



**Third Session — Thirty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES**  
and  
**PROCEEDINGS**

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33 Elizabeth II

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
<b>ADAM, Hon. A.R. (Pate)</b>	Ste. Rose	NDP
<b>ANSTETT, Hon. Andy</b>	Springfield	NDP
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BANMAN, Robert (Bob)</b>	La Verendrye	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, Hon. John M.</b>	Gimli	NDP
<b>CARROLL, Q.C., Henry N.</b>	Brandon West	IND
<b>CORRIN, Q.C., Brian</b>	Ellice	NDP
<b>COWAN, Hon. Jay</b>	Churchill	NDP
<b>DESJARDINS, Hon. Laurent</b>	St. Boniface	NDP
<b>DODICK, Doreen</b>	Riel	NDP
<b>DOERN, Russell</b>	Elmwood	IND
<b>DOLIN, Hon. Mary Beth</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>ENNS, Harry</b>	Lakeside	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>EYLER, Phil</b>	River East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FOX, Peter</b>	Concordia	NDP
<b>GOURLAY, D.M. (Doug)</b>	Swan River	PC
<b>GRAHAM, Harry</b>	Virden	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry M.</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
<b>HYDE, Lloyd</b>	Portage la Prairie	PC
<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
<b>KOSTYRA, Hon. Eugene</b>	Seven Oaks	NDP
<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Hon. Gérard</b>	Radisson	NDP
<b>LYON, Q.C., Hon. Sterling</b>	Charleswood	PC
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
<b>MALINOWSKI, Donald M.</b>	St. Johns	NDP
<b>MANNES, Clayton</b>	Morris	PC
<b>McKENZIE, J. Wally</b>	Roblin-Russell	PC
<b>MERCIER, Q.C., G.W.J. (Gerry)</b>	St. Norbert	PC
<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
<b>OLESON, Charlotte</b>	Gladstone	PC
<b>ORCHARD, Donald</b>	Pembina	PC
<b>PAWLEY, Q.C., Hon. Howard R.</b>	Selkirk	NDP
<b>PARASIUK, Hon. Wilson</b>	Transcona	NDP
<b>PENNER, Q.C., Hon. Roland</b>	Fort Rouge	NDP
<b>PHILLIPS, Myrna A.</b>	Wolseley	NDP
<b>PLOHMAN, Hon. John</b>	Dauphin	NDP
<b>RANSOM, A. Brian</b>	Turtle Mountain	PC
<b>SANTOS, Conrad</b>	Burrows	NDP
<b>SCHROEDER, Hon. Vic</b>	Rossmere	NDP
<b>SCOTT, Don</b>	Inkster	NDP
<b>SHERMAN, L.R. (Bud)</b>	Fort Garry	PC
<b>SMITH, Hon. Muriel</b>	Osborne	NDP
<b>STEEN, Warren</b>	River Heights	PC
<b>STORIE, Hon. Jerry T.</b>	Flin Flon	NDP
<b>URUSKI, Hon. Bill</b>	Interlake	NDP
<b>USKIW, Hon. Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, Hon. D. James</b>	St. Vital	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 5 June, 1984.

Time — 2:00 p.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. J. Walding:** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MR. SPEAKER:** The Honourable Minister of Culture.

**HON. E. KOSTYRA:** Thank you, Mr. Speaker. I have a ministerial statement.

My announcement today is as Chairperson of the Manitoba Jobs Fund and concerns the start-up of a program to provide employment and lasting facilities for residents in the northern part of the province.

The Northern Community Assets Program will provide funding for non-profit community service organizations and for Indian bands to construct facilities of lasting benefit.

At the same time, these projects will generate employment for local people. Unemployment remains a chronic problem in the North, and through this initiative we are able to provide a buffer for northern people by providing them with meaningful employment.

Last year, under a similar program, there were 109 projects undertaken. These projects included:

- renovations to community halls in National Mills, Waterhen and Grand Rapids;
- construction of docks in communities like Thicket Portage and Warrens Landing;
- work on fire halls in Duck Bay and Island Lake;
- assistance to fisherman's associations in Wabowden, South Indian Lake and Moose Lake;
- and projects to ensure portable water supplies in places like Barrows, Sherridon and Seymourville.

In all, these 109 projects provided employment for 757 northerners last year.

This year, the length of the program has been extended to allow some of the projects which require warmer weather to be completed next spring.

The Northern Community Assets Program is a \$3 million investment of which 2.5 million is committed by the Jobs Fund and \$500,000 from the Department of Northern Affairs.

Mr. Speaker, this is an important program for Northern Manitoba. Our investment here will be realized through the creation of employment in an area where the need is great. But it will also provide lasting benefits for the use of northern people, whether these benefits are recreational facilities, community gardens to provide fresh produce or playground equipment for northern children, the dividends of this program will be shared for many many years.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Mr. Speaker.

On behalf of the opposition, we'd like to thank the Minister for his statement today regarding the initiative of the Jobs Fund. We would, of course, have preferred to have heard of some private sector investment and long-term job creation opportunities, but certainly we're happy to have the announcement of any job creation in the North. The North, of course, is suffering substantially as a result of depressed mining markets on a world-wide basis. The markets for drilled metals are depressed and many of the mining communities are in jeopardy today, so we are pleased that the government is at least investing in some community facilities as perhaps a stop-gap measure. We would hope that the employment length of the project is longer than the average of the Jobs Fund of the past year of 13 weeks. We would hope that the projects could be of a nature that would allow for longer term employment. Mr. Speaker, the concerns of the North are indeed ones that have to be addressed today. The highest levels of unemployment in the province, of course, are in many of our northern and Native communities, and we thank the Minister for at least giving some indication of recognition of this problem.

**MR. SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have 47 students of Grade 6 standing from the R. J. Waugh School under the direction of Mr. Grant. The school is in the constituency of the Honourable Member for Gladstone.

There are 36 students of Grade 5 and 6 standing from the La Verendrye School under the direction of Mr. Hanna, and the school is in the constituency of the Honourable Minister of Community Services.

On behalf of all of the members, I welcome you here this afternoon.

## ORAL QUESTIONS

### Horse Racing Commission - Annual Report

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Mr. Speaker, my question is for the Honourable Minister of tourism and small business. Last week, I asked the Minister if he had yet received the Annual Report of the Manitoba Horse Racing Commission. He said that he would report back to the House shortly on that matter, and my question today is: has he received that report?

**MR. SPEAKER:** The Honourable Minister of Business Development.

**HON. S. USKIW:** I'm sorry, Mr. Speaker, I guess I was preoccupied, would the member rephrase his question?

**MR. G. FILMON:** Perhaps, Mr. Speaker, the Minister is putting the finishing touches on the report.

I wonder if he could indicate whether or not he has yet received the Annual Report of the Manitoba Horse Racing Commission for its year ending December 31st, 1983.

**HON. S. USKIW:** Mr. Speaker, the question was asked of me last week and I had then taken it as notice. I want to tell the members opposite that the fiscal year end for the Horse Racing Commission ended on March 31st, after which there is three months for the tabling of the report.

**MR. G. FILMON:** Mr. Speaker, in view of the fact that the Minister's Estimates begin this evening and that is the only area of his department that does file an annual report, if I'm not mistaken, I wonder if he could indicate whether or not he would be prepared to table the report or to indicate the information on its availability.

**HON. S. USKIW:** Yes, Mr. Speaker, that is a valid point and, if it is available, it certainly will be made available to the members opposite as is usually done. I'm not sure whether it is yet available however.

#### Ambulance services - regulations

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. SHERMAN:** Thank you, Mr. Speaker. My question is the Honourable Minister of Health and I would ask him whether, in view of two recent fatal accidents in the Selkirk area involving the ambulance services of the Selkirk district, he is studying changes in regulations and directions applicable to the operation of ambulance systems in the province?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Thank you, Mr. Speaker. The Manitoba Health Services Commission has been asked to investigate and I'm awaiting the report of this investigation.

**MR. L. SHERMAN:** A supplementary, Mr. Speaker. Can the Minister confirm that arising out of an earlier incident, which involved the death of woman on a Selkirk street, an incident which predated the tragedy last Sunday, which caused two deaths in a boating accident, that new directives and new instructions have been distributed to hospital operators throughout the province?

**HON. L. DESJARDINS:** Mr. Speaker, no I can't confirm that. If that is the case it was done by the Manitoba Health Services Commission, but these are some of the questions that I've asked and I expect a full report anytime now.

**MR. L. SHERMAN:** Mr. Speaker, just a minor correction in my own wording. I think I said hospital operators in

my supplementary question, I meant of course ambulance operators.

A further supplementary, Mr. Speaker. Can the Minister advise how many ambulance systems are operating in the Selkirk area? It was my understanding that the Selkirk General Hospital was operating the service there. Are there more services being operated in Selkirk than the hospital one?

**HON. L. DESJARDINS:** Mr. Speaker, yes I understand that there's also a private one besides the one operated by the Selkirk Hospital.

#### Liquor Control Commission contract

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, I have a question for the Attorney-General.

Mr. Speaker, a few weeks ago during the Attorney-General's Estimates, I raised the question about his Assistant Deputy Minister being involved with a computer firm which had entered into a contract with the Liquor Control Commission, and the Attorney-General indicated he was referring the matter to the Auditor. Can he advise the House if he has received a report from the Auditor?

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** No, that question and some subsequent questions relating to the business interest of the particular person, were indeed referred collectively to the Provincial Auditor and the report has not yet been received.

#### MHRC - director's position

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, a few days ago I also asked the Minister responsible for MHRC a question with respect to the filling of a director's position without having bulletined it internally or externally. Can he now advise the House if such an appointment was made?

**MR. SPEAKER:** The Honourable Minister of Housing.

**HON. J. BUCKLASCHUK:** Yes, thank you, Mr. Speaker. I've spoken to the Acting Deputy Minister as to whether or not there has been a director's position filled in the recent past; I'm advised that there has been no such position. There has been an Acting Director's position filled, and that was filled by person who had previously been with the department.

**MR. G. MERCIER:** Mr. Speaker, could the Minister advise then whether the director's position will be filled permanently only after having been advertised externally and internally?

**HON. J. BUCKLASCHUK:** Yes, it would be my intention that the normal practice for the bulletining of a position will be carried out at the appropriate time.

### North of Portage Development

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, a question to the Minister responsible for the Jobs Fund. Mr. Speaker, a few days ago I also asked him whether or not the full grant had been paid to the Manitoba Federation of Labour for a feasibility study north of Portage. I wonder if he has that information now?

**MR. SPEAKER:** The Honourable Minister of Culture.

**HON. E. KOSTYRA:** Thank you, Mr. Speaker. No, I'm sorry I do not have the information as of yet. I will endeavor to have it as quickly as possible for the members.

### Brandon University

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Education.

The City of Brandon contributes a very substantial amount of money to the operation of the Brandon University. For that and other reasons they have a vital interest in the future of that university and have consequently asked the government for the right to appoint one person to the Board of Governors. Has the government made a decision with respect to that request yet?

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. M. HEMPHILL:** Yes, Mr. Speaker, I did receive the letter with the request and we are giving it consideration. There are some additional appointments that are due to be made, I believe, at the end of June, and I don't think that any group that is interested in participating is precluded from being named as representatives on the Board of Governors. It will be very difficult for us if we continue to receive letters from a variety of groups and organizations saying we would like a special appointment. I think that's a very difficult precedent to set, but it doesn't mean that we couldn't accept the points that are being made by them about their interest in the community and particular interest in the university and give consideration to that when we're making appointments.

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, a supplementary to the Minister. Are there any other organizations that contribute to Brandon University in the magnitude to which the City of Brandon contributes, that have an interest in having people appointed to the board?

**HON. M. HEMPHILL:** I'm not sure that there are, Mr. Speaker. I think the point I made is that it's reasonable

for them to indicate their interest, and we'll give consideration to their interest when we're making appointments. They're not precluded, and we'll take that into consideration.

### Canamax Resources Ltd.- consulting services

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister responsible for the Treasury Board. Can the Minister responsible for the Treasury Board advise the House whether or not David Dombowski, the former head of the Saskatchewan Potash Corporation, presently has a contract with the government to provide consulting services with respect to a possible potash development involving Canamax Resources Limited?

**MR. SPEAKER:** The Honourable Minister of Co-operative Development.

**HON. J. COWAN:** I would have to take that question as notice and report back to the member.

### Horse Racing Commission - Annual Reports

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Mr. Speaker. My question is for the Honourable Minister of Business Development and Tourism. Mr. Speaker, I have before me the last two Annual Reports of the Manitoba Horse Racing Commission which indicate that the fiscal year end was December 31st in those two years, 1981-82. When was the fiscal year end changed and for what reasons?

**MR. SPEAKER:** The Honourable Minister of Business Development.

**HON. S. USKIW:** Mr. Speaker, pursuant to a question that was put to me last week, I made the inquiry and I received the report, I believe the very same day, to the effect that the fiscal year had been altered to March 31st in order to be consistent with the government's fiscal year. That decision, I'm not sure when it was made.

**MR. G. FILMON:** Mr. Speaker, normally under circumstances where corporations alter their year end, they have to make an interim report so that it does not go beyond 12 months. Has that been given to the Minister?

**HON. S. USKIW:** Mr. Speaker, I'm not aware of an interim report being available. There may be one, but I'm not aware of one. I'm not sure whether the member is right in suggesting that there ought to be one with statutory provisions.

### Motor Vehicle Branch - licence suspension

**MR. SPEAKER:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Mr. Speaker, my question is for the Minister of Highways and Transportation. Pursuant

to amendments passed by the Attorney-General to The Summary Convictions Act allowing suspension of those drivers' licences of people who fail to pay parking tickets, could the Minister of Highways and Transportation indicate how many requests have been made of the Registrar of Motor Vehicle Branch for suspension under that newly-passed provision to The Summary Convictions Act?

**MR. SPEAKER:** The Honourable Minister of Highways.

**HON. J. PLOHMAN:** Mr. Speaker, I don't have the up-to-date statistics on that, although they are very substantial. My indication is from the Provincial Auditor's Report, as of April, 1983, there were 41,000 parking cases backlogged and 9,000 were with the province, stemming from the decision of the Registrar of Motor Vehicles not to process any further convictions under that act, so there are a substantial number of thousands of parking violations that are backed up at this time. That was even before the implementation of the change with regard to The Summary Convictions Act and the request that the province would suspend licences under that act for parking violations. There are literally thousands that are currently backlogged there, Mr. Speaker.

**MR. D. ORCHARD:** Have any suspensions been made by the Registrar under the provisions of that Summary Conviction Act amendment?

**HON. J. PLOHMAN:** The act stated that the Registrar may suspend, and because of the severity of the offence, the severity of the punishment as if it were I should say with regard to parking violations, and the fact that there was a great deal of additional administrative requirements associated with processing of parking tickets that were in place as a result of the city by-laws, the Registrar decided that he was unable to process any suspensions for parking violations. My understanding is that there have been no suspensions of licences for parking violations since the proclamation of that act in June of '83.

**MR. D. ORCHARD:** Could the Minister indicate whether a conviction under the newly passed seat-belt law, and failure to pay that fine, would lead to suspension of that driver's licence?

**HON. J. PLOHMAN:** Well, certainly all offences under The Highway Traffic Act are treated in a similar way, whether it be seat belts, or speeding infractions, or whatever other infractions that may be incurred under The Highway Traffic Act. They are treated in the same way and licences could be suspended under The Summary Convictions Act for those violations.

However, the matter of parking violations is a separate issue. It is the enforcement of a city by-law and certainly is one that presents a great deal of difficulty in terms of the backlog. That is why up to this point the Registrar is not processing those for violations, but the matter of seat belts and other violations under The Highway Traffic Act are treated in a uniform way.

**MR. D. ORCHARD:** Well, Mr. Speaker, in view of the fact that the Minister indicates that, because of the

severity of the offence, parking tickets are not resulting in licence suspensions, could the Minister indicate to the House how many drivers' licences have been suspended because of failure to pay the fine under the incredible social crime of failing to wear your seat belt?

**HON. J. PLOHMAN:** Well, first I should correct the honourable member, Mr. Speaker, that it is not only the matter of the severity of the offence, that being a parking offence, in that whether indeed a licence should be suspended because of a parking offence under certain circumstances. I said that there was a great deal of administrative work that the Motor Vehicle Branch was unable to cope with, that backlog that had been built up as a result of the changes in the act, that had been built up by the City of Winnipeg in parking infractions.

In terms of the suspension of drivers' licences for other violations, when the number of demerit points warrant when the fines haven't been paid and so on, that is a matter that the honourable member knows full well has been in place for a number of years. Certainly when he was Minister of Highways and Transportation it was the case at that time. He made, to my understanding, no moves to change that particular system that was in place at that time. If he did, he can clarify that to the House, Mr. Speaker.

Now we have additional laws in place from time to time for safety reasons, for highway safety. It has been demonstrated clearly that seat belts prevent injuries and it also saves substantial money on Medicare as well. The honourable member is carrying on with a crusade in that regard, Mr. Speaker.

I find that rather ironic, especially when his own leader voted for the introduction of seat belts, and at this time he's continuing his political crusade against them.

### **Air Ambulance Service - Northern Manitoba**

**MR. SPEAKER:** The Honourable Member for Thompson.

**MR. S. ASHTON:** Mr. Speaker, my question is for the Minister of Health.

Yesterday the Minister announced that the province would be establishing an air ambulance system to replace the present patient transportation system in Northern Manitoba. In view of the fact that this is something that's been sought for many years by people in Northern Manitoba, I'd like to ask the Minister when he anticipates that that new service will be in operation?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Well, Mr. Chairman, I announced the approval in principle of the purchase or leasing of the aircraft, but we haven't asked for any funds to operate the ambulance this year. It could be that it will take a while to make the selection and equip it properly. We requested it a little before April the 1st, but it should be in place no later than April the 1st of next year.

**MR. S. ASHTON:** Mr. Speaker, in view of the fact that concern has been expressed in the past about the

capability of present aircraft for handling, particularly, intensive care patients and premature babies, I was wondering if those factors will be taken into consideration as well as the concern about the capability of the existing aircraft to handle patients in general?

**HON. L. DESJARDINS:** Mr. Speaker, a program is being developed by the department to be submitted to Cabinet for approval and of course it will address the problems that we're faced with now and as well as the two existing programs, but that certainly would be the priority at this time.

**MR. S. ASHTON:** A final supplementary, Mr. Speaker, I would like to ask whether the Minister could indicate whether additional areas of the province will be covered under this new air ambulance system?

**HON. L. DESJARDINS:** As I stated, Mr. Speaker, the details have not been approved. I would imagine that, of course, it will be a full-time air ambulance equipped for an air ambulance and the dispatching will be done by the Commission, so no doubt that it will do whatever it can, but as far as the financing of the program, that has not been decided as yet, but it certainly will not be restricted just to the north. It is for all Manitoba as needed.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Speaker, just one question to the Minister of Health based on the questions asked by the Member for Thompson.

Am I correct in suggesting to the Minister of Health that he did not say that the new air ambulance would replace the Northern Patient Transportation Program? It will be an adjunct to the overall health system, but there's no intention to have it replace the NPTP, is there?

**HON. L. DESJARDINS:** No, my honourable friend is correct on that. There's certainly not necessarily a replacement. It will replace the - I took it as he meant replacing the plane that has been used in the past, but it is not an air ambulance service. It is a ambulance transportation and I would imagine that they'd still use other methods of travelling also as needed.

### Fiscal year end change

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Mr. Speaker. My question is for the Acting Premier. In view of the fact that the Minister of Small Business and Tourism has indicated that the Manitoba Horse Racing Commission has changed their fiscal year end from December 31st to March 31st as a result of a recommendation by the Auditor to conform with the fiscal year end of the province, could the Acting Premier indicate whether or not this is a general recommendation for all boards, commissions and government agencies - Crown agencies?

**MR. SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Mr. Speaker, I would have to take all the details of that question under advisement. I do know there was a practical problem with the Horse Racing Commission in that their year end, coming in December with the Session generally opening in the early months of the following year always provided a short time frame within which to get books audited and a report completed. So it was looked into and, as the Minister has said, he is going to look further into the final disposition of that and I think he can take care of that. I will take under advisement the question about the other Crown corporations.

### Mineral Resources Ltd.- Annual Report

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Mr. Speaker, would the Acting Premier also take under advisement then the indication in the Annual Report of Manitoba Mineral Resources Ltd., this year's Annual Report, would she determine why they have changed their year end from March 31st to December 31st?

**HON. M. SMITH:** Well, I think my previous answer included that concern, Mr. Speaker.

### Horse Racing Commission - Annual Report

**MR. SPEAKER:** The Honourable Minister of Business Development.

**HON. S. USKIW:** Yes, Mr. Speaker, the Leader of the Opposition suggested a moment ago that I had suggested there was some recommendation on the part of the Provincial Auditor with respect to the change. I don't recall making that statement, Mr. Speaker.

Mr. Speaker, if the member wants me to repeat it, I said I would assume it was to be consistent with the annual year end of the Province of Manitoba. — (Interjection) — That's right.

### Air Ambulance Program

**MR. SPEAKER:** The Honourable Member for The Pas.

**MR. H. HARAPIAK:** Mr. Speaker, I'd like to ask a question of the Minister of Health.

In addition to the questions that have been asked by my colleague, the MLA for Thompson, I'd like to add that there is a program that many of the people in Northern Manitoba have been waiting very patiently for. I'd like to ask the Minister of Health where the air ambulance will be located, where will it be based?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, that's the 64-dollar question.

**MR. H. HARAPIAK:** Mr. Speaker, I'd like to ask the Minister of Health if there will be special staff assigned to this air ambulance?

**HON. L. DESJARDINS:** I don't know if this could go on my time in the Estimates, but, Mr. Speaker, the staff, if we're talking about the pilots and so on, the intention is to work with the government service and the maintenance and so on, and the hangar, although the dispatching will be done by the ambulance. — (Interjection) — I imagine my honourable friend is referring to trained - I can't hear myself think, I'll tell you in the hall I think. If my honourable friend is talking about the trained attendants, that certainly is the intention.

### **Herbicides and pesticides, use of**

**MR. SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Mr. Speaker, my question is to the Minister responsible for the Environment.

The Minister has been sending out letters to ag rep offices and weed districts regarding proposed changes in the use of herbicides and pesticides, with the intention that they respond by the 16th of June. Can the Minister indicate whether he is proposing legislative changes in this Session regarding the use of these chemicals?

**MR. SPEAKER:** The Honourable Minister for the Environment.

**HON. G. LECUYER:** Thank you, Mr. Speaker. The changes the member refers to would have to come about eventually through regulations which are not intended at this time. That is why the materials he refers to are out for consultation and I presume that from the initial drafting of the regulations, there will be further consultation, and perhaps this will have to carry on for a number of consultations before we are ready to proceed with that. So I cannot say whether we're looking at six months, a year, or more down the road.

**MR. A. DRIEDGER:** Well, Mr. Speaker, I hope there's going to be a lot of consultation, in view of some of the proposals that are being forwarded.

### **Cankerworm infestation**

**MR. A. DRIEDGER:** A further question to the same Minister. Can the Minister indicate whether there's going to be any financial assistance to municipalities, rural municipalities, that are faced with the spraying of pesticides for cankerworms?

**HON. G. LECUYER:** Other than the program which was announced a while back, assistance in regard to the larviciding and mapping for the mosquito programs, there is no such a program for spraying for cankerworms. That is a municipal responsibility. In fact, Mr. Speaker, as I've indicated before, insects, as a nuisance, are a municipal responsibility. When it becomes a health problem, as it has occurred in the past, then it has been dealt with as a provincial responsibility.

### **ARM Industries, Brandon**

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Community Services. Can the Minister advise whether or not there is a functioning board of directors in place for ARM Industries in Brandon?

**MR. SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Mr. Speaker, the board that was functioning until the end of December last year went out at their own request and the government took over direct operation of Arm Industries. There was a concern about deficit, about the fiscal responsibility of the board members, and they were very concerned that they might bear some personal liability for that deficit. Mr. Speaker, the government assumed responsibility, is operating the centre, but has intention down the road to have it go back to a private board, but as yet that possibility has not matured. But the intention is to examine carefully the needs in the community and the type of program required and then to proceed with an orderly devolution again to a private board.

### **Education, Dept. of - planning and research reports**

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNESS:** Thank you, Mr. Speaker. I address my question to the Minister of Education.

During the Estimate process, Mr. Speaker, the Minister of Education provided to me seven planning and research reports that were undertaken by her department. I believe there are some 13 in number that were not provided. I'm wondering if the Minister can indicate whether it's her intention to provide them for me, or at least a listing as to what they are and why she cannot provide them.

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. M. HEMPHILL:** Yes, Mr. Speaker, it's my intention to make available to the member opposite all of the reports that are public reports. I'll look at the list of what he's received and those he believes he has not received and attempt to provide them as quickly as possible.

### **Camperville - education**

**MR. C. MANNESS:** Mr. Speaker, I have Report 6, in 1983, and was titled, "Post-secondary assessibility for Frontier students." I'm wondering if the Minister could tell me whether the new Education Minister at Camperville, one Ron Richard, has a copy of this report.

**HON. M. HEMPHILL:** Mr. Speaker, sometimes I'm sorry to have to say this, but there is only one Minister of Education in Manitoba.

**MR. C. MANNESS:** Well, Mr. Speaker, I know you won't allow me to quote very extensively from this report, but if you'd allow me to make a one sentence, "Page 1(c) of this report lays out initiatives developed for the

Frontier School Division," and amongst a listing of seven or eight, I'd read one where it is proposed that the delivery of training program to ensure that all high schools in Frontier School Division have a qualified career counsellor. Now, I would ask the Minister whether or not this is the reason for the wish of the Camperville community to leave the School Division of Duck Mountain and to become part of the Frontier School Division?

**MR. SPEAKER:** Order please, order please. The question is speculative. Would the honourable member wish to rephrase his question?

**MR. C. MANNES:** Well, Mr. Speaker, I would ask if the Minister is aware of the reason why the Camperville Government wishes to leave the Duck Mountain School Division and become part of the Frontier School Division?

**MR. SPEAKER:** Order please. Awareness by the Minister is not a proper topic for a question. Would the honourable member wish to rephrase his question to seek information rather than opinion?

**MR. C. MANNES:** Mr. Speaker, why does the Camperville people, that community, want to leave the Duck Mountain School Division?

**MR. SPEAKER:** Oral Questions.  
The Honourable Member for Morris.

**MR. C. MANNES:** Mr. Speaker, I can't take seriously the Minister's comment that there is only one Education Minister in this province when she refuses to answer my question. But, Mr. Speaker, what advice will the Minister offer other schools within the province who feel the quality of education within their schools are lacking? What advice will she give to them when they come to her with concerns regarding their own school divisions and requests to set up their own school authority? Will she also indicate that they can become part of the Frontier School Division?

**HON. M. HEMPHILL:** Mr. Speaker, in terms of advice that is given, I think I answered in the House last week when I was asked a specific question about what advice we had given the members of this community who were concerned about the quality of education, and that was that they had a number of options before them.

One was to work out an agreement and an understanding with the school division, and in some of their discussions they indicated they were willing to explore that.

Another was, that if they wanted to do anything that related to boundary change, there was only one procedure that allowed that consideration and that was the board of reference. I outlined in great detail the procedures that they would have to undertake should they decide to go the board of reference route.

When we had our meetings with them, they had not decided in their own mind whether they wanted to join Frontier or what the route was that they wanted to take in terms of looking at this issue. They must sort that out first, then there is a procedure for them to follow.

In terms of the very broad question, the very general question, and what is my advice to people in the community who are concerned about quality of education, I have met with a number of communities and people who are concerned about quality of education and I can tell you, Mr. Speaker, when the question of quality of education comes up, the province and this Minister does not abrogate their responsibility, which is to look at and oversee the quality of education.

Where there have been problems and concerns related to quality, we have taken them seriously and we have met with the members of the community and the responsible school division and worked out accommodation to improve the quality to the satisfaction of the board and the parents.

### Licence suspension

**MR. SPEAKER:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Speaker. I would like to pose a simple question to the Minister of Highways and Transportation. I offer as a preamble to my question, which I believe is within the rules, Sir, that during my term as Minister of Highways and Transportation, no Manitoban had his driver's licence suspended for failure to wear a seat belt.

In view of that fact, could the Minister of Highways and Transportation provide the House with the number of Manitoba drivers who licences are being suspended for failure to pay a fine resulting from not wearing a seat belt?

**MR. SPEAKER:** The Honourable Minister of Highways.

**HON. J. PLOHMAN:** Mr. Speaker, it's obvious that the Member for Pembina, when he was Minister for Highways, was too callous to be concerned about people not wearing seat belts and he didn't have the political will to bring in a law that would save lives on the highways and prevent injuries.

Mr. Speaker, he is quite aware of the statistics that demonstrate that the law that is in place and has been in many other jurisdictions throughout Canada and the rest of the world, saves lives and prevents injuries. He continues to harp for political reasons on that particular law. I will be able to provide the member with the information on convictions for every different offence that takes place under The Highway Traffic Act. I will not single out any particular one, Mr. Speaker.

**MR. D. ORCHARD:** The only information I require is the suspensions under failure to pay a fine from failure to wear a seat belt.

### Homestead quarter legislation - Saskatchewan

**MR. D. ORCHARD:** Mr. Speaker, I have a question for the Minister of Agriculture. Our neighbouring jurisdiction, the Province of Saskatchewan, have introduced legislation, the broad intent of which is to save the homestead quarter in the event of a farm bankruptcy. Has the Minister made himself aware of the contents of that legislation that's being proposed in Saskatchewan?

**MR. SPEAKER:** Order please. Awareness by a Minister is not a proper topic for a question.

The Honourable Member for Pembina.

**MR. D. ORCHARD:** I'm very sorry, Mr. Speaker. I shall rephrase the question.

Mr. Speaker, would the Minister of Agriculture, having knowledge of legislation that's being proposed in Saskatchewan, indicate whether he has seen that legislation and perused its contents?

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Mr. Speaker, while I have not specifically seen the copy of the legislation being proposed, the honourable member should be aware that in our own province there is similar legislation in which the home quarter can be saved, provided, of course, that it is not signed away as collateral.

Mr. Speaker, beyond that, the Province of Manitoba has made representations to the Federal Government dealing with the proposed changes of The Bankruptcy Act. Mr. Speaker, the Province of Manitoba has made representations to the Federal Government under whose jurisdiction bankruptcy exists and is, and one of the provisions to allow a creditor, such as a farmer or a small businessman to apply to the courts, having made an offer, so that foreclosure cannot occur, and if it is not accepted by the lender, then it can be arbitrated to the courts. We have made such a proposal to them; we understand that proposal has been accepted and we're hopeful that Parliament passes that act very shortly, which would prevent some of the stories that one hears of walking in and foreclosing on farmers, so that there is at least an orderly arbitration of the debts, and that's what we're pushing for, Sir.

**MR. D. ORCHARD:** As a supplementary to the Minister, in view of the discussions he's having with Ottawa and the possibility that those may not result in any legislation which would be effective for some several months, maybe even for a year, would the Minister consider the advisability of studying the Saskatchewan proposal, and if it was worthy of application in Manitoba, possibly bring that similar proposal into the Legislature this Session?

**MR. SPEAKER:** The question is hypothetical.

**HON. B. URUSKI:** Mr. Speaker, we would certainly want to . . .

**MR. SPEAKER:** The question is hypothetical.

Order please, the time for Oral Questions having expired, Orders of the Day.

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, I wonder if I could have leave of the House to make a non-political statement?

**MR. SPEAKER:** Does the honourable member have leave? (Agreed)

## NON-POLITICAL STATEMENT

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, the Silver Heights Collegiate Band won the right to represent Manitoba in the Canadian Jazz Band competitions in Ontario this year. The students all worked very hard, raised money to go to Toronto to compete in this competition and I'm pleased to report that they actually tied for first, but because of a count-back in the way the judging was done, they ended up coming second.

I believe they deserve congratulations for the hard work that they did and the honours that they brought to Manitoba, Mr. Speaker. I would also like to say that they're in the combo classification of the competition. There was a combo called "Mark 5" that won the national honours in the competition, Mr. Speaker, and they were made up from three students from Silver Heights Collegiate and two students from the constituency of St. Norbert. They, too, deserve congratulations from this House.

Thank you, Mr. Speaker.

## ORDERS OF THE DAY BUSINESS OF THE HOUSE

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. A. ANSTETT:** Thank you, Mr. Speaker. Mr. Speaker, before I move the motion with respect to Committee of Supply, I would ask the indulgence of the House to address the Business of the House for the next several days.

Mr. Speaker, the Estimates order that is remaining has been discussed with the Opposition House Leader and it's proposed that in committee today, we will start the Estimates of the Department of Consumer and Corporate Affairs and then move on after that to Business Development, Tourism and followed by Community Services.

Mr. Speaker, with regard to the Estimates' consideration in the House where we are currently considering the Estimates of the Minister of Health, I propose that that will be followed by the Department of Co-Operative Development, followed by Industry, Trade and Technology, followed by the three departments under the jurisdiction of the Minister of Finance, Civil Service, Finance, Crown Investments, followed, Sir, by Energy and Mines and then Legislation and Executive Council.

Sir, there are several other, what are sometimes referred to as incidentals in the Estimates book. The Enabling Votes, the Jobs Fund, Emergency Measures and other matters which are the responsibility of several Ministers, and to ensure that all of the appropriate Ministers are in the House when those items are discussed, it's suggested, Sir, that those items be held to the end when we're meeting only in one committee so that all the appropriate Ministers can address those.

So, Mr. Speaker, that would be the Estimates list subject to change depending on the workload of the two committees in the House and outside.

Sir, with respect to the business for the balance of the week, I would propose that we would be in Estimates throughout today and on Thursday, but I would call, Sir, the bills that are on the Order Paper for second reading both tomorrow and, if there are more, again on Friday. I don't know how long that will take tomorrow, Sir, there may be some Estimates time available as well, but I would propose tomorrow and Friday as well to follow the practice we've been following by leave which is to have Private Members' Hour tomorrow and then adjourn at 12:30 on Friday.

So, Sir, that would be the outline for the balance of the week and for the Estimates order.

I would like to move today into Estimates and remain there for the balance of the day, Sir, that would require leave not to sit again during Private Members' Hour today. Perhaps Sir, we could determine if I have leave to make that motion.

**MR. SPEAKER:** Does the Honourable Minister have leave to dispense with Private Members' Hour today? (Agreed)

The Honourable Minister.

**HON. A. ANSTETT:** Thank you, Mr. Speaker.

I would therefore move, seconded by the Minister of Health that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for River East in the Chair for the Department of Health and the Honourable Member for Burrows in the Chair for the Department of Consumer and Corporate Affairs.

## **CONCURRENT COMMITTEES OF SUPPLY SUPPLY - CONSUMER AND CORPORATE AFFAIRS**

**MR. CHAIRMAN, C. Santos:** Committee, please come to order. This section of the Committee of Supply shall be dealing with the Estimates of the Department of Consumer and Corporate Affairs. The committee shall begin its deliberation by requesting the Honourable Minister to give his opening statements.

**HON. R. PENNER:** Thank you, Mr. Chairperson.

My remarks will be brief. With the transfer over time of responsibility for Housing, rent control from this department to other departments, its mandate is smaller, more sharply focused, and is reflected in the fact that we're dealing with one page of Estimates - that's about it, a couple of pages of Estimates. Really, most of the issues are fairly clearly delineated.

I'd like to draw attention to perhaps the most conspicuous change. There's a small increase globally but it's made up of one very substantial increase and some smaller decreases. The substantial increase is of some significance and that's in the Corporations Branch where there will be in the fiscal year proposed an expenditure of \$400,000 for the much needed and I

think all too long delayed computerization of the Corporate Branch.

The Corporate Branch, if I may just quickly refer to some statistics, first of all, has had a very substantial increase in workload, some 17 percent year over year, from some 79,000 transactions to 91,000 transactions. But whether one is dealing with 79,000 transactions or 91,000 transactions, it's clear that one is dealing with an immense workload, particularly if one recognizes that hitherto substantially that has been done manually, and also if one recognizes that it tends very much the way matters are presently arranged to peak at a particular time of the year, or particular times of the year, most obviously when the renewals, the filing of annual returns, take place. Although I've identified as a workload 91,000 transactions in the Corporate Branch, there are about 38,000 active files.

This speaks to another problem which has led to the, I think, urgent need to computerize, and that is that these files contain within them the original documents. When someone comes up to the counter to search they get a file and we've been able to depend substantially on the honesty, or the lack of absent-mindedness of people who come up to do a search, that they don't walk away with the file. If they walk away with the file, then we've got a serious gap in the records. Indeed, there has been over time, from time to time, some loss. But, of course, what would be horrendous to contemplate is any destruction of files by accident, by fire or whatever, so that the computerization which will take place, I think substantially over a year, will require and provision is made for some term staff to carry the manual load while regular staff who has knowledge of the operations are able to assist in the transfer of the information to program, to software and into the machinery.

If anyone in this committee asks me about that machinery, I'm dead in the water, but it's a computerization. What will happen not only is the safeguarding of the files but the turnaround time, which is very important quite often to those engaged in dealing with corporations, requiring them to ascertain certain information particularly if, as is sometimes the case, a relatively urgent transaction is taking place.

Mr. Chairperson, I draw your attention to the unruly behaviour of members on that side of the table who are here to support me.

**MR. CHAIRMAN:** Order please.

**MR. D. ORCHARD:** Mr. Chairman, that side of the table is the government's side, I want the record to show that. The opposition is listening very attentively.

**HON. R. PENNER:** Now, that I'm no longer distracted, the turnaround time will be reduced we expect from 72 hours to 24 hours, which is tremendously important.

We really think that over time, that is, within the space of two years, will see a doubling of productivity. Since we are not anticipating a doubling of workload between this year and next year, clearly that means that the computer program essentially is going to pay for itself in terms of a reduction of the staff required. I should point out that we have here a high productivity level; 1,600 per staff, in terms of transactions related to staff,

whereas the average elsewhere as far as I've been able to ascertain is 1,000.

I just want to point out to you, Mr. Chairperson, for the record that the ranks of the opposition have just increased manifold and this worries me in case of a snap vote.

That really is the most significant change. I should like to point out that I do have, as does the head of the Securities Branch who is with us - and staff will be introduced shortly - a concern about the sharply increased workload of the Securities Branch. This speaks much - I think it's one of the many symptoms of the activity in the Manitoba economy, but certainly the number of applications for filings, the number of filings, has increased significantly and we're dealing essentially with the same staff. There's no doubt in my mind that although we were not able to accommodate requests for staff increases in that branch we will be looking at its workload very carefully during the course of the year when we consider where we're going next year.

Of particular import, as you may have noted, we have introduced some amendments to The Securities Act in order to keep abreast the best we can with some developments in parallel legislation - Alberta and Ontario - but we really feel that although there's an unproclaimed securities act sitting on the books, it couldn't be proclaimed in its present form, that very significant work has to be done, and that the legal staff of the Securities Commission is very good, I think probably the best in the country, but not able to both carry on the increased workload, the increased filings and devote the time that would be necessary to work on something as intricate as securities legislation.

Fortunately, we may be in the position where we don't have to reinvent that particular wheel. Some of the work being done in Ontario certainly will be of use to us when we have a chance to analyze it. Those are the principal developments that should be noted. Perhaps one other comment and then we can have at it.

In terms of legislation generally, aside from the proposed amendments to The Securities Act, which in fact has already been given first reading and will be introduced shortly, when the amendments to The Liquor Control Act are dealt with it, it will be noted that we have dealt with what is, I think, commonly accepted as an anomaly; namely, that we've had the practice for many years that the Liquor Control Commission and the representatives from the breweries sit down periodically - not less than once and sometimes two or three times during the course of the year - to negotiate the wholesale price to be paid by the Liquor Control Commission as purchaser of the beer before it's sold.

They do so with a great deal of close hard bargaining and the use of experts, and then The Liquor Control Act has required that that then be submitted to the PUB. The PUB then substantially listens to the same people, who were the consultants for the Commission and the industry, and being in receipt of the same information has inevitably arrived at the same decision. That's a cost to the taxpayer which is unnecessary in the event there have been no public representations of any significance to the PUB about the beer pricing calculations, and so with that change The Liquor Control Act, the PUB will not, once that is passed and

proclaimed, be dealing with beer pricing. It will, as the name implies - the Public Utility Board - be dealing substantially with the utilities - Manitoba Telephone and some of the private gas utilities and with certain other municipal matters and will be doing its work in that way.

I should say with respect to the Public Utilities Board that we were very fortunate, in my view, in being able to obtain the services of Professor Murray Donnelly to be the new chair of the PUB, but looking at the PUB and its workload, it was my view, in view of the PUB, that we did not require a full-time Chair of the PUB. We have staff, of course, and we use consultants - outside consultants - who advised the PUB with respect to matters before it. We have legal consultants, we have accountants, sometimes engineering consultants who are called in from the outside world to give advice to the PUB and we have a staff, of course, a permanent secretary and staff.

But we didn't feel that we needed a full-time Chairperson and that was agreed, that was part of the agreement with Professor Donnelly when he assumed the Chair, but in order to give that the legal mandate it requires an amendment will be brought forward in this Session of the Legislature because the present statute requires that the Chairperson of the PUB be full-time. That will be found in the Statute Law Amendments.

Just two other comments about legislation. Some amendments were brought into the Consumer Protection Act last year, some proclaimed, some not proclaimed. One not proclaimed had to do with the vexing problem of deposits, and it became particularly a problem when there was a significant number of bankruptcies, business failures at the retail level and some consumers were losing those deposits and, of course, this was a cause of concern and the former Minister brought in some proposals for change. Upon representations being made to Law Amendments last Session the Minister, I think very sensibly, said those changes would not be proclaimed and we would hear representations during the course of the relatively few months when I have been responsible for this portfolio.

I have met with representatives from the industry and am satisfied that, indeed, the particular legislative proposals that are in abeyance create potentially more problems than they might solve. I say that because subsequent developments in the common law, well not in the common law but in the interpretations of statute law, indicate something that I had thought to be the case and may likely be the case, namely, that such deposits may well be treated by the courts as trust money. If that is so, depending on interpretation that one may make of bankruptcy legislation, consumers having placed such money on deposit may have first claim to that money as against any other creditor. That would resolve the problem so we're just maintaining a watch and wait stance with respect to that particular problem.

I do believe, however, that we will want to look at, certainly not for this Session, possibly for the next Session, the whole question of trade practices. There is some model legislation in some other provinces which we might want to look at to make sure that the consumer gets a fair shake.

One other, and this is my final comment, issue with respect to legislation which did arise because of

problems experienced by Manitoba travellers, people travelling from Manitoba on winter vacations in the main, some of whom suffered a loss because of the bankruptcy or business failure of tour wholesalers in Ontario and in B.C. We were very concerned about how we could protect Manitobans against those kind of failures, and yet not impose such an administrative cost on government, or such a cost on the industry that the remedy would be disproportionate to the resolution of the problem.

I'm very happy to say that the Association of Canadian Travel Agents, which recently met in convention here, is developing a plan which is in its formative stages, but I would hope gets a boost off the launching pad when the Ministers responsible for Consumer Affairs meet in September or October of this year, a plan which would be national in scope, and that's the beauty of it, and which could give substantial protection, indeed, virtually total protection, to travellers for as little as 50 cents a time, 50 cents additional cost when you buy your ticket to - where do you go Don, when you travel? - Beausejour; Miami, Manitoba; Miami, Florida; Barbados; wherever, for as little as 50 cents per person, a family of four, \$2.00 and you're into a very comprehensive insurance plan regulated by the industry with the government involvement. The details of that are very much in the works, but this is the kind of thing we hoped for, where it's something that the industry in Manitoba, the travellers in Manitoba, can both afford and obtain protection.

Those are my opening remarks.

**MR. CHAIRMAN:** Thank you, Mr. Minister. Consistent with customary usage in this Committee of Supply, the Chairperson now calls upon the leading opposition critic, if the critic so decides to make his reply.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. The Minister has indicated the function over the last two years of Consumer and Corporate Affairs has been trimmed and transferred to other departments and that results in a leaner and presumably meaner Department of Consumer and Corporate Affairs. I would, in perusal of the line-by-line Estimates, offer a couple of observations to the Minister, and no doubt we can discuss them as we go line by line.

The observations are that with the Consumer Affairs division, where you have a reduction in the amount of funding proposed for Consumer Affairs, that this does not in any way inhibit the normal role of the department in providing consumer protection advice and action; the same general observation would be made under Corporate Affairs. When the Minister indicates that the major increases of some \$400,000 to streamline corporate searches and other requests for information through the Corporation's Branch, that would, factoring that out, leave the Corporate Affairs Department in a status quo position. Given the new-found enthusiasm for and interest in the private sector and their activities in the province, I would once again offer the hope to the Minister that the department is able to handle its responsibilities to the corporate community without any financial hindrance.

In the case of the two commissions, the Manitoba Securities Commission plus the Public Utilities Board,

that those two commissions or boards are able to function with the dispatch. The Public Utilities Board in particular may well have themselves some additional adjudication, if you will, to undertake over the next several months if the cable companies and the Manitoba Telephone System are unable to come to an agreement over the extension of the cable contract in the City of Winnipeg.

I was interested in hearing the Minister indicate that often outside advice is seconded to provide expert opinion and I think, not in any way reflecting on the talents of the Public Utilities Board, but in a complex area like the cable television negotiations, which have been going on for I believe three-and-a-half to four years in an attempt to resolve them. They're very complex. They, from time to time, seem to approach them from two unreconcilable positions and certainly I can foresee if such adjudication is required by the Public Utilities Board the genuine need for some uninvolved, impartial, third-party advice and overview to come to a settlement should the Public Utilities Board - I realize we're talking of an "if" here because it may not come in and it came to the attention of the Public Utilities Board - but the necessity for very objective and impartial third party to the Public Utilities Board is for the benefit of Manitoba consumers in the City of Winnipeg and outside because the implications are certainly there for outside the city as well, and as well for the Manitoba Telephone System, the Crown corporation.

The Manitoba Securities Commission, I would just offer the one observation and I don't offer this in a critical manner, but I've recently had discussion with individuals who attempted to get a prospectus through. Now, I have to admit these people were very aggressive private entrepreneurs and they were not used to - maybe I could say - the cautious operation of government where things take a little more time. But what stirred my comments, or spurred my comments, was that the Minister indicated there was a request from the Securities Commission to provide additional staff complement because of an increasing workload, if I recall correctly. This particular entrepreneur was in his estimation, and of course you can understand why he would take that position, considered the length of time required to get his application through and his prospectus out, and meeting the approval of the Securities Commission took a substantial amount of time. In the business world generally time is money, and successful business enterprises are always anxious to receive with the greatest dispatch approval for new undertakings or new corporate ventures or new securities offerings.

So I would close by offering to the Minister the hope that the Securities Commission and the other boards under the Minister's jurisdiction don't find themselves unduly restricted in being able to carry out their work on behalf of the economy of Manitoba, and that their work is very much necessary to get our economy moving and thriving.

So, Mr. Chairman, I believe we can go line by line, if you wish.

**MR. CHAIRMAN:** The Chair thanks the opposition critic. At this point in time, the Chair cordially invites the

departmental staff of the Department of Consumer and Corporate Affairs to kindly take their respective places.

We shall defer consideration of Item No. 1.(a) relating to Minister's Salary, and it shall be the last item for consideration by this Committee of Supply.

The committee shall commence its proceedings with the consideration of Item No. 1.(b)(1) Executive Support: Salaries of Administration and Finance; and Item 1.(b)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** To the Minister, in perusing last year's Estimates, the General Administration line, as it was called last year, now called Administration and Finance, had an estimated budget of some \$730,000.00. In the Reconciliation Statement it's noted that has increased to \$823,000 for the same fiscal year ending March 31, 1984. Could the Minister indicate why the variance and, if it was from staff, where the increase mid-year presumably was in the additional costs from \$730,000 to 823,000?

**HON. R. PENNER:** I think in most instances - I'll try to get this specifically - where you have a variance between the year ending March 31, '84, now printed in the original print, it was due to salary increases during the course of the year.

**MR. D. ORCHARD:** I don't argue with that analysis, but that would put this department something at odds with other departments who I don't believe experienced that same kind of change.

**HON. R. PENNER:** May I have some clarification? I believe that the member, if I'm not mistaken, is asking about the variance between the amount printed in this year's Estimate Book for the year ending March 31, 1984, and some earlier figure which had been published with respect to the same fiscal year. You're not yet asking about the variance between the actual amount spent in 1984 and the proposed amount to be spent in 1985? Okay.

I'm advised by staff that one of the principal elements there was the transfer into this area of Research and Planning which was previously shown under the heading "Consumer Affairs." And that of course would account for approximately \$133,000, which would almost bring you down precisely to what your starting base is.

**MR. D. ORCHARD:** What I'm specifically getting at, Mr. Chairman, for the Minister's information, is in some of the Reconciliation Statements between print and fiscal year 1984, that we considered last year at this time and the reconciled figures, the difference was made up by mid-year staff hirings. I just want to assure if there wasn't new staff complement brought on mid-year that appear as if they were part and parcel of last year's approved Estimate figure.

**HON. R. PENNER:** It was not staff hiring.

**MR. D. ORCHARD:** Then dealing with the question that the Minister raised, or the information he thought I might have been seeking, that in all cases, line-by-line for the whole of administration in Consumer and Corporate Affairs, any change that we see in the Salaries

line, if it's moderate, generally reflects the difference of the 27th pay period and not staff changes, other than in quick perusal of Communications and Research and Planning indicate a reduction in three in terms of staff, those are the only reductions?

**HON. R. PENNER:** Yes, that is right.

**MR. G. MERCIER:** Mr. Chairman, I don't know whether this is the appropriate appropriation. I think it is. There has been some publicity lately with respect to the operation of cemeteries. Does this come under this section?

**HON. R. PENNER:** It comes under PUB, when we get to PUB.

**MR. CHAIRMAN:** 1.(b)(1)—pass; 1.(b)(2)—pass.  
1.(c)(1) Research and Planning; 1.(c)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, to understand the Minister correctly, that function appeared over in Consumer Affairs in Section 2 last year?

**HON. R. PENNER:** That is right.

**MR. D. ORCHARD:** And this involves the same staff function, etc.

**HON. R. PENNER:** The same functions.

**MR. D. ORCHARD:** Pass.

**MR. CHAIRMAN:** 1.(c)(1)—pass.  
The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, I'm sorry, there is one question. The two staff reductions represent \$30,000, was that clerical staff that is no longer with the Research and Planning, and you've got all chiefs and no Indians, if that's the proper way to say it? Oh, that's racist, I'm sorry.

**HON. R. PENNER:** One was clerical, the other was semi-quasi-clerical, in the sense it was accumulative statistics. But the position has been vacant for close to a year, and our sense was that while one can always use an extra pair of hands, it was not essential to the functioning of that section, and we would try and make do without for this fiscal year.

**MR. D. ORCHARD:** I guess an obvious question would be, who does the clerical work for your Research and Planning staff then? Do you farm it out to other sections?

**HON. R. PENNER:** The clerical work is being handled as between the Director of Administration's office and the Deputy's office.

**MR. CHAIRMAN:** The member for St. Norbert

**MR. G. MERCIER:** Mr. Chairman, are you in (c), Research and Planning?

**HON. R. PENNER:** Yes.

**MR. G. MERCIER:** The summary indicates that this area researches topical issues? Could the Minister indicate which topical issues are currently being researched?

**HON. R. PENNER:** Yes. The bulk of the work during the last fiscal year in that branch was spent on looking into the very complex, very vexing, question of gasoline pricing, and there's still some carryover from that. But in addition to that in terms of their workload we're trying to complete some work on the possibility of updating The Personal Investigation Act and the question to which I adverted before. The Member for St. Norbert came in looking at the possibility of The Trade Practices Act looking at parallel legislation in other provinces. So that that's where the Research and Planning staff are spending their time.

**MR. G. MERCIER:** Mr. Chairman, it's probably an old question but in looking at gasoline prices has the Minister's department satisfied themselves, or can the Minister indicate whether there is any justification, for charging a higher price for unleaded gasoline over leaded gas?

**HON. R. PENNER:** That was not within the mandate of the particular current inquiry and it's certainly one that I couldn't answer on the basis of my own information. The particular inquiry to which I adverted dealt really with differentials between northern prices and City of Winnipeg prices.

**MR. G. MERCIER:** Mr. Chairman, could the Minister ask his department to research that question to determine whether there is any justification for charging higher prices for unleaded gasoline?

**HON. R. PENNER:** We have made some inquiries. We haven't, of course, been able to look at their cost structure. I notice that the Federal Government has been trying to look at the cost structure in the gasoline area for, what is it, 14 years and still labouring mightily. But generally what we have been advised is that when you take the lead out, I don't use that in its colloquial sense, you can carry this metaphor as far as you want, you have to add some things to get the octane rating up. That some people around this table may find to be true in life generally. But that appears to be the explanation given with respect to the price structure.

**MR. G. MERCIER:** Mr. Chairman, I notice that under this area the staff monitor retail/wholesale prices. Could the Minister indicate whether, in this monitoring of prices, whether the department has found that, or learned whether or not, in the conversion particularly in food prices whether the conversion to metric has resulted in an increase in prices?

**HON. R. PENNER:** We did some spot checking, particularly when conversions began to be a feature of the marketplace, and to the extent that we could ascertain there seemed to be fair pricing taking place. I say to the extent that we could ascertain because as

the member will no doubt appreciate pricing is an inordinately complex question with all kinds of variables particularly when you're dealing in food stuffs and have to track all the way back to the farm gate. We simply don't have the capacity to do that kind of monitoring.

What we might want to do, and I indicated this earlier, is at the retail level where we have jurisdiction to look into a fair trade practices kind of legislation, that will take not only time to develop, but as I think the members will appreciate, once you put that kind of legislation into practice one is of necessity looking not only at the regulatory law, but regulatory administration, which is costly. We have to make sure that we're in a position to allocate those kinds of resources and that they will be spent wisely and productively.

**MR. G. MERCIER:** Mr. Chairman, last year when the government did away with the Cattle Producers Association levy there were representatives of the Consumers Association who appeared before the committee recommending against the government action because of the service that the association had provided to consumers. Is the Minister's department aware of that concern, and are they in anyway following it up or making any recommendations to make sure that such similar information is provided to consumers?

**HON. R. PENNER:** I've had no representations which indicate that there's demands from a particular consumer group to the Consumer Bureau transferred because of the change which the member has noted that haven't been met by the Consumer Bureau. I think, in fact, the Consumer Bureau has done a remarkably good job considering that it must, in the main, work in a mediative sort of way and has done a remarkably good job within its mandate.

**MR. G. MERCIER:** Well, Mr. Chairman, I know the Member for Lakeside has a question about this, but I think the Minister's referring to the Consumer's Bureau within his department?

**HON. R. PENNER:** That's the only one I can answer for.

**MR. G. MERCIER:** I'm referring to the Consumer's Association, the citizen group outside of government. Is there a liaison between perhaps this section of the people in this area of the department, or other people in the department, so that the department is aware of the concerns that were expressed?

**HON. R. PENNER:** Really, I don't mind answering at this juncture. We're really jumping from the first appropriation over to the second appropriation dealing with Consumer Affairs. But if the members are satisfied that I should hop, skip, and jump, who am I to protest?

**MR. CHAIRMAN:** The Member for Lakeside.

**MR. H. ENNS:** Well, Mr. Chairman, I don't wish to deal with matters out of order. However, in departments of this size there has been a latitude allowed for members coming in from different committees to put forward their questions. I suppose the Chairman, who runs a

pretty tight ship I understand, can always rule us out of order, but I would like to pursue some further questions with respect to the consumer aspect responsibilities of the department. If that's out of order at this time, I'll await the appropriate time.

**HON. R. PENNER:** I'm in the hands of the Chairperson and the committee, but I think it would be really preferable for all concerned if we could perhaps finish something we're in the middle of, namely, Appropriation 1, Administration and Finance. We're then immediately going to come to No. 2, Consumer Affairs, and we could deal with a whole number of consumer affairs questions.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, I didn't realize - and maybe this isn't the appropriate place - but you responded to some questions about the fuel pricing enquiry that was made by the Research and Planning

**HON. R. PENNER:** In reference to Research and Planning, yes.

**MR. D. ORCHARD:** There's another area in fuel pricing and it was raised approximately three weeks ago, four weeks ago, during question period. It involves only diesel fuel. It doesn't involve gasoline. The point that was being raised to the Minister of Finance that day - and it might well fit into one of those Research and Planning areas that the department might want to undertake to make recommendations, not only to you, as Minister of Consumer Affairs, but to the Minister of Finance.

The situation can exist where diesel fuel, which is clear diesel fuel and has as part and parcel of the price the 7.8 cents provincial tax, can be retailing for less money than what purple fuel delivered to the farm customer, is selling for. That certainly was the case in the last, say, three weeks ago or so.

Now the proposition that we put to the Minister of Finance that day - and I give him credit for skilfully avoiding it for the time being but I would bring it to your attention because I know you're not one to take lightly areas of economics - it represents to the province, when a farmer would choose to exercise the right to purchase this clear diesel, because it's less money than this farm-delivered purple, it represents, in essence, a windfall profit to the Provincial Government because they are going to collect from the retailer - whoever that may be - the 7.8 cents of diesel fuel road tax and that clear diesel consumed in farm tractors certainly has no impact upon the highways whatsoever.

The proposition we are making to the Minister was to allow a system of rebate - and rebates of taxation in farm fuels is not new as we have a rebate right now of 1.5 cent litre on purpose gasoline from the Federal Government - but it would open the option and farmers would be the ones that would choose whether they exercise that option; that if they could make a more economic purchase of clear diesel fuel and then apply for a refund of the provincial tax that's being collected from the retailer, it would help to lower the cost of farm

fuels to the farm public; because I think you'll find that by and large, the consumption patterns of purple fuels are very peaked if you take a 12-month graph because from approximately - and let's just pick figures - the 15th of April to the 15th of June you've got an extreme demand, and the same thing from approximately the 15th of August till the end of September to coincide with planting and harvest, and in-between there's very little. As a consequence, you find that the farm community doesn't participate in any price wars.

But during the summer if the farm community knew that they could rebate the 7.8 cents on a clear diesel price war in July - the height of the tourist season when it happened last year for instance - it would represent a saving to the farmers and it wouldn't cost the Provincial Government any money because it would be allowing farmers the option to purchase the clear diesel, which they wouldn't ordinarily do. It doesn't represent a drain in revenues. It would be an administrative thing to maybe process - I don't know, maybe 1,500 applications for rebates - because certainly there are only 30,000 farmers and not all of them would be necessarily taking advantage of a clear diesel price war.

I wonder if the Minister might consider that to be something worthy of the Research and Planning Division study, to see whether it's a workable suggestion and whether it's something that could be implemented to allow the farm community to take advantage of price wars?

**HON. R. PENNER:** First of all, just let me say that I appreciate the concern raised by the member and did so indeed when it was initially raised, as did the Minister of Finance and the Minister of Agriculture, indeed, so much so that the two Ministers are actively looking at the problem and the suggestions which have been made for dealing with it, and I hope that we can come up with something and I will certainly be speaking to them about it.

What it illustrates, in part, is again the problems that we will run into, if I can generalize. When you're dealing with what has been aptly called a segmented market, where the principle companies seem to be able to make particular deals, in terms of wholesale price, with suppliers that vary from one market segment to another and can be used as part of a struggle for market share, and it's variable from region to region and from time of the year to time of the year.

However, without going at this moment into that as really perhaps the particular question which Research and Planning will be looking at, I can assure the member that we are concerned about this practice and we think that Petro-Canada has looked at ways of passing through some of the savings to purchasers, but I can't answer it beyond that, other than the Ministers of Finance and Agriculture are looking into it.

**MR. D. ORCHARD:** Well it's interesting. The position taken by the Minister of Finance over the weekend was that it appeared that Petro-Canada was - I believe in his words - the only one of the major suppliers that were passing on a saving to the farm community and that was maybe good for the unknowing information consumer out there. But I checked Petro-Canada and

it was maybe a good political statement to make but there's only one farm bulk depot in the Province of Manitoba selling Petro-Canada fuel, so having it said that they were the good guys in this case passing on the potential savings, didn't save a nickel for any farmer in Manitoba other than the customers at Petro-Canada out of the Winnipeg Bulk Depot.

I would just offer to the Minister that given from time to time in this administration there is a pension for over-regulation for an attempt to solve the problems legislatively by The Consumer Protection Act that the Minister mentioned in his opening statements - The Fair Trade Practices Act I think was the proper terminology - I would venture the opinion that if you approach this fuel price war problem from the standpoint of regulating companies to pass on any or all savings to all segments, what you're simply going to do is eliminate the price war because I don't think it was much of a coincidence that when the MLA for Thompson raised the question some 15 months ago, or 16 months ago, about the differential between Northern Manitoba and Southern Manitoba, and the then Minister of Consumer and Corporate Affairs undertook to study the problem, within a month the price war was gone in Winnipeg and no one was enjoying any savings.

So, if you attempt to coerce the companies, you're going to find out that they will take their price war to obtain market share to another jurisdiction, because Southern Ontario - a much larger market - enjoyed a price war on gasoline for a much longer period of time than we did briefly in Manitoba. They simply moved their price war and their attempt to garner market share out of the Province of Manitoba because - and I make this suggestion and the Minister can refute it - there was a possibility that there may have been some legislation or some administrative or regulatory impediment put in place.

What I'm suggesting to the Minister is a way to get around this diesel fuel tax, as one part of it, is simply to allow a rebate system. It could be very easily policed in the farm community because, if I as a farmer came in and I said I'm using - let's pick a figure - say 10,000 gallons of clear diesel which I've just bought and I want the fuel tax back on it, there's nothing to stop me then going and retailing that, less the 7.8 cents, and beating everybody in the country and not using it in my tractor. That's a legitimate problem which I mentioned to the Minister the day I talked to him. You simply follow, as you do with your road tax reduction program as you come east from the Saskatchewan Border, you simply monitor on the basis of last year's diesel fuel consumption and if a farmer comes in with purchases of 2,000 gallons last year and applies for a rebate on 10,000 gallons this year, without farming any more land, you know something is not quite kosher.

Administratively, I think, it could be very easily done and then it would allow the farmer to make the market decision, if it's worth his while, to take advantage of a price war. You wouldn't be moving the price wars to other provinces, you would simply allow - and quite frankly it would be a heck of a good deal, because the fuel companies, in essence, would be paying you the road tax and the farmers would be getting advantage of it. There's only one loser in a situation like that and that's the oil companies.

I prefer that approach, and I would like to have the Minister's research people see if that's not something that's workable and, by offering the choice to the consumer, as to whether he takes advantage of a price war, will certainly have no danger of moving the price war elsewhere and leave consumers the choice.

**HON. R. PENNER:** I thank the member for the suggestion. The question of a tax rebate of course strictly speaking, is within the jurisdiction of the Minister of Finance, however, I will speak to him and, to the extent that our Research and Planning staff are able to look at the problem, they will do so.

**MR. D. ORCHARD:** Would it be appropriate to discuss the northern differential here or do you want to do it under Consumer Affairs?

**MR. CHAIRMAN:** We'll do it under Consumer Affairs because we denied the opportunity for the Member from Lakeside.

**MR. D. ORCHARD:** Would the Minister like to indicate where he'd want to study it. Mr. Chairman, I don't think you care where it's studied, or shouldn't.

**HON. R. PENNER:** We were talking about it under Research and Planning so if you want to follow that up under Research and Planning we might as well do it now, if you don't mind.

**MR. D. ORCHARD:** I take it that the staff has studied this problem for the last year to determine, at least from media reports there appears to be no justification for the size of the differential. Some differential, I suppose, is expected.

Does the Minister believe that there is sufficient grounds for a formal investigation into the pricing practices?

**HON. R. PENNER:** In the sense there's an unexplained, or not satisfactorily explained, differential after you take into account extra transportation costs, the need for extra bulk storage which you might not encounter in the city where there's more direct delivery of the product from the refinery to the retail level; once one allows for those factors, and once one takes into account what clearly appears to be some retailing, wider retailing margins, there may certainly be some residual problems that we are unable to account for, but what we can say is that at that level we're really into some very difficult questions where we don't have the resource. In a sense we're waiting for, or waiting upon, the national enquiry to furnish us with some of the information upon which we may continue the investigation. At this stage we may have gone about as far as we can go with the resources we have.

**MR. D. ORCHARD:** I appreciate that, quite frankly, with two people working you may not be able to come up with all of the answers. Certainly you've identified that there is an unexplained problem there.

Waiting on the Federal Government to come up with their analysis of the industry would have one concern in my estimation. I recall back two years ago, or maybe

it was three years ago, the Federal Government came up with a report which showed how the energy industry had ripped off, over a period of 15 years or whatever the number of years were, several billions of dollars. It got a lot of play and it fit well with corporate bashing because the oil companies are one of the easiest people you can politically take on and score points because nobody likes big oil; but the problem that the Federal Government has is that they are a major reason for high energy prices in this country. They've got, with a myriad of taxes - and this is as of February '83 and that's not up-to-date, I will admit - but they take, I believe percentagewise, almost 45 percent of the price of fuel through one level of taxation or another. When the Federal Government tabled that report accusing the oil companies of a horrendous rip-off of the consumer, it was like, truly, the kettle calling the pot black, because the Federal Government, through the National Energy Program and recent taxation initiatives, has taken the Canadian consumer for far more money than ever the private sector, the big, bad oil companies, had done.

That circumstance exists provincially, as well, and I think it might be fair to say that the Provincial Government recognized that last Budget in that they didn't increase the provincial taxation level on any of the motive fuels, with the exception of railway diesel fuel and propane, I think, was the other one, because governments in this country are taking between 60 and 70 percent in taxation on the price of fuel.

So sometimes, although I appreciate there's a differential in Northern Manitoba, and it's a very good whipping boy to pull out the old, big bad oil company image and point out that they're doing a horrendous job, but I think, consumers have to be reminded that the people that are whipping the whipping boy are whipping the consumer for more dollars than the oil companies are.

**MR. CHAIRMAN:** The Member for Inkster.

**MR. D. SCOTT:** Thank you, Mr. Chairman.

I would just like to raise an issue that was raised to me fairly recently with the Minister. I understand under this section we're dealing with Research and Planning, and this is to deal with the presale of funeral and cemetery contracts.

**HON. R. PENNER:** That was talked about earlier and will be referred to when we come to PUB.

**MR. D. SCOTT:** Okay, fine.

**MR. CHAIRMAN:** Order please. That comes under the Public Utilities Board.

**MR. D. SCOTT:** In a detail here, it says it administers The Embalmers and Funeral Directors Act under Research and Planning, that's why I thought to raise it here, but I'll bring it up later.

**MR. CHAIRMAN:** 1.(c)(1)—pass; 1.(c)(2)—pass.  
1.(d)(1) Communications Branch: Salaries; 1.(d)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** I noticed the advertising budget is down considerably this year over last or is projected

to be down considerably. What advertising program, assuming it's one program that's been dropped or not continued this year, Mr. Chairman?

**HON. R. PENNER:** Yes, it's a cut in Budget, particularly a cut with respect to the most expensive part of the media component, some TV advertisement relating to door-to-door salespersons.

**MR. D. ORCHARD:** The reduction in the managerial staff, was that position not considered necessary for the functional operation of the Communications Branch?

**HON. R. PENNER:** Yes, we reassigned the duties which were previously carried out by a director and reassigned them to the other professional staff remaining in the section.

**MR. D. ORCHARD:** Now, I noticed that this Communications Branch co-ordinates the department's volunteer Outreach Program. What activities are involved there?

**HON. R. PENNER:** In a way this is one of our most cost effective programs because in a sense, one or two people lever about 30 volunteers, who work particularly with the visually and auditory handicapped - with the people who have a hearing handicap - with respect to advice about hearing aids and the relative worth of products on the market and some of the pitfalls to look for in an area, whereas the member probably knows there have been, at least in the past, all too many rip-offs where products which are puffed as being something new and sensational are really just the same old product with a new gloss on them and are sometimes sold at two or three times the value.

We're worried about this kind of taking advantage of the handicapped so the volunteers are able and do work very well with special groups. With the elderly, they have assisted in the preparation of some of the pamphlet material we use from the branch and also, those who seem to have the talent for it and can benefit from some coaching, have gone out to volunteer groups, minor speaking engagements in the sense of communicating information about the Consumer Branch, about selling practices, about consumer protection, that type of thing.

**MR. D. ORCHARD:** The focus, though, is offering a consumer reporting, if I may use that . . .

**HON. R. PENNER:** Consumer protection.

**MR. D. ORCHARD:** . . . corollary of hearing aids that are available on the market and make sure that the consumer is going to get good value for his product.

**HON. R. PENNER:** A check list of things to look out for. Certainly we want to avoid steering from one product to another.

**MR. CHAIRMAN:** 1.(d)(1)—pass; 1.(d)(2)—pass; 1.(e)(1) Financial Services: Salaries—pass; 1.(e)(2) Other Expenditures—pass.

1.(f)(1) Personnel Services: Salaries; 1.(f)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** The Minister, in his opening remarks, mentioned that the Securities Commission had made a request for additional staff, did I understand the Minister correctly to say that it is going to be under consideration during this fiscal year?

**HON. R. PENNER:** What I said, for greater certainty, is that when we begin our Estimate process with respect to next year, in my mind that has a high priority. We're talking about legal staff there. We have two legal staff in the Securities Branch now and in order for us to keep up with the rapid developments in the field of legislation, as well as to do the ordinary legal work of the Commission, the head of the Commission, Mr. Peden who is with us, feels that we fairly urgently need at least one additional legal staff.

**MR. CHAIRMAN:** 1.(f)(1)—pass; 1.(f)(2)—pass; 1.(g)(1) Administrative Services: Salaries—pass; 1.(g)(2) Other Expenditures—pass.

The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, just before we pass that, this particular group didn't have anything to do with providing us with our new neutered buffalo emblem here, did they?

**HON. R. PENNER:** No, we didn't. But don't you like that buffalo? Well, actually you're not really looking as closely as you should. Perhaps after the meeting I can direct your attention to certain features of this buffalo which show perhaps a gender in version, but not necessarily a castration.

**MR. CHAIRMAN:** Let us be relevant to the topic under discussion.

**MR. D. ORCHARD:** Well, this is very relevant, Mr. Chairman.

**HON. R. PENNER:** The answer in any event is no.

**MR. D. ORCHARD:** Good, I'm glad to see that this department doesn't have to take responsibility for developing the MLA for Wolseley's likeness of what a buffalo should look like.

**A MEMBER:** What does your buffalo look like?

**MR. CHAIRMAN:** Don't provoke debate.

**HON. R. PENNER:** Let's go. Let's go.

**MR. CHAIRMAN:** 1.(g)(1)—pass; 1.(g)(2)—pass.  
2.(a) Consumer Affairs, Salaries; 2.(b) Other Expenditures; 2.(c) Grants - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, I appreciate that, perhaps in the main, the Consumer Affairs Department is concerned about various business practices, monitoring of same, responding to complaints with respect to product reliability, but I'd like to raise with the Minister

an area that I raise with some caution as a member representing rural Manitoba and being involved in agriculture myself. I raise the question of what this department does with respect to monitoring what happens under so many of our major foodstuffs which are under total supply management control or commonly known as marketing boards.

I remind the Minister that products like milk, eggs, potatoes, indeed most vegetables, chickens, turkey, fish all come under this classification. What, for instance, prompted me to ask this question or raise this issue was driving in from the ranch this morning, I noticed on CBC Information Radio that the National Egg Marketing Board, of which Manitoba producers are a part of, has reduced the price paid by the board to the egg producers all across Canada the price they're getting for eggs.

Is there any formal monitoring that the Department of Consumer Affairs would have to see whether or not that kind of reduction gets passed on to our consumers, or do you simply respond to a complaint if a complaint should be lodged? Really what I'm asking is to what extent is the department actively concerned about the role that marketing boards play in what I consider to be a very important area, such a major proportion of our food bill.

**HON. R. PENNER:** We have no legislative mandate and no program mandate with respect to marketing boards and, accordingly, we don't get into - if I can use that colloquial expression - that particular question. We are of course concerned primarily, not necessarily exclusively, because these things are so interrelated, particularly with the kind of both vertical and horizontal integration one is finding throughout the marketplace, we are concerned with retail practices and retail pricing and, of necessity does, when you look into a particular problem as it did with the gasoline thing, carry you back to the wholesaler, carry you then back to the initial supplier but, only to the extent that an inquiry within our mandate brought us back, would we search for information. But, at a certain stage and with respect to the wholesale price of regulated farm products would be an example. We would have to defer to the Department of Agriculture to secure the best advice we could from that department in order to supplement such information as we had. That's about as far as we can go with very very limited staff resources.

**MR. H. ENNS:** Mr. Chairman, I would like to leave with the Minister a suggestion that I believe he, as Minister of this department, has a bigger role to play and plays it in concert with his colleague, the Minister of Agriculture, the watchdog role if you like. I'm well aware that the Minister of Agriculture is of course primarily concerned, as it ought to be, with fair and equitable returns coming to the primary producer, the producer of the product. But as Minister responsible for the consumer of the product, I believe he has an equal responsibility and that brings the kind of checks and balances that ought to make the system work.

I'd like to suggest, for instance, to the Minister, that if he is faced with a situation that occurred - I think the last time it occurred in Manitoba and indeed across the country was about 1975 or 1976 - when it was

deemed advisable to gas hundreds of thousands of chickens, whereby producers had to back their cars and trucks or tractors and their exhaust fumes into the chicken barns and see how many chickens they could kill. Then, if they managed to be relatively successful, then other government employees from the Federal Department of Agriculture would come and count them, and for every chicken the farmer managed to kill he got 50 cents. That was used and is used - I raise this not facetiously - is used from time to time by supply and management boards to reduce over supply of production.

I would think that under those circumstances, or before circumstances like that arose, this Minister, representing the consumers, ought to suggest that perhaps the consumer ought to get a break and allow himself to eat his way out of the surplus and ought to be promoting, as strongly as possible, a one-month break on chicken and broiler prices in the province, rather than simply agreeing or playing a passive role in the councils of government when these kinds of decisions are made.

In other words, Mr. Chairman, what I am suggesting for the Minister, there's a greater role for him to be played here. I know that he is a people's person and he could get involved in these issues. Now that he hasn't got such issues like the French language to deal with, perhaps he could become more involved in items that affect all Canadians and all Manitobans every morning on their breakfast plate.

**HON. R. PENNER:** Well I just want to make it clear for the record. I've been moved by that address and I always knew that the 1974-75 chickens or their ghosts - in this case their ghosts - would come home to roost.

More seriously, because I know that beneath his benign appearance and humorous turn of phrase the Member for Lakeside is always serious. Yes there is obviously a relationship between the particular mandate that this department has with respect to consumer interests of that kind which may develop haven't in the last couple of years, of the kind used as an illustration.

But let me give an example where, indeed, the coming together of different interests takes place and, as the member would know, having been a member of the Executive Council, most frequently in that particular arena which meets once a week - you may remember that Wednesdays are Cabinet days - and a mortal phrase, "it will live longer than those chickens." When we were looking at the vexing problem and not a simple problem, the member will appreciate, of milk pricing, milk wholesaling, the Minister of Agriculture carried the ball on that, as it were, but we also had to be cognizant of retail interests at the same time, so there was a balancing of views that led to some of the decisions that have been taken in that area.

**MR. H. ENNS:** Well, Mr. Chairman, the Minister acknowledges, I suppose, what I was getting at, that the department does have a responsibility in being an advocacy of the consumer in these instances. I would hope not in confrontation with his colleague, the Minister of Agriculture, but to make sure that fair and equitable practices are exercised. I take it though that his earlier answer stands, that the department has not established

any formal tie or liaison with the various boards that control so much of our important foodstuffs that they automatically are made aware of when changes take place.

**HON. R. PENNER:** We do work closely within our mandate with the various provincial marketing agencies and boards. We have, for example, consulted with, asked questions of, received information from, the Milk Prices Board. We do and I thank the member for his valuable suggestion.

**MR. H. ENNS:** Well, I take this opportunity at committee, Mr. Chairman, to give the Minister notice of a question I'll ask him tomorrow. Every egg producer is receiving less tomorrow for his eggs than he did yesterday and I want the Consumer Affairs Department to be able to tell me how that downward pricing will be reflected to the consumers of Manitoba.

**A MEMBER:** Free enterprise.

**A MEMBER:** No, it's not free enterprise anymore.

**MR. H. ENNS:** No it's not free enterprise. This is supply and management. This is your system.

**A MEMBER:** This is what you want.

**MR. H. ENNS:** This is what you want. If it was free enterprise you'd be paying 40 percent less for the eggs.

**MR. CHAIRMAN:** 2.(a)—pass - the Member for Pembina.

**MR. D. ORCHARD:** Well, I was getting concerned, Mr. Chairman, that you might try to . . .

**MR. CHAIRMAN:** I'm just trying to break up the conversation in there.

**MR. D. ORCHARD:** Oh, I see. Very astute of you.

Mr. Chairman, I'm not sure whether this is the right area to discuss it and whether you might rule this out of order, but I notice that the Consumers Bureau reviews consumer loans at financial institutions. A situation was brought to my attention here just very recently, about 10 days ago. I probably should be bringing it up in the Attorney-General's Estimates but those are gone.

**HON. R. PENNER:** But not forgotten.

**MR. D. ORCHARD:** No, they're never forgotten.

The circumstances are this, that a chap had a fire in his business. He's making an insurance claim for the losses. In investigating the losses, of course, they do a personal property search and they find out that this guy, according to the liens that are registered through the Personal Property Registry system, that he is many times bankrupt.

What happened in this individual's case is that some registrations from vehicles and other things that he owned five, seven years ago, the lien still was registered even though he had long since disposed of the vehicle, traded it, sold it privately, or whatnot and it's his

understanding in trying to get to the bottom of this. Because this is holding up his insurance claim, because there is some concern rightfully by the insurance company that maybe this was a deliberately set fire to forego bankruptcy, they are delaying the claim.

But in investigating it, he finds there appears to be no requirement to cancel a personal property registry registration by the institution that's originally registered it. He found some with the chartered banks which were registered for four or five years back. The bank had even redone the transaction and still held the personal property registration. Now, is there no requirement that they be cancelled because this has caused this individual a considerable problem?

**HON. R. PENNER:** The member raises a good point and I can only say to him that we are looking closely at a revamped Personal Property Registry Act and I think there was new legislation passed, or at least in process, in that area - I can't remember now but I'll find out whether it's uniform legislation or legislation that was generated in Saskatchewan - but we are definitely looking at a revamping of the act because there are certain anomalies and you've addressed one of them. The member has addressed one of them that we want to catch and deal with. So I'll certainly take note of that question and that concern.

**MR. D. ORCHARD:** That's good that it's coming because I think it's an unusual circumstance and it only was triggered by the fact this fellow is making a sizable insurance claim. I don't think I'm speaking out of turn but this individual confided that if he doesn't have his insurance claim settled by the end of May, he probably wasn't going to be in business. It was an accidental fire and the problem is the outstanding registrations at the Personal Property Registry.

**HON. R. PENNER:** We'll shortly be looking under Corporate Affairs at the Insurance Branch but I would suggest that the member have his constituent, or whoever, get in touch with the Insurance Branch - I see Mr. McGill is here - because sometimes we're a little bit uncomfortable with some of the inordinate delays in settling of claims which don't appear to be justified and when, with respect to one agency or one firm, there is a history of delayed settling of claims, we are concerned and we may not have full legislative powers but we have, with our Superintendent of Insurance, some good powers of persuasion.

**MR. D. ORCHARD:** Does the department have a guideline - and the term moral suasion would probably be the most appropriate - on the level of service charge that retail firms, retail organizations, may charge to consumers on consumer accounts payable. Are there any guidelines in place in the department?

**HON. R. PENNER:** I wonder if the member could define his concern just a little more closely. Are you talking about an interest charge with respect to deferred payments?

**MR. D. ORCHARD:** The specific example I was going to use was last summer when interest rates were falling,

the Manitoba Telephone System increased their late payment charge from, I believe, 18 percent on an annualized basis to 21 percent and at that time prime was right around the 10.5 or 11. I couldn't see the justification and I posed the question to the Minister as to what the justification was for the Telephone System increase in their charge at a time of declining interest rates. I wondered if there was guidelines that the department used moral suasion on companies in that regard.

**HON. R. PENNER:** In fact, with respect to the particular example used where indeed it's a utility seeking to assess a late payment charge, that must be approved by the Public Utilities Board.

**MR. CHAIRMAN:** Any other questions? 2.(a)—pass; 2.(b)—pass; 2.(c)—pass.

The Member for Pembina.

**MR. D. ORCHARD:** In terms of the grants, Mr. Chairman, to whom are the grants made?

**HON. R. PENNER:** Yes, there are two grants. A grant to the Consumers Association of Canada, Manitoba Branch, which for the fiscal year that we're looking at will be \$9,900; and a grant to the Community Consumer Credit Counselling which for the fiscal year that we're looking at will be \$56,100.00. In each case, these were grants given in previous years and increased for this year by 3 percent.

**MR. D. ORCHARD:** The Consumers Association of Canada, Manitoba Branch, is a worthwhile organization and it sort of brings in just a comment here and I know the Minister will take this in the light that it's offered. But the Consumers Association was very supportive last year of the Manitoba Cattle Producers Association in terms of their consumer advertising that they were doing. They were here on behalf of the cattle producers which would seem like sort of an unusual position for the Consumers Association to be here supporting a check-off capability to the Cattle Producers Association which could be said to raise the price of beef to the consumer.

I just want to indicate that despite the endorsement of the Consumers Associations of the advertising and the Public Communication Program that the Cattle Producers Association undertook, and their support of, it's no longer existing because of the feat of this government. I think the consumers have lost by not having that advocacy forum there.

**HON. R. PENNER:** May I just comment - one comment exchanged for another and I hope also taken in good spirit by the Member for Pembina - I, for one, I can't speak for my colleagues, generally, was so persuaded by the elegance of the, the eloquence - the elegance too - but, the eloquence of the opposition with respect to the formidable strength of the CPA that it clearly would continue to exist without the checkoff; that the checkoff was just a way of assisting it to collect the dues which would naturally flow in in any event. I had no doubt that the CPA would continue and carry on its services, perhaps even now that it would then be

free from government control implied by such a checkoff would be able to double its efforts. You shock me by telling me that that isn't so.

**MR. D. ORCHARD:** Mr. Chairman, the problem was that there was no government control in there and that's why this government eliminated them.

**HON. R. PENNER:** Oh, ah well what can I say in response to that, but we agree to differ.

**MR. CHAIRMAN:** 2.(a), 2.(b), 2.(c)—pass.

Resolution 41: Resolved that there be granted to Her Majesty a sum not exceeding \$768,500 for Consumer and Corporate Affairs for the fiscal year ending the 31st day of March, 1985—pass.

Item No. 3.(a)(1) Corporate Affairs, Corporations Branch: Salaries; 3.(a)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, the staff in the Corporations Branch is up two. Is it fair to assume that that's resulting from the NUANS program for title search and property search? Is that staff to run the new computerized program?

**HON. R. PENNER:** It's related both to workload and the need to have some additional hands on board to deal with the work that is related to the introduction of the computer program.

**MR. D. ORCHARD:** With the Minister's opening statement he indicated that, hopefully, within a year or shortly thereafter, with the anticipated success of the computerized search program, that staff requirements may well be down in this branch.

**HON. R. PENNER:** I think, what we can say with perhaps a greater degree of certainty is that we will be able to handle increased workload without staff addition.

**MR. CHAIRMAN:** 3.(a)(1)—pass; 3.(a)(2)—pass.

3.(b)(1) Insurance Branch: Salaries; 3.(b)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, in terms of the insurance industry provincially as a global figure, has there been an increase in, for instance, fire claims over the last year, a noticeable increase?

**HON. R. PENNER:** Sorry, I should have been introducing staff sooner, but we're going through this at a relatively fast rate and my . . .

**MR. D. ORCHARD:** You're just so co-operative, Rolly.

**HON. R. PENNER:** I give that appearance in any event.

I'm sorry that Mr. Kahn, the head of the Corporations Branch has gone, but I think you will be familiar with Mr. McGill, who is our Superintendent of Insurance, and probably the best in the country. I would have said certainly the best in the country, but I'm still looking at the possibility that there's always a chance for a claim for increased Executive Salaries and so I moderate a little bit.

**MR. CHAIRMAN:** Any other question on this item?

**HON. R. PENNER:** You had a question, I'm sorry - have there been increased fire claims? Not that we're aware of.

**MR. D. ORCHARD:** In terms of, and I'm not sure whether this is a function of the insurance branch, but do they offer - and I'm searching for the terminology to put it into - but are there guidelines that the insurance branch wishes to have followed for retailers of insurance services to assure that the consumer is informed about his buying decision? Am I clear in what I'm searching for?

**HON. R. PENNER:** In fact it's an excellent question. I'm not saying that just to try to get along, but it is because what it does is identify a concern which we have and we're monitoring, where the agents out in the field, in some instances, not so much in Manitoba yet, but elsewhere, tend to be marketers, not just of insurance, but perhaps of other financial packages. We're concerned about the possibility, since the motivation of money is sometimes not the best motivation by itself, where you're not working from a strong ethical background of persons who might, in a sense, not bate and switch, but tend to increase their opportunities for commissions by moving people's investments from one area to another. That's one concern which we have that the superintendent is monitoring very closely.

**MR. D. ORCHARD:** That really wasn't an area of concern that I was getting at. The Minister in his opening remarks indicated that the travel industry, given a problem that some of the travelling public experienced with the bankruptcy of some wholesaling firms, lost their deposits, the travel industry internally, as I understand the Minister's opening remarks, is developing a program which should effectively protect the consumer. I detect from some discussions I've had with insurance agents that there appears to be a desire to assure, and for want of a better term I'll use, to assure the professionalism of the retailing service in the insurance field - be it auto, be it general insurance for fire and property protection. I'm wondering if there are minimum standards that the insurance branch wishes to see for agents who undertake the business of offering insurance packages for sale. Is there a minimum standard requirement there?

**HON. R. PENNER:** They must pass an examination prior to being licensed. Let me supplement that with some additional information. In this area, as in any other professional area, and the legal professional area is no different, it's not only a question of making sure there is a minimum standard when the person gets in, but they maintain that standard. One of our concerns is ongoing, continuing education and continuing maintenance of standards. We are discussing that with the Insurance Agents' Association because one of the problems is, at what point do you make that a compulsory feature of maintaining the licence, and if you do, do you require re-examination. We want to make sure that while maintaining standards, maintaining

freshness in terms of developments of the industry, that we're not imposing an undue hardship on people who have been responsibly in the business for some period of time.

**MR. D. ORCHARD:** I don't know whether it's a concern, but my observation of the insurance industry is that, with inflation and particularly under liability insurance coverage, be it the mailman slipping on your front step, etc., or a farmer with a snowmobile on his property hitting a fence - those sorts of potential libel cases - with recent court settlements seeming to award higher and higher benefits to complainants . . .

**HON. R. PENNER:** Damage awards.

**MR. D. ORCHARD:** . . . damage awards, yes, that's what I was looking for - that we may run into a circumstance where a businessman or an individual believes they've got adequate third party protection, but they haven't. The only way they find out, of course, is unfortunately during the court process where it's too late. One of the offshoots of that is whether there is a consumer ability to lay a claim on the insurance agent who they believed had improperly insured. Is there a format there? Is there a bonding requirement that is minimum in the Province of Manitoba for insurance agents in case of that? I don't believe it has ever happened, but it may be something that we are going to be confronted with over the next number of years.

**HON. R. PENNER:** The member is dealing with a couple of related problems, one has to do with the amount of liability insurance that is carried by the ordinary person and that may relate to auto insurance or in the instance used to the homeowner's package. Some of the amounts there now, are more conventionally tied to the basic amount of insurance and it's almost a formula amount that's tied in with the standard package.

The only area - unless we were to legislate some minimum in order to take account of the occasional, but really only occasional, high awards in those kinds of instances because the high awards really almost always stem from an automobile accident where the multiple massive injury leading to paraplegia or quadriplegia produces the exact ordinary awards. The mailman slipping on the steps is not likely to exceed the usual amounts available in the standard package, but that could happen. To try and legislate in an area in which the problem is relatively so isolated, probably is not warranted.

The only other possible area that is dealt with in the question is whether or not a seller of insurance can, in certain circumstances, be sued for professional negligence in not properly advising the consumer of the product with whom the agent is dealing of features which he ought to advise that person. That exists at common law, but is not one that I would want to advise anybody they could really rely upon in this field.

**MR. D. ORCHARD:** Mr. Chairman, I wasn't suggesting a need for legislation. I think there is every possibility that if there are problems in terms of the professional abilities of the retailers of insurance functions that they may well work out their problems the same as the travel

agents did, and make proposals which would assure that the standards are continuing to be high and continuing to be current. If that were the case, I'm quite sure the Minister and the department would be most receptive to those kinds of ideas.

**MR. CHAIRMAN:** If the member is through with his line of questioning, I would like to recognize the Member for La Verendrye.

Mr. Minister.

**HON. R. PENNER:** Perhaps, if the Member for La Verendrye doesn't mind waiting just a second. One of the things we are discussing with the association, is errors and omissions insurance for the insurance agents.

**MR. CHAIRMAN:** The Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Chairman. I'd like to pose a few questions with regard to the Northern Union situation. I guess before I ask him, I should declare that my wife is an insurance agent in the general insurance field, however, she does not have any outstanding claims with Northern Union since that wasn't one of hers. But having said that, Mr. Chairman, I wonder if the Minister could inform the House as to the situation with regard to the policyholders. Was all coverage restored and what kind of shape has that left the agents in who had sold the policies?

**HON. R. PENNER:** Unfortunately, I can't really answer that question other than in general terms. As the member is no doubt aware, the company is in receivership and Dunwoody is the Receiver. The Receiver is faced with a number of problems before it can really ascertain with any certainty the assets available to meet the liabilities. Certainly, there are substantial liabilities in the sense - well, two kinds of liabilities - the principle liability is that of insured who suffered the loss before they had an opportunity to reinsure and when they came knocking at the door with their policies found, indeed, that the company had gone under or was unable to meet the claim in the ordinary way. We can't say that's a substantial amount.

There are other claims, some of which might be for unpaid commissions earned by agents, but that is relatively much smaller. The difficulty in settling at this stage is that there is one very substantial amount involved in the lawsuit. B.C. Hydro claim happens to be a preferred claim because of the particular type of re-insurance that was involved with B.C. Hydro and that is one claim which we're contesting - and when I say we, the counsel, Bill Olson, for the Receiver - in order to defend the bulk of the Manitoba claimants, is defending against the claim of B.C. Hydro, that they have some preferred position in order to protect the pool for the bulk of the creditors. There are also some other substantial claims which have yet to be assessed, in terms of whether or not the policy covered the particular claim - I use this as a hypothetical - I don't know and I'll check in a moment with Mr. McGill. It may be in some instances, that the claims will be set aside on the grounds that the claimant was either not actually insured or there may be a defence, for example,

of deliberately set fires and things of that kind. So there are those sorts of outstanding issues, but particularly the B.C. Hydro issue.

**MR. CHAIRMAN:** The Member for La Verendrye.

**MR. R. BANMAN:** When the Minister mentions claims or B.C. Hydro's claim, that's two different things. I guess my one question would be, in the B.C. Hydro claim, are they claiming a preferred position with regard to a debenture? What is B.C. Hydro's claim?

**HON. R. PENNER:** No. Now I've got the name I was searching for. There's a type of reinsurance called facultative reinsurance which places that reinsured person or corporation in a preferred position and B.C. Hydro is alleging that that is the position it is in. It's not a debenture question; it is a bona fide insurance claim. B.C. Hydro suffered a huge loss and part of the loss was borne by, or should have been covered by Northern Union, but whether or not B.C. Hydro is in a preferred position and hence could eat up substantially all of the pooled assets, is the matter to be determined.

**MR. R. BANMAN:** Are there a fair number of outstanding claims? I'm talking about policyholders now, smaller ones with house insurance, fire claims and things like that?

**HON. R. PENNER:** There's a fair number. None have been settled. I haven't got the exact figure at hand but I'll supply to the member.

**MR. R. BANMAN:** What will happen? Will the claimants who have legitimate claims - I realize there could be some litigation if there's a question of arson or something like that - but the claimants who have legitimate claims, will their claim take precedent over, for instance, the money that has been put out by agents, that the agents had to cover off by new policies to insure their customers?

**HON. R. PENNER:** There are two conflicting claims, in a sense, with respect to which the liquidator is looking at offset. One is money which may have been in the hands of the agent as collected premiums but not paid into the company; and the other is money which presumably may be owing to the agents, where the agent, as the question indicated, placed the insurance at his own expense. So that's being recognized as a legitimate claim by the agent, but the liquidator is trying to work out a formula for offsetting the liquidator's claims for premiums collected and not paid in.

**MR. R. BANMAN:** Were there some instances where the agents who were providing coverage did not reinsure with another individual? In other words, the agents who have taken a loss on a policy that had 6 months to go on it, or something like that, were there instances where people did not receive coverage and will be treated as part of the general creditors in the receivership?

**HON. R. PENNER:** We're not aware of any instances in which an agent effected, or purported to effect a

contract for insurance with a consumer and failed to bring it to the attention of the company, so the company didn't issue nor could it have had the opportunity to issue coverage. We're not aware of any instances of that kind.

**MR. R. BANMAN:** So the Minister is saying, while this company had a fair amount of insurance in the province, the agents did a good job in covering their clients. In other words, we were talking about travel agents before and problems that people have when suddenly they're caught somewhere down south or even lose their deposit. In this particular instance, the agents did cover and honour all the policies that they had written. Is that really what the Minister is saying?

**HON. R. PENNER:** As far as we're aware, the agents, in securing a contract, did report them all in so that coverage could issue, yes.

**MR. R. BANMAN:** When the Minister said that coverage was issued, does he mean that the agents reinsured it and picked up the difference, or were there funds somewhere which were used to do that? In other words was there any funds from Northern Union or from the government that was used to ensure that everybody received the coverage that they had bought?

**HON. R. PENNER:** Yes, we are satisfied that everybody who thought they were insured, were insured in one of two ways, either the policy had been written up by Northern Union or, if the agent had collected a premium and they saw the problem, the agent would have gone to another insurer to reinsure with another company.

**MR. R. BANMAN:** In the case off the reinsurance, the agent would then have to pickup the premium, am I right?

**HON. R. PENNER:** Not necessarily. Not necessarily if they had collected the premium and not paid it into Northern Union, they could have elected to take the premium and use it to purchase, in effect, another policy for the consumer.

**MR. R. BANMAN:** Yes, just to bring this one step further, when the policy is issued within a month or two the agent then forwards the amount of money to Northern Union or the insurance company.

**HON. R. PENNER:** Right.

**MR. R. BANMAN:** That policy then runs along two, three months, then this action happens which really said that the policy was worthless. At that particular point that individual would have to be reinsured with another company at, of course, now at an additional cost, because the premium had been paid for the whole year already. That additional cost, was that picked up by the agents?

**HON. R. PENNER:** In some instances it was, in some it wasn't; it depended very much on the agent.

**MR. R. BANMAN:** What I'm trying to get at is if the agent didn't pay it then he was collecting it from the customer or the client, is that what Minister is saying?

**HON. R. PENNER:** I think that there's some gap between the questions and my answers, perhaps in my understanding.

Are you supposing a situation in which the agent, having dealt with a potential insured, collected the premium on a policy desired by the insured, and hadn't yet paid it in . . .

**MR. R. BANMAN:** Had submitted it.

**HON. R. PENNER:** Had submitted it?

**MR. R. BANMAN:** To Northern Union.

**HON. R. PENNER:** If it had been submitted to Northern Union then, in most instances, that would be presumed at that moment to have effected coverage for the insured and they would have to look to Northern Union for any loss suffered from the time they were covered and Northern Insurance went into receivership.

**MR. R. BANMAN:** Maybe I can make an analogy and maybe the Minister can tell me.

He buys a house and it's insured as of January 1st through "XYZ Agency." The agency sells him a premium through Northern Union, sells him a policy through Northern Union, insurance starts January 1st. The agent then a month later, on his regular 30-day account with Northern Union pays, because the Minister has paid his premium for that year, pays that money to Northern Union. Then, in March of that same year, Northern Union is put into receivership. His coverage really in essence is nil. The agent is then forced to scramble to get to the Minister and say that your policy that you had with Northern Union is gone and we have to reinsure you. You, as the client say, "Well, you're my agent, you should have known better than to insure me with these people; I don't want to pay any more." This is a story that is happening all over the province. Who in that case picked up the reinsurance for the balance of the nine months left on that policy?

**HON. R. PENNER:** All I can tell you is that legally the insurance agent in those circumstances was not liable. If the insurance agent did anything he did so voluntarily and out of his or her own pocket. The agent acts for a principal and, if the agent has acted professionally and not illegally and not with misrepresentation, has in fact paid the premium, or at least written up the policy with the principal, then the principal is legally liable under a contract of insurance to the insured. The fact that subsequently the company went belly-up into receivership is of course regrettable and, in some instances, even tragic, but it doesn't impose a legal liability on the agent.

**MR. R. BANMAN:** What I'm getting at though, Mr. Chairman, is that there is no legal obligation for the agent to do it, as the Minister said, to provide that extended coverage at the same cost, but what the Minister was saying before is that all the agents, to his knowledge, did that.

**HON. R. PENNER:** No, what I'm saying is that in some instances where the agent had still in his or her hand

or pocket or bank account the premium, some of those agents went out and, in effect, recognizing the problem as it emerged and ethically seeking to protect their clients, went out onto the marketplace and bought a policy — (Interjection) — Other than Northern Union, yes.

**MR. R. BANMAN:** But what about the person who had nine months left on his policy, what happened to him?

**HON. R. PENNER:** They're one of the claimants against Northern Union.

**MR. R. BANMAN:** Are there many individual claims against Northern Union?

**HON. R. PENNER:** We'll get you the exact number, there are a fair number. Somewhere in the area, I would think, of 2,000.

**MR. R. BANMAN:** Now, is the Receiver or the province involved in any litigation trying to receive monies from other sources aside from some of the action like the B.C., which is action, I would assume, against the Northern Union receivership? Is the Receiver or the province going after any institutions for funds?

**HON. R. PENNER:** There's a possible action against the TD - Toronto-Dominion - with respect to certain transfers of funds from one of the Northern Union accounts to another arguably Northern Union account. I think some of these transfers took place in B.C. and we're trying to follow that up to make sure that there was no negligence on the part of the Toronto-Dominion Bank in making such a transfer at a time when they might have been alerted that such a transfer was problematic and was made to satisfy the interests of Toronto-Dominion, and that there might have been a conflict of interest. It's in that area that the Receiver, in fact, is following up to see whether it can secure, I think, an asset that may be as high as \$4 million.

**MR. R. BANMAN:** Is the Minister saying that that action has not commenced yet?

**HON. R. PENNER:** No, it's in contemplation.

**MR. R. BANMAN:** That's a \$4 million action against the TD Bank?

**HON. R. PENNER:** 4.2 million.

**MR. R. BANMAN:** If that action were successful would that cover just about all of the outstanding accounts?

**HON. R. PENNER:** No, it would not, it would go part way.

**MR. R. BANMAN:** In that particular case the agents, as well as the other people that have outstanding accounts, could conceivably receive a portion at least of their outstanding account?

**HON. R. PENNER:** If we are able to beat back the B.C. Hydro claim, if we are able to secure that fund from

Toronto-Dominion, then we'll be in not too bad shape relatively, in terms of satisfying some of the outstanding claims.

**MR. CHAIRMAN:** 3.(b)(1) - the Member for Swan River.

**MR. D. GOURLAY:** When the Northern Union went into receivership, and the customers were therefore not covered, in many cases you indicated the agent went out and obtained new coverage . . .

**HON. R. PENNER:** In certain very specific circumstances some agents did.

**MR. D. GOURLAY:** That happened, I know, in several cases in my area. The customer expected his agent to provide him with the necessary coverage. He bought a policy from Northern Union and he thought he was covered, so he wasn't prepared to pay an additional premium to the new company that is now covering him. When the affairs are wound up and there is a payback of so many cents on the dollar, say, some of that would go back to the customers who had paid the premium . . .

**HON. R. PENNER:** Yes.

**MR. D. GOURLAY:** . . . and that did not have the coverage?

**HON. R. PENNER:** Yes.

**MR. D. GOURLAY:** So it would be up to the agent then to try and recover that money back from the customer because he, in fact, had paid a new premium and was out that money because the customer . . .

**HON. R. PENNER:** Essentially, what you're dealing with, because of the amounts that are involved in an individual case, is really a matter of good faith. You see, what happened is that a lot of the agents who must maintain a general agency business - and good will is their main stock in trade - they don't carry an inventory, as you know, and they're not retailing across the counter. It's good will, and that means a lot particularly in a smaller community.

Some of the agents, recognizing the long-term value of good will, try to help their clients as much as possible, may well be the case that good will operates both ways. But since it's not at all likely, and indeed I must say that it's impossible that any particular insured who suffered a loss in those circumstances, carrying a Northern Insurance policy - right? - is going to secure full payback of the loss is not inclined to be optimistic that anything that was done by the agent to assist the client necessarily creates a claim even of an ethical kind by the agent against the client.

**MR. D. GOURLAY:** Perhaps this question was answered earlier. Do you have any indication at this time as to when the Receiver will be able to wind up this whole business.

**HON. R. PENNER:** Knowing how long this type of action takes in the Civil Courts, I would be optimistic if I

suggested to you that it could be wound up within two years.

**MR. CHAIRMAN:** 3.(b)(1)—pass; 3.(b)(2)—pass.

3.(c)(1) Manitoba Securities Commission: Salaries; 3.(c)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, could the Minister indicate the nature of the membership fees as contained in this?

**HON. R. PENNER:** Those are legal fees payable to the Law Society of Manitoba. They are membership fees; they're really the practising certificates and the professional liability insurance and the reimbursement fund that is required for a lawyer to practise.

**MR. D. ORCHARD:** Well, why is that a new expenditure if that's the nature of the expenditure?

**HON. R. PENNER:** It's only been a feature with this particular section of government very recently. What happened is this, historically, and that is that because of our collective agreement with the Crown Attorneys going way back, a feature of that is the payment of fringe benefits - that's a feature of many collective agreements - and one of the fringe benefits that was in that particular contract related to the payment of the practising certificate. However, that wasn't applied uniformly throughout government and the issue was raised on behalf of the Commission lawyers about a year or two ago, and it was agreed that it properly should be put on the same footing as a matter of equity, and it's now reflected and shown as a distinct item in the Estimates so that it's brought to the attention of the House.

**MR. D. ORCHARD:** Then is it fair to assume from the Minister's answer that that is the entire fee structure that these lawyers are required to pay?

**HON. R. PENNER:** That is right.

**MR. D. ORCHARD:** How many lawyers are involved that this fees covered? Is it two lawyers, three . . .

**HON. R. PENNER:** Three lawyers.

**MR. D. ORCHARD:** Now, do these lawyers work exclusively for the Securities Commission?

**HON. R. PENNER:** Yes.

**MR. D. ORCHARD:** So they . . .

**MR. CHAIRMAN:** I have to do that because the record has to show it.

**MR. D. ORCHARD:** I can see that's a problem.

**HON. R. PENNER:** It's my fault, I've been jumping the gun.

**MR. D. ORCHARD:** The three lawyers don't undertake any outside practice?

**HON. R. PENNER:** No, they don't to my knowledge.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. What is the average length of time now? Is there an increasing length of time in having applications processed through the Securities Commission? Is it increasing or staying the same?

**HON. R. PENNER:** As I mentioned in my opening remarks, the workload increase has been considerable. In this last year, the number of applications dealt with exceeded 400 - 405 prospectuses dealt with - and I think the member's aware of how complicated a filing can be. For example, let me just provide the member with this information. Prospectus filings, '83 - 405, '82 - 295, and yet working with the same staff so that necessarily did mean some delay. We are hopeful that the changes to the act which are introduced in this Session, can help us deal with that because the changes allow us to deal with a number of prospectuses which are fairly standard and in a sense are prospectuses of a company which has cleared the hurdles, as it were, is established with the Commission, where the Commission has a full file and they are a new issue of an already analysed security, that it gives the Commission some greater discretion to clear it in a summary or shorter way.

**MR. D. ORCHARD:** With those amendments, and I think I understand the general nature of them and we'll get further clarification as we debate them, but is it fair to assume that those amendments, and I'm searching for the right phraseology, would allow the Securities Commission in Manitoba to basically accept the critique done by the Ontario Securities Commission on a company offering securities in Ontario, as well as Manitoba, so that company would not have to go through quite the same regulatory analysis to get approval in Manitoba?

**HON. R. PENNER:** We already do that, there is a certain amount of reciprocity between this jurisdiction and, particularly, Ontario and I think Alberta where we are satisfied that the regulatory functions being carried out by the parallel commissions meet the kind of standards we would expect.

**MR. D. ORCHARD:** So then the legislative amendments don't deal with that, that's already in place; this is targeted at specific types of securities on established companies?

**HON. R. PENNER:** Yes.

**MR. D. ORCHARD:** Not on new offerings from new companies?

**HON. R. PENNER:** That's right.

**MR. D. ORCHARD:** Okay.

**MR. CHAIRMAN:** 3.(c)(1)—pass; 3.(c)(2) - the Member for Pembina.

**MR. D. ORCHARD:** Just an interesting question. I notice that you oversee the self-regulatory activities of the

Winnipeg Commodity Exchange, do you have to approve it when they take the limits off the June rapeseed futures?

**HON. R. PENNER:** Well, I sure don't. I wouldn't go near that.

**MR. D. ORCHARD:** Well, maybe I should say the June canola futures.

**HON. R. PENNER:** I have within me the inveterate gambler and as soon as I begin dealing with the Winnipeg Commodity Exchange, I'm into July canola you wouldn't believe, so I let him do it.

**MR. D. ORCHARD:** They don't offer July, it's either June or September so you really got snookered.

**HON. R. PENNER:** Is it really? It shows you why I shouldn't gamble. But if I get a chance to sit down with you in a poker game, you watch out. As long as it's not commodities, I'm okay.

**MR. CHAIRMAN:** 3.(c)(2)—pass. Mr. Minister.

**HON. R. PENNER:** It's basically self-regulatory. We oversee in this sense, that if there were a particular event or sequence of events which raise some question of the standards being used by the self-regulatory agency, then we would take a look at that and see what we could do.

**MR. CHAIRMAN:** 3.(c)(2)—pass; 3.(d)(1) Public Utilities Board - Salaries; 3.(d)(2) Other Expenditures - the Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. Could the Minister indicate the membership of the Public Utilities Board?

**HON. R. PENNER:** Yes. The Public Utilities Board presently consists of the Chairperson, Murray Donnelly who approaches - he in the brown suit and dispairit slacks, looking very academic and dignified as you would expect Professor Donnelly to look is chairing the Commission; Oscar Tonn is Vice Chairperson of the Commission, was chairing the commission but is now Vice Chair; Sally Proven is a member; Rudy Schilling and that's it.

**MR. D. ORCHARD:** Does the Public Utility Board retain outside counsel? You mentioned that earlier.

**HON. R. PENNER:** Yes, it does.

**MR. D. ORCHARD:** Now, in terms of outside counsel, what sort - I'm looking for a nice way to ask this question, I don't know whether there is. I believe, as a member of the Public Utilities Board, the . . . Thank you for your indulgence, Mr. Chairman. Would Mr. Savino, Vic Savino, be retained by the Public Utilities Board in a legal capacity at all?

**HON. R. PENNER:** No, he was a member of the PUB, is no longer a member of the PUB, his services are

not used by the PUB. That is not to say that they couldn't be, but we have been using primarily the services of Mr. Bill Gardner, who has built up a level of expertise with respect to the utility structures and the base rates and so on that we wouldn't loosely want to dispense with. I believe he's a member of a firm with which your former leader may now be associated and we wouldn't want to sever that connection.

**MR. D. ORCHARD:** Oh heavens, I never get involved in those sorts of arrangements, Mr. Chairman.

**HON. R. PENNER:** No, but since you were hinting at other possible connections, I thought I would bring to your attention this one.

**MR. D. ORCHARD:** Absolutely, Mr. Chairman.

**MR. D. ORCHARD:** Recently the CRTC, as the regulatory authority for Bell Ontario, basically I guess in layman's language told Bell that they need not apply for rate increase, come back in about a year's time. Now I note that along with the sympathies of the telephone consuming public in Manitoba, that in the last three summers our Public Utility, Manitoba Telephone System, has come to Public Utilities Board for a rate increase which this summer - they're now before you right now, as I understand - that's the third consecutive year in a row, whereas in the previous four years before that, I think they were only before the board once.

I don't know whether CRTC had ministerial or government direction indicating to Bell Ontario or Bell Canada that they should not return for a year, but my question to the Minister is, does he consider the seemingly frequent coming to the Public Utilities Board for rate increase by MTS to be entirely necessary? Does the Minister think that possibly a leaf out of the CRTC book might be in order in protecting our consumers in Manitoba?

**HON. R. PENNER:** To the extent that the question suggests that there may have been some Federal Government direction to CRTC, which I would doubt very much, and should it have been the case, a parallel to be followed here, I must, with respect, reject it out of hand. I'm sure the member if he would think out the consequences would recognize that we have a totally arm's length Public Utilities Board, a valuable institution and a valuable practice that we ought not to lose. I would be, not only loath, I would not permit myself to attempt to give any kind of direction to the Public Utilities Board. I think that would be a great mistake.

I think the kind of question which is asked is, however, a legitimate question, but to be asked primarily to the MTS through its Minister. I believe they have attempted to deal with those concerns in the hearings which are not yet through, so that there are additional opportunities to question the MTS as to why it finds it necessary to go to the PUB with respect to its rates.

I think the member is aware of some of the problems having to do with the way in which we've been able to support domestic rates by long distance earnings which are, unfortunately, not as strong or as secure as they once were.

**MR. D. ORCHARD:** Mr. Chairman, the rate application, it was indicated earlier, for an increase in the service charge by MTS, in this case, and I believe it occurred about, if my memory serves me correctly, about a year ago, is that something that routinely comes before the Public Utilities Board at rate application time or is that something they can bring before the Public Utilities Board separate and apart from a general rate increase application?

**HON. R. PENNER:** I don't think there are any rules of practice or statutory rules which prevent a utility which must have its rates or charges approved by the Utilities Board from going as frequently as it wishes, but let me just check that.

Nothing outside of the possible short supply of patience of the Utilities Board to prevent - and I'm not suggesting that's here to prevent a utility such as MTS coming to the board for rate increases - it would certainly have to come to the board with respect to the increase in the particular charge to which the member referred.

**MR. CHAIRMAN:** The Member for Wolseley.

**MS. M. PHILLIPS:** Thank you. Mr. Chairperson, I have what I think is a point of order. If I remember correctly . . .

**MR. CHAIRMAN:** Would the member state her point of order?

**MS. M. PHILLIPS:** That's what I'm intending to do. When the Minister of Labour was in Estimates last year and there were particular cases before the Labour Board, it seems to me that it was ruled that it was not proper to ask questions about the specifics of a case that was in front of the Labour Board and I'm wondering whether this is a parallel situation, where there is a case in front of the Public Utilities Board, whether we should be discussing the particulars of that application.

**MR. CHAIRMAN:** Our rule states only when it is sub judice, we cannot normally ask questions about a case which is under the court's consideration.

The Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Chairman. I appreciate the Member for Wolseley's concern, but after all we are dealing with a Crown corporation going before a body of the Legislature. I don't consider any particular conflict of interest, and if any member has concerns about rate increases by MTS, whether the application is right current, or anticipated, or past, a comment is always fair on rate increases.

**HON. R. PENNER:** Yes, I think that's the answer which I gave and I don't think I could really go further, namely, that the utility is able to go before the PUB with as much frequency as it feels necessary. An act is something which probably can be challenged with the Standing Committee, and I believe there may be a subsequent meeting of the Standing Committee on Thursday of next week.

**MR. D. ORCHARD:** Mr. Chairman, I think we could finish within 10 or 15 minutes if it was the will of the

committee to carry past through 5:30. I just want to get clear, on a specific like a year ago the surcharge, I believe, went from 18 percent annually to 21 percent. It wasn't my impression that it was applied for as part of the general rate structure, it may well have been. But is the Minister indicating that MTS could come to the Public Utilities Board to deal specifically with that one item, say interests skyrocket or conversely come down and they want to lower it.

**HON. R. PENNER:** Are you dealing, as you were earlier, with interest on overdue accounts?

**MR. D. ORCHARD:** Yes, I was.

**HON. R. PENNER:** Can they come separately? Yes, they can come separately to the board to deal with that.

**MR. D. ORCHARD:** Then I take it that the separate appearance could apply to other rate structures that are found to be questionable - and the Minister is correct then that we're going to deal with this Thursday next - but there is a really bizarre situation where the Telephone System is charging just an incredible rate structure and the excuse they've used is, well, it's our approved structure and of course we can't alter it; we can't change it because the Public Utilities Board has directed us, or authorized us to charge in such a manner.

It involves a business which expanded across the street and to link the telephones together there is an off-premise charge per telephone which has never been explained as to why it exists and this is the second time I've run into it. The first time, I accepted this regulatory justification for it because it involved only one telephone. But this time it's a motel-hotel adding another motel unit and there are a number of telephones involved in the cost on the same telephone set-up amounts to about 40 percent more for easier to provide service, and I intend to take that up.

I don't want to trouble the commission with it now, but I intend to take that up with the Chairman of MTS on Thursday next. But I'm glad to hear that should that be an unjustifiable type of charge, that they can go outside of their rate application and have that considered by the Public Utilities Board; that would be most helpful.

A question to the Minister, is there, other than the Telephone System, an application for rate increases? Are there other applications being considered now?

**HON. R. PENNER:** Greater Winnipeg Gas has made an application, hearing pending.

**MR. D. ORCHARD:** In terms of the potential adjudication, once again we're dealing with potentials between the Manitoba Telephone System and the cable companies, is the Chairman of the Public Utilities Board satisfied with the kind of advice or would he be seeking other legal or communicative communications and expertise to provide background information and opinion on the potential adjudication? Is there expertise that's been used before that would suffice?

**HON. R. PENNER:** The PUB has statutory authority to retain outside consultants and does and has used

specialized engineering services where required and I have no doubt, would in such an instance. They also have the statutory authority as you know, to pass through consulting costs in any rate structure so that it's not borne by the taxpayer at large.

**MR. D. ORCHARD:** Maybe a final question, Mr. Chairman. The SY count represents a reduction of half. Is this the part-time chairmanship that you referred to in your opening remarks?

**HON. R. PENNER:** Yes.

**MR. D. ORCHARD:** How many appeals yearly does the Public Utilities Board deal with cases emanating from the Highway Traffic Board under provisions of The Highway Protection Act?

**HON. R. PENNER:** About 10 a year.

**MR. D. ORCHARD:** Increasing or decreasing?

**HON. R. PENNER:** About the same for the last few years.

**MR. D. ORCHARD:** Mr. Chairman, I think that's all the questions I have.

**MR. CHAIRMAN:** Thank you. 3.(d)(1) - the Member for Inkster.

**MR. D. SCOTT:** Mr. Chairman, I have just got a small comment to offer to the Minister and this was brought to my attention not too long ago in dealing with funeral services and there are two packages to it. In funeral services, we have a trust account required now for the first 88 percent of the contract and the lack of the additional 12 percent of the contract. It was my understanding that the Funeral Directors Association of Manitoba were raising some concern of the lack of the viability of some of the smaller firms, or perhaps even larger firms that try to expand too quickly, get in over their heads, go under and potential significant losses to persons, and these are mostly older members of our society that are going to be affected by it.

That's just dealing with the funeral services. When you get into the actual plot sales, the only thing that I understand they have to put in for trust accounts currently are the perpetual care funds; excluded from that, there's no entrusting of prepaid monies for the cost of plots, digging of graves, the grave box, memorial marker or marker base, the cremation, urns, or niches or - I think I'm pronouncing this correctly - columbariums. Their concern is that a lot of companies may be here today, gone tomorrow. The people who have put their money up for these things may be here today and gone tomorrow, as well, but in the interim, if the companies go under, they are here still and their funeral expenses that they have put money up for have vanished. I'm wondering if the board has had many concerns raised on this? It's my understanding that there probably has to be legislative change to cover this and I'm wondering what kind of reactions the board has had in this area?

**HON. R. PENNER:** We are, in fact, discussing many of those problems with the industry directly and I hope

to have some suggestions, both with respect to legislation and regulation, on some of those problems in the near future.

**MR. D. SCOTT:** Thank you very much, Mr. Minister.

**MR. CHAIRMAN:** If they cannot collect in this life, they will in the next life.

3.(b)(1); 3.(b)(2) - the Member for Pembina.

**HON. R. PENNER:** He wants to know how much does a Grecian earn?

**MR. D. ORCHARD:** Enough to buy a . . .

**HON. R. PENNER:** A columbarium.

**MR. D. ORCHARD:** It's not often that I have to thank the Member for Inkster, but he did remind me of a question that my colleague wanted to pose. Apparently in Fort Garry - and I'm relating details that Mr. Mercier gave to me - there were bones from a cemetery found and that caused quite an outcry. I guess the question is, did the Public Utilities Board become involved in that?

**HON. R. PENNER:** No. They're not yet involved, but what has happened is that it's under police investigation. The cemetery has been asked for an explanation and when that material is available we'll judge whether there's something that the Utilities Board should be doing.

**MR. D. ORCHARD:** Is it fair to ask that this is quite a unique situation, this hasn't happened before, I take it?

**HON. R. PENNER:** It is, let me say, with some sense of assurance, having concern for my own immortality, very infrequent.

**MR. D. ORCHARD:** So to put it in a nutshell, that's to be coming before the Public Utilities Board for investigation and some recommendation, possibly to you, in terms of action that may have to be taken?

**HON. R. PENNER:** Yes.

**MR. CHAIRMAN:** 3.(d); 3.(d)(1)—pass; 3.(d)(2)—pass.  
Resolution 42: Resolved that there be granted to Her Majesty, a sum not exceeding \$2,819,700 for Consumer and Corporate Affairs, for the fiscal year ending the 31st day of March, 1985—pass.

**HON. R. PENNER:** Don't forget the Minister's Salary.

**MR. CHAIRMAN:** Back to Item 1.(a) Minister's Salary - the Member for Pembina.

**MR. D. ORCHARD:** Well, Mr. Chairman, we've had a very interesting discussion here on a number of items. We did it in rather record time.

**HON. R. PENNER:** I appreciate that.

**MR. D. ORCHARD:** It was our pleasure to speed this thing through. I just want to leave the Minister, once again, and reinforce the proposition I put to him for his Research department. On these price wars, it's unworkable in terms of clear gas, because there are too many vehicles that can be used to consume that clear gas, but with diesel fuel in the farm community that is something that there's very little potential abuse of using clear diesel on the road and not paying the tax, after having been claimed. Rather than approach the problem from possibly the regulatory area or the enforcement area, that simply allowing the freedom of choice in the marketplace, given a few checks and balances, will not deprive anybody of taking advantage of a price war and allow the farm community possibly some pretty substantial savings.

In closing, Mr. Chairman, I just - since these Estimates have gone so quickly - I'd just like to ask the Minister, if assuming this department represents a personal promotion for himself, or for the department?

**HON. R. PENNER:** For the department.

**MR. D. ORCHARD:** Oh, for the department.

**MR. CHAIRMAN:** 1.(a)—pass.

Resolution 40: Resolved that there be granted to Her Majesty, a sum not exceeding \$704,100 for Consumer and Corporate Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 1985—pass.

Committee rise.

We are interrupting the proceeding of the committee so that we can come back to this committee at 8:00 p.m.

**A MEMBER:** Sharp?

**MR. CHAIRMAN:** More or less.

## SUPPLY - HEALTH

**MR. CHAIRMAN, P. EYLER:** Committee come to order. We are considering the Estimates of the Department of Health, Item 7, Line 3 - Ambulance Program - the Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Chairman, while the Leader of the Opposition is here, I wonder if I could give him the reply to his question of yesterday re the Pharmacare Program.

I'd like to say that Pharmacare actually started on July 1, 1973 for a person 65 years of age and over and it was made a universal program for all Manitobans, effective January 1, 1975. Now at that time certain large companies had drug programs in place which had been negotiated into union contracts; that's at the most provided first-dollar coverage on a minimal payment by the user and usually less than \$1.00.

The government Pharmacare Program includes a deductible and co-insurance feature to preserve the more generous benefit of some of the private programs. The Prescription Drug Costs Assistance Act made provision to permit these company-union arrangements

to be amended whereby claimants under the government Pharmacare Program could elect to assign their benefit to be used to purchase a benefit for all members of the group plan. These arrangements are made only with the concurrence of the Manitoba Health Services Commission and ratified by government. Pharmacare rebates are paid to the Insurer providing the additional benefit, as my honourable friend stated yesterday. Under these arrangements, an individual could not personally benefit from duplicate payments.

Since the inception of the Pharmacare Program, four companies applied for and received approval under this arrangement. 1) Calverts of Canada Ltd., Gimli, Manitoba, insurer Blue Cross, commenced on January 1, 1977, terminate - that's finished now - December 31, 1979; the benefit purchased improved visual eyeglasses and dental care benefits. 2) Inco Metal Company of Thompson, Manitoba, the insurer Imperial Life Insurance Company, commenced on January 1, 1977; and benefit purchased improved dental care benefits. 3) City of Thompson employees, Thompson, Manitoba, insurer Blue Cross, commenced August 1, 1979; benefits purchased improved visual and dental care benefits. 4) The School Division of Mystery Lake, Thompson, Manitoba, insurer Blue Cross, commencing June 1, 1980; benefit purchased improved visual and dental care benefits.

Hudson Bay Mining and Smelting in Flin Flon have discussed a similar arrangement over the years. However, the Union Employees Benefit Association and the company have not come to an agreement on the type of program that might be implemented. The company has a private Pharmacare Program. The employee pays 35 cents per prescription with the private program paying the pharmacy for the balance of the cost. The employee is eligible to complete a government Pharmacare claim form and receive a rebate.

While this arrangement is not a duplicate payment by the government program, it does constitute a duplicate reimbursement to the individual. It should be noted that it is only those drugs that require prescription from a medical practitioner or dentist that are eligible for reimbursement under the Pharmacare Program. This should constitute control on drug abuse. Nevertheless, if it is determined that there is a widespread abuse of drug purchases, as Minister of Health I would be obliged to take appropriate action. I have asked my officials for a report on per capita drug costs in those areas where these types of programs exist. I think the situation arose when Pharmacare became a universal program because of what really exists. It is not a higher cost to the government but there is a possibility it could lead to purchase of drugs that might not be needed because of the discount, I guess, they get and we certainly will be looking at that. It's been looked at, I think, in the former administration by the former Minister during the Lyon years and I did so before that, but now that it's been brought to my attention again, we'll look at it again.

Mr. Chairman, I also wanted to make a correction. I gave the wrong information to the committee. Last evening, during the Estimates debate on the Selkirk Mental Health Centre, I provided the committee with information relating to the number of certified psychiatrists employed by the Selkirk Mental Centre. Unfortunately, I provided you with incorrect information.

I indicated that there were 12 certified psychiatrists employed at the Centre whereas the correct figure should have been 6, not 12.

Finally, to the Member for Turtle Mountain. The Manitoba Regulation 20483, in response to the issue raised yesterday respecting Manitoba Regulation 20483, I wish to clarify that this regulation presently applies only to full-time food-handling establishments, and that churches, halls and the like have not been required to formally comply with the regulations. By definition, food-handling establishments include food service establishments, retail food stores, food processing plants, temporary food service establishments, meat processing plants, slaughter houses, warehouses, or any place where food is manufactured, processed, prepared, packaged, stocked, handled or offered for sale.

This is not to imply that we are not concerned with safe food practices being followed by organizations which sponsor occasional dinners. The same fundamentals apply, but we use an educational rather than the regulatory approach to ensure compliance with the requirements. We do not issue permits, nor undertake the detailed inspection of the premises which are mandatory for a full-time food establishments? Our policy is to provide churches and community organizations which put out dinner events, such as, fowl suppers, with a pamphlet prepared by the former administration outlining the principle of safe food handling. This pamphlet, I might add, was produced during the previous administration. In fact, our policy in regard to this issue I'm told is virtually the same. I think you will agree that dealing with church halls or the community is the most realistic approach.

Well I'll wait for this. During the question period, the Member for Fort Garry asked me about the ambulance service, if there was any change, any direction. I have the letter that was sent by the Chief Medical Examiner to all ambulance services, and I'll send it over to him.

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Mr. Chairman. Just for clarification, the Minister is indicating that it is acceptable under the current Pharmacare arrangements for a company to provide a private pharmaceutical purchase or compensation plan for its employees that allows them to have a prescription filled for 35 cents, and then claim the total value of the prescription under Pharmacare. Is he confirming that is the case?

**HON. L. DESJARDINS:** Yes, this is the case now presently with the agreement negotiated at the time between the company and the employees, and accepted by the previous government.

**MR. G. FILMON:** Mr. Chairman, the Minister mentioned HBM&S. I'm aware, I believe, that Sherritt-Gordon has a similar plan. I just question the advisability, not from the viewpoint of it costing the public additional money, but a system that allows for benefits to be conferred on a private plan at the same time as those benefits are available under a public Pharmacare system - the method by which somebody could then benefit in a

duplicate sense is by having more prescriptions, more prescription drugs and pharmaceuticals in order to further collect from the plan. It seems to me that is inherently not a very good situation to be inviting.

I just urge the Minister to look into it, perhaps through his department, to contact the companies and indicate that there are more worthwhile benefits that they could be providing the same premium dollars to purchase on behalf of the employees, rather than this duplicate one which seems to encourage, and I emphasize, seems to encourage, their purchase of additional prescription pharmaceuticals.

**HON. L. DESJARDINS:** Mr. Chairman, I have no problem at all with the suggestion that it probably would be the best. The difficulty was because, as I say, these plans and this insurance, these benefits had been negotiated by the employees before the advent of universal Pharmacare, and it might be difficult to convince them that they're not losing anything, because they, and I think quite justly so, quite fairly, they feel that this is something that they had gained in negotiating with the company and with management and that shouldn't be taken away from them. So we would have to find a system that there would be some balance and some other benefit in lieu of this feeling.

But I might say that, although I am concerned that there might be overprescribing of drugs as a possibility, but I think there is a safeguard there, because don't forget that we are dealing with only prescribed drugs and a doctor will have to prescribe that drug, so it's not just a client that decides that he wants something and just makes a purchase and gets a receipt. It has to be prescribed by a medical doctor.

**MR. G. FILMON:** Mr. Chairman, I recognize that it is done under a prescription basis but, as I think we all know, sometimes prescriptions are relatively easy to have renewed depending on a continuance of symptoms. If that is the case, then the way in which people can obtain the extra benefit obviously is to obtain additional pharmaceutical prescriptions or prescription of drugs.

With respect to the concern about taking away a benefit from the worker, I do not in any way suggest that the objective should be to take away a benefit from the worker, rather that the company should be encouraged to utilize the same dollars to purchase some other benefit plan in some other way, something that they aren't currently covered for, to an equivalent dollar value so that they maintain the same benefit for the employee.

It seems to me, Mr. Chairman, that the company is already committed to invest those dollars in additional benefits, it's a matter of switching into what particular benefit it might be. It seems to me, Mr. Chairman, further to that, that this can't be that attractive a benefit to the employee if they already are getting the coverage under the Pharmacare plan in Manitoba, therefore, they should want to get something in addition to that and that's the objective I am after.

**MR. CHAIRMAN:** Line 3, Ambulance Program - the Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Chairman, we had a chance to look at the Ambulance Services Program briefly in

question period this afternoon as a result of two incidents that occurred recently involving some question about the response of the ambulance services involved. The Minister has advised that with respect to the double fatality in a boating incident on Netley Creek near Selkirk this past Sunday that the Health Services Commission is investigating the response of the ambulances involved on that occasion.

I note that he's sent over a recent letter, Mr. Chairman, that went to all ambulance services from the Manager of Emergency Health and Ambulance Services and the Chief Medical Examiner, setting out some new directives for ambulance professionals and ambulance drivers and attendants, designed to strengthen the response capability of our ambulance teams. I would ask him whether these directives are going to be enshrined in any way in legislation or regulations that will ensure that they've got some teeth in them, some clout in them, and will assure their observance, or is it the intention at this point in time simply to offer these as suggestions and to base them on moral suasion and hope for voluntary compliance.

**HON. L. DESJARDINS:** Mr. Chairman, we won't need any legislation at all, it will be just regulations, and we are reviewing all regulations and standards, of course, in the event of the air ambulance also. That will be looked at, probably added to that, and we hope that we'll have something to present to Cabinet for approval in the very near future, but it would be strictly regulations, not legislation.

**MR. L. SHERMAN:** The recent incidents involved services in and around Selkirk, Mr. Chairman, which gives rise to the question as to how the community of Selkirk, and surrounding communities, are being served from an ambulance-operated standpoint. May we confirm at this juncture that there are two services provided in Selkirk? Some years ago there was some discussion and debate as to whether the service would be delivered by a private operator in the area, or whether it would be delivered by Selkirk General Hospital. It was my understanding that the private operator, Selkirk Ambulance Services, had a contract that expired two or three years ago with the Town of Selkirk and there was a dispute as to whether service would be delivered subsequent to that time by the hospital, or whether a contract would be renewed with Selkirk Ambulance Services.

There was a peripheral discussion or debate as to who would pay for the service if it was to be delivered by Selkirk General Hospital. Can the Minister bring the committee up-to-date on the status of ambulance services in Selkirk, Mr. Chairman? Are they delivered in two forms and is the Selkirk General Hospital service paid for out of the budget of the hospital itself?

**HON. L. DESJARDINS:** Mr. Chairman, yes, there are two different services. The hospital runs two ambulances and they are supported by the Municipality of St. Andrews and St. Clements with the help of a grant that they get from the Provincial Government. There is a contract that was renewed between the Town of Selkirk and the private operator, in this case, Mr. Hooker, and that also is assisted by the grants that they get from the Provincial Government.

## INTRODUCTION OF GUESTS

**MR. CHAIRMAN:** Order please. Before proceeding, I would like to direct attention of the members to the gallery, where we have standing a group of 19 students from Grades 5 and 6 from the Mafeking School. These students are under the direction of Mr. Calrow and are from the constituency of the Honourable Member for Swan River.

On behalf of all of the members, I'd like to welcome you here today.

## SUPPLY - HEALTH (Cont'd)

**MR. CHAIRMAN:** The Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Chairman, how are the grants distributed between the two services in Selkirk?

**HON. L. DESJARDINS:** It's all based on population, Mr. Chairman.

**MR. L. SHERMAN:** It's all on population and the recipients of each service have to demonstrate to the Commission that they have a certain per capita population that has to be served. Is that correct? For example, the Rural Municipalities of St. Andrews and St. Clements would submit a population count or a per capita count to the Commission and derive their portion of the overall grant on the basis of those substantiated figures and then the Town of Selkirk would do likewise for its grant for the hospital operated service. Is that correct?

**HON. L. DESJARDINS:** Mr. Chairman, the statistics on the population count we get from the Municipal Affairs Committee and it is based - I want to make sure there's no misunderstanding - not on ambulance prospective customers or clients but on the population of the municipality - that's what it's based on - even if they never use the ambulance.

**MR. L. SHERMAN:** What is the level of those per capita grants at the present time, Mr. Chairman? Have they been increased for '84-85?

**HON. L. DESJARDINS:** Yes, there has been a slight increase. The minimum for '84 rose from \$1.65 to \$1.70 and the maximum rose for '83-84 from \$2.40 to \$2.47, and it is on a sliding scale. It started in '75 with \$1.00 and it stayed from '76 to '79 to \$1.10; in '80, \$1.20; in '81, \$1.30; in '82, \$1.50; in '83, \$1.65 and \$1.70 - I believe it's 3 percent, is that it, the increase? 3 percent this year as per guidelines.

**MR. L. SHERMAN:** Mr. Chairman, has there been any continuing study or consideration given to an incorporation of the ambulance program and the ambulance service into the insured services spectrum, so that ambulance services and operations would be officially included as a part of the hospital program and covered as an insured service?

I recognize that this is a major initiative, if and when it is taken, and certainly requires a major funding

commitment. But ambulance service has been, from time to time over the years, from place to place the subject of some debate, some criticism and some unhappiness on the part of various Manitoba communities, urban and rural, including residents of the City of Winnipeg. I think in the minds of many of us there has been a long-term or medium-term ambition to elevate the ambulance service to levels comparable with the best and the most reputable in North America. There are two or three in various jurisdictions in North America who have tremendous reputations for response time and capability.

At the same time, there has been an ambition to move into a broader funding support for the program, broader support for users of the programs such as the coverage of the fees in the case of inter-facility transfers and even, as I say, the possible eventual incorporation of the program into the hospital medical system as a part of the hospital medical system and as an insured service. Are we 10 years away from that, Mr. Chairman, or one or two years away from it, or is it even a continuing subject in the Minister's thinking?

**HON. L. DESJARDINS:** Mr. Chairman, there's no doubt that this has been discussed periodically and it will be again. I think there's very little doubt that if it was just on the advisability of going ahead with that, that it would have been a program with probably the hospitalization a long time ago - it's just the question of dollars and cents, that's the main thing to put it bluntly - but I think what we announced yesterday, that we're going in a direction where we're going to have air ambulance which will be sponsored by the government, that is moving in that direction, in that area.

We must remember that many of the ambulance services in the States and in Canada are really sponsored, or if there are any grants it's mostly the cities and there is a charge and it's quite expensive in the States and other areas. Here in Canada, the only two provinces that run the program are B.C. and Ontario and I'm told that the cost in Ontario for the air and ground ambulance is \$108 million, so it's not cheap. Of course, the population is much larger than ours, and some provinces have no programs at all and some have some kind of grants, the same as we do.

I might say, by the way - this is probably a question that I'll be asked later on - there has been a reduction, but not in the grant itself. As I said, it's gone up. The total reduction, because of the special grant that we had for the City of Winnipeg for the amalgamation, I think was instituted during the term of my honourable friend as Minister, the amalgamation of the ambulance and the proposed amalgamation of the ambulance and the fire department in the City of Winnipeg.

**MR. L. SHERMAN:** The Minister has touched on a point that I was going to raise, Mr. Chairman, about the two-tier system and I ask him whether that concept is dead. But before I get to his response, it prompts another question from me. Surely he isn't saying that the inception of an air ambulance is going to ultimately mean that we're basically into aerial ambulance services in this province, rather than road ambulance services. Certainly the air ambulance, when it comes and when

it is in place, will be very valuable for serving northern communities and remote communities, but I would assume that we're still going to maintain a very comprehensive road ambulance system and, that being the case, I think my questions about insured services and about coverage for interfacility transfers, in particular, are valid questions. Surely the fact that we're getting an air ambulance doesn't mean that all those questions relative to road ambulance services are now on hold.

**HON. L. DESJARDINS:** Mr. Chairman, of course, I never meant to imply that the question wasn't a valid question at all and, again, the air ambulance is not going to take care of all of the problems or replace any programs that we have. The point I was trying to make is that ambulance will be available and it will be only as an ambulance, it will not be used by any Ministers or any department as such; that's the intent anyway.

The point that I'm trying to make is that we'll also prioritize, and we'll start with serving wherever an airplane is required for the Northern Program and also for that other program and maybe extend the area. But, it will also be used, as I said earlier, it is the intent anyway to be used for emergency anywhere in the province. There might be a charge of some kind, that has not been determined, but it will relieve, it will help the program in general because of that, because of the priority. But my honourable friend is absolutely right, it will not answer all the concerns or meet all the concerns or the requirements and, eventually it might be that the province might want to ensure the full program, that might come.

The only point I was making is that it is maybe a small step, but it's going in that direction because we will be accepting responsibility, at least in delivering the service in areas that we weren't doing before, so that will relieve the municipality and the individual. In other words, the cost will be a lot more than we're paying now.

**MR. L. SHERMAN:** The approach, in other words, has been prioritized. The direction has been determined and prioritized, and the priority is to get this air ambulance in place. Naturally, that will take some fiscal and financial commitment that will preclude doing too many other things for the moment to the road ambulance system, I understand that. Are there plans for the road ambulance system that would have grown out of the study of the two-tier concept we were looking at for the ambulance service in the City of Winnipeg, the amalgamation of ambulance and fire departments? Are there still plans in the works for regional training centres to train drivers and ambulance attendants to bring them up to levels of efficiency and capability in CPR and other techniques that will help elevate the whole road ambulance system to a higher quality level, or are all those things going to have to sit on the back burner now because of the decision to move ahead with the air ambulance and the necessary budgetary pressures that will result from that?

Is the two-tier concept dead and is the upgrading and training of ambulance crews - drivers and attendants - dead, and are regional training centres for rural ambulance services dead; are they postponed,

or is there some intention of proceeding, in any degree, with any of those ideas in the near future?

**HON. L. DESJARDINS:** Mr. Chairman, as far as the amalgamation, it is not really our right, I guess, to interfere with the City of Winnipeg, for instance, unless we are delivering the full program, not just by making grants. I guess we could put conditions, that will continue to be studied, but as far as the training and licensing, we certainly don't intend to drop that. This is a regulation, as I said earlier. We are reviewing the standards and the regulations.

I can give you some information also that since May of '82, the Commission had certified approximately 360 ambulance attendants and 174 Winnipeg firefighters as First Responders. In addition, 68 rural community volunteers have been trained as instructors to deliver the First Responder program to their local ambulance attendants. The majority of those ambulance attendants taking the 90-hour First Responder course, which requires both in-hospital time plus ambulance experience, are volunteers in their community ambulance service and have fully given of their time and effort to take this course.

Approval is being given to the Commission to expand its ambulance training capacity to enable it to continue with the development of the Emergency Medical Attendants I, II and III levels of training on a phased basis and to start the training at the EMA I level during '84-'85. So we will proceed with that.

To be honest with my honourable friend, I don't want to be misunderstood, I think that it would be great if the province could deliver all the service through hospitalization, all the ambulance service, the same as there are so many things we would like to cover under Medicare, but let's be practical. With the deficit that we have, with the added expenses we have in purchasing an air ambulance and so on, there is certainly no serious thought of running and financing all ambulance service in Manitoba at this time.

**MR. CHAIRMAN:** Item 7., line 3—pass.

Line 4, Northern Patient Transportation Program - the Member for Fort Garry.

**MR. L. SHERMAN:** Are there any changes in the Northern Patient Transportation Program structure and method of operation contemplated in 1984-'85, Mr. Chairman, or is everything going to remain fundamentally the same while we move into the air ambulance concept?

**HON. L. DESJARDINS:** It's pretty well the same program and just following the guidelines of an overall 3 percent increase for the program. There is no change so far in administration but, of course, it stands to reason that it will be a review of the whole program to get ready for this new air ambulance.

**MR. L. SHERMAN:** The four local committees still operate from Thompson, Flin Flon, The Pas and Churchill, is that correct?

**HON. L. DESJARDINS:** Right.

**MR. L. SHERMAN:** And the decisions essentially are made there by those committees, with respect to the

transportation to be made available to patients requesting it, or doctors requesting it on behalf of patients.

The funding that's provided to those four local committees for administration by those local committees is only a part of the overall NPTP budget, of course. Some of it, I guess, is administered directly by the Manitoba Health Services Commission, and I wonder if the Minister could just give me a breakdown of the requested vote, \$2,795,900 for '84-85. How does that break down in terms of the amounts to be administered by MHSC and the amounts that would go to the four local committees for operations of their programs?

**HON. L. DESJARDINS:** Yes, of the \$2,795.9 million, \$1,309.8 million is administered directly by the Manitoba Health Services Commission for payment of emergency transport and urgent hospital transport, and \$1,486.1 million is administered by the four local committees as located.

Then the further breakdown of the communities for the comparison of '83-84 that I'll give first and then the '84-85 that we're requesting at this time: Churchill 59.5 going up to 61.3; Flin Flon 313.3 going up to 322.7; The Pas 303.6 going to 312.7; Thompson 766.4 to 789.4 and that's exactly 3 percent for every individual one.

**MR. L. SHERMAN:** Mr. Chairman, I broached this question in question period with the Minister, but I'd like to ask him for the record for this stage of Estimates discussion.

When the new air ambulance comes into being and he's hoping for perhaps an April 1, 1985 target date for that, does he anticipate integrating that into the Northern Patient Transportation Program and effectively essentially maintaining the Northern Patient Transportation Program the way it exists at the present time, or are he and his advisors really looking at a recasting of the whole concept of emergency transport and evacuation for Manitobans requiring it, based on the new air ambulance?

Are they really looking at 1984-85 as a transitional year or does he envision the Northern Patient Transportation Program continuing in the future the way it is simply integrating the air ambulance into it, or are they already at work on a whole new concept for air transportation for medical patients in Manitoba that would completely supplant NPTP as it exists at the present time? How far are they along in their thinking on this?

**HON. L. DESJARDINS:** Well, Mr. Chairman, Miss Russell, who is the director of our program, has been researching and working on this now for - probably before that also - but at least the last couple of years, and since the decision was made to purchase the plane, she's received assistance from senior personnel at the Manitoba Health Services Commission. I think it is a two or three-pronged study.

First of all, it'll have to integrate certainly the programs that we have now, but they will look at the emergency when it could be done. In other words, we'll try to get our money's worth and the certain recommendations - I haven't got these recommendations as yet - but the

recommendations will be made, will be prepared that I'll discuss with staff and then bring to Cabinet at such time. But it will not, as was determined earlier, replace the programs. The programs will be integrated, but it will also be a question of priorities. I would imagine that the first priority would be an accident somewhere, where you can only get by plane or because of time, it would be advisable to go by plane, that would be the first priority no matter what the other programs are. It wouldn't be because we've had these, we've financed these programs, we'll go with that and we'll worry about the rest, not necessarily; it'll be a question of prioritizing and that, of course, will be a judgment call of the dispatchers also. I would imagine that's the recommendation that we'll make to Cabinet.

**MR. L. SHERMAN:** Notwithstanding the impending arrival of the air ambulance which will be welcomed by all concerned with this subject in Southern Manitoba as well as Northern Manitoba, Mr. Chairman, have there been any improvements in the existing Northern Patient Transportation Program during the past year?

A year ago the Minister will recall there were some very severe criticisms of the program - I certainly experienced some of them when I was Minister - but they resurfaced again a year ago and some of the most outspoken criticisms came from nurses in Northern Manitoba communities. They were provided a forum through the Manitoba Organization of Nurses Associations and a report at the time indicated that on average according to that nurses' survey in eight Northern communities, the province's emergency transport plane was not immediately available 36 percent of the time it was called.

The report at the time went on to indicate that Nurses were often forced to resort to commercial aircraft or make other arrangements to transport sick patients and that all in all the program was extremely unsatisfactory. There were several individual incidents reported and recounted on the record in the process of completing that survey, and it was found that many acutely-ill patients were put to gross inconvenience, sometimes probably dangerous inconvenience, as a result of the inadequacy of that service.

Now, we've got the air ambulance coming and that is a wonderful thing, but the Minister has indicated that the air ambulance will be an addition, an adjunct, and a very very valuable adjunct to the existing Northern Patient Transportation Program. I myself would agree with that. I would think that it should be aligned to it, made complementary to it, perhaps even integrated into it, but certainly that concept should not entirely replace the existing concept of Northern Patient Transportation as embodied in the program at the moment.

So, therefore, we're agreed that we're continuing on with the Northern Patient Transportation Program, the arrival of an air ambulance notwithstanding, and that leads us by definition to the requirement to ensure that the Northern Patient Transportation Program as such is shored up and reinforced in all its weaknesses and improved where improvements are required.

As I say, a year ago it seemed to be the subject of intensive criticism. I must say that I haven't either seen or heard similar critiques or similar complaints in recent

months, whether that indicates an improvement in the service or just a failure, and my communication is the question at issue for me, Mr. Chairman and, therefore, I raise it with the Minister now. Have there been some things done in the past year to improve the existing form and format and operation of the Northern Patient Transportation Program?

**HON. L. DESJARDINS:** Yes, Mr. Chairman, definitely there has been some criticism but I'm not ready to accept that all the criticism in the past has been valid. I think we could be criticized just as much if there had been abuse of the service, somebody that decided they wanted to come to Winnipeg to come shopping and so on, and there have been some suggestions at times that that might be the case.

Anyway, I don't think that's important at this time to argue this because the air ambulance, and that's one of the main reasons why we're going to go ahead with it, we'll correct all that because the nurses will be staffed, they will be coming from here, stationed wherever the ambulance is stationed and they will be staffing the ambulance and they'll stay with the ambulance so there won't be any necessity of displacing people from the North anymore. So I think it will be cheaper, not the cost of the permanent staff, but as far as the transportation. Anyway, it will take care of that problem that certainly seemed to be a problem last year.

**MR. L. SHERMAN:** But was much done in the year that we've just completed to improve the situation, or have the complaints and criticisms just tailed off as a matter of a normal cyclical thing, or frustration on the part of those who'd been complaining? Is the Minister aware of anything that was done through the Commission, through the Advisory Committee, to look into some of those complaints and correct them, or have we just seen a tailing off because people have gotten tired of raising the issue?

**HON. L. DESJARDINS:** Mr. Chairman, the only information that I can get, of course, is asking the Director to see to any complaints that were directed to the Commission and the information that I get is that it wasn't anything like last year but, as I say, that doesn't remain as important now because of the change and because all this will be taken care of anyway.

Again I want to explain that, automatically, because some people out there, because there's so much expectancy, first of all, how is this program designed. It wasn't an Air Ambulance Service and I took pains last year to make sure that every member of the committee understood that. It was transportation, assistance in transportation, and when we had a review in - I don't remember exactly what year - with these committees, because it used to be financed through the Department of Northern Affairs, I think - anyway, whatever it was, there was a change in 1977 and things have been improving since then.

I'll give you an example of some of the complaints which I don't think are valid. There was a youngster from the North who was here with a hockey team not too long ago and he was injured, a broken leg or something. He received proper treatment and

everything, but there was a big complaint because we wouldn't send him back on the plane because he was a resident from the North and he should have been able to travel in that special plane, and that wasn't that kind of service at all. The treatment was received here and getting back home was a different thing and there was no necessity to travel by plane. It was no longer an emergency once the service was delivered, so that's just an example.

I don't think, as far as I'm concerned, that I want to worry too much about the past because I think we did everything we could. These committees were set up and they certainly improved the situation; but in any of these programs, the more service that you render, the more expectancy there is out there, there's no doubt about that. But the main complaint last year, if I remember right, and in fact my honourable friend mentioned that that was the case, was the question of nurses trying to get back home to their base and so on. In emergency cases, we'll certainly use our air ambulance and, as I said, the staff will be attached to the plane. We'll have permanent staff of nurses.

**MR. CHAIRMAN:** The Member for Thompson.

**MR. S. ASHTON:** I have a few comments I'd like to make about both the air ambulance and patient transportation sections of the MHSC. I've chosen to make them at this particular point in time because I do think they interrelate quite considerably.

First of all, in regard to the air ambulance, I would like to indicate on behalf of my constituents, my pleasure and the pleasure of everybody in my community the the announcement the Minister made yesterday about the establishment of the Air Ambulance Service. It's certainly a major improvement over what we have at the present time, which essentially is a medical evacuation service.

I've received a number of complaints in the past from doctors and nurses in my constituency about the inadequacy of existing aircraft to perform many of the functions it's being required to do at the present time. This is going to be one way of getting over that problem, so I certainly welcome it.

I would like to echo the sentiments of my colleague, the Member for The Pas, in indicating my own interest in the site in which the aircraft will be located. I know the question has been debated in the past; I would hope that consideration would be given to locating it in the North itself, possibly in Thompson, since Thompson is the regional centre for much of the North and I certainly hope that question will be looked at.

My comments in regard to patient transportation relate to some of the criteria that are presently being used to assess whether people will be given assistance, and particularly whether they will receive assistance for either air transportation or bus transportation. As the Minister is no doubt aware, there is a set of criteria which do relate to that question and, while I realize decisions that committees have to make are difficult and that there are various grey areas with those criteria, I am a little bit concerned about the application of those criteria to cases where patients have to transport themselves to Winnipeg over a period of time on a large number of occasions.

I know of a couple of cases involving kidney patients, also a case involving someone who is receiving treatment for psoriasis in which those individuals do have to travel to Winnipeg as much as twice a week. Under the criteria, of course, if there's no medical problem related to any by-product from the treatment, they have to receive remuneration only for bus transportation. The problem that it creates for the individuals involved is that while technically they may be able to take the bus, it creates havoc, not just with their personal lives, but often with their work situation and it becomes actually impossible for them to be able to take the bus. So what you end up with is a partial subsidy which the individuals have to make up themselves from additional sources.

As I said, it's a small number of cases perhaps, but it means a great deal to the people involved and it's not a question of whether the criteria are fair, but perhaps a question whether the criteria might be reviewed to account for these particular types of cases. In fact, if I could say one thing in regard to the Northern patient transportation system, it would be that I would urge that there be such a review of the criteria to account for people in this situation.

I think, generally, combined with the Air Ambulance Service, and a new set of criteria for the patient transportation system, I think we have the potential to eliminate many of the present complaints and past complaints about the system that we have in operation at the present time.

I don't think it's a question of having to go that much further. We do have a service which is quite adequate in bringing people to the south when they have medical treatment or where they have to be brought here for emergency reasons, but there are a couple of areas, I think, which perhaps haven't been looked at in the past and, under the Northern patient transportation system, this is one of them.

To conclude, I would say that I'm sure we all welcome the air ambulance announcement and we do hope to see further changes, perhaps further improvements in the whole spectrum of patient transportation from the North to the south.

**MR. CHAIRMAN:** The Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, does the government make any effort to inform people that costs incurred in travel or accommodation related to health care requirements can be claimed as expenses under their income tax? For many people, this could make a very substantial saving in terms of costs.

**HON. L. DESJARDINS:** Mr. Chairman, I guess the answer would have to be no. We do get a lot of phone calls - or the Commission gets a lot of phone calls - and will answer the question, but we have no program of information.

**MR. B. RANSOM:** I don't think that it's a fact that's very widely known, Mr. Chairman. I think that a lot of people out there have probably incurred hundreds, perhaps thousands of dollars worth of expense in having, say in the case of coming from the North, of travelling to Winnipeg and staying in a hotel, expenses

run up pretty quickly. Even charging a mileage rate, if you're bringing your own car. This is something I have only learned of fairly recently and had I know of it, had my family known of it in the past, we could have taken advantage of it, but it just wasn't known. It seems to me that it's the kind of thing that perhaps some advice can be offered there, in terms of making it better known to people even if it isn't directly within the responsibility of the Department of Health and the Health Services Commission or the ambulance service or whatever.

**HON. L. DESJARDINS:** Mr. Chairman, I certainly wouldn't quarrel with my honourable friend that maybe that information should be given, but I have doubts that this would be the proper way to go through the . . . First of all, the income tax is a federal jurisdiction, although we collect income tax also, and the Manitoba Health Services Commission is certainly not in that business, they just provide and finance the operation, the service. But it could be that government as a whole could have a look at that to see if our citizens of Manitoba could be better informed. This is something that we could look at, but I have little hope that should be done; I don't think that should be done, let the commission decide.

**MR. B. RANSOM:** Well, the government does a lot of advertising, Mr. Chairman, they spend billions of dollars advertising programs that are really just trying to polish the image of the government and they don't have any direct benefit to individual people. But surely somewhere in the government, then, there is a place for providing this kind of information to individual people which will help them save money.

I believe the government is involved in situations where they may even have a service that helps people fill out their income tax. I am not certain of that, whether the government puts funds into that kind of thing or not, but surely this is the kind of information that is useful to people, it helps them to save money, and somewhere within the government the effort to inform people could be increased. I would hope that the Minister would mention that possibility to others in the government if he doesn't think that it's possible to do it within his own department.

**MR. CHAIRMAN:** Item 7., line 4 - the Member for Fort Garry.

**MR. L. SHERMAN:** I just have one other question on this subject, Mr. Chairman, and it might actually not come under this heading, it might be better looked at under the Medical Program; that is, the High Risk Newborn Transport Program. Is it the intention of the Minister and the government to make the new air ambulance part of that High Risk Newborn Transport Program?

It was my understanding that program essentially is a road ambulance, a road transport program, and that at least one ambulance for the transportation of high risk newborns has already been equipped and put into service. The intention is to have a broader capability, a broader range of vehicles and services than that, but I believe that is the point at which the service stands at the moment.

Would this air ambulance be incorporated into that service, or would that service be made part of the Air Ambulance Program, or will there be any change in the plans to develop a proper High Risk Newborn Transport Program resulting from the decision to go into an air ambulance?

Further to that, I might add as a sub-question, will the expenditure that will be involved in going into an air ambulance mean that we can't proceed faster and as quickly and as far as we would have liked with the High Risk Newborn Road Transport Program?

**HON. L. DESJARDINS:** Yes, that is the responsibility, that comes under Hospitalization, but I have no hesitation in saying that will be one of the first priority to look at the air ambulance, and we certainly would expand the 80 mile - more coverage than we would have under this. Well, it is an 80-mile radius from Winnipeg now and this is something that definitely the committee has been asked to look at and that would be one of the first priorities of this new ambulance service.

**MR. CHAIRMAN:** Item 7., line 4—pass.  
Line 5, Hospital Program - the Member for Fort Garry.

**MR. L. SHERMAN:** There are a number of questions that I would like to address with the Minister in this area, Mr. Chairman, but I know also that a number of other members in the Chamber, particularly some of my own colleagues, have interests relative to this subject, and specific interest relative to hospitals and hospital programs in their constituencies. So I would just wish to say to the Minister that I want to look at his capital program with him and get into some detailed examination of this subject area but, for the moment, I want to defer to others in the Chamber who would like to raise specific questions of their own.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Chairman. First, to the Minister, I would like to publicly thank him for attending the opening of the mental home in my home town of Grunthal a short while ago, the official opening of it, and I want to say to the Minister I thank him for the kind words that he indicated and it was a pleasure having him out there. It was interesting enough some of the comments from the people afterwards said, "How come you're such good friends?" I said, "Well, some of us from time-to-time get to be good friends here." I just say thanks again.

In regard to the Capital program that we have before us, I would like to question the Minister on the Vita Hospital. Under his program, on Page 5, he has indicated, "Hospital replacement and addition of personal care home beds." I wonder if the Minister could indicate or clarify the replacement aspect of it in that category regarding the Vita Hospital.

**HON. L. DESJARDINS:** Mr. Chairman, we certainly hope that this will be resolved fairly soon. I must be honest with my honourable friend, it is up for architectural planning, but I must admit that certainly the members of staff and the people in their area are

not in agreement at this time. I think we have to solve the numbers of acute beds also - I think that's what the request was - and to make sure that there will be a doctor also, there is only one doctor now. So the discussions have to keep on at this stage and I would hope that could be resolved as soon as possible.

**MR. A. DRIEDGER:** Well, just further to that. The board has been patiently waiting, I think they made a proposal and there was possibly a counter proposal from the last time when I attended with the Vita Hospital Board at the Hospital Commission, and the Commission had a proposal of a lesser nature than the proposal that was forwarded by the Vita Hospital Board. Is the Minister saying that discussions are still ongoing or where it's at, because in my conversation with the chairman of the hospital board it appears that not much progress is being made. I wonder if the Minister could be a little bit more specific in terms of exactly where it's at. Is there still the difference that there was initially about the proposal from the Hospital Commission and the proposal of the Vita Hospital Board? I am not talking of the personal care home beds, I think there is flexibility to some degree, or agreement between the two, but it is the intensive care or the hospital itself that is a major problem.

I certainly want to speak in defence of the board's position on that. I think almost every year I have had the occasion to rise and plead on behalf of the Vita Hospital, the necessity of replacement. There have been many problems involved in that area over the period of time, but I think there is a necessity for having a good hospital service in the southeast area. I have mentioned many times the fact that many of our people at the present time are going across to the States for their services and it's working out relatively well, but when we look at the future and the condition of the building at the present time, I think there is need to act more positively on that, and we hope that the service of the hospital will not be cut down, which I think was a proposal of the Hospital Commission.

The aspect of the doctor, I think the board has been working very diligently on trying to provide doctor care on a more extended basis. The fact that possibly they have had some difficulties, as maybe many rural hospitals have at the present time, I think should not deter from the fact that if we had a good building there that it would be a lot easier to attract a doctor. The services right now are relatively antiquated and there is desperate need for replacement of the thing. I don't think even upgrading would serve the purpose, but a new facility out there would make it a lot easier to provide the kind of service that is required.

**HON. L. DESJARDINS:** Mr. Chairman, we are certainly ready to approve a new facility there, but there has to be more negotiation. I don't think that the right term is proposal and counter proposal. There are certain policies that have to be looked at, of course, and we will have to go with these guidelines and policies and the Commission will discuss it with them. There are certain compromises they could make but, I think, first of all, that we have to decide, and then we would have to approve the kind of facilities that we want in the area. I think that you have to be very careful in changing

- I think that many times the chief critic for the party has challenged the government and challenged myself to give the leadership and the change that we must have, and that is one of the areas that we feel that we must have more personal care homes in that area, not necessarily just acute beds. There could be a few beds for emergency and the proper medical care, but involve more of the community care than just the institutional care at this time. There are other hospitals that have to be used. In the rural area hospitals, the acute beds are not used.

A real problem will be the doctor who has been there for many years. If he ever leaves there, it's not going to be that easy, so I can't say too much. I am not going to negotiate at this time through here, because we've got the staff and now they will certainly have more authority, more directives than they had. That's why this was brought up in that category. I think it is to the advantage of both the Commission and the board at Vita to get together as soon as possible to get this thing advanced, so there will be more discussions.

But at this time, I can't really announce, because we are leaving it open, as I say, to see if we can compromise in some area and as soon as something is decided, I certainly would inform my honourable friend.

**MR. DEPUTY CHAIRMAN, H. Harapiak:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, I just have one further question then. The board has been sort of waiting, I suppose, for some reaction from the Hospital Commission. Is the initiative by the Hospital Board at the present time to arrange a further meeting, or is the Hospital Commission going to get in contact with the board to indicate further negotiations on the aspect of it?

**HON. L. DESJARDINS:** Mr. Chairman, I'm sure, with the senior personnel that I have in front of me today who are listening to me that we will take the initiative and get in touch with the board to try to get together again.

**MR. DEPUTY CHAIRMAN:** The Member for Swan River.

**MR. D. GOURLAY:** Yes, Mr. Chairman, I wonder if the Minister could give a little more detail as to what he means by hospital upgrading and expansion at the Swan River Hospital.

**HON. L. DESJARDINS:** Mr. Chairman, it is at the architectural drawing stage, and it is to replace a 53-bed hostel - which is less intensive care - with new 60-bed personal care beds. Now, it could be 40, 45 beds in the Swan River area when the district agrees where they should go. There are three different areas that are vying for the beds out there. Actually the total beds will be 60 beds, so there will have to be more discussion in that area also.

**MR. D. GOURLAY:** I appreciate that information and I thank the Minister, but under a different section it makes reference to - where is it here? - hospital upgrading and expansion with reference to the \$8.9

million that's referred to, separate from the personal care home beds.

**HON. L. DESJARDINS:** This is here to improve the emergency and out-patient department of the hospital to bring it up to a better standard.

**MR. DEPUTY CHAIRMAN:** The Member for Niakwa.

**MR. A. KOVNATS:** Thank you, Mr. Chairman.

Just something that's very dear to me, and I think that I missed it in the Air Ambulance Service and the acquiring of an aircraft. It ties in with the hospitals in the eastern Arctic, so if I can just ask a couple of questions on that. I'm sorry that I wasn't here to finish it off before, but it is concerning the Air Ambulance Service that the Minister has made some mention about.

I'm most most interested in it, and I was just wondering - and I hope the Honourable Minister isn't playing a game and making some suggestions that are not going to come about - that there are some plans made for the future of this Air Ambulance Service and that it will come about. But has the Honourable Minister made any arrangements concerning servicing the eastern Arctic with this Air Ambulance Service out of Churchill, because it all ties in together? Has the Honourable Minister made any arrangements with the Federal Government to help supply the cost of the aircraft, because I think that it could tie in with the eastern Arctic? In fact, the whole of that area can be worked in with the Department of Northern Affairs so that everybody in the northern part of the province can benefit from it. I think that the Federal Government should be able to come up with a few dollars to help pay for this aircraft.

I hope that there are some negotiations that have transpired. Can the Honourable Minister bring me up to date as to where the monies are going to be coming from, and has it been taken into consideration that the Federal Government will either pay for this ambulance aircraft or are the people of the Province of Manitoba going to be paying for that with no connection in the eastern Arctic at all?

**HON. L. DESJARDINS:** Mr. Chairman, first of all, I should say that the detail of the programs have to be worked out. They are being prepared now by a committee. That will have to be discussed at the department level and then approved by Cabinet. There is no doubt that we will continue to be as helpful as possible as we assist people from out of province in our hospitals, but it's certainly not going to become our first priority. We're not buying this airplane to service another territory. If it could be done in certain emergencies and so on, I think we certainly will look at it. But that plane is to service all of Manitoba. It's not just something that will be used in the North or for the North.

It has different programs, as we mentioned earlier, and we'll treat an emergency also. As I say, there might be some instances where we could be helpful to people that are not living here. We certainly intend to have this kind of humanity, but it doesn't become our first priority that we bought this plane to service the Territories that are not part of Manitoba.

**MR. A. KOVNATS:** It was in the form of a suggestion to the Honourable Minister - I know that the monies for the department are hard to come by, because the department is expanding and the costs are increasing all the time - I am suggesting to the Honourable Minister that he can get the Federal Government to pay for this aircraft. All he has to do is to be of some co-operation with servicing the eastern Arctic, which we have been trying to get some business, some association with the Federal Government because it's now being serviced, the eastern Arctic is now being serviced.

I know it's not Health, but the eastern Arctic is being serviced out of Quebec, and it's about time that we in Manitoba get some benefits out of serving that area, particularly to the northern part of the Province of Manitoba. I think that with working with the Federal Government, with having this aircraft that could service them as an ambulance, and they should pay for this aircraft. I think the Honourable Minister is going to be scrambling, trying to find money for the aircraft. I think all he has to do is go to the Federal Government, tell them that we will service the eastern Arctic and they'll write out the cheque. Is the Honourable Minister prepared to do that?

**HON. L. DESJARDINS:** I am certainly prepared to accept any cheque from the Federal Government and keep on asking for more, because I don't think they've lived up to the partnership that was first started in Medicare. But I am not prepared to make a new service that - it's very important to get any assistance, and we'll take it from whatever sources, but the main raison d'être of this new service will be to provide service that is not now available to the people of Manitoba. I would not want to tie up this airplane, because we're going to get paid by the Federal Government, and deliver a service from outside the province.

We will not refuse any co-operation. We will not refuse any help and I should have said that, pretty well automatically, any program that we have, we're going to seek some assistance from the Federal Government. We should get some anyway for some of the cases. I think that is the case now, but the point I'm trying to make is that we cannot make this service, I mean it's not an industry or we're not the Department of Tourism or even trying to create jobs - that's not the case. The case is we're trying to give proper health care for the people of Manitoba and that will remain our first priority.

We would certainly be defeating the purpose, even if we were paid large sums of money to service the people of another territory. It is possible that that would not be in our department; that would be the Department of Industry. If there's a business that we can start, that's something else. This is a Commission that will have this service to be able to help the citizens of Manitoba, No. 1. We will not do anything that will tie up the airplane when it is needed, at the expense of the people of Manitoba.

Any other co-operation that we could give, we'd be glad to do.

**MR. A. KOVNATS:** Not to pursue this any further, but if the Honourable Minister would just consider it and we're not going to tie up that aircraft that is going to service Northern Manitoba; might I suggest to the

Honourable Minister if he's going to get an aircraft free from the Federal Government because of the negotiations, let's get two aircraft. Let them pay for one and we'll pay for the other.

**HON. L. DESJARDINS:** I don't want to pursue that too long or to keep on in this vein, but I know that we've offered in the past to deliver service. For instance, the Federal Government years ago felt that they should not deliver health care to the Treaty Indians and they requested the province to do it.

There was a White Paper - I don't know exactly what year, '68 or something like that - Mr. Chrétien brought in and they were going to pay at the time and Manitoba and since then repeatedly, under different governments, has stated to the Federal Government that we were ready, if they were ready to accept the responsibility of paying, we would be only too pleased to deliver the services to these people that should have been their responsibility.

It's a long story. I guess we all know how this ended up. The Natives at the time felt that they wanted to keep the - well, both governments actually, but the Federal Government responsible - now, unfortunately, the Federal Government in many cases, they're not delivering the service, they're not paying it and because we're closer and because we feel that we have that human responsibility anyway, we'll end up delivering services that are not our legal responsibility, anyway we feel. We're not getting anything from the Federal Government at all, so we will not turn down any co-operation at all, but our first priority is still our people here in Manitoba.

**MR. A. BROWN:** I suppose in this issue we could be all over the ballpark, but I would like to start off by expressing some of the concerns that have been expressed to all of us.

One of them certainly is of the long waiting periods in some of the hospitals for elective surgery or even sometimes for emergency cases which have to take quite some time before they can be accommodated.

I wonder if the Minister could give me a rough idea of how long a waiting period there is in some of the major hospitals - let's say the St. Boniface, the Health Sciences Centre and Brandon especially where we've been receiving reports that there was an exceptionally long waiting period over there?

**HON. L. DESJARDINS:** Mr. Chairman, we don't keep the records of time of waiting period or a list of the people on the waiting list. I did confirm earlier, during a question period, I was questioned by the Honourable Member for Turtle Mountain and I did admit that there was too long a waiting period and that is being looked at.

Now there's not much more that we can do than what we're doing now in trying to increase, first of all, personal care beds to release people in these acute hospitals, secondly to speed up these hospitals, I think I announced yesterday, we're going ahead for instance in replacing the beds at Misericordia Hospital.

We'll go as fast as we can on that. We'll be relieving some of these beds through the Deer Lodge Hospital Program and then of course with some service, I think

we have to work with the medical profession and some of the services could be done outside the hospital. We could keep on like this but it's a different set-up completely. There's more demand than there has ever been before. The volume is increasing at a ridiculous pace.

I think that the only control that we might have on the cost going out the window is the question of acute beds. As I say, we're improving the situation. This is not a problem just because of this year, this is something that's happened because of what happened or didn't happen in years past. I'm not zeroing in on any particular time but it's an accumulation of different things. As I say, there's more in demand every day, there's more services, people are living longer.

It's, as was stated many times, a real challenge but there's not one answer. We're not going to just say, all right we have a waiting list, we'll build an acute bed for everybody. That would be ridiculous and it wouldn't be practical and it would be out of the question because of the cost for one thing.

So, I think it is a combination of different services. There is a change in dealing with the profession. It may be getting more other professions in the field to give some of the service, but we're doing everything we can to rectify that. There is a study going on - the place where we feel that we have more trouble is probably Brandon because of that because it has become more and more a regional hospital. There's more demand from the surrounding area and we're looking at that very seriously now. There's an investigation going on.

Excuse me, maybe I do have some information in Brandon anyway. The last that we had - the waiting list because of the situation in Brandon, that's the surgical waiting list. It doesn't mean that it's urgent, necessarily all urgent. Urgent was 152; elective 576; outpatient 361 and emergency they will manage to get the service somehow.

**MR. CHAIRMAN, P. EYLER:** The Member for Rhineland.

**MR. A. BROWN:** We realize that there is an ever-increasing demand for hospital beds and I suppose one of the reasons for that is that we have a population that is increasing in age. Eventually of course that catches up with you also and more hospital beds are needed.

I would like to ask the Minister now and I know that he has just placed a new CAT scan at the St. Boniface Hospital, but I understand that the one at the Health Sciences Centre is just about worn out and it's difficult to say how long that CAT scan is going to be able to be used.

Has the Minister made any plans to replace the CAT scan at the Health Sciences Centre? If he could tell me where it is going to be located and when he is planning to replace this?

**HON. L. DESJARDINS:** Mr. Chairman, yes there has been new facilities at St. Boniface with a new CAT scan that's working very well.

It is true that the one at the Health Sciences Centre is practically obsolete and since the one at St. Boniface has been used, there seems to be more of a demand to go to St. Boniface. It makes it very difficult for the

Health Sciences Centre. That is being discussed at which time, it's approved in principle. The situation is though how much money are we going to spend to set up a temporary set-up. This is what I've been questioning with the Commission and to have to move that later on, so this information I've asked the Commission to bring back to me and certainly - but there's no doubt in principle - approve for a second one at the Health Sciences Centre and in the very near future. I think any government will have to look at the third one which might be just a head scanner, like the other one is used for the whole body, in either one of the hospitals. I would think that we'll have to start thinking very seriously of Brandon, especially if we're going to have a regional hospital, that probably should be after we service the Health Sciences Centre when we start thinking of Brandon. That also will create more demand for beds and you have more doctors, also prescribe more operations and so on, so that's one of the concerns. I'm going to leave it at that.

That is one of the reasons why you have some of these waiting lists. All of these things have to be done together, but one of the better services that you bring in at times will cause demand for more service or more beds, also that we should remember.

**MR. A. BROWN:** I wonder if the Minister can give me some idea of what the price of a CAT scan is. Let's take the one at St. Boniface Hospital, for instance, you should know the price of that one. Could he give me an idea what the price is?

**HON. L. DESJARDINS:** I've got the one here in front of me at the Health Sciences Centre. I know that CAT scan equipment itself is about a \$1.5 million and the preparation for that is \$400,000 to .5 million and that's what I'm questioning at this time if it's going to be just temporary, that is something that we're looking at. It seems to be impossible to set it up exactly at a permanent site.

Now, St. Boniface was the same thing. The equipment was \$1.5, but there was an old wing before the cancer treatment and so on, and that was in excess - I think it was about \$3 million or something like that. The CAT scan is \$1.5.

I think that a CAT scan, just for the head CAT scan, is approximately half that amount, approximately \$700,000 or so.

**MR. A. BROWN:** I'm pleased to hear that the Minister is planning on replacing the one at the Health Sciences Centre and looking at the possibility of putting one in Brandon. We know that in some cases it's rather urgent that some of these cases be treated as soon as possible, especially when things such as brain tumour is suspected and you don't want to wait any longer than what you necessarily have to.

I know in Saskatchewan there are three CAT scans. Their population is approximately the same as ours and I know that all of theirs are busy all the time, they're utilized too, so I'm certain that three in Manitoba would not be too many at all.

The Minister may be aware of this, he probably is, but in my own particular area the CAT scan at Cavalier which is just a small community across the border,

approximately 2,500 people and so on, is being used fairly extensively by the doctors from our area. The charge that they charge is \$130 per scan and I'm very pleased to see that the Manitoba Health Services Commission is picking up that cost. This, I'm sure, is relieving some of the cost and some of the pressure that is being placed on the CAT scans at the present time.

I would also like to thank the Minister for putting in the ultrasound equipment for scanning a patients in the Winkler Hospital serving the Winkler and Morden areas, and I would just assure him that these things are greatly appreciated because they are used fairly extensively.

I wonder if the Minister has any idea as to how much these CAT scans are used in Cavalier, and I'm sure that there are some farther to the western part of the province. I forgot what the name of the town is, I know that there's another one there just south of the border. Does the Minister have any idea of how extensively these are used?

**HON. L. DESJARDINS:** I'll have to get the information. I have a sneaking suspicion that it's used too much; I think that you have to look at that side also. This is a very costly thing, it pumped a lot of money in the pockets of the profession. I'm not saying that is the reason why it be done, but there is temptation. The important thing there has to be a protocol to see who uses it. That is where, when we're challenged about the cost of that, that could be one of the most expensive things, all this new equipment.

You might have a situation that this should call for use of the CAT scan, where the others that you wouldn't because of the cost also.

Now, if you talk to a family and if they say, well, that's the only thing, I can only think of something, I don't think there's much hope, but one in 500 that you go ahead with this equipment. Well, what if the people are not paying for anything especially? They're going to say, well, you know nothing is too good, don't stop at anything. You can't say it's bad medicine or that's bad use of the equipment because there's still one chance in 500 that'll be helpful.

I don't think that the people of this country and this province can afford these kind of services. That is the challenge and these are the very tough decisions that we'll have to make someday.

Now, the important thing, and this is what we must set up in this country, in this province anyway, is the proper protocol to see who uses it and that has to be done by an independent group. The way it is I think it is done now at St. Boniface and at the Health Sciences Centre, but there'll always be an increased demand. I don't think that it is any indication by the way it is used to see if it's really accomplishing that much because at times it is used and it shouldn't be used, and as I say it is very costly.

Yes, in the States I think they have way too many. In Canada they're talking about one ratio to about 300,000 people. I'm sure that Cavalier, in that area, there are not 300,000 people. I can just imagine that it could be used for a lot of things that normally it shouldn't be used.

That is serious and it is not an easy decision to make and the guidelines will not be easy, but that doesn't

mean that we shouldn't endeavour to do something like that because we're going to price ourselves right out of the market with that. We won't be able to pay that.

So it's just a word of caution, yes, we need it. I'm told that now, if you want to know the difference between a head scanner and a full-body scanner, the head scanning is done about 70 percent of the time. If it's not in use as much, I'm sure that they will use it for other times which might be questionable.

The day that they opened I was out there for the opening of the CAT scan at St. Boniface and that was what? - at least a month ago, and they were already booked until the month of July, so there is a demand. The important thing I repeat is a proper protocol for the use of this equipment.

**MR. A. BROWN:** As far as I know these CAT scans across the border are really being used when they feel that there is possibly an emergency situation, something like a brain tumour, where they want to get this done as quickly as possible, and the facilities over here are tied up. That was why I was asking how extensively this was used because you've possibly had some idea because I don't think it's really used all that much, but it's nice to know that it's there anyhow just in case that there is some sort of emergency.

I wonder, has the Minister ever considered using some of these hospitals that are excellent hospitals that have excellent staff and I maybe should refer to the Winkler Hospital where we have a very good surgeon who really is doing a lot of operating in the Winkler area - Winkler, Morden, Carman, Morris. But using some of these hospitals where possibly the occupancy is maybe running anywhere between 70 percent and 100 percent, and relieving some of the pressure in some larger hospitals, because it seems to me that some of these hospitals, they're excellent hospitals, and yet they are being under-utilized. I wonder if the Minister has ever given any consideration to maybe directing some of the patients, let's say, gall-bladder operations or something which isn't all that serious anymore, to direct them to some of these hospitals so that we could make better utilization of our entire system.

**HON. L. DESJARDINS:** Mr. Chairman, if that could be done easily, it would be ideal, but that is something that our Research Department is looking at, but we must remember that we have the freedom of choice here in selecting our own doctor. Can you imagine, for instance, sending somebody from here to a rural setting when the doctor is here, the doctor wouldn't travel out there. That is one of the concerns.

One of the concerns also and I purposely won't talk about Winkler, but there are some hospitals in Manitoba that unfortunately because of a kind of a war with the medical profession that they will not refer anybody to certain hospitals. They would sooner refer them to the City of Winnipeg at the Health Sciences Centre. That we certainly will look at. It might be that we will have to curtail some of that freedom of choice to a certain point when there are facilities and proper staff in the rural and in the northern area, because that's one of the troubles that we have in selecting the staff and doctors.

We have a surplus of G.P.'s in the City of Winnipeg, and we certainly haven't got enough in many - it's a difficult thing to have them service the North and the rural areas. I should say that we are discussing that with the MMA and the College of Physicians and Surgeons. We are looking at that, and that again will be a tough decision. That will have to be arrived at to take advantage of that.

I foresee that we must have some types of hospitals, some regional hospitals that, of course, you're not going to have a cardiac surgery unit in Winkler or in some of these hospitals. I'm sure that's not what my honourable friend is referring to, but there are a lot of certain things that could be done definitely in that area instead of sending at least - I don't think you will ever see the people of the City of Winnipeg go in that area, you would maybe in a personal care home, but not when there is acute care and you need your doctor. Although it's possible maybe because of a waiting list for selective surgery, that that could be done in a certain area. We'll certainly look at that. I think in general the idea certainly has merit, and we're looking at the whole situation, but it's not a simple matter.

**MR. A. BROWN:** I think that is certainly one of the problem areas. We know that whenever a referral has to be made from someplace or other, it's always to Winnipeg. All I am really saying is that there are some hospitals which are under-utilized and possibly some patients could be directed that way, rather than have everybody coming into the city and creating problems.

That leads me to the emergency bed situation. From time to time, we run into problems when ambulances don't know which hospital to go to, because all the emergency beds available seem to be occupied. I am thinking in particular now of a case that happened about two weeks ago, where we had this emergency psychiatric care patient or that patient that needed psychiatric care, and no placement was found for her. She had to be placed in the Remand Centre and, over there, she tried to commit suicide. I'm sure that the Minister must be aware of that particular case.

I wonder, has anything been done since then. Is there any plan in effect at the present time so that when something like that happens that at least there is some kind of emergency care available so that we don't have to have this type of thing happening again.

**HON. L. DESJARDINS:** Mr. Chairman, I think that this kind of co-operation has existed for a number of years. Now it doesn't make it all-proof; at times, you haven't got the chance or the time to give this information out. There has been a co-operation between the different hospitals and there are phone calls that are going to different hospitals and, if it all possible, to ambulances when there seems to be a backup in certain hospitals. I think that some of these things happen so fast that you will always have some difficult cases like that.

I guess the best that we can do is try and organize this as much as possible, and trying to cut down on those as much as possible. Eventually if we can eliminate them, we would be only too pleased to do so.

Excuse me. I should say, that's not always the simplest - let me give you an example of one of the famous stories that appeared in the newspaper during that

period that they had nothing else to write about between Christmas and New Year's, the situation that there was a case of somebody that was taken to St. Boniface Hospital, and they weren't seen. I think it was for a delivery. They were saying, it's an emergency, and you have no room at all.

Exactly what should have been done, was done. They had all kinds of space in Victoria Hospital on that day and in two or three different hospitals, but you have to remember that these people had their own doctor, who has admitting privileges at St. Boniface Hospital. He happened to be there, working there, and this is something that will happen, maybe every 10 years, but I think they had five or six deliveries in half-an-hour and there was nothing going on in many other hospitals in the city.

It is still wiser at the time to have the doctors and not to have a confusion to have the patient go to that hospital. It might be that patient will be in a hall on a stretcher for a short time, but that is still safer than having to be transferred from one hospital to the other and not knowing where the doctor is and not expecting him in this hospital.

You know, the emergency at times, you're dealing with a difficult situation. There could be a catastrophe. There could be anything that happened, and you do the best you can. You try to have all the hospitals work together on that, but there definitely will be times, because of emergency, the service might not be exactly the same as it normally would be.

In this case, although there was a lot of space, a lot of empty beds - maybe not lots but some empty beds in some of the facilities - it was still deemed and I think that all the experts felt it was the wise thing to do to let them go with their own doctor and so on who was waiting for them at St. Boniface Hospital in this case. So there is an explanation for many cases, it's not always cut and dried.

**MR. A. BROWN:** My concern in this particular case was because it was somebody who needed psychiatric care. I was just wondering whether there was a bit of a problem, because I'm certain that these things don't happen all that often where you would be getting an emergency case of this kind. I was just wondering whether there might be a particular problem in that area, and whether the Minister had addressed himself to that particular problem so something like that need not necessarily happen again.

**HON. L. DESJARDINS:** I think I know which case my honourable friend is speaking of.

**MR. A. BROWN:** It was Mrs. Pogue.

**HON. L. DESJARDINS:** It is a very long explanation, and I don't think it would serve the committee that well to expose that publicly. I will be pleased to share the explanation privately with my honourable friend.

**MR. L. SHERMAN:** Mr. Chairman, I just want to check to see whether my colleague, the Member for Turtle Mountain, wanted to ask a couple of questions at this juncture. — (Interjection) — Yes, please do.

**MR. B. RANSOM:** Mr. Chairman, I have a couple of questions about the possibility of personal care facilities

in two towns in my constituency, Swan Lake being one of them, that had been in contact with the Commission and the government over the years, and Cartwright being the other. Perhaps the Minister could give me some information as to whether there is any consideration being given to those two requests.

**HON. L. DESJARDINS:** First, Mr. Chairman, the contacts, I'll have to get some information from staff. I wonder if there is any other question in the meantime, but I'll get the information as soon as I can. I have to get that from staff. If there are any other questions in the meantime, then I'll . . .

**MR. B. RANSOM:** No, I just had those two, if you can get the information.

**MR. L. SHERMAN:** Mr. Chairman, first of all, let me say, Mr. Chairman, that I am pleased to get the Minister's capital program, which he released to us last evening, and there are a number of items in it that are certainly welcome.

In fact, from the point of view of the individual communities and constituencies involved, all the items and projects that are cited in the program no doubt are welcome, although there will be some disappointments in some areas that their projects are considerably downstream in terms of completion dates, in terms of scheduled dates for getting into construction and completing construction; but, overall, the program announced by the Minister indicates his determination to do all he can to maintain the network of the health care facilities: Expand it, improve it and reinforce it on an orderly basis within reasonable budgetary demands and responsibilities.

I am pleased to see that a number of the projects which were close to the hearts of our administration, the Sterling Lyon administration when I was Minister, are still priority objectives for the current government and that the Minister intends to proceed with them.

One, in particular, that is of priority interest for me is the continued redevelopment of the Health Sciences Centre, and I note that the Minister's program makes mention and makes room for a major new phase of that redevelopment program which, when it was initiated by our government, was designed as a 10-year project overall.

At the present time, I think that most of the \$75 million first-stage commitment, the first five-year phase of the program initiated by our government has been committed and spent and much of that work is either completed or very close to completion. The visible evidence of the approaching completion of major projects in that component is there for all to see on any visit to the Health Sciences Centre campus or any trip past the Health Sciences Centre campus at the present time.

But the next five-year phase is now looming in front of us and I know there has been considerable concern as to whether the current government intended to proceed with that next phase. I take it from the Minister's capital program announcement last night, now in front of us, that it is the intention of the government to proceed with completion of that 10-year redevelopment program which would call for what at

the time was anticipated to be about a \$63 million or \$65 million expansion program in the second phase but now appears to be a program that would cost in excess of \$100 million.

I just would ask the Minister at this juncture whether his reference on Page 6 of his capital program with that \$100 million phase of the redevelopment program is in fact a reaffirmation of the five-year second stage of the 10-year redevelopment program that was entered into in 1979-80. We looked at a 10-year program that at that time was costed out in 1979-80 dollars at \$138 million. Of course, everyone anticipated that by the time we got to the completion of the program the cost would be likely double that in the dollars of the day, the day being 1989-90 because it was a 10-year program. Our first phase, the first five-year stage involved a \$75 million commitment. In terms of the 1979-80 dollars, the second phase involved a \$63 million commitment which would escalate with inflation.

Now the Minister makes reference to the fact that the next major stage or phase of redevelopment at the Health Sciences Centre will cost in excess of \$100 million and his report says on Page 6, and I quote, "That it should satisfy the construction and redevelopment needs of the Health Sciences Centre for many years."

So I would ask the Minister, Mr. Chairman, whether this in fact is that second five-year phase that we talked about when we introduced the initial 10-year program, whether the \$100 million to which he makes reference is really the \$63 million second phase expressed in today's dollar terms, or whether there are some changes and adjustments that have been made in the interim both to the redevelopment program itself and the second stage component of it and the amount of money being committed to it?

**HON. L. DESJARDINS:** Mr. Chairman, I suppose that one can say that it is in a way going in the same direction, although there were quite a few changes. As my honourable friend knows, there has been so much planning of that hospital over the years during my first term as a Minister, during the term of my honourable friend, and up to now there has been quite a few changes. For instance, we are not talking about beds here at all. We haven't approved any of the towers as yet. There will be a study and I think that again is following the advice of my honourable friend and accepting the challenge that we don't just look at bricks and mortars.

The services, what we are building now, is needed. That I think is the bottom of Page 5. Many of these things were the direction that the previous government wanted to go also, had announced. Now there has been an important change, the free-standing psychiatric facilities, that was changed. So it is somewhat, I think, in keeping with the spirit of what was done with the changes that were brought about by the planning and then the change of policy in this government. I don't mean necessarily because of different parties in government, but because of the challenge and the changes that we are talking about that we all seem to agree but nobody has the answer yet except that something has to be done.

I am talking about getting away from the bricks and mortars and institutions and talking about more care

in the community and getting the hospitals to work with the community integrated with the community. That is the direction that we could go with this. We know that this will go along with any change that we might have but we intend, the department is busy now getting the blueprint for the future, and that should be developed within a month or so where we feel the direction and the tough decision that will have to be made and that then will be presented to Cabinet for their approval.

But, in general, I would say that it is fair to say that this is somewhat the same direction that my honourable friend wanted to go with the big exception of no beds. We are not providing for beds at this time. That could go either way. I talked about the towers, but at least the emergency and these services that are needed so badly, no matter what, we are going to start with that. Also, the question of the free-standing psychiatric unit.

**MR. L. SHERMAN:** Well, Mr. Chairman, I want to say that I agree with the Minister's approach with respect to beds and respect to services. I think we all recognize that we cannot go on simply expanding conventional hospital structures in the form of the past. We have got to get away from building more and more beds and the process of more and more institutionalization of patients. We've got to get to the point where our health services are delivered in the community and in a way that keep people on their feet and in their homes in the community.

So I would second the motion not to go into a great program of construction of hospital beds. That isn't to suggest, for the moment, that we have enough extended care beds. We have got to get into programs that provide us with more extended care beds, with more day hospital beds, and with more enriched elderly persons' housing to fill that gap that exists at the present time, between those persons who simply need the guarantee and the security of some kind of nursing care, should the emergency requirement arise; but who, for the most part, are fully capable and fully desirous of maintaining themselves on their own and looking after themselves on their own and who are fully mobile and active, and those persons who have reached the point where they need the kind of care and attention that is available on an ongoing basis in personal care homes. That missing gap can be filled by enriched elderly persons' housing and I hope we can get into a more active and creative and co-operative kind of operation between the Ministry of Housing, the Ministry responsible for the Manitoba Housing and Renewal Corporation, and the Ministry of Health, in generating some new projects in that field.

As I say, we certainly need extended care beds, chronic care beds in extended care hospitals, but insofar as active treatment hospitals and active treatment beds are concerned, I fully agree with the Minister that we should not be pouring millions and millions of new dollars into construction of beds of that kind. What we need is to develop the facility for offering treatment, for making treatment available, for making speciality work available, for taking health out into the community, and shifting the onus of the whole system and the direction of the whole system, from illness to prevention. So, I concur in what he's had to say about

the philosophy surrounding the ongoing redevelopment at the Health Sciences Centre.

At the moment, certainly some bed towers need replacement, but we don't need to be looking at expansion of that bed capacity in general terms. We've got to have much more available for us though in the mental health field and the psychiatric field. The question of future development of psychiatric facilities at the Health Sciences Centre has been one that has burned continually, and burned in a largely unresolved manner, throughout the whole period of discussions leading up to the redevelopment program at the Health Sciences Centre, and now the actual progress of the development plan itself and the redevelopment work itself.

I note, just recently, the Minister was confronted with the report, apparently out of the Health Sciences Centre itself, praising the government for its plan to construct a psychiatric building, a psychiatric tower that would provide 115 psychiatric beds and provide both inpatient and outpatient care on the HSC Campus. The Minister, at the time that story appeared in the Free Press of June 2nd, indicated, in his view, that that announcement from the Health Sciences Centre was somewhat premature. I'd like to ask him to bring the committee up-to-date at this point on that subject.

The question of what we were going to with psychiatry and about psychiatry at HSC has been the subject of varying points of view, varying competing lobbies for some years. Have we resolved the question of future development of psychiatric bed capability and capacity, and psychiatric treatment capability at the Health Sciences Centre? Is there going to be a separate psychiatric bed tower created, and what are the finalized plans on that subject, or is it still being debated and disputed by the different component groups, including the board and including the Minister's Office and the Health Services Commission? Is the Minister in a position to report to the committee now, Mr. Chairman, on where we are headed in terms of psychiatry and in the context of Health Sciences Centre redevelopment?

**HON. L. DESJARDINS:** Yes, Mr. Chairman, I think my honourable friend is right when he says that what will be needed is extended beds. I might say to him though that Deer Lodge, when that is finished, will go a long way to provide that. We have approximately a mixture of about 285 beds at this time, a mixture of personal care beds and extended beds. But when that's finally opened within the next few years, that should give us 200 personal care beds and 233 extended-treatment beds.

Also, that, mind you, is a replacement, but the Municipal Hospital, which we're going to rush to proceed with as fast as we can, the same as Misericordia. We've instructed the Commission to go as fast as we can, because we think that these two facilities are needed, and both of them will be more a replacement of beds. In the case of Misericordia, acute beds; in the case of Municipal, mostly extended-treatment beds. I think the capacity was for 410, but they're approximately at 375 and they would go back to approximately the 400 when that is finished at the Municipal Hospital.

As far as psychiatry, I think that we already covered the reorganization of the department the way it will be

worked there. The psychiatry building will be a free-standing building on the site to the west of the Cadham Lab, and would provide approximately 124,000 square feet of space for both outpatients and inpatient care; approximately 115 to 120 beds would support services. This does not include the provision for Forensic Services which will add 40,000 square feet for a 40-bed program.

**MR. L. SHERMAN:** And is that, Mr. Chairman, intended to get under way fairly soon in the redevelopment scheme of things?

If you look at the Minister's Capital Program, he makes reference to a number of projects approved for construction starts at various times, during the next year to 18 months, and in that category of his report, he refers to four projects which don't include the psychiatric hospital. But later in his report, of course, he refers to the special feature of this year's Capital Program, that being the plans to continue with that major redevelopment and presumably the psychiatric hospital would fit in there. What does that suggest to us in terms of a schedule, in terms of planning for getting the psychiatric hospital in place? What does the Minister anticipate in terms of a construction start on that unit, Mr. Chairman?

**HON. L. DESJARDINS:** Mr. Chairman, I hope that the members and my honourable friends understand the way I've presented this program for the last few years and that was what was done before. It's a program, it's not a new five-year program every year. There's some repetition, no doubt. It is a program that we're always planning. We start, let's say, five years, on average, ahead of time, and I must explain again that when we talked about functional planning, that's all the authority that we have. This is usually done mostly with the department and in some areas, with the directive of Cabinet, mostly between the department and staff and that is the first year, there's no money involved at that time and that's all that it receives; but it's an indication that it fits in our plan. The second stage is architectural drawings and that could even take a full two years. In this case, let me say that it is a priority. Excuse me - I should say, and that must come back also to receive approval for actual construction and asking for tenders and so on and that could take - it might not even start in the year, as was pointed out, the year that we authorize it, but that is not necessarily the fault of the government. In most cases, it's not the government or the Commission. It is that things are not ready.

I can say, without hesitation, that as far as the free-standing psychiatry building, that is going to go ahead and it's going to ahead as fast as we can, but we think that it's going to take approximately, should be started construction, probably in 18 months or so. Of course, there's always a possibility, as I say, as we review everything every year, to push things a little further because of a priority or because of need of jobs, of something we're going to do anyway and other times, let's say, instead of having these valleys and peaks in the building construction that you might want to even things up and keep a nucleus of staff that will not leave the province in difficult years. That is taken into consideration also.

**MR. L. SHERMAN:** I'm very pleased to have that information from the Minister, Mr. Chairman. That's helpful indeed.

The question that I asked arose from two starting points. One was the statement by the President of the Health Sciences Centre or the Health Sciences Centre administration, through a hospital press release the other day, that the government was planning to construct this psychiatric hospital and the go ahead had been granted and at that point in time the Minister said that he wasn't prepared to comment, that he thought the announcement was a little bit premature.

The other point from which I started was the point that people have raised with me, the difficulty they have in getting psychiatric treatment at hospitals in Winnipeg and particularly emergency psychiatric treatment; and a question that I was going to ask the Minister was, why is there so much trouble? Why do people have so much trouble obtaining emergency psychiatric treatment at hospitals in Winnipeg and, of course, I know much of the answer to that question. I'd ask it for the record and ask it to get the Minister's opinion, but of course I know the answer to that, in large part, and that is that we need more psychiatric beds and more psychiatric facilities and, that with the pressures of today's living and today's problems and anxieties and urban over-crowding and all the rest of it, that society is encountering difficulties in maintaining its mental and emotional health to the degree that we would like to see it maintained and there's a great deal of pressure on these facilities and the facilities aren't there at the moment to respond adequately. So that's really the answer to those people who say to me, why is there so much trouble getting emergency psychiatric treatment at hospitals in Winnipeg?

But the overall answer, in the generic sense, must be provided by supplying more beds and more facilities and more professionals in this field and that's where the psychiatric hospital at the Health Sciences Centre becomes so important and that's why I wanted to have something a little more definite from the Minister, because he had indicated that the press release from the hospital itself was somewhat premature. I'm very glad to have that additional information from him to go with the reference made in his Capital Program, to this project.

He indicated in his Capital Program statement that approval has been given by the government now to begin architectural planning and design of the psychiatric hospital of HSC. Approval has been given to begin architectural planning and design, but that of course is a long way from construction. Now we have his best estimate and his stated desire to have construction of that hospital under way in 18 months, or within 18 months, all things being equal, provided everything goes well and we don't run into any roadblocks. That's worthwhile having.

We now know that as we face this challenge and this problem of providing adequate psychiatric treatment and beds for people that, at least within 18 months, there's something more coming on stream or getting under way, the shovels will be in the ground and not too long after that this new psychiatric facility should be in place, so that is a welcome initiative and certainly, in my opinion, represents one of the major components of the Capital Program that he has announced.

We have, of course, and the government of which I was a member played a considerable part in it because we had a good deal of interest in it and I have a good deal of interest in it. We have, over the past few years in Manitoba, added significantly to our spectrum of beds in the mental health field, to our capability to meet the problem of mental illness and emotional illness. We added psychiatric beds through Seven Oaks Hospital; we added the McEwan Residence; we added the free-standing psychiatric unit at Grace Hospital, but there's still more pressure for more and this will be a very welcome addition.

In that vein, on that same line however, Mr. Chairman, I'd like to ask, whatever happened to the 24-bed, 24-hour emergency walk-in psychiatric unit that we put in place at HSC? That was intended to deal with emergency situations. That was intended to save people in that agonizing trauma of suicidal depression, to get them over the hump, to get them through that terrible moment when their lives were endangered by their own inclination to suicide and get them through the crisis and put them in a position where, two or three days later, they could be restored at least to sufficient health and balance to take another look at things and get back into the community and take the kind of treatment that they needed for further recovery.

It was an emergency unit; it was a walk-in unit. It was developed in response to what were literally middle-of-the-night calls about people suffering mental anguish and fearing that they were in danger of taking their own lives and that seemed to me, and to our government at the time, although perhaps not sufficient, but to be a very helpful response to that problem. It seems to me that in the last little while there have been a number of cases of people who have not been able to get that emergency psychiatric treatment and so it leads naturally to the question of the status of that unit. Is that unit still in operation? Is it properly staffed and is it operating to the level at which it was designed to operate and, if that's the case, what is the answer at the moment? Is it just that these cases and these problems have become so numerous that they've overwhelmed even that unit in its ability to provide that emergency treatment?

**HON. L. DESJARDINS:** Mr. Chairman, the last question first. I must admit that this is a new one on me. I wasn't too familiar with this program and all I can say is that I'm told that is not functioning at this time. Why? I don't know. I'll try to get the information and bring it back to the committee. This is completely new for me.

Now, as far as I wanted to make something clear, when I said that the release by the hospital was premature, I wasn't saying that because I was disturbed. It is rather my fault because I did talk about this during the department, although I didn't want to go into detail at 11 o'clock at night when I'd been there all day. I felt that, as I said that night, there would be more detailed information when the capital program would come in. But it's practically impossible to talk about psychiatry in the department also without saying what might happen.

I think we have to be very careful when we say we need more acute beds for psychiatry. Both our provincial psychiatrists - with the addition of these beds of course

we're contemplating - and also Dr. Prosen tell us that we probably have enough beds provided that they're used wisely. Mind you, it comes to the same thing, more beds in a way, because there are more community residences in some instances, so it is just another piece in the total treatment.

What we're doing now - and of course the Pascoe Report goes in that direction with their recommendations - but we feel now that we know that we need at least these beds that are mostly replacement at the Health Sciences Centre, but I think what we need also are the facilities for treatment for the acute beds so we can take care of these people immediately. Then they do not walk the streets and they could be placed in different programs, but also a place where the service could be provided. With the reorganization that we've had with our own provincial psychiatrists also and at that the changes that were done by Doctor Prosen and the people at the Health Sciences Centre with this new building, I think that a day service or outpatient people coming in during the day also will be helpful. I think that's the answer. I'll get the information re that 24 hour service that I'm told is discontinued, I don't know why.

I'd like to try to give the information which certainly won't satisfy the honourable member re Swan Lake and Cartwright. I think there will be disappointment there but what we do, the direction that it's gone to the Commission, is that we looked in a certain region, we have guidelines for so many beds per population and depending on the population over a certain age and also native population, all these things are factors and that is our first priority in region.

We must remember when we insured a few years back we insured the personal care beds, many of these beds were built and in certain areas. Now, if at all possible, we do not want to build all the beds in one area. Of course, you have to look at the question of costs; that has to have free-standing facilities. There has to be enough beds, but not necessarily that in one area you build 150 or 200 beds. You try to get the people as close to home as possible as long as it's reasonable.

In the past an area would come in or a town would come in with all the people supporting it and say we want our beds here, but as soon as a smaller town or a village or a place like either Cartwright or Swan Lake say we want our facilities and we're not that rich yet, eventually I would hope that we can have the facilities in some important centres such as Swan Lake and Cartwright. They are not the biggest centres in the province, and there are many areas. For instance, I know that I've had a lot of representation from some of these French-speaking towns in the Red River Valley but their beds were all gone. I'm talking about St. Jean Baptiste and places like that that have nothing at all. But in the meantime we're starting with the region and then eventually, as they're needed, we're going to expand that in smaller places.

Right now, to go with the priority, we must follow what we're doing. There are some regions that haven't got the beds that these places have either, Swan Lake, Notre Dame and then Cartwright, Killarney and so on. It's not the first priority, but eventually we'll have to have another look at that and try to provide beds in these areas.

**MR. B. RANSOM:** Is the Minister saying that those regions now have adequate numbers of personal care beds?

**HON. L. DESJARDINS:** Yes, all in all, pretty well yes, in the region. Not necessarily a town in an area, but the region yes, as per the guidelines that we have. There were a few places and we're finishing that now. That was the first priority and we're getting close to the next step.

For instance, at Steinbach, for one thing there was a new area, but they weren't getting all the beds there, and we cut down - if you remember 5, 10 or 20 beds in that area - and then we built another area because that's quite a large region. We're pretty well close to being caught up with that policy. The next thing we would look at, Notre Dame de Loudres and Cartwright and Swan Lake, and these areas.

**MR. B. RANSOM:** Just so that I understand clearly, Mr. Chairman, the Minister is saying that the region area now has sufficient personal care beds, but when the requirement is not being met, when there's an additional requirement, they will then look at providing them in areas such as Swan Lake and Cartwright, which both have hospitals, and that's where the expansion would take place, and not in, say Notre Dame, in the case that relates to Swan Lake or Killarney, as it relates to Cartwright?

**HON. L. DESJARDINS:** Well, that's what I'm saying except with one correction. I'm not saying that now there's sufficient beds. There probably could be more beds but as per our guidelines and as we're going along in the different regions in the province, yes, they're not behind. When we meet that, the next step - because I would think that's one area that we probably need less acute beds and that's what I was discussing with the member who was talking about Vita. I think that we'll see more and more personal care homes, with maybe four or five beds, that could be as acute beds with the facilities for a doctor and so on, and less of these acute beds. We're not using the beds anyway.

The next step, after we've equalized that pretty well across the province - I'm not saying that there's sufficient beds - but as per our guidelines, they've reached their quotas and the next round will be trying to get new places in the region to equalize the beds as much as possible, and to bring the people as close to home as possible.

**MR. B. RANSOM:** This is the question I almost hate to ask, Mr. Chairman, but does the Minister see any threat to hospitals, such as those, that presently exist in Cartwright and Swan Lake?

**HON. L. DESJARDINS:** Without trying to single any one directly, I say if the system doesn't change, if there is more difficulty of recruiting doctors, for instance, that'll be a concern. If there's not better utilization in some of the areas, I think definitely that it would be good planning that some of these hospitals - I'm talking about acute beds now - would be reduced in beds, or even some of these hospitals would not be replaced. We would go in a different kind of a facility at this time

- they would probably be larger hospitals and regional hospitals - and try to get a system to bring more doctors together. It's difficult to recruit doctors for the rural area, and it is even more difficult to have a single place with only a single doctor for many reasons. It's not just the social life, it's being able to get somebody to replace them once in a while. It is being able to consult with their peers and so on. These are all factors that certainly will enter into a decision.

That's a possibility. I am certainly not guaranteeing every place where there is acute beds, we will replace them and keep them no matter what. That will have to be looked at.

**MR. B. RANSOM:** Are there hospitals in the province now in small areas or at least small hospitals that are threatened with the imminent possibility of closure?

**HON. L. DESJARDINS:** If my honourable friend is asking me if we have any plans to close any hospitals, no, not at this time. If he is saying that some are in danger, or when and if the time comes for a need to replace these beds, I say, yes. But there are no plans now that we are going after any hospitals to close them. There are no hospitals in danger, but we would have to really have a good look at any hospitals where beds have to be replaced, where the hospital becomes obsolete. There are no guidelines as such, we have had to look at every situation.

**MR. B. RANSOM:** The Minister is saying that there are no guidelines, but the government must surely have some kind of policy ideas that they would look at. If a hospital needs to be replaced, they would have to make that judgment on some kind of rational basis surely. Does the government just not have those guidelines worked out, because they haven't had to face the problem yet? What's the reason that the government can't give an answer then as to what might happen?

Because this obviously is going to be a concern to a great many rural areas who now have a hospital, and they see what they regard as a rather disturbing centralization of services. They would like, I'm sure, some kind of reassurance from the government.

**HON. L. DESJARDINS:** Mr. Chairman, maybe that was a bad choice of words when I say there is no guideline. I meant that there is no set thing that we'll say so many beds, it will have to be over so many beds as such. We are reviewing the whole situation.

I can only speak for myself, because I intend to submit a certain direction that I think the government should go. I think that we'll have to involve the community much more than just - it might be that the regional staff that we have working for the department now might work for communities. I think that eventually you might be forced with some compulsory legislation to bring that in, because it's not going to work with just a voluntary thing. I think a lot of that will be left to the choice and the priorities in the different areas. I think that we will have to go less on the question of institutions as we knew them in the past or a Chamber of Commerce thing, that this is an important thing for the town.

As far as the Department of Health, it might be that collectively any government - I don't think our

government is any different than others - will have to weigh everything and say this is too important for the town. But, for instance, we have already changed the situation in MacGregor and Rossburn, and we are planning changes in Gilbert Plains and Benito. We're going more to personal care beds with holding beds, beds that could be used for acute beds, with facilities for the doctor and medical care in the area. I think there will be more of that in smaller circles, I'll venture, and I'll take all the responsibility for that myself, not the government. The only thing it prevented in any province in Canada, I don't think it has been planning to go with these small hospitals. That's my own private opinion, in that you're going to have these small beds. I don't think that's good planning; I don't think that's good care.

I think, politically, that it's very difficult to close any hospitals. We know what happened to the Conservative Minister of Health in Ontario, it was impossible for him to do it and it might be impossible anywhere, politically speaking, but I think that if any person who has experience in that, will see that he'll have to plan for

the future a little differently and it's not just the institution of acute beds at times.

I should say that we're working quite well with some of these centres that I mentioned such as Rossburn, MacGregor, Gilbert Plains and Benito, where there either has been a change or we're planning for a change at this time.

I have some information for the Member for Fort Garry. I'm told that the Health Sciences Centre - that came before when the Pascoe Commission was working - operates the most vigorous 24-hour psychiatric unit in Winnipeg and it's backed up with inpatients in beds, and the staff unit is still operating under the short-term inpatient unit, with an expanded day hospital capacity. That's the information that was sent over to me, so I guess it's still operating at the Health Sciences Centre, and it's quite a vigorous program.

**MR. CHAIRMAN:** Order please. The hour is 5:30, time for the dinner recess. I am leaving the Chair and will return at 8:00 p.m. tonight.