add up some figures here, I do have. On the Aztecs there was a total of 109.9 training hours for, a total of 76 pilots; on the MU2 there was 38.3 hours, and 35 pilots took that training; the ST27, that is the Saunders, there were a total of 210 hours logged this year, or rather in year '75, for a total of 99 pilot hours. Training time logged at The Pas base, 21.2 hours on Aztecs, 17 pilots involved there; training time logged at Thompson 66.6 hours, 56 pilots involved there.

MR. GRAHAM: So you have a total of approximately 500 hours of training time logged in the last year.

MR. BOSTROM: If that's what it adds up to.

MR. GRAHAM: No, that's all, thank you.

MR. CHAIRMAN: The Honourable Member for Thompson.

MR. DILLEN: Yes, I just want to comment on some of the issues that were raised by the Member for Wolseley. --(Interjection)-- Well no. I think it's . . . If the rules of the committee are just for the purpose of asking questions I want to have that clarified before I proceed, or are we on the same principle as we are in the House? Okay then.

My understanding is that on the west side of the province, west of Thompson, where we have a scheduled air service being provided, that the number of flights by the Manitoba Government Air Division has been drastically reduced. That is, in the area that is presently served by Comair. And the same applies to the area that is presently served by Lambair, and any other scheduled service that is being provided in northern Manitoba has drastically reduced the requirements for the Manitoba Government Air Division. When a person is travelling, whether he is a government employee or otherwise, and he is required to fly - and that is the main means of transportation - if you look at the figures in northern Manitoba you will find that where there is a population of 500 persons in a community, you will find that nearly 500 persons of one form or another fly out of those communities every month and they're not necessarily government employess, because that is the mode of transportation that is getting the most recognition in northern Manitoba.

The Government Air Division: When a government employee phones the flight coordinator requesting a flight - we'll use an example of Thompson to Brochet - the flight co-ordinator will advise that Comair flys from Thompson to Brochet and that there is a scheduled flight into Brochet and that arrangements should be made through Comair through their ticket office to proceed on that flight. It is only in extreme cases where there are no scheduled flights that the Manitoba Government Air Division is used. The number of people that - and you know there was some reference made to cost on the regular scheduled service out of Thompson, that it is not necessarily only the people from the remote communities who are flown in from Thompson on patient air transport. If the doctors in Thompson feel that a case is serious enough to require the . . . or that there is not the facilities to treat a case in Thompson, that the doctors will advise the Patient Air Transport that a person has to be moved to specialized treatment in Winnipeg or wherever. And the reason for the high cost is that when you lay a stretcher on an aircraft you have to buy two seats as well as provide the escort service both there and back for the escort. And certainly this has an effect of escalating the cost. The specialists in Winnipeg are certainly benefiting from that kind of service being provided. I don't know what the hangup is about the free enterprise, you know, versus the public ownership of aircraft. I can tell you right now that if the Member for Wolseley was sitting on Moose Nose Lake and there was the carrier that is stationed there and a government aircraft was sitting side by side, I defy the Member for Wolseley to say that he has such an admiration for the free enterprise system that he would fly the existing carrier when the government aircraft was sitting side by side. I'll tell you why. In the last year the carrier at Moose Nose Lake has totalled three aircraft. Now you compare that record - they're completely wiped out; fortunately there was no loss of life. But you compare that record to the government aircraft that is sitting side by side and I'll tell you the one that you will choose. You will not choose that last aircraft because that might be the next one that goes in. So no matter how great an admiration you may have for the free enterprise system, when it comes to the point of determining which aircraft you're going to use, I'll tell you which one you're going to use.

You know the air industry in northern Manitoba is one of probably the worst examples of a proliferation of the free enterprise system that you've ever seen in your life. There are about 17 carriers in northern Manitoba operating at various levels with a proliferation of aircraft that is almost unheard of in any other part of the country. Everything from DC3s to Islanders, you name it, if it's got a motor and a prop, they've got it flying.

And, you know, you're talking about costs. I can't imagine what the cost is to the flying public to have every carrier in the north required to have a spare part list or

(MR. DILLEN cont'd) . . . . . a spare part inventory to provide for the aircraft that he has, and if they're 17 then they have to have 17 of them. If they have 10 or 15 different aircraft then they have to have a spare parts list for every one of the aircraft that they're flying, it's a Ministry of Transport requirement. And all of that cost has to be picked up by the flying public.

You know, we talk about rationalizing the Air Division. You know, we can do that and I think that the Minister has indicated that there is a need for the rationalization of the Government Air Division, but there is an even greater need for a rationalization of the entire air industry in northern Manitoba. You know that when things get a little tough for the air carrier and business dips a little bit, you can be damn sure that in order to make up the difference of the dip in his business, that he's going to cut back on maintenance to a certain extent. That's the idol that you worship at. And the result of that, you know, when you hear of crashes that are occurring in the northern part of Manitoba with air carriers, the northern part of Ontario, and so on, that is the direct result of the lack of maintenance that is occurring on those aircraft. A good example of the kind of maintenance that is going on in the Government Air Division is the fact that their aircraft continue to fly without a fatality since 1932 as as been stated here before. You know look to any other province and you won't find a record that equals that of the Manitoba Government Air Division.

You know that there is a constant increase in northern Manitoba in the number of scheduled services being provided and applications are constantly being brought forward before the Air Transport Committee to even increase those present route systems that exist. As there is a steady increase in that kind of system being provided by the private sector, there is less a need for the Government Air Division. And I think that if the private sector would start to provide the kind of regular scheduled service that is in effect in some places that there can be a gradual spooling down of Air Division service.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WIISON: May I ask you one quick question. I want to make two observations and one is that I wondered if the Minister can explain: are we recovering any money from the Federal Government pertaining to this \$1,082,885.77? By that I mean, I was under the impression that - and maybe the Member from Thompson could elaborate - but I'm just saying that I was under the impression that the Federal Government had a responsibility to look after the Native people in the north. If we're flying them in here to the hospitals and that, why isn't the Federal Government picking up the tab?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: Mr. Chairman, we do recover costs from the Federal Government in a case where there are Treaty Indian people travelling on Government Air Service, and generally through the Patient Air Transportation Program where we arrange for flights and where we have to collect, we bill the relevant agency.

MR. WILSON: That's good. That's fine, Sir.

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

MR. GRAHAM: Mr. Chairman, I move the Committee rise.

MR. CHAIRMAN: Very well then. The Chair would point out to honourable members that the House is sitting again this evening and the Committee can expect to rise according to Rule 19(2) and return at eight o'clock. If the Committee should rise it's not entitled to return to the Committee status this evening.

MR. GRAHAM: Well, Mr. Chairman, I just thought that we only had five minutes and we're getting very close to the Private Member's Hour but if you want to continue for another two or three minutes, that's fine.

MR. CHAIRMAN: The Committee must go back into Private Members' Hour in about three minutes anyway. The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Mr. Chairman, I'd hoped we might finish this but after we've listened to long lectures from the Member for Thompson it's kind of cut us down on our time and I can see we're not going to finish and I don't want to get anybody stirred up on this side of the House or you'll be bringing your officials back here for another two days. --(Interjection)-- We would have had it passed if we hadn't had that

(MR. BLAKE cont'd) . . . . . . 15 minute lecture from you. So I would say, at least let's carry on until 4:30, Mr. Chairman, and pass . . . and I hope you get finished tonight.

MR. CHAIRMAN: Resolution 108(b)(1)(a)--pass; (b)--pass; (1)--pass; Resolution 108(b)(2) Air Operations, (a)--pass; (b)--pass; (2)--pass. Resolution 108(b)(3) Radio Services, (a)--pass; (b)--pass. The Honourable Member for Minnedosa.

MR. BLAKE: Mr. Chairman, I have one question on Radio Services. Are all the radio operators licensed or do they require to be licensed?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: They're required to be licensed and they are licensed, Mr. Chairman.

MR. BLAKE: Fine, thank you, Mr. Chairman.

MR. CHAIRMAN: 3(b)--pass; 3--pass. Resolution 108(4). The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Mr. Chairman, I wonder, through you to the Minister, if the Minister could advise where these appropriations will be coming from the \$1.967 million. Would be advise from what departments they will be receiving these recoverables.

MR. BOSTROM: Mr. Chairman, the Honourable Member from Wolseley just handed me a sheet here, I don't know where he got it, but this is the total amounts that are recovered from . . .

MR. MINAKER: Well, I want to know this year's, Mr. Chairman, through you to the Minister, not last year's record. What has he got in his budget recovering from the various government agencies.

MR. BOSTROM: Well, it's estimated, Mr. Chairman, that we will recover \$1,967,700 as indicated in the Estimate's page here. This is the amount we expect to recover from other departments and agencies of government for which we provide air service. That includes forestry, that includes Northern Affairs, that includes Wildlife operation, that includes work that we do for Hydro, and Attorney-General's department, and so on.

MR. CHAIRMAN: Order please, in accordance with our Rule 19(2). I'm leaving the chair to return at 8 o'clock this evening.

MR. MINAKER: At that time, I will continue the questioning. Thank you.

MR. SPEAKER: Order please. First item, Private Members' Hour is Resolution No. 9, and it's open for debate and discussion. The Honourable Member for Portage la Prairie will be closing debate on it.

# RESOLUTION NO. 9

MR. G. JOHNSTON: Mr. Speaker, I'm quite pleased at the amount of wideranging discussion that was able to take place on what is obviously a contentious principle, namely, that the government is in the business of purchasing land and then leasing and/or selling five years later, or some time thereafter, certain farmlands of the province. While I don't have anything new to add to the debate I look forward to the vote and if some of the speeches that were made by some of my Conservative friends are any indication, I gather there's going to be some support from their party on this resolution even though their agricultural critic the Member from Lakeside spoke on their behalf at the beginning of the debate some weeks ago, saying that his party was going to have nothing to do with the resolution because they were against the program to begin with. And that's an opinion that is certainly worth considering but I think it's rather negative because the program's in place, it's in operation, the government is by the month buying farmland and the government through the MACC is leasing the farmland out. Really what the resolution is saying that to make the program more flexible and perhaps do two things; One, it would relieve the fears of some of those who believe that the government intends by design or by accident have government take over land forever in perpetuity. So if the government would accept the amendment where that any time after the first year, a farmer who had qualified for the program and who was in the program found funds available to him, he could purchase the land and be a landowner instead of waiting five years.

Well I'm happy to see the Member for Radisson back in the Chamber. I missed his comments, although I haven't been speaking that often for a few weeks, but he said, well which is better? I refer him to a slogan that has been used by parties on all sides of the House I guess from time to time when it suited their purpose and that is "freedom of choice." Freedom of choice. And I think that's better. --(Interjection)-- Well perhaps we could get another resolution on foreign ownership, this one happens to deal with amending a present government program that has nothing directly to do with foreign ownership, it has to do with the regulations whereby certain farmers in certain income ranges can lease land from the Manitoba Agricultural Credit Corporation. So I know that there has been a certain amount of hostility in the reading into my remarks by members of the government side that . . . For example, it was said that I'm playing into the bands of the money lenders, that the poor farmer will be encouraged to borrow over his head just so that perhaps the money lending institutions can get their grubby hands on the land. I think that was suggested at one point in the debate. But it's such a simple proposal that I don't see how anybody could read an ulterior motive into it. It simply says that anytime after one year, the farmer who is in the program on a five year basis, on the first five year term lease, that if he finds the funds or finds the financing he should be able to buy.

It has been said by the Minister of Agriculture, I believe, that the government is not in the real estate business. Well they certainly are, Mr. Speaker, they certainly are in the real estate business if they're sending out buyers and acquiring land and making offers to purchase, advertising land for sale, seeking and sorting through offers of people who wish to acquire the land. Well that's real estate business if I've ever heard of it, real estate business. So this amendment certainly will not cause any great dislocation within the operations of the MACC. They'll continue to do what they were doing before with the one exception that when someone is able to buy before the five year lease is up, he can buy. And that's all it says. Thank you, Mr. Speaker.

MR. SPEAKER: Resolution before the House is Resolution No. 9. QUESTION put and lost.

MR. G. JOHNSTON: Yeas and Nays, Mr. Speaker, please.

MR. SPEAKER: Call in the members. Order please. The Motion before the House is Private Members' Resolution No. 9.

#### PRIVATE MEMBERS' HOUR

2509

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

## YEAS

Messrs. Axworthy Banman F. Johnston Bilton Jorgenson Blake McGill Brown McGregor Craik McKenzie Einarson Minaker Ferguson Patrick Graham Sherman Henderson Steen G. Johnston Wilson

NAYS Messrs. Adam Jenkins Barrow Johannson **Bostrom** Malinowski Boyce Miller Burtniak Osland Cherniack Pawley Derewianchuk Petursson Desjardins Schreyer Dillen Shafransky Doern Toupin Evans Turnbull Gottfried Uruski Green Uskiw Hanuschak Walding

MR. CLERK: Yeas 21; Nays 28.

 $\mbox{MR.}$  SPEAKER: In my opinion the nays have it, declare the motion lost.

Resolution 16. The Honourable Member for Sturgeon Creek.

## RESOLUTION 16

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, would I be allowed at this time to make a small amendment to the resolution?

MR. SPEAKER: It's up to the House. Would the honourable member state it.

MR. F. JOHNSTON: Mr. Speaker, in the second line of the second "Whereas", I would like to eliminate the words "nearly double" and put in the word "increase", and I'd like to strike out the figure "year 1967" and replace it with "1974".

MR. SPEAKER: Is that agreed? Very well the member may proceed.

MR. F. JOHNSTON: Mr. Speaker, I'd like to move, seconded by the Honourable Member for Rock Lake,

WHEREAS the people of Manitoba have been paying five percent tax on all meals purchased over \$3.00 since 1974; and

WHEREAS the cost of food, labour, taxes, utilities and maintenances cause the price of meals to increase since 1974; and

WHEREAS many Manitobans in the performance of their jobs, e.g. truckers, miners, construction workers, etc., are required to eat all or part of their meals in restaurants; and

WHEREAS the intent of this tax was not to impose a penalty on the ordinary working man's meals;

THEREFORE BE IT RESOLVED that the Government of Manitoba consider the advisability of changing the legislation to only require tax to be paid on meals costing \$4.00 or more.

MOTION presented.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker. As the House, or most of the House is very aware I presented this resolution back in 1973 to make a request to \$4.00,

(MR. JOHNSTON cont'd) . . . . . which it is today, or \$3.00 which it is today - and I feel rather proud that I am one of the few people that have been able to make this government listen to anything. So, Mr. Speaker, I don't bring forth this resolution for any other reason than exactly the way it is read and I don't intend to dwell on it a long time.

I think it's just a matter of keeping up with the times and I think if you go into most restaurants today, and most restaurants mainly within the rural areas and the northern areas where people are when they're travelling, or when they're even living up in the northern areas when they have to buy their food away from their homes because they are just renting rooms, etc., are having to pay tax on these meals which are purchased. Mr. Speaker, the meal that a man needs when he's been out working all day, at noon or in the evening, is usually one that has to be very substantial. It isn't a case of going in and purchasing a sandwich or a glass of milk or a bowl of soup, or something of that nature, it's usually substantial. It's soup, a substantial meal and dessert. --(Interjection)-- Well, I really don't blame the man if he wants to have a cognac after, that's entirely up to him. But I think that the fact that he has to have the meal to survive - and he wouldn't need the cognac to completely survive, we'll stick to the meals.

Mr. Speaker, the government really can't overlook the fact that it is government utilities mainly that have put up most of the costs. Well the Hydro, the Utilities Board where gas is concerned, and taxes on buildings - this isn't the government that's put up taxes, but municipal taxes have gone up continually. You also have the situation because of the bad management of the agricultural situation in Manitoba at the present time; you have a situation of marketing boards and creating high costs on many foods that probably shouldn't be there.

Mr. Speaker, I think that a man who is going out to buy a meal, basically to stay alive because he's working hard all day, should not have to pay tax and you have to pay tax - pardon me, you can't buy a meal, many meals that are substantial for less than \$3.00. So, Mr. Speaker, I would request that the government consider this, consider keeping up with the times, and look favourably on this resolution.

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

MR. SAUL CHERNIACK Q.C. (St. Johns): Mr. Speaker. I wish sometimes the Honourable Member for Sturgeon Creek or one of his colleagues would bring in a resolution proposing how we could bring in more revenue into the province so that we wouldn't have to have taxes at all. --(Interjection)-- Now the Member for Sturgeon Creek says, "on working men." Well, let me remind him that last night we listened to a Budget Address which brought in all sorts of recognition of the need for people of middle and low incomes, that the contribution that this government made even in this last Budget was one which recognizes the working man, the person on whose behalf he made that speech today. And one even wonders the extent to which he is going to support the Budget as it was presented last night, because he will be dealing - What? In about eight sitting days - we will be voting on the budget. I would think that the Member for Sturgeon Creek who has that much of a concern on behalf of the working man and in his speech as I listened to it was pretty well confined to the interests of the working man, will support that Budget. Because throughout that Budget . . .

MR. F. JOHNSTON: Never mind the gobbledygook, talk about the resolution.
MR. CHERNIACK: You see, Mr. Speaker, the Member for Sturgeon Creek
has such a one-track mind that he finds it difficult to think in terms of principle or policy involving taxation. I wish he would realize that you cannot look in isolation at any
one tax measure without taking into account all the other provisions that are made in relation to taxation.

He said, and I quote him; "Never mind that gobbledygook, talk about this resolution." Well, Mr. Speaker, he's got to realize, and surely he's been around this House long enough to know that there is very little, very little in any matter that is presented to this House or discussed in this House which can be treated in isolation. Now, it's all very well for him to try to order things the way he wants it to be; and there are times I have no doubt that within his own caucus and within his own group he is successful in ordering others to talk along a certain line or behave in a certain way, or manage to do things the way he wants them to do it. But I am rather pleased that

(MR. CHERNIACK cont'd) . . . . in this Legislature our rules are broad enough so that we are able to talk about the principle involved in the resolution and not necessarily the words, which he wants to put in our mouths.

You know, Mr. Speaker, I'm almost tempted in view of the fact that this is the resolution of the Member for Sturgeon Creek, to remind him of what we did in 1969, and some years thereafter, where we had very much in mind the working man, the person of a low income group, the person of a middle income group, where we actually reversed a negative perverse policy of the Conservatives in relation to --(Interjection)-- People are beginning to recognize now that I'm talking about health premiums. That was in the interests of recognizing the burden placed on people on low incomes and the working man of the lower income.

It seems to me that when we brought in our Property Tax Credit Plan related as we did --(Interjection)-- The Member for Wolseley is learning to make great contributions in this House, that I must remind him that the best contribution a person can make is on his feet. That at least exposes him to the electorate rather than sitting at his seat and making wisecracks, which exposes him only to those of us who are present in this room. Of course, he may not care much about how he looks in this room, but I care very much that the way he looks in this room be reflected back to his constituency so they know how he looks generally, not only in this room.

Mr. Speaker, the Property Tax Credit Plan which was dealt with in last night's Budget and which was an extension of previous programs which took into --(Interjection)--Mr. Speaker, we are talking about the principle of recognizing the lower income people as was proposed by the Member for Sturgeon Creek in increasing the exemption, or removing the tax on meals up to \$4.00, the fact that many people other than workers, the fact that many wealthy people, the fact that children, many of them who use their allowance to go out to have their hot dogs and snacks, and whatever, would be covered by this resolution, is something that the Member for Sturgeon Creek didn't speak about.

He talked about the working man who whilst working has to go out and have his meal. That's what he concentrated on. Therefore, Mr. Speaker, I have the right to remind him that a budget or any tax effort by a government has to be taken in the entire view to see whom it is that we are attempting to affect by way of taxation and by way of exemption.

So I must point out to him that this resolution of his deals only with the price of the ticket at the restaurant when a meal or food is ordered. That's all it deals with. The fact that he feels that only the working man eats for under \$4.00 is I think wrong. There are many people who are in a group where ability to pay has no feature, who do indeed have meals of less than \$4.00, and indeed have meals of less than \$3.00. As a matter of fact I have the general impression that although it costs 5, 6, 7 dollars to have an evening meal, that it costs 3, 4, dollars to have a noon meal at some of the more expensive restaurants in town, that indeed \$3.00 is a pretty adequate sum today, with inflated prices, for a fairly decent meal of the working man who will have to stop off to buy a meal. As a matter of fact most people don't have a full meal that costs that much during the working day. As a matter of fact most working people I know of bring their food with them from home rather than go out to eat in restaurants. So I don't feel that this resolution is of terribly great significance in view of the fact that it comes as it does immediately following the Budget which did deal in a very large measure with the needs to provide services for people and the method of raising funds from the people.

Mr. Speaker, I don't think that it would be revealing any secrets to state that the government and the caucus has been discussing various forms of taxation and tax policy as it does every year, so it did before the budget was presented – and I think that one of the important considerations that this caucus gave was to the demands of the municipalities for opportunities to participate in revenue from what they call growth taxes. They specifically mentioned the number of taxes. They taked about income taxes and corporation income tax, personal and corporate income taxes – and that has already been granted to them – and they talked about other growth taxes. They talked about liquor taxes and tobacco taxes. They talked about sales tax. They talked about various growth taxes. We

(MR. CHERNIACK cont'd) . . . . said to them in previous years that they had opportunities if they wanted to, to get involved in these kinds of growth taxes if they did it by form of resolution of the municipalities.

Well, the Budget last night, made it clear that we will now pass enabling legislation which will make it possible for municipalities to enter into those fields and one of those was actually the opportunity for municipal corporations to become involved in taxation of restaurant meals, liquor within their boundaries of hotel; and I think, Mr. Speaker, that all this means is that the municipalities have to make up their minds that they have been given the kind of authority they have requested, and having been given that authority now have to make the decision whether or not they're prepared to enter into that field.

Now Mr. Speaker, in the event that they decide that they wish to, I am sure there will be a necessity for them to discuss with government the method of collection, the kinds of taxes they would want to impose, the kinds of exemptions that they would want to carry out, and indeed if they enter into the field of taxation, let us say, of restaurant meals, then I think that it would be the right time to talk to them about the extent of taxation and the extent of the exemption because the municipalities then will, in effect, be partners in the decision-making such as is set out in this resolution itself.

I think it's important that in those fields where the municipalities have a right, or will acquire the right to become involved, that there should be discussions between government and the municipalities. I think at that stage the municipalities might well say that we think that the taxation should exempt, let's say, meals of under \$5.00, as is the case in Ontario. Do you know, Mr. Speaker, I wonder if the Member for Sturgeon Creek knows that his colleagues in Ontario do exempt meals of under \$5.00? --(Interjection) -- Oh, he knows that. He says this is Manitoba. You know, Mr. Speaker, there's something peculiar about the Member for Sturgeon Creek, and that is that he doesn't recognize what happens beyond the boundaries of Manitoba. Almost every time we give him some information by way of comparison of what is going on in other provinces, he blindly says, "No, this is Manitoba. You don't even know the boundaries." I know the boundaries, the geographic boundaries, but Mr. Speaker, I have difficulty recognizing the boundaries of political ideology and I also have difficulty of recognizing that what is going on in other provinces affects us. Why the Member for Sturgeon Creek would be one of the first to start talking about income tax in Manitoba as compared with any other province. It seems to me that when he wants to draw a comparison which is favourable to him, he'll use it, but he denies me the right to do the same on the basis of saying, "This is Manitoba."

So, let me go on to say, that in Ontario meals are exempt for under \$5.00. But, Mr. Speaker, meals that are taxable are taxed at 10 percent, not five percent. Now, what about that? I ask the Member for Sturgeon Creek. Is he prepared to increase the tax for what he would say are the cost of meals beyond that for which the working man has to be protected? Would he be prepared to tax meals at 10 percent? --(Interjection) -- You see, Mr. Speaker, again he refuses to talk about the principle of taxation. He has one thing in mind, and that one thing in mind is to please somebody by the way he has worded the resolution. I therefore ask him directly, that if the provincial income is reduced by 'X" dollars, and if a method of replacement has to be found - unless he wants to create a bigger deficit - then he has to be prepared to say, "I would substitute this loss by this gain." I'm telling him that in Conservative Ontario they are indeed exempting meals at under \$5.00, but they are indeed taxing 10 percent on meals in excess of \$5.00. Is he prepared to make that cut-off? Because responsible opposition is supposed to make suggestions that are also helpful in the way that one can operate government. Now I know that he doesn't have to do it and he may well not have the capability of doing it, but I'm suggesting that it would be useful. I put it no more than that. I'm not saying it's his obligation to do it, it would be useful if he did.

So, Mr. Speaker, I think that this debate is interesting. I think we must recognize that the municipalities are now being given the right to enter into the field. I must say also, Mr. Speaker, that the matter of taxation, sales taxation and this particular matter, is a matter which government has been reviewing in Cabinet, in caucus, in

(MR. CHERNIACK cont'd) . . . . . committee, in tax committees of government ever since this government came into power. I think in the very first year we started reviewing all forms of taxation and we have continued to do so. So that the resolution—which I happen not to have before me in exact wording, but which recommends that the government take into consideration the advisability of imposing, or creating a greater exemption, is one that I have to assure him is not really necessary to present to government because I could assure him that the government and the caucus is annually and constantly considering the advisability of changing legislation in the tax field.

Therefore, I wouldn't for a moment think that there would be any opposition to accepting this resolution. But I would say I don't quite see that it could happen right now or tomorrow or the next day, because I feel that we have reviewed various forms of taxation. The Budget debate which is about to start will be considering this very subject, and hopefully the municipalities will wake up to the fact that they are being given the authority to enter into those fields which they've wanted to enter into of which this will be one. I would say that this type of exemption and this type of taxation is well within the scope of the matters which should be discussed with the municipalities. I look forward to opportunities that we will have for the municipalities to talk to us about these measures, and surely at that time we will again consider and reconsider the advisability of any changes in sales taxation in relation to restaurant meals, liquor consumed - I mean liquor consumption other than home purchases, and including that too of course, because municipalities are allowed to do that and also the other forms of taxation that will be made available to the municipalities.

On that basis I would only close by suggesting that if other members, other colleagues of the Member for Sturgeon Creek will be debating this subject, that they will do so on the broader principle than the one he outlined to us because what he talked about was the working man, food under \$4.00. I think that he did not in any way give us a broader view of his knowledge or consideration of taxation, or of the fact that the exemption that he proposes goes way beyond the problem that he raised.

He is promoting an exemption that will go far beyond that of the working man alone. And he should know that. I suspect he does know it, but in his talk he didn't give us the benefit. So I look forward to that Mr. Speaker, may I in advance apologize to those of his colleagues who may rise to speak when I sit down. I want to assure them that the fact that I will be leaving the Chamber as soon as I'm through is because I am required to be elsewhere and I don't want anyone to feel offended if I do walk out on them just as they start to speak on this subject.

MR. SPEAKER; The Honourable Member for Roblin.

MR. McKENZIE: Well, Mr. Speaker, I find it most alarming to hear a socialist Minister of Finance, or ex-Minister of Finance, stand up in the Legislature here and try to justify to us in the opposition and to the citizens of this province, that due to budgetary conditions there is no room for reducing the tax between \$3.00 and \$4.00 for the people of this province in a period of high inflation, high taxation, and he at the same time says, push it off onto the municipalities and let them put the tax on, or let them have the right to collect this sales tax on meals. How ridiculous, Mr. Speaker.

The Minister of Finance in this government has blocked every avenue of taxation that's possibly open to the municipalities. There is no way that the municipalities of this province can move into any of these avenues to try and pick up some dollars to look after their much needed services in this province, and the ex-Minister of Finance says, "Well, due to the reasons of the Budget that was presented last night, we can't support this resolution and therefore we're going to let the municipalities have to deal with it."

Now that's the first time in my years in this Chamber, Mr. Speaker, that I've heard the ex-Minister of Finance openly come out and say that we can't handle the problem of sales tax on meals, we're going to leave it to the City of Winnipeg or to the various towns and municipalities in this province. --(Interjection)-- Well, passing the buck or whatever you like, but it does prove at one point that no doubt it will come out in the Budget debates, and that's the fact that this government, these socialists, have

(MR. McKENZIE cont'd) . . . . taxed everybody in this province to the hilt, there's no more avenues open to tax to the municipalities. So here, Mr. Speaker, the Member for Sturgeon Creek asks a simple little resolution for the working people of this province – this is the people that work every day – and he says the government cannot support it in any way, shape or form. We will push it off onto the municipalities and the city and let them see if they can deal with it.

Well, Mr. Speaker, let me read from this Guide to the Restaurants of Winnipeg which was presented to us by the Minister of Tourism and Recreation and Cultural Affairs some time ago - every member got a copy - and let's see what this authority says about the prices of meals for working people in this city. And let me find out if there's any way that there's a meal, a noon luncheon, in this book that can be had for less than \$3.00, and I'll go through several pages to try and prove to you, Mr. Speaker, and to the members on the government benches over there, that the Member for Sturgeon Creek's resolution is a reasonable one, it's a very sensible one, and it is practically impossible today for a working person to go out to a restaurant and have a noon luncheon or dinner at supper time under \$4.00. --(Interjection)-- Well, I shall read some of the prices and I'm taking this as an authority --(Interjection)--

MR. SPEAKER: Order please.

MR. McKENZIE: Mr. Chairman, I suppose that maybe the members of the government benches eat on expense accounts, but we don't unfortunately. We are the working poor and we have to pay for our meals.

But, Mr. Speaker, this great authority Cynthia . . .

MR. SPEAKER: Order please.

MR. McKENZIE: . . . She mentions about Winnipeggers spending about \$400 a year each in local restaurants. So the average citizen in this province spends . . . Now in wealthy Alberta where they've got all these Arabs and this tremendous oil capital, they only spend about \$320 a year, in Alberta.

A MEMBER: No tax there.

MR. McKENZIE: And no tax. No, that's the interesting thing. She goes on to say that Winnipeggers spend about 18 percent of their consumer dollars on food, the third highest of any city in Canada, to go on. But some interesting statistics, Mr. Speaker, come on later.

She goes on to say that greater affluence, more people travelling and developing an interest in new foods, more women working outside the home, and an increase in the number who find it more convenient to drop in at a restaurant on the way home than to shop and then to cook at home; and if such a woman is a member of a family, her added income allows the family to eat out more often. A shortage of houses in the city, Mr. Speaker, means that many of the people have created more apartment dwellers, and they it seems, tend to eat out more than often do the house dwellers. And finally she goes on to say that the efficiency of some of the large fast food chains has meant that some people find it cheaper and certainly more convenient to eat out than to eat at home.

So, Mr. Speaker, it's not only for the working poor. There are some of the mothers and the people that shop in this city from time to time and out in the country. There are others, it said, that live in apartments that like to go out and have their meals in a restaurant, and they naturally are being taxed to the hilt by this government, would certainly like the privilege to have to go and have a meal in a restaurant and not have to pay tax if the cost of the meal was \$4.00 or more, Mr. Speaker.

I think as you go through it all - I'll go through several restaurants here and will tell you what the dishes cost. Here's one, the Asia House Restaurant, most dishes \$2.25 to \$4.75. Move over to the next page, here's another one, King Wah Chop Suey, \$2.25 to \$4.50, most dishes; another \$4.95, the next one; here's another one \$4.50; another one here prices range from, the Mandarin Restaurant, \$5.50 a person; average for individual dishes at the New Nanking, \$2.75 to \$4.50; the next one, the Oriental Sun, \$2.90 to \$4.65; Shangri-la Restaurant \$3.50 and up; and on and on it goes, Mr. Speaker.—(Interjection)—No, we haven't got the MLAs dining room listed, unfortunately. But as you read through this guide book, Mr. Speaker, you'll find that the Member of Sturgeon

(MR. McKENZIE cont'd) . . . . Creek's estimate of the needs of the working people, of some of the mothers that are working, the people that shop in this city, is very important. So I would, Mr. Speaker, strongly recommend to the members of the House to take a good look at this resolution.

Whereas the cost of food, labour, taxes, utility and maintenance has caused the price of meals to increase since 1974 - and that's a fact.

Whereas many Manitobans in the performance of their jobs, truckers, miners, construction workers are required to eat all or part of their meals in restaurants – and there's nothing wrong with that. That's factual, Mr. Speaker. And where the intent of this tax was not to impose a penalty on the ordinary working man's meals – and we can talk on the ordinary working woman or the ordinary housewife as well. And he goes on, Mr. Speaker, in the intent and says that, "Be it resolved that the Government of Manitoba consider the advisability of changing the legislation to only require the tax to be paid on meals costing \$4.00 or more." Mr. Speaker, that is a very sensible resolution. It's one that I think most of the working people, the mothers, the working ladies of this province, will support 100 percent; and I think the government had better take a second look at it and join the Honourable Member for Sturgeon Creek and the members over here in supporting this very worthwhile and very timely resolution.

MR. SPEAKER: The Honourable Member for Thompson.

MR. DILLEN: Mr. Speaker, I finally figured out from the members from the opposition just why this resolution was introduced, and I can see no clear reason for the introduction of this resolution than to have the Member for Sturgeon Creek stand in his place and take credit for having the government raise the exemption from \$2.00 to \$3.00. That was the only reason I could see for the introduction of this resolution because absolutely no thought at all went into it when he placed those things in the resolution that refer specifically to truckers, miners, construction workers who are required to eat all or part of their meals in restaurants.

I've worked underground in the mines at just about every level possible and I can tell you that I have not found one restaurant underground in that mine that served meals for less than \$3.00 or for any price that you could buy it for. I don't know what mine that you've been in. But I can tell you that there are no restaurants. And on top of that it wasn't just a few years ago that we had running water and when you grabbed your sandwich underground you took it underground first of all in a bucket and you held on to that part with your fingers because there was nothing to wash with and you threw the part that you were hanging on to away after you ate the rest.

They make specific reference to truckers as well, you know. Any of the truckers that I have ever spoken to who are long haul or short haul, or whatever the case may be and some members, the prior Minister of Finance may be able to correct me, but my understanding is that if you're a trucker that the cost of your meals while on the road are exempt from personal income tax. At least that is how it is explained to me. --(Interjection)-- Certainly that's right, they're on a form of an expense account.

And I can tell you that as a construction worker I will not to on to a construction job anywhere in this province that the employer does not pay my expenses.

Now who are we talking about? We've gone through the list. You know, are we only talking about those people that are in an income bracket that can afford to go to the Winnipeg Inn or the Velvet Glove where they have - you know and they're worth every cent of what they charge because of the service that they provide and the atmosphere and the decor and everything in those places, they're worth every nickel of what they charge for the service that they provide. But nevertheless I have never seen one truck driver walking into the Winnipeg Inn off the road, dusty and dirty and sitting in the Velvet Glove; and I have not seen one construction worker who comes off the construction site dirty, filthy, after a hard day's work, going into the Velvet Glove as a place to eat. All right. Who are we talking about? --(Interjection)-- Well, I've never seen them there at lunch time. I have never seen them there for breakfast, either.

A MEMBER: You don't eat at the Winnipeg Inn.

MR. DILLEN: You know, the Member for Roblin, he stood and made a reasonable speech on the effect that this is going to have on the working man, and he made

(MR. DILLEN cont'd) . . . . particular reference to Alberta where, according to his figures, there were more people who eat out in Manitoba than what eat out in oil-rich Alberta.

A MEMBER: I don't think Alberta have any cooks.

MR. DILLEN: No. I think that there is a very good reason for it. It simply indicates that the policy of the Provincial Government has created more disposable income for the average citizen in Manitoba than anything else that we've ever done. They've got something to spend in this province, you know. In Alberta, you know in oil-rich Alberta, an indication that people aren't eating out as much there as they are here is a clear indication that all of the money is ending in somebody else's pocket besides the working man. That's not the case in Manitoba.

But I really believe that the Member for Sturgeon Creek when introducing this resolution is really saying, let me introduce this resolution so I can impress my friends that I have tried to do something for them to increase their exemption. But we're not going to be marked in with that kind of approach. I think that this government will continue to look at the changes in legislation that we'll require on the increasing or decreasing the exemption and that, you know, it's just a matter of time before this that . . . who knows, it might be next year that the exemption is increased to \$4.00. It could be two years from now. But as soon as that occurs the Member for Sturgeon Creek will again rise in his seat and say, at least the government listened to me, and will take credit for that change being made. —(Interjection)— That's right, and the next year after that it'll be \$6.00. There is no doubt that the cost of food, labour, taxes, utilities, and so on has increased in this province and so they have increased in every other province in Canada.

You know they make some reference to agricultural marketing boards having been the main cause for an increase in the cost of food. Are you talking about Manitoba marketing boards? Are you talking about U.S. marketing boards? Are you talking about European marketing boards? Or West Indian marketing boards? I have to know exactly what marketing boards they are referring to, because some of the goods that we eat in this province are not necessarily home-grown or subject to the controls that are being placed on their costs by marketing boards. The foods that are imported from the United States and elsewhere, exotic foods, you know, from far off countries are not subject to the marketing boards of Manitoba. What causes the cost of lobster to be set at what they are at? Somebody is going to suggest to me that there is a marketing board that controls the price of lobster.

MR. SPEAKER: Order please.

MR. DILLEN: Mr. Speaker, these kinds of resolutions will be constantly under review. I can't see anything that is going to cause any great amount of disruption if this resolution is accepted but I don't see any massive changes being implemented this year.

MR. SPEAKER: Order please. The honourable member will have an opportunity to debate the resolutions further on another day. Before I leave the House, I see the Honourable Member for Flin Flon wants to make an announcement.

# COMMITTEE CHANGE

MR. BARROW: Mr. Speaker, I'm sorry, but this morning we got a little mixed up on Law Amendments Committee and to remedy it quickly, if you'd give leave for the Member from Point Douglas to replace the Minister of Corrections who was . . . out on Law Amendments Committee.

MR. SPEAKER: Leave is required of the House. Is it agreed? (Agreed) Very well. I am now leaving the Chair and the House will reconvene at 8 p.m. in Committee of Supply with the Deputy Speaker in the Chair.