

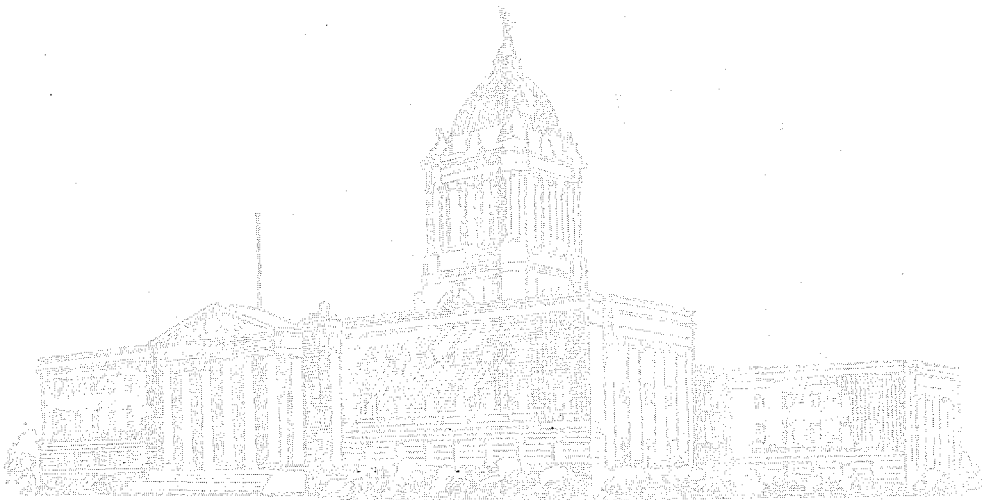


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



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THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, March 20th, 1962.

MR. SPEAKER: The Honourable Member from Emerson.

MR. J. P. TANCHAK (Emerson): Mr. Speaker, I move, seconded by the Honourable Member for Turtle Mountain that: Resolved that the government consider the advisability of raising the basic teacher grants in all school districts to a level comparable to the assistance given within a division.

Mr. Speaker presented the motion.

MR. TANCHAK: Not so fast, Mr. Speaker. Before I commence on my arguments I'd like to make a statement that whatever I say here tonight I'm not going to criticize the school divisions or oppose the school divisions because, as we all know, the school divisions are here and we're going to live with them. And I, myself, believe that the school division system in fact is better than most of the plans that were in existence before the school divisions had come in, although I know that all the members across and all the members of the House will agree that this wasn't something really novel because, as you all know, we had a plan in Manitoba under the former administration that was better than the school division plan. Now I can go ahead. Thank you.

Mr. Speaker, there have been great statements made in this House about what the government is doing for every child in the Province of Manitoba. I disagree with some of these statements and will prove to this House that the statement, "Equal opportunity for every child in Manitoba" is not true. And I'll endeavour to prove that the people who rejected the larger school divisions then should qualify for teacher grants enjoyed by these larger school divisions. And my argument will be based on four points. The first one will be "the unrealistic boundaries proposed." Now when I say that I do not say that all these boundaries were unrealistic, but quite a few of them were unrealistic. And you can't expect the people to accept boundaries which are unrealistic. Now let us examine the first one. I'm sorry, I should mention the three points. The second point was "equal opportunity for every child." The third, "scuttling the principle of centralization;" and fourth, "precedent set by the Minister himself" -- the Minister of Education.

We'll examine the first one, some unrealistic boundaries proposed. We know that this government in a burst of politically inspired energy formed the larger school divisions and some of them very unrealistic, and formed them, I should say, with very slight reference to the recommendations of the Royal Commission on Education. My recollection is that the recommendation was that school divisions should be so formed as to make them realistic. They were to be of a certain shape and a certain area and also every one of those divisions were to have a certain amount of assessment. Well, as Member for Emerson, I'm in a strange position. I feel very sorry for some of those people who have accepted these unrealistic divisions not knowing what they were going into, but I also feel sorrier for those people upon whom the government cast this net on the people who support the schools. Now I'll ask the Minister to look and examine the unrealistic division that was proposed and endorsed by him in the Boundary Division. "Boundary" is the name of the school division. Some members are confused with that and they've asked me in the past, "What do you mean by boundaries? Every school division has a boundary." The name of this school division, part of Emerson constituency, is Boundary. We know that this, as it was -- now I'm using the word "was" -- proposed in the first place was about 85 miles long and only 18 miles wide. I am sure that all of you would agree with me that this was not a realistic boundary. The residents of the proposed district considered this an insult unless they were required to build more than one high school in that division which is contrary to what the Royal Commission on Education recommended. The Royal Commission on Education recommended one high school per division as far as possible, or even two providing there were 12 rooms or more, and I know that the Minister will say that subsequently we agreed in this House to smaller schools than that. But still, this was the principle of this Royal Commission, the report of the Royal Commission on Education. That's the only way I feel that we could have improved our educational system in the Province of Manitoba.

(Mr. Tanchak, cont'd.) . . . .

Now the Minister of Education himself conceded that this boundary was unrealistic. He didn't say so in exact words but in 1961 when the residents of Piney district asked to be included in a remote area the Minister agreed, and I'll thank the Minister for doing so, but by doing so he himself conceded that the boundary proposed was unrealistic. If it was realistic the Minister would have stood his ground; he wouldn't have allowed Piney into "remote". Now, I am happy to say that Boundary Division is a little more realistic than it was before. So much for unrealistic boundaries.

Now we'll come to the next one, "Equal opportunity for every child in Manitoba." It's a famous phrase I presume coined by the Minister of Education, and then . . . .

MR. McLEAN: No, you can't give me the credit for that.

MR. TANCHAK: I said "I presume", but I am sure that the Minister of Education was in agreement with it. Equal opportunity for every child in Manitoba. I've heard that parity phrase from almost -- not every -- almost every member across, "Equal opportunity". I think that this is a farce. It isn't true. It's far from being true. I think it's political propaganda, because this plan does not provide equal opportunity for every child in the Province of Manitoba. You know it; all of us know it, so why say it? Why say it? I could use the phrase that the Honourable the First Minister used the other day. It's unparliamentary to call anybody a liar, but I suppose the ones who repeat that could say that of himself or herself; it isn't true. Does the Minister provide equal opportunity for the children in the proposed division of Boundary. He knows himself he doesn't provide equal opportunity. Does he provide equal opportunity for the children in Rhineland, proposed division of Rhineland? I am sure he doesn't. And there are other schools teaching thousands of pupils where this plan, and the Honourable Minister does not provide equal opportunity, and I say that we are far, far from equal opportunity for every child in Manitoba. Even if all the schools were receiving the same teacher grants it will still be far from that, because it is practically impossible to provide equal opportunity for every child in the Province of Manitoba. Take our division, 85 miles long. Many of these students would have to be transported if we had one or two high schools and we've got that in many areas in the Province of Manitoba. They have to be transported 15 miles, say even 10 miles. They have to get up much earlier. Naturally they will be more tired out than those students who live within hailing distance of the school, and if the Minister approves of high schools in these divisions which contain less than 12 rooms, how can you say that the students going to this four, five or six-roomed high school have the same opportunity for learning as those pupils who live in larger centres like the City of Winnipeg. It is absolutely false; it is not true, these pupils will always have a better opportunity, so why use that phrase? Now if you do want to provide equal opportunity for every child in Manitoba, or come closer to it, I would suggest that you adopt this tradition and you will be able to come closer to that. I would suggest that instead of saying "equal opportunity for every child in Manitoba" that you exclude the word "every" and change the child to "children" and it will be closer to the truth. As it is, it is false. I challenge the Minister to live up to this famous phrase and give every child in Manitoba an equal opportunity, not just lip service, but honest unbiased action.

Now I will come to my third point, centralization, and the Minister will vouch himself, he heard me speak before the vote was taken in the Boundary Division and he knows that I believed in this, I believed that that was the principle of that bill, centralization as I proved before that the only way to get equal opportunity would be to centralize, and the Royal Commission Report makes that statement too, but what did we do, or what was the policy of the present government? They allowed for approved schools in many areas of say five, six, seven rooms. I know many divisions who are presently building or have already built brand new schools in the same locations as high schools existed before the division, and some of them are only six, seven miles apart. I don't think that is following the principle set out by this recommendation. I say that the government by its policy scuttles the principle of centralization.

Now my fourth and final point is the one about the present Minister of Education starting a precedent. We all know that Dauphin-Ochre, as I referred to before, which the Minister himself says, was a superior plan to the division plan, but at the same time the residents of Dauphin-Ochre were required to accept or reject the division, there was a vote taken. The last vote taken was on November 6, 1959. They did exactly the same as the residents of the

(Mr. Tanchak, cont'd.) . . . . proposed Boundary Division. They rejected the Boundary Division and rejected, I think, in the ratio one to about four, or even five. But what happens after it? They rejected it. They were asked to vote, the same as we were asked to vote on the division, but the Minister afterwards qualified them to the . . . . . I say that this is discrimination. I don't think it's being honest with oneself. A precedent was set and therefore my people -- and I am convinced that we should also qualify. Mr. Speaker, I would like to say to the members of this House that they should examine their conscience, and I'm sure that all clear-thinking members will support this resolution.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Brokenhead, that the debate be adjourned.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 29. The Honourable the Member for River Heights.

MR. W. B. SCARTH, Q.C. (River Heights) presented Bill No. 29, An Act to incorporate Secured Investors Association, for second reading.

Mr. Speaker presented the motion.

MR. SCARTH: Mr. Speaker, the bill is somewhat long. The company sought to be incorporated. It's similar in all respects, as I understand, to the Investors Syndicate, which was incorporated in Manitoba, perhaps the Western Savings and Loan Association, and the idea of those incorporating the company, that its head office will be in the City of Winnipeg, that it will carry on business within the provinces of Quebec, Ontario, Saskatchewan, Alberta and Manitoba. I believe that every member in the Chamber is aware of how these companies operate. They sell what they call a certificate whereby you pay a monthly installment or perhaps a cash sum, and receive a larger amount or the amount with interest at the end of a given period. Over and above that, this bill empowers the company to carry on the loan business -- that is real estate loans, mortgage loans. I will not endeavour to cover every aspect of the bill but will endeavour to answer any questions that may be brought forward, Mr. Speaker, and as I say, if this bill should go to Law Amendments Committee there will be a representative of the company who will know every detail.

MR. GRAY: Mr. Speaker, may I ask one or two questions please? No. 1, is this a loan company? No. 2, why so many sections? They tell me when a lawyer makes a speech for two hours he has no case. No. 2, amount of their own capital; and secondly if they have capital why would they sell shares to others?

MR. HILLHOUSE: Mr. Speaker, speaking on behalf of the official opposition, we reserve the right to challenge this bill in the event of the Legislative Counsel advising the committee on private bills that extra-ordinary powers are being asked by the company.

MR. SPEAKER: Are you ready for the question?

MR. GRAY: . . . . . to go to Committee.

MR. SCARTH: Mr. Speaker, as I explained in the bill, it is a loan company that is empowered to lend money on the security of mortgages. Now I do not know what the Honourable Member from Inkster means by a "loan company". It is not a finance company, but it can, the same as the Great West Life or other institutions, lend money on real estate. 2. Why there are so many sections is the Legislative Counsel of Manitoba and, as I understand, the many experts, worked out a model bill for the type of incorporation of this type. 3. The incorporators are obligated, either by themselves or by themselves and associates, to put up \$500,000 in the first instance or such lesser sum not in any case under \$250,000 to become authorized to do business.

Mr. Speaker put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 31.

MR. DESJARDINS presented Bill No. 31, An Act to incorporate The St. Boniface Club, for second reading.

Mr. Speaker presented the motion.

(MR. DESJARDINS spoke in French, which will be shown in a later Hansard, with translation.)

MR. SPEAKER: Are you ready for the question?

MR. GRAY: Mr. Speaker, I would like to ask a question. 1. Whether they will have a

(Mr. Gray, cont'd.) . . . . bar there? And then on the end they say they want to get the right to borrow money, to lend money and so on. If this is a sporting club the only thing I could imagine is if somebody here is broke and needs a couple of dollars to go home, for a taxi.

MR. DESJARDINS: More of a sporting . . . . . than lending somebody some money. No I don't think the main object of this Act is to set it up as a loan company. It is a sporting club. They have to raise some money. They are active in boys work, mostly as you know, the Optimist Club, especially in St. Boniface. They have been very active in boys work and at times they have some financial situation that happens and they have to borrow some money for the club. It's just the ordinary act incorporating a club.

Mr. Speaker put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 41, the Honourable Member for Winnipeg Centre.

MR. COWAN presented Bill No. 41, An Act to amend An Act to incorporate the Winnipeg Better Business Bureau, for second reading.

Mr. Speaker presented the motion.

MR. COWAN: Mr. Speaker, the main purpose of this bill is to change the name of the Winnipeg Better Business Bureau to The Better Business Bureau of Metropolitan Winnipeg, so that the name of the Bureau will better represent the work that it carries on. The bill also sets out in greater detail the powers of the Bureau which are increased to improve and maintain the over-all ethical standards in which business is transacted in the community, acting in the interests of the consumer and of legitimate business, and to expose trade practices that are regarded as unethical. The bill also sets out in greater detail the powers and duties of directors; gives the directors powers to set up an executive committee which can carry on such powers of the directors as they decide by by-law.

MR. PAULLEY: Mr. Speaker, I am not going to oppose this bill going to second reading, but I would like to make a comment or two in regard to the objectives of the Better Business Bureau and the necessity of such an organization. It seems to me, Mr. Speaker, that it is very, very unfortunate that while we do not like to give to organizations such as the Winnipeg Better Business Bureau authorities which may approach that of law-enforcing agencies, I think that it's regrettable that an organization of this nature does not at least have some power. It seems to me that while the objectives of the Bureau are of the highest, that not much can be accomplished in respect of anybody who has been gypped by many of the glib salesmen that are traversing the highways and the byways of our province. All of us I feel sure have from time to time been told of individuals who have been filched and fleeced by salesmen. As a matter of fact, Mr. Speaker, just this evening I had a phone call of yet another person who had been approached and purchased an article. The purchaser unfortunately did not take the time out to read the fine print of the contract and as a result bought an article that is of practically no value at all for \$200 or \$300.00. You might say to me, "Well, after all, is not this the responsibility of the individual concerned for not reading the small print?" I suggest, Mr. Speaker, that it is the responsibility on us as we are going to attempt to do, I hope, in respect of our credit disclosure bills, to bring from the small print into larger print conditions of sales so that the public is fully informed, or at least are able to read more readily the terms of the contract.

Now I have had one or two connections with -- and drew to the attention of the Better Business Bureau and I appreciate the job they are doing. The remarks that I make at this time are not intended of any reflection at all on the objectives of the Winnipeg Better Business Bureau, but I have referred to them one or two matters, but the deed has already been done and there is nothing they can do about it. One case was the purchase of a whole volume of encyclopedias to the extent of \$450.00. A salesman, a very glib talker, talked this particular individual one evening into signing her name to a document for the purchase of the books -- as I say, to the degree of \$450.00. They contacted me the next morning after they woke up, almost as though they had a hangover from a night out -- wondered what they could do about it, so I phoned the Better Business Bureau and the gentleman there asked me whether or not the contract had been signed. I told him that it had. They said that unfortunately this now becomes a legal document and there's nothing we can do about it, except try and prevent a repetition. I then took the matter up with a lawyer and was told the same. However, by devious means, in this particular case, I was able to cajole the salesman because he had said, first of all, that he had mailed the

(Mr. Paulley, cont'd.) . . . . contract that night, that it had gone in to his head office and therefore he had no more control over it. However, using a sort of an under-handed approach to the salesman and to the head office -- as a matter of fact it was under-handed; I had to even threaten them insofar as other business was concerned -- but the contract was returned to the individual concerned and as a net result the \$450.00 cheque was returned uncashed.

Now, Mr. Speaker, this gives us an opportunity to draw this to the attention of this House and I suggest that we here in the province should take steps to give support in our legislation to the endeavours of the likes of the Better Business Bureau. They can't do it because they are an organization who don't have the power to do what I think is desirable here in the Province of Manitoba. Many of these salesmen are so capable in their salesmanship that they could sell igloos to the Eskimos, and yet nothing can be done about it providing a contract is signed. In many cases the guarantees that are given in the contract are absolutely worthless. In many cases the salesman who makes the original contract with the individual is only here for a short period of time and then they're away. The case that I was informed of this evening -- and I intend to have fuller details for the information of the House in a little while -- not tonight -- the case that I'm speaking of tonight was in connection with the purchase of a water-softener. The purchase was made a couple of years ago. The party concerned did not make any payments after an initial rather small down payment, had told the company that they wanted to return it. They were told that they couldn't return it because of the fact that they had made a contract, and there the matter lay for a period of a year and a half or two years, and now the individual concerned is being sued for recovery of the amount of money. So I say, Mr. Speaker, we appreciate very much the principle that's involved in this bill. We appreciate very, very much the work that the Better Business Bureau is doing but they have no teeth, and I would ask, Mr. Chairman, the sponsor of this bill -- and I don't know whether he's fully acquainted with the inner activities of the Better Business Bureau -- what results have they got when sometimes in our newspapers that there are misleading ads in the newspaper in respect to some of our businesses, and I don't mean our well-established businesses. Quite frequently any of us can read in our paper not deliberate falsehoods, but advertisements that could be construed as being somewhat misleading, and I don't suggest that our newspapers aren't doing a job because where they find these things they stop it, but I have noted ads of a leading nature where it would appear for a very minimum amount of money that you would receive the moon, and I am sure that the Better Business Bureau have had cases of this nature drawn to their attention; and I would like to know from the sponsor of this bill whether or not in his experience or connection with them, some of these points that I have drawn to his attention and the attention of this House, have been drawn to their attention because I feel sure from the experiences I've had with some of these individuals that it must be the case.

But the whole point that I wish to raise, Mr. Speaker, is that here again is another field of governmental endeavour that should be looked into. I say that the Better Business Bureau has not the power. I don't think it's desirable that an organization of this nature should be given the power. I think that we in this Legislature should insist, in all of these contracts, that the fine print should be exposed in order to protect. Sure, as I mentioned, it may be said that if an individual gets rooked this way, should we pamper them? Should we baby them? Isn't it their fault? My answer to that, Mr. Speaker, is a definite "no". Gullible people there are, and it is up to us to protect the gullible if it is within our power and I suggest it is within our power to do so. So I say, Mr. Speaker, certainly I'm not in opposition to this bill, but using it as a vehicle to draw it to the attention of this House. Another field, as I have done in respect to loan companies; another field where we as members of this Legislature can become better protectors for the people of the Province of Manitoba.

MR. GRAY: Mr. Chairman, before the sponsor closes the debate, I want to say that a good salesman sold me a membership to the Better Business Bureau. I realize that they cannot control all the salesmen that go round from house to house but there's one thing they do, and that's a good work, when anybody comes in to me selling me something, I say, "Just wait, I'll phone the Better Business Bureau." When I go to the telephone he disappears. This, in itself, is a great help. They surely couldn't do and protect everybody but I think they should be encouraged and . . . . . incorporation I don't know why they need it. If incorporation will help them, let's give it to them.

MR. SPEAKER: The member is closing the debate.

MR. COWAN: Mr. Speaker, I would just like to endorse what the Honourable Leader of the NDP has said, and the Honourable Member for Inkster, in that what is needed is that more people know of the Better Business Bureau and that the more that members of this House, the newspapers, radio stations and other people that have ways of getting out publicity, the more these people let the public know of the work of the Better Business Bureau, the more people will be saved from being fleeced by salesmen.

The Better Business Bureau tries to let people know that before dealing with salesmen who come from door-to-door that they should check with the Winnipeg Better Business Bureau, and if everyone did that there wouldn't be very many people fleeced in this area. So we must do our best to try and tell as many as we can about the work of the Better Business Bureau. Sometimes these contracts are not good contracts and sometimes the people can get out of them. Sometimes you'll find, as I did recently, a book salesman who sold a set of these books on a Sunday evening. Well that's a good reason to get out of the contract. And another time the salesman said, "Well, I'll send in the \$5.00 for you, the down payment for you," and they said, "No, we're not going ahead with this contract until we give you the \$5.00," but the salesman said, "I'll send it in for you," and anyway he did, although he didn't have the permission to do so, so in quite a few occasions these contracts that are signed through the efforts of these high pressure salesmen aren't good contracts and the people can get out of them if they get help.

As for what the Better Business Bureau do with regard to misleading ads: I think that generally the case is that they get after the person who puts the advertisement in the paper and generally, because of the publicity that the Better Business Bureau can give to these facts, the people correct the ads and stop the misleading ad. I don't think that they very often prosecute people but they do their best to stop these ads and in most cases they are stopped, because people fear the publicity that would result if the Better Business Bureau gave publicity to these misleading ads.

Mr. Speaker presented the question and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 42. The Honourable Member for Ste. Rose.

MR. MOLGAT presented Bill No. 42, An Act to incorporate The Missionary Oblate Fathers of Keewatin, for second reading.

Mr. Speaker presented the motion.

MR. MOLGAT: Mr. Speaker, do the members of the House wish the explanation in English or in French? I would point out that the bill particularly provides that this group may use two names: one, the one I just moved, or the alternate one, Les Missionnaires Oblats de Marie Immaculee du Keewatin. This is a religious group, Mr. Speaker, and this bill is following on a number of similar bills that appeared here in the House last year. In fact, this particular bill was in process last year but did not meet the time-table of the House and therefore had to be withdrawn.

A number of the religious orders have found that their methods of holding land which was either in personal title or in joint, or in trust, was not too effective under modern circumstances, and this is simply incorporating the orders so that they may hold lands and chattels and proceed with their regular secular affairs as a corporation rather than individuals in trust for others. There are no changes, I think, in their rights and privileges under the Act. In this particular case, this group is located in The Pas and is one of the leading orders in missionary work in northern Manitoba. I believe that covers the item. If there are any questions, Mr. Speaker, I will be very happy to answer them.

Mr. Speaker put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 26. The Honourable the Member for Assiniboia.

MR. G. W. JOHNSON (Assiniboia) presented Bill No. 26, An Act to amend An Act to Incorporate Trafalgar Savings & Loan Association, for second reading.

Mr. Speaker presented the motion.

MR. JOHNSON (Assiniboia): Mr. Speaker, this company was incorporated, I believe, last year by a special act, to provide funds for a secondary market, and it is now going to increase their holdings so that they become more effective in the secondary mortgage market,



(Mr. Johnson (Assiniboia), cont'd.) . . . . that is to say, loans on older homes and in rural communities. Now it also provides an investment opportunity through savings certificates at rates higher than chartered banks. A benefit for small installment investors. The increase in capital stock here will also permit the company to acquire if advisable, or thought advisable, the assets and business of smaller companies already operating in this field who, by losses due to fixed overhead, feel it advisable to sell out their business.

MR. ORLIKOW: I am not going to vote against this bill tonight, although I may in Committee or I may on third reading. It's not because I have anything specifically against this particular company. I suppose this company is doing the same kind of business as all the other companies in this field, but I think that the members of this House ought to be concerned at the tremendous increase in the amounts of money which the people of Canada are borrowing and the tremendous obligations which they are assuming, and companies such as this are playing their part. I'm not saying that they're doing anything which is illegal. Unfortunately the laws of this country make it very attractive for people to go into this business, and people who are in the second mortgage business are making fantastic returns on their money, of 18, 20 or more percent per annum, and this is coming out of the pockets of people who can ill afford this kind of return on their money, this kind of thing, but they have no alternative because the money situation is such that this is the only place that they can go to, but I want to say this. Here is a company which was incorporated last year with authority for \$5 million in its capital which this year is increasing to \$9 million, so I say, Mr. Chairman, that while I have nothing against this particular company, I certainly look with a good deal of pleasure on the whole development. It seems to me that the savings in the main will be made by the people who own the company and the loans will be made by the people who have to borrow the money, much like the Beneficial Finance Company -- the beneficiaries are the stockholders and the rest of the people suffer. So as I say, Mr. Chairman, I am not going to vote against it tonight, but I certainly take a dim view of this whole development.

Mr. Speaker put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Adjourned debate on the second reading of Bill No. 34. The Honourable Member for Lac du Bonnet.

MR. BJORNSON: I would ask for the indulgence of the House to let this matter stand, Mr. Speaker.

MR. SPEAKER: Order stand. Second reading of Bill No. 52. The Honourable Member for Souris-Lansdowne.

MR. MCKELLAR presented Bill No. 52, An Act respecting the Joint Operation of a Cemetery serving the Town of Souris and the Rural Municipality of Glenwood, for second reading.

Mr. Speaker presented the motion.

MR. MCKELLAR: Mr. Speaker, I'll just say about a dozen words here. The cemetery is located in the Municipality of Glenwood and the bill provides for the joint operation of the cemetery serving the Town of Souris and the Rural Municipality of Glenwood.

MR. GRAY: . . . . bill can . . . . the activities of the cemetery?

MR. MOLGAT: Mr. Speaker, I just want to note that I find it rather disgusting that my honourable friend who has so recently embarked upon one of the finer paths in life should be so early presenting a resolution on cemeteries.

MR. SPEAKER: Are you ready for the question?

MR. JOHNSON (Gimli): I think he'll make the grade.

Mr. Speaker put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Minister for Welfare. The Honourable Member for Selkirk.

MR. HILLHOUSE: Mr. Speaker, the only reason why I adjourned the debate on this resolution was to take a closer look at it to see with my limited knowledge of constitutional matters whether or no I could reach a decision as to whether or no such a resolution was really necessary. Unfortunately, Mr. Speaker, the amount of information that is given to us in this resolution renders such a decision impossible, because the only section in this resolution respecting which there may be some doubt as to constitutionality is in Section (b): "the payment of benefits under certain circumstances (i) to the widows and children of contributors who die; (ii) to former contributors who become permanently disabled. Now if we only knew the method

(Mr. Hillhouse, cont'd.) . . . . by which the Government of Canada intends to invoke the provisions of that paragraph (b), we could perhaps answer the questions as to whether or no they need a constitutional amendment. If they intend to deal with the matter on the same basis as an annuity contract, which is a contract between the contributor and the government, I would say that they do not need a constitutional amendment, but if they do intend in their Act to make a provision regarding inheritance, I would say that such an amendment would be necessary inasmuch as they would be dealing with a matter affecting property and civil rights. So for that reason, Mr. Speaker, not being able to reach any decision as to whether or no such an amendment, such a resolution is really required, and giving the benefit of the doubt to the Government of Canada because I believe that this will be good legislation -- it is legislation which we have asked for and which is badly needed -- I have great pleasure in supporting the resolution.

MR. FROESE: Mr. Chairman, I beg to move, seconded by the Honourable Member from Dufferin, that the debate be adjourned.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Committee of Supply.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable 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.

Mr. Speaker presented the motion and after a voice vote declared the motion 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 St. Matthews in the Chair.

MR. CHAIRMAN: Department of Health. We are now on the Health Service of the Health Division, Item 3 (e) - passed. (f) - passed. (g) - passed.

MR. MOLGAT: Mr. Chairman, on (g) I would like to refer the Minister to page 31 in the report he gave us. He mentioned this briefly last night. I note that since the advent of this government there's a very substantial increase in the chart that he gave us, and I wonder if there is any association between the two.

MR. JOHNSON (Gimli): No, Mr. Speaker, except what I guess is over-confidence in the nation. However, I know the measures. I think I spoke of this last night at some length. My information is that this is a little out of focus. It says in this particular report that this trend hasn't been noted in other jurisdictions, but my information is that it has. This is the level it was at around the early 40's and we think the whole problem is one of continuing education, as you know. I really can't give any other reasons other than that passed on to me by the department. They point out that the only way to combat this is to continue our efforts in encouraging physicians to make reports, to get at the areas in the province with extensive educational programs, to direct people to treatment early, and I think with all these types of illnesses, it's the type of world we live in today -- we're six hours by jet to London -- we have to be constantly on guard in this area.

MR. JOHNSON (Assiniboia): Mr. Chairman, may I apologize for not being able to keep up with the speed that we started off this evening, and I have a statement of the Honourable Member for Wellington, who is not able to be here tonight and would like this statement to be presented to the House. It's very brief. With your permission I would like to read it.

MR. CHAIRMAN: . . . . . service?

MR. JOHNSON (Assiniboia): It's under grants; it's grants to alcoholism.

MR. CHAIRMAN: Tuberculosis Service.

MR. JOHNSON (Assiniboia): Pardon?

MR. CHAIRMAN: Item (4) -- Tuberculosis Service?

MR. JOHNSON (Assiniboia): Yes, well it's under (5) -- (5) under (3).

MR. CHAIRMAN: We've already passed that; we're on number 4.

MR. JOHNSON (Assiniboia): Yes, I know, but as I say, Mr. Chairman, I am sorry and apologize for not keeping up with it.

MR. EVANS: The honourable member has a statement to read with regard to the matter of alcoholism. It would be appropriate under item number (5) and when you come to it you might allow the statement at that time.

MR. MOLGAT: We have no objection as far as we're concerned.

MR. JOHNSON (Assiniboia): Mr. Chairman, this has nothing to do and is definitely not controversial in any way. Have I the permission? As I said this is from the Honourable Member for Wellington who, as we all know, is a member of the Salvation Army, and I quote this statement from him:

"Mr. Chairman, I would like this opportunity to set before this House the quiet efficient work of the Salvation Army in this community, particularly in its latest venture, Harbour Lights. Last year the Salvation Army undertook the task of purchasing and renovating the Citadel down on Rupert Street. The total capital investment was approximately \$98,000 and it was anticipated it would cost in the neighbourhood of \$42,000 to operate it for the 13 months from November, 1961 to December, 1962. The two largest items are, of course, food and salaries. It always amazes me the amount given to the dedicated men and women of this denomination. For example, the nine persons at Harbour Lights received a total of \$12,500 in salaries for the 13 months under consideration. Dedication is the key note here, for without it the work in any field in which the Salvation Army is interested would not have been as successful. The Salvation Army believes the same as A. A., that the problem of alcoholism is essentially a spiritual one. Every evening, therefore, an officer of the Salvation Army brings a message of hope to the large gatherings of men who are present. We know that these men are not there to hear a sermon, no matter how brief, but to receive the food given to them when the service has ended. It is estimated that approximately 14,000 men have been at these services in the first four months and over 16,000 soup lines and other free meals have been provided to those in need. For these services, however, 169 men responded to the call and gave themselves in complete surrender to the full grace of God. Not all were alcoholics, however, and out of these 169 men, 73 were taken in as residents, and because of our limited space, 10 others were accepted as out-patients. While 29 men do not seem to be responding to the spiritual therapy it is rewarding to know that 22 have been rehabilitated and 32 others are responding to it. When one realizes that this has meant the restoration of five homes it makes one appreciate the effectiveness of this work. I have taken some of the classes in Harbour Lights and it is a wonderful thing to see these men sitting around quietly and attentively listening to the various spiritual aspects of the program. Some of them have had rather sordid pasts, involvement with the law -- they're all completely slaves to this terrible addiction of alcoholism. The Salvation Army does not consider alcoholism a sin in itself. It considers it the result of sin and here is where the spiritual aspect comes in. When an individual realizes that he cannot live his life without God and, being helpless in the clutches of an affliction he cannot control, throws himself upon the love and mercy of God, the great first step has been accomplished. When a man grasps hold of the great gift of God, miracles take place. Of course some of these men fall back; they are human beings, but they walk step by step down the path until the chains are completely cut asunder. The Salvation Army has no desire to compete with other agencies in this field. It has no other ambitions than to save the souls of men, but it desires to co-operate with everyone who is interested in this difficult area of society. At the same time the Salvation Army cannot stand alone either. It needs the help and goodwill of all, and here I would like to publicly thank the individuals, the business houses, some of the service clubs, the City of Winnipeg, and this government for their support. I need not tell you how much it is appreciated, nor need I stress that every particle of food that is being given to us and every dollar is being used to reach and care for these unfortunate people who are suffering from acute alcoholism. We pray for and strive to do even more in this field. Therefore we do hope that we will continue to enjoy your confidence and support and the co-operation of all who are concerned with this problem."

Mr. Chairman, I want to thank you and the members of this Assembly for accepting his statement.

MR. PAULLEY: Mr. Chairman, you went so rapidly when you sat in your Chair that we jumped two or three items just as we were opening our books. I would like to refer to section (f) dealing with the Manitoba Cancer Treatment and Research Foundation. I would like to hear a statement from the Minister, an outline on how things are progressing in respect of the new facilities of the cancer treatment, for after all, Mr. Chairman, while I appreciate the fact that we did receive just this afternoon, the report from the Foundation, nonetheless it is a fact that many people left their amounts of money that they had made as contributions in the

(Mr. Pauley, cont'd.) . . . . former hospital fund for this purpose and are vitally concerned with this, and they may not get the same documents as we received today, and I would like to hear a report, Mr. Chairman, from the Minister respecting this item.

MR. GRAY: Mr. Chairman, with all respect to my Leader, I think that we haven't finished (5) yet and the Honourable Leader of our Party speaks in connection with the next page.

MR. CHAIRMAN: We passed (5).

MR. GRAY: No, we haven't passed (5). I wanted to speak on (5), but we have not passed (5). I think we've passed only (4).

MR. CHAIRMAN: I think -- we want to be proper -- I think that the Leader of the New Democratic Party . . . . .

MR. GRAY: He's perfectly in order . . . . . we haven't passed (5). I'd like to speak on (5).

MR. PAULLEY: May I suggest, Mr. Chairman, that if my colleague has a question or two on (5) that he be permitted. The reason that I went to (6) was because we'd gone further than that with the question from the Leader of the Liberal Party.

MR. GRAY: Mr. Chairman, I take it, that we could discuss under . . . . . subsection rather than entire section (3) and if it -- last night some of the honourable members here have spoken almost on every subsection under section (3). I take it that once we are in the estimates

I cannot speak on seven subjects at the same time, so I'll probably make one or two remarks. My first question to the Honourable Minister is: Is it in his opinion can an increase of the grant to alcoholism rehabilitation program do more work than in present amount of \$65,000.00? It may be foolish on my part to raise this question every time because I am not a prohibitionist, but at the same time when they consider the health estimates and the grants and the tragedies, and when we read the daily newspapers of trials in the courts that almost everyone blames being drunk, blames alcoholism, and he commits an offence and goes to gaol. And when he goes to gaol for this seven days or a month, he comes out and we refer him to this organization for rehabilitation, and this organization has only \$65,000 to do a year's work, when the people of Manitoba, such a small population of 800,000 spend over \$53 million on alcohol. I think it is a disgrace and a shame. We cannot help it. We don't know. Yes, I have suggested many times two remedies. One is school -- more education on alcoholism and other vices -- I'll speak to it when we come to the estimates on Education -- and the other one is, rehabilitation societies. I think it's criminal that such an important program, where it's the ruination of thousands of families and thousands of individuals and money that they spend which they cannot afford to spend, and every bottle they buy they take away a meal from the home, more than a meal, they take away a week's meat, bread, vegetables, that's required at home. He hasn't got big wages. It's a crime to spend \$53 million and here we are so charitable . . . . . on an organization \$65,000.00. They either do something or let them go out and get somebody else and let the department do it. Naturally it's only education; we couldn't do anything else, the law is here. A man is drunk, he's being arrested, but that's not the remedy, and the main tragedy is after he comes out of gaol, after he serves his term for committing an offence of being drunk. So my first question is, whether the Minister can tell us in his own -- I know he is honest -- in his own conscientious way, whether he thinks that \$65,000 will solve the problem and what can we do of seeing that the people of Manitoba spend less than \$53 million on drinks?

MR. JOHNSON (Gimli): Mr. Chairman, I know this is a perennial problem and I seem to rise and say the same thing every year, but I do feel it's important to -- I think the education feature which the Member for Inkster brought out is probably the most important aspect -- one of the most important aspects of alcoholism today, and these activities, as you know, are carried out by the Committee on Alcohol Studies and Alcohol Education and then the other alcohol education group under that former temperance body. In this appropriation, as the annual report reveals, there is more and more understanding developing in this area. It is interesting that quite a bit more research is going on and a ward of some beds for research purposes is going to be in operation in 1962 in one of our major hospitals. The main thing is to develop a program and then see what facilities we need to make that program more effective, and there has to be, as the annual report points out -- and I have had numerous discussions again

(Mr. Johnson (Gimli), cont'd.) . . . . in the past year with the chairman of the board of the Foundation -- they feel that by reaching people who want assistance, this is the particular person they're trying to reach. Certainly their educational program is stepped up. There's a very excellent book being distributed widely recently, "Facts about Alcohol" in comic form, in sort of a coloured form that would appeal to youngsters to read, and has some very excellent points. But the occupancy of the facility there has increased. The former provincial psychiatrist is devoting full time pretty well to research and treatment and assistance with the group here and with the AA group. I feel, and no doubt in the future as this program develops we will be spending more money on this particular program. We must get more acceptance. Also we think the Harbour Light facility reaches a group of people in this area with support, and that has been recognized this year in these estimates with a grant of \$10,000 to assist them in the coming year.

I'd like to assure the Member from Inkster that I think we've come a long way. We may be possibly impatient, but in the last few years I think there has been more and more written in this province about alcoholism in the last five or six years than ever before -- seven years now. There's more and more understanding developing, but he and I, we know the answer is largely in prevention -- if we can do that -- in developing a program and acceptance of these people in acutely ill state into our acute hospitals which has been accepted, and we have to go forward in that spirit.

Turning to the Cancer Foundation --

MR. CHAIRMAN: . . . . . passed.

MR. DESJARDINS: Mr. Chairman, I'd like to ask a question on this before we pass that. I'd like to know the amount of the grants and who are receiving these grants under (5) please. The item that the Minister was talking about.

MR. JOHNSON (Gimli): Some of these grants are dealing with those agencies the Health Department deals with. Last year there was quite a long list as you recall, grants under charitable institutions. Pardon?

MR. DESJARDINS: Just under (5). Grants to Rehabilitation Alcoholism.

MR. JOHNSON (Gimli): Grants to Charitable Institutions --

MR. DESJARDINS: 3 (e) (5) The last thing at the bottom of page 15, last item.

MR. JOHNSON (Gimli): Well, this \$65,000 goes to the Alcoholism Foundation, the \$65,000.00.

MR. DESJARDINS: . . . . . will go to the Salvation Army?

MR. JOHNSON (Gimli): No, above that you see the \$40,000.00?

MR. DESJARDINS: Yes.

MR. JOHNSON (Gimli): Well, in the \$40,000 item there are a group -- I think I'll just read them out: The Canadian Arthritis and Rheumatism Society gets \$4,800 under this appropriation. This -- actually the Society through this appropriation plus the Medical Rehab and Vocational Rehab grant get a total of about \$35,000.00. They're expanding their itinerant service in physiotherapy outside Manitoba rural areas. The Canadian Mental Health Association \$7,500.00. The Heart Foundation, \$6,000.00. The Multiple Sclerosis Society, \$480.00. This is the grant for the rental of an office in William Avenue. The Retarded Children's Association \$10,000.00. The Salvation Army, \$10,000.00. And the Society for Crippled Children and Adults, \$1,800.00. This is just an old carry-over of a rental item. For a total of \$40,500.00.

MR. DESJARDINS: Mr. Chairman, may I ask the Minister if this is the only grant that the Salvation Army receive? Now I might be out of order but I imagine that the Minister might give me this. Is there anything else given under welfare or something to the Salvation Army to keep that shelter open? Or is that the only thing that the Salvation Army, this \$10,000, is that the only amount it receives from the government?

MR. JOHNSON (Gimli): Well, that's all in my appropriations, Mr. Chairman.

MR. SCHREYER: Mr. Chairman, could the Minister tell me where in the estimates the grants are shown towards the volunteer agencies working in the field of health? Like, for example, the Rheumatism and Arthritic Society. I believe there's a grant made to them.

MR. JOHNSON (Gimli): I just mentioned the Arthritis and Rheumatism Society here. If you recall, back on Rehabilitation we had money in there. Actually under the Rehabilitation

(Mr. Johnson (Gimli), cont'd.) . . . . grant there we support two major agencies, the Society for Crippled Children and Adults and the Canadian Arthritis and Rheumatism Society. These monies were traditional grants which they received for basic services when they began, and they were complemented under the Rehabilitation grant which we passed earlier. I can inform you that the Canadian Arthritis and Rheumatism Society through this grant, plus the grants they get under the Rehabilitation appropriation, total \$35,000.00. Then your society -- as you know, the bulk of that appropriation there -- and other than that -- and then the School of Physio and Occupational Therapy, which is starting up, has a grant under that Rehab vote, plus the Society. The bulk of it is the Society for Crippled Children and Adults, as you know.

MR. CHAIRMAN: (f) Cancer Treatment.

MR. JOHNSON (Gimli): On the cancer -- the Leader of the CCF has asked this; I think it's proper that I make a statement. This new facility they hope will open this fall. Last year, as you know, our appropriation went up substantially and again this year to over \$660,000.00. This is largely for the provision of additional staff, equipment, etc., especially to house and to be ready to operate the new facility as soon as it's completed. I understand the sub-base-ment is in and the steel girders are going up now. And in the report distributed to you in the front chapter it gives this year a very excellent story of the whole evolution of the Cancer Founda-tion, how it evolved from the old Cancer Institute, and this was split into the voluntary and the treatment section. There's also a statement in here re the Blue Cross disbursements. Now in addition to the Blue Cross disbursements, of course, we have budgeted as you know around \$270,000, or \$275,000 in grants towards this facility, matched by Ottawa, and that money plus the Blue Cross monies it is hoped will create this new building.

Some of the breakdown of the increases are much along -- for the same reasons as last year in that a new staff takes up about \$34,000 of the increase this year. And a very interest-ing thing, the isotope development where radioactive substances are purchased and treatment is rendered in a new facility in the new service wing of the General Hospital now. This is fully underway and additional monies are there for the supply of radioactive isotopes, around \$20,000.00. I think that whole department is over \$52,000 now.

There's increased charges with the new facility. We have to budget another \$10,000, for example, for more testing that may be done in the hospital. You know, they sort of -- the Foundation buys this service from the hospital for in-patients and out-patients. And radio-therapy; the department itself is going to be up about \$36,000 in the estimates, for a total of \$109,000.00. And about \$50,000 of this will qualify for insured services. In the past year as you know, the Cancer Research Treatment Foundation, was declared a facility of MHSP for the purpose of receiving federal reimbursement on these items, as many items as we could get federal sharing of.

And of course the new cervical biopsy service which has been approved will be an addi-tional expenditure in the coming year. This is a real step forward, I'm advised, in the Pro-vince of Manitoba.

The Cancer Grant, as you know, is a matching grant and we estimate the amount of money there this year which you see. One interesting thing I should share with the committee is the report I received just today from the National Research Council approving about \$73,000 in research projects to be carried out by individuals in Manitoba this year, especially in leukemic conditions and chemo therapy and so on. As you know there's an item in this; the Foundation here gives about \$13,000 to the Cancer Society who in turn go out for public funds and they in turn send their monies -- all provinces do this -- to the national body and that Re-search Council -- it's to prevent duplication of research work and so on -- picks projects out across Canada, and we've just been notified this evening of the -- I've got a letter here some-where -- about \$75,000 this year anyway. The equipment for the new facility has been ordered, some high energy radiation equipment, and I think the whole matter is in hand. It's being built with the Blue Cross monies, plus grants. There's a substantial sum there. We hope it will handle it.

MR. WRIGHT: Mr. Chairman, . . . . . Manitoba Cancer Treatment and Research Foundation and I feel especially inclined to do this because in the past I have been very criti-cal of the government's progress along the lines of free cancer treatment, but I do wish to pay honour to this Manitoba Cancer Treatment and Research Foundation and all the very fine people

(Mr. Wright, cont'd.) . . . . who have made this a very successful venture and I notice, Mr. Chairman, that the report of the Executive Director, Dr. Waldon, in his brief report to the Chairman says this. He points out the fact that this will probably be the last report to be published before embarking on the considerably extended program resulting from occupancy of the new building to include a historical survey of the establishment and growth of the Cancer Relief and Research Institute, the Foundation's predecessor. And to that end he asked Dr. McDonald to draw on his recollections of the early days. And I would just like to point out that cancer became a reportable disease in Manitoba in 1928 and under an Act of the Legislature Mr. Chairman, on March 31st, 1961, the provincial government incorporated a cancer group here; the Manitoba Cancer Relief and Research Institute was created by an Act of the Provincial Legislature in 1930, and in the report it's noted that the Foundation is looking forward, and as they say it will be a pleasant task in the next annual report to outline some of the new treatment concepts and programs that occupation of the new building will make possible. It seems appropriate, therefore, to review in the present report the history of cancer control in Manitoba which led up to the creation of the Foundation in September 1957, and whatever criticism we have had, Mr. Chairman, up to this point, we too will look forward to next year's report because it's a pleasure for us to see the eagerness with which this Foundation is looking forward to its duties in the new building.

MR. CHAIRMAN: (g) - passed?

MR. SCHREYER: Mr. Chairman, in (g); I think the Minister did speak on this point a couple of days ago, but I would like to ask a very specific question which he might answer at this time. In view of the fact that this disease is increasing in occurrence or incidence so startlingly, how does he justify the reduction of \$7,000 in appropriation? It's just a question which I thought would be of interest.

MR. JOHNSON (Gimli): Did you say \$7,000 reduction?

MR. SCHREYER: That last year the net appropriation from the province was \$24,000 and this year it's \$17,000, roughly.

MR. JOHNSON (Gimli): Oh, I see what you mean, yes. No, this is -- sometimes accidents happen to us that help us out financially here and this refers to the -- there was a readjustment of grants here -- I made a note page 248; now I've lost it; just a moment.

MR. SCHREYER: Maybe he could find it as he goes along.

MR. JOHNSON (Gimli): No, we have it here. The recovery from Canada on the expenditures on the VD during the fiscal period '48 to '60 were made from an annual allotment made by Canada for that specific purpose, and the province was obliged to match contribution, dollar for dollar. At the end of '60 one of the several changes made in the grant structure was the cancellation of the VD Grant as such. However, the allotment made to us under the general public health grant was greatly increased and we were permitted to draw upon funds provided under that grant for support of certain aspects of our VD program. If you notice there has been some increase in medication etcetera, at the VD Clinic which accounts for the increase in the supplies item under (g) (2). (g) (3), however, you see a much larger reimbursement this year. This was made possible by increased funds federally for this specific purpose. So we were able to -- and Canada agreed, for instance, to assist with salary costs at our VD office, travelling expenses, supplies to a maximum of \$12,000 a year, and the services supplied by the St. Boniface Hospital of around \$18,000 a year. Now these are items which we're able to get extra assistance on, so really the picture is in total not much different than last year except for about an increase of about \$2,700.00.

MR. GRAY: Mr. Chairman, may I ask the Honourable Minister what is the basis of the contribution from the federal government? That's number one. Question No. 2 is, has it ever occurred to you that while you have an amount to treat the disease, to discuss it with the Department of Education or with the Minister of Education, also the teaching of prevention? In other words enlighten those youngsters who are getting this dreadful disease.

MR. JOHNSON (Gimli): . . . . . embark on increased educational measures, Mr. Chairman, to try and reach the source of this infection where we think it originates. I think -- my information is on reading literature from other areas that for instance in the United States the same marked increase in venereal disease is occurring there as it is here. I think, too, that we've had a facilitation process going here in Manitoba for some time. A few articles for

(Mr. Johnson, (Gimli), cont'd.) . . . . instance were written in the past year by our staff in the medical journals which are read by doctors all over and they start reporting a little more. It's hard to know -- the facilitation process and notification is so important. This is the only way we can tell of cases that are treated other than the ones we treat ourselves. However, in our central facility in Winnipeg we have noted this increase. We have increased our educational program with certain gimmicks to bring people for early treatment, and this is really as my advisors tell me about all we can do. The grants -- a little more flexibility in short is being received in all but I think the Cancer grant and the Hospital construction grant, and possibly the mental health grant. We're getting more flexibility. They were all matching grants dollar for dollar and now there has been a little flexibility and in lieu of that we were able to utilize more federal funds for the treatment of our venereal disease program, and again out of some of the grant monies we get, as we come later on in the Provincial Laboratory, six members of that staff engaged in serological tests for syphilis. Their salaries, for instance, are paid out of the monies we're able to get under VD. With these federal grants we must submit to Ottawa the project that we're going to be using the monies for, and with this readjustment in grants made this readjustment in our estimates, but the program has not been curtailed in any way. You must remember, too, that the pre-marital testing for syphilis has gone on for some time in Manitoba. I think the report indicates the cases picked up this year and all those done, and we have all the laboratory facilities for any -- physicians all know this of course, to get proper testing carried out. We offer free services; we have follow-up services through our Public Health Nursing Division; we have this treatment centre; we encourage the facilitation process; we promote education. I just hope that we're able to reach more and extend our efforts in the coming year, but this is something we have noted for the last year or two as that graph indicates.

MR. GRAY: . . . . are the treatments given wherever they are in St. Boniface Hospital, are being treated privately or semi-privately? The reason I ask this question is that there might be some of those affected by the disease may be somewhat reluctant to go to the Clinic, and others may go to private doctors, and others may not report at all.

MR. JOHNSON (Gimli): Well, certainly one of the objectives in the whole program in our facilitation process and treatment is utter anonymity. We must have this in order to get the co-operation of the people who are seeking our help.

MR. CHAIRMAN: Item (4) Tuberculosis Service - passed.

MR. GRAY: Mr. Chairman, I notice that there is a reduction in the estimates and I am glad to see a reduction for the first time perhaps, because I take it that this reduction is because the disease has been more or less arrested and kept to the minimum, and I want to congratulate the previous government and this government of the progress they have made in the treatment of TB in the last 10 and 15 years. I am glad to see the reduction. I am also glad from information and private knowledge that the Department of Health in Manitoba are doing everything possible to eradicate this dreadful disease of Tuberculosis.

..... Continued on next page



MR. CHAIRMAN: Item (5) Maternal and Child Hygiene -- passed. (6) Public Health Nursing -- pass?

MR. SCHREYER: Mr. Chairman, this wouldn't be the item that has to do with the public health nurses out of the health unit would it?

MR. JOHNSON (Gimli): Here or under health units. It might just as well be here, Mr. Chairman.

MR. SCHREYER: Well, I was wondering if this was the item that has to do with public health nurses that work through or out of the health units.

MR. JOHNSON (Gimli): Well I think if I could explain, Mr. Chairman, it's under this item that are the -- I think it's 18 nurses in our central nursing department here. Under the health units are the nurses in the -- there's 84 -- 86 nurses in the health units proper under health units. This just covers the central nursing staff in the city.

MR. SCHREYER: Primarily what is the function of these 18 at the central location?

MR. JOHNSON (Gimli): These are the ladies or the nurses who carry out most of the educational program in public health nursing. For instance, organizing the light practical nurses courses etcetera, orientation of new staff; in-training of new staff -- when girls are brought into the department they spend a period of orientation with the chief public health nurse or one of her affiliates, and they affiliate nursing students from the University of Manitoba and nurses from schools of nursing; and, as I said, the administration and recruitment. They act as consultants and support to the nurses in the local health units across the province.

MR. SCHREYER: I suppose this would be as appropriate a place as any to raise the matter which has been of interest to me at least. It has to do with these people who are such severe victims of arthritis -- advanced stages -- that they are bedridden. Now as I understand it, they require home nursing periodically for purposes of helping them in exercises. Now the nursing service that's provided by the Society, the Rheumatism and Arthritis Society, is there only at the outset, that is in the first period of the advance of the disease if you can call it that, and then after that they withdraw this service. Some of these people, who as I say are bedridden, some attempt is made to show them or train them in taking exercise on their own, but often this doesn't work out and they have had to resort to private nursing services, and this can get pretty costly. I was wondering whether there is any sort of continuing program that would cover this? I know that the Arthritis and Rheumatism Society doesn't provide a continuing service and I don't know if the Victorian Order of Nurses is supposed to cover this. If they have to depend on private nursing, it can get pretty costly. I wonder if the Minister has had many requests to look into this?

MR. JOHNSON (Gimli): This is something the honourable member brought up, which is very real. As you know, in larger centres such as Winnipeg and Brandon, the VON have quite well organized services now and also our City of Winnipeg Nursing Division and so on. Through our central staff we, in the rural areas, with the greater availability in the last ten years or so of getting around, of getting into the areas with the development of health units and the concept of more of this care being rendered in the community, the patient can stay in his own home by the Canadian Arthritis and Rheumatism Society coming out, as the honourable member says, and getting the patient started on remedial exercises and so on, but the follow-up service is where we're lacking. We must expand into this area in the future, as I outlined in our Royal Commission brief.

We do need more and more nurses in the future as we are able to get them. The girls, I would report to the committee, the nurses at the local level are anxious, in addition to their public health work, immunization clinics, school clinics and so on, to do home nursing also wherever they can. This is something where we hope to go forward in the future. It would be facetious for me to try and say that we have enough public health nurses to do all the home visiting that could be done in the rural areas. With the organization of health units and the expansion of health units and the acquisition of more nursing staff, we would like to give more of this service. The bigger centres, where there are the VON's to complement the local public health people, it makes it more accessible. However, in this particular area we would like to know of these cases if they're in unorganized territory or outside health unit areas, because our central staff, in many cases where these requests come in, go out and look at the problem and see what might be done. Many cases in some areas do -- people with strokes lying at home

(Mr. Johnson (Gimli), cont'd) . . . and glad to be at home, anxious to be at home, not in receipt of any social allowances, etcetera, but requiring some specialized help in having a bath once a week, etcetera, these public health nurses would like to do more of this work. Again, it's hard to get graduates in nursing. We like them to take the year, the bursary we offer for a year in Public Health Nursing, and come with the department. It's hard to get young ladies into rural areas. They either get married at that age, and so on. The turnover, especially in rural areas, the further we go away from the central area, is pretty high. In my own constituency that has been the case and we have to, in the future, develop more of this concept within our ability to do so. This is one area where I must agree with the honourable member.

MR. SCHREYER: A question, Mr. Chairman -- just one. I would like to have it a little more clear in my mind. Is it expected of a public health nurse to do this home care, or is it something that they will do as a sort of a favour?

MR. JOHNSON (Gimli): The most important thing they do is the organization of the immunization clinics for the three months and on; pre-natal care; visiting the new born, the new mother; and preventative and public health work is their prime function -- their prime duty. However, as I say, if we can get more in the future, they would also like to do a little bit of home nursing to complement their program.

MR. CHAIRMAN: (7) Hospital Services -- pass?

MR. JOHNSON (Gimli): Mr. Chairman, this is a large item, the largest item here of \$10 million, and it occurred to me this afternoon that it might expedite matters somewhat if I distributed the sheet of paper which I think you all have a copy of and complement that with your little yellow book, the financial estimates of '61 to '63, to try and give you some idea what this is all about. If you turn to Schedule 13 at the back on Page 65, the back of the financial estimate book and then look at the sheet in front of you, you'll see that as per estimates in '62, which we are talking about, the premiums earned would have been \$19,573,000 under the old system. That is at the top of that page under estimates of '62. Below that you see the contributions from the government. Well this included, and you can refer to Page 18 for Item No. 2, and on Page 13 you see against 1962, Mental and TB cost \$6,463,000; direct cost of organized out-patient departments, \$340,000; provincial contributions to MHSP, \$3,175,000.00. This was the estimate -- this is Item No. 2 under contributions to the Province of Manitoba. Then you see contributions from the Government of Canada and your Third Party Recoveries, interest and miscellaneous income of \$8,500; and of course your Third Party was \$85,000; for a total revenue of \$40,137,000; which compares with the -- this would have been the revenue. Following that across and looking at the revised estimate, rather than \$19,500,000 you see \$12,848,000.00. Now that \$12,848,000 is arrived at in this way. The reduction in premium rates, accounting for say \$6,525,000, and the loss of revenue from extending the age limit of the student up to 21, which really hasn't been debated yet, but which is anticipated in the Speech from the Throne, should that occur this would mean that the loss of premium revenue would be \$6,725,000 which leaves a revised estimate of \$12,848,000, which is the figure under the revised estimate on this sheet. The contributions from the Province of Manitoba, you see of \$10,378,000.00. Now this \$10,378,000 is made up of the \$3,175,000 which was anticipated as this year's expenditure and which is the provincial contribution to pay the premiums of those who cannot pay and other costs, and the additional requirements from the consolidated revenue of \$7,203,000, for a total of \$10,378,000.00. Then you see the item, contributions from the Government of Canada, which are slightly higher than last year and this is because of an increase in shareable costs of \$57,500.00. Then Third Party Recoveries of \$85,000; interest and miscellaneous income of \$8,500; gives you a total of \$40,673,000 as the revised estimate over the financial estimates as tabled and studied previously.

Then under expenditure, under the hospital costs, shareable in-patient of \$36,850,000; against that you see an increase of \$36,960,000.00. This is made up of the \$36,850,000 as estimated, plus the costs of further insured services anticipated in the coming year, including certain biopsy services and extension of the home-care program. That comes to a total of \$36,960,000.00. Then the out-patient costs of \$380,000 which are up over the revised, and this is due to the extension of out-patient services, including physiotherapy in the coming year. The capital of \$990,000 is up a little bit. That's caused by certain grants that was felt advisable to make to three country hospitals to assist them in hooking on to the sewage in the

(Mr. Johnson, (Gimli), cont'd.) . . . community rather than continue to pay through the plan funds for digging up fields when a little further assistance like this would capitalize our obligation initially. This accounted for \$60,000 and the difference there. In the organized out-patients, this is up from \$300,000 to \$335,000.00 This is caused by the development of certain costs with respect to the pre-development school program at the Children's Hospital.

Now with respect to the administrative expenses, these are up \$70,000 and I have a list of the administrative expenses for the year -- development of a placement officer, accountant and some clerks. This gives the administration. The Commission on Municipal Collections is down because of course of the lowering of premiums and the 3% which municipal agents receive, so your total expenditure shows a surplus this year. We're anticipating a surplus on this basis of \$331,800.00. Now to clarify the honourable members, I thought to help them, I thought this little sheet would explain largely the problem that faces us.

Now I would like to show my honourable friends that with respect to the other major item here, if you turn to Page 12 in your yellow book, in '62 -- I think last year we spoke of the direct cost in out-patient services and special services and indirect costs. The direct costs are paid from the -- these are the matters which gives you the \$300,000 on non-shareable costs under the expenditure item here. Now further back here, the major item of \$278,250 is the provincial share of the out-patient grants to teaching hospitals in the St. Boniface Hospital and the General and the Children's. This is for certain costs which are not proper hospital costs and largely for the social services and other services at these hospitals. That, I think, explains that large item of \$10 million.

There is an item here of \$16,000.00. If you recall, we keep a little fund of \$10,000 here in case some emergent need may develop in which a proper charge can't be made through the hospital plan -- of a very minor nature. Well not much was expended last year I don't believe, but we thought we'd put it in for safety. There's another \$6,000 there. If you recall, last year we made a grant of I think it was \$18,000 to St. Boniface Hospital for a certain image amplifier. Special arrangements were made to purchase such an amplifier and we gave the Children's Hospital a similar grant. We gave them \$12,000 and their amplifier has cost roughly the same as the one at St. Boniface Hospital, so they have asked for a further \$6,000 which is in that estimate.

The Red Cross Nursing item that you see here was for -- the Red Cross was hoping to place a nurse to undertake generalized public health nursing in the Waterhen district. However, they were not able to get the personnel to take this position so they didn't think there was any possibility of starting this service this year and they suggested we leave it out for this year.

In the total picture under the hospital plan here as I've tried to explain it, if the honourable members will turn to Page 22 now in their blue book -- or the yellow book -- now I've lost it. Do you see my yellow book here? On Page 22, this will, I think, complete the picture for you. If you notice on Page 22, it was estimated if you recall that we would have a \$1.7 million surplus in '61. The annual report shows the surplus was \$1,974,108.18. The anticipated surplus in '62 was \$108,500.00. If you take the figure there for last year, 1.7 million plus \$108,000 for '62 and compare that with the actual surplus of \$1,974,331, you get a figure of \$2,305,000 as the total.

This deficit, as anticipated, at the end of '63 under the former system, would have been 2 million 382. This is on the present calculation. I think that will give you the entire picture of the financial story if you have been able to follow me. If not, I would be glad to answer any questions.

MR. FROESE: Mr. Chairman, I have a number of questions drawn up in going over the report of the blue book, and I'd like to ask the Minister these. I don't think I'll take them all at one time because he wouldn't be able to remember them probably. I see that in the report there are tables of what it costs to operate a hospital per day and the charges that are made against these costs. Now these vary from -- on Page 6 I think it is -- from the one to one hundred bed hospitals it is \$15.00 per day and from the 500 and over to \$21.00 per day. Now the new hospitals that are being constructed, in what category do they fall? Are they the large type of hospital which will cost more money to operate, or in what category do they come into?

Then on the matter of recovery costs, the third party liability, from whom is this recovered? Is it from the insurance companies, from the individuals, or how do they recover

(Mr. Froese, cont'd.) . . . it? Do they have to go to court cases in regard to recovery, and how many such cases have we? How many were there in 1961? I'll probably have these first then I'll have some more.

MR. JOHNSON (Gimli): There was \$80,000 last year in third party liability. They're collected from insurance companies who insure individuals for bodily damage and it has been dealt with extensively in Section 28 of the present act and the one that is being contemplated. This is a normal procedure. I haven't got the exact number of claims, although I may -- Third party liability -- no I haven't got the exact figures, but it's I think around \$80,000 a year -- \$85,000 a year that the Commissioner estimates he recovers in that respect. I think it is incumbent upon us, when we expend public funds to pay for the hospital accounts of someone who has insured themselves through a private insurer, to cover that particular matter.

With respect to the varying per diem rates, I couldn't get into that now in detail because it's the whole basis of the financing of hospitalization. The per diem rate in itself does not mean a great deal in the way financing of hospitals is carried out. The per diem rate isn't the thing that tells you too much. However, obviously the thing is that in the larger hospitals over 500 beds, in larger hospitals you do have the multiplicity of special services which you cannot place in the smaller hospitals nor would you. For instance things like radioactive, or radiotherapy or highly specialized procedures, it wouldn't be wise to duplicate such facilities in every hospital in the province. For instance in our province, the St. Boniface Hospital and the General Hospital are the only two hospitals where you have radioactive isotope therapy given and the cancer therapy that we've just been talking about, and very special tests of all kinds. These are reflected to a degree in the rates. There's so many things that go into a hospital. This sheet that you refer to on Page 6 is just a guide which has been brought up by the commissioner, which reflects the average cost per day in Manitoba hospitals. If people are out of the province or in other jurisdictions, although we now have reciprocity in every province in Canada, if people go outside the country it isn't felt that we should pay per diem in public funds for that care more than we should pay if the care could be given in this province. In other words, we couldn't begin to subsidize American hospitals. That just explains I think those two matters.

MR. FROESE: Mr. Chairman, on Page 10 we have listed the contribution that is being made by the Federal Government, and I am wondering is it because of this federal contribution that municipalities are insuring all their citizens? Is it because of this that they want to get the total grant? How much does it cost the municipalities to insure all their people? Have we got these figures?

Then the report makes mention of the several research or financial studies that have been made. I would like to know something more about those studies -- what they contain and what they're trying to achieve through them. I know there was mention made of one consultant firm employed to do a certain job. I would like to hear just what the result was of that. How many of the hospitals operated today show continued deficits?

MR. JOHNSON (Gimli): How many what?

MR. FROESE: How many hospitals in Manitoba show continued deficits year after year? Probably further to that, I am interested to know why change to a commission system? Apparently there's an Act coming in which will change this over to a commission. What are the underlying factors? Why not keep it the way it is?

MR. JOHNSON (Gimli): . . . . find this a little difficult. I've been Minister for four years and every year I seem to have to give such a detailed complete report as to the basic principles of universal hospitalization. I welcome many of the constructive criticisms and questions, but I do think that the payment with respect to the municipalities is something that has been reiterated over and over again. Personally, I think it's simply wonderful the way the municipalities have co-operated with the Hospital Plan in making sure we have this high number of insured persons that we do. As you recall, when the plan came into being the stipulation was that if you got sick you were responsible for the first month of your bill if you hadn't registered with your municipality, or registered to pay your premium through your municipality or employer. When a municipality had a person or a transient they didn't recognize, by the time they caught on to the fact that they were responsible, they might have a bill for a month's care. We approached Ottawa at that time and said: "Now, look, if we can get the municipalities to guarantee, would you waive the month's waiting period?" In that way the municipalities could

(Mr. Johnson, (Gimli), cont'd.) . . . be assured of having someone not turn up with a large hospital account. This has worked extremely well, and at the last Session we showed cost-benefit ratios which the municipalities had realized through this. One account these days, at present hospital costs, can be a real problem to a municipality. The evidence that it is very successful is that now 178 municipalities are using the guarantee system. As you recall, through legislation we relieve the municipalities of any policing, that is investigating their own delinquents, and guarantee or no guarantee we are utilizing our field service to investigate all their delinquent accounts whether they -- guarantee or not, we try to make sure that if they guarantee they don't feel that we are letting up in any way, and it is proving very successful.

With respect to studies, we've had the Willard Report of course. I think we said something last year of the consultants that, in co-operation with the Winnipeg Children's Hospital, carried out a detailed study of administration and laundry service, etcetera, the organization of a major hospital in Winnipeg under the plan, to get general ideas from experts in the field as to just what we might do as a hospital plan to improve our standards division or our plan and so on, whether we could have some administrative improvements made. It was of tremendous assistance to our consultants and to the hospitals themselves and they have both benefited from this. This study has not been reported to me yet; I don't think it's quite complete. Secondly, the commissioner has been talking to some consultants with respect to the possibility of more centralization as we go in in laundry services and matters like that. I feel that it is very important to work with the hospitals and the associate hospitals and others in promoting more studies of this nature.

One of the reasons for the Hospital Commission, and I think after four years I'm convinced that the Commissioner of Hospitalization has got a tremendous task on his hand. He has an excellent staff -- very wonderful personnel. But there is more and more need to be constantly examining and trying to -- it's incumbent upon the government and upon us here to realize all the savings we can, and economies, by planning in various areas such as laundries, drugs and all those elements that go into a hospital.

And deficits -- I think my honourable friend from Rhineland has been a little out of touch with the situation in this respect. Certainly with the inception of universal hospitalization, as we have reviewed in the financial estimates last year and the public health, the large bulk of our expenditures between 65 and 70% is in wages, and these wages are now at a level with hospital personnel and in line with other wages in the community -- something which didn't exist before. It wasn't anybody's fault. For years, I'm sure people felt if you worked in the hospital you should work for less, because it was of a humanitarian nature -- that is, the work. I think that we have constantly said that early in the development of the Hospital Plan that we had to develop a consultant service, a standards division to work with hospitals towards obtaining a standard of care which was of the very highest within the resources of the peoples' ability to pay. There's no use having standards that are so high that nobody can buy them. It's also wasteful to have standards so low that they're not worth the money you put into them. This happy balance is the thing that we have tried to develop in this province from scratch -- from scratch -- and we have developed this thing.

The government isn't doing everything by any means. The associated hospitals and the desire to keep these hospitals self-autonomous as much as possible, should be our constant goal. There are those who say to me, "Hospitals can -- it will come; self-autonomy will go." I just can't visualize that. For instance, the St. Boniface Hospital or hospitals that the Sisters operate. Their hearts are in this and their desire to do the public good. It's the same with our voluntary boards of all our voluntary hospitals; and the same with all our municipal hospitals. I thought I would like to read you a letter which I received. I understand this was a pastime of some former Ministers, but I hope I won't be chided too much for this. We do try and work with these smaller hospitals in bringing about this type of thing. The Commissioner is in daily touch; we're in constant touch with these people and we want to work with them. They agreed with us a year ago, by and large, that the major bulk of salary increases and the raising of standards of hospital employees had come through large leaps, and that in the coming year or two this would not go forward. The thing that would cost more money under the Plan are more beds, more services, and so on.

Here's a district hospital who wrote the Commissioner this letter: "The Governing

(Mr. Johnson, (Gimli), cont'd.) . . . Board has directed me to inform you they are very pleased with your rates to us for '62. They well understood the extremely complicated and serious problem with which you must contend and realize your reasons for trimming wherever practical. We have always found the Plan most co-operative in final deficit adjustments and feel that with the rates allowed for '62 this should be very small, if any. Very significant, also, is the fact that we have tremendous willing and able guidance from the cordial staff. I'm aware especially of the assistance that is being given by" -- and they named three people on our Standards Division -- "I'm convinced that any progress which may have been made here is due chiefly to knowledgeable direction we have received from the Plan." I read this letter because I think it's a compliment to the staff who are really trying to do the right thing. There's nothing sinister about it. We sit down with the hospitals and try and obtain that happy medium. I think that the Commissioner in his daily task of running this tremendous utility needs the kind of support, or help, by having a commission who can sit back and possibly advise, certainly advise the Commissioner and the Minister, with respect to such things as how far and how fast are you going to go in central laundries? Should you be going into this area for investigation? Can we give better service by doing something else? This is the philosophy behind it.

Again, I do think if any member of the House has any problems with respect to the Hospital Plan, certainly I will do everything I can to help in more understanding of this thing and I think my staff would be only too happy to explain some of the more complicated details of a financial nature with respect to hospitals -- with anyone that is interested within their availability of time. But certainly the members of the Legislature, in my opinion, are the Board of Directors and the government is the management of this utility, and it's incumbent upon all of us possibly to know a great deal more about the benefits that can be achieved. I do think we need more -- the man at the top does need someone to share some of these very knotty problems with, because this is changing every year. The advances in medical science can revolutionize a utility like this. Within months -- major breakthroughs and scientific discoveries and so on. For me to sit where I am has been a most exciting thing -- to see what's happening. It's all for the best and I think this province can be very pleased in the calibre of staff that we have been able to judge. I know I can compliment the former Leader of the Opposition and Premier for that appointment and I feel that everyone of them have developed a hospital scheme in Canada and an organization in the Standards Division which I place second to none in the Dominion of Canada.

MR. FROESE: Mr. Chairman, before we leave this item, I would like to know from the Minister how the budget committee arrives or determines rates. Is it not on past performance -- on the way the hospitals have operated in the past? In our particular area, hospitals received a great deal in contributions. Some were in kind, others in cash; but a lot is being contributed to the hospitals through voluntary effort as well. Now with this new system coming in, these things fall away and the hospitals have to purchase most of the goods that they use and therefore they cannot operate as efficiently as before; and yet it seems to me that the committee, when it sets the rates, they still set it according to the former efficiency.

MR. JOHNSON (Gimli): Mr. Chairman, the setting of the rates in 99 hospitals is a very complex, difficult procedure. However, I would just inform the honourable member that the hospitals submit a budget. They are then called in for a preliminary review and such things -- we know such things as food costs, the number of nursing hours that are going to be permitted in the hospitals in one year. You try and treat each hospital fairly on the same basis. Our teaching hospitals, for instance like St. Boniface and the General, have increased costs because they are treating certain difficult types of -- or certain specialized services which they offer on a universal basis across the province. In addition to that preliminary run-through and the double-run-through and the final approval of rates, there is every opportunity for the board to meet and re-meet and, in every instance, there has to be these standards which govern the type of care and this happy balance must be determined. It's such a complex subject that I really don't think I could cover at this time, but I would be glad to have one of our officials of the plan review the method by which budgets are handled and I think it would give him a greater appreciation of the day to day operations.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I haven't been able to

(Mr. Shoemaker, cont'd.) . . . comprehend all the figures that I have before me here, but in referring to the sheet that was recently laid on our desks, the single sheet, the first item shows and is headed: "As Per Premium Report Estimates", and then the "Revised Estimate" beside it. My question is, where do we find the "as per premium report estimates?" Is that on Page . . . . .

MR. JOHNSON (Gimli): Page 65.

MR. SHOEMAKER: Page 65. Well, how is it that on Page 65, Mr. Chairman, the contributions from the government of the Province of Manitoba is pretty close to the revised estimates? Now I understand that . . . . .

MR. JOHNSON (Gimli): Page 18.

MR. SHOEMAKER: Page 18. I haven't been able to keep up to all these pages here.

MR. JOHNSON (Gimli): The breakdown there.

MR. SHOEMAKER: Oh yes. I notice, too, that -- at least I have not been able to find an item showing the amount that was paid out last year or is to be paid out this year for the overpayment of premiums. That is for the return premium paid back to various people who had paid in advance. I think we were told at the special Fall Session of the Legislature that there was going to be a lot of money returned to these various people who had overpaid their premiums. I don't see any item there to cover that and I don't see any item in the receipt column to indicate to us the amount of money received from the various hospitals for private and semi-private care, and I would be interested in knowing what that amount is. I understand that 90 percent of the money collected by the various hospitals for private and semi-private care is returned directly to the government. I understand, too, that that amounts to quite a sizeable amount of money. I would like to know what the amount is, or close to what the amount is.

I have another report, Mr. Chairman, before me. I don't know whether every member has it, but it's the annual report of the Manitoba Hospital Services Plan for the year ended December 31, 1961 -- a very comprehensive report. On Page 19, headed "commentary", the first paragraph on that page says: "In 1961, following new fiscal arrangements between the Federal and Provincial Governments, the Government of Manitoba announced a reduction in the premium rate from \$6.00 to \$4.00 monthly for families and from \$3.00 to \$2.00 for single persons." Now I take exception to that, Mr. Speaker, because it wasn't made possible because of the new fiscal arrangements -- I don't think. We're left with the impression that because of the fact that we got a lot more money from Ottawa that this government was able to reduce the premiums. I think it's a bit of an exaggeration there.

Now, Mr. Froese -- or the Honourable Member for Rhineland brought up another point as to the success that the municipalities are having in collecting premiums from the residents of their various municipalities, and I think that certain municipalities are having a little bit of difficulty in this regard. It may not be quite as bad as it was a year or so ago with the new reduction in premium, but it strikes me that we presently have a Bill before us which provides for the payment from out of the Consolidated Fund for delinquents under MHSP in unorganized and disorganized territories and so forth. I wonder how successful the government has been in collecting premiums in those designated areas. Is it a fact that there is no agency to collect premiums in those territories, or are all of the premium collections handled from the head office here?

Another question, Mr. Chairman, and this may have been answered, but due to the fact that it is expected that the new special tax -- I think that's what the government prefers to call it, but most of us call it the new income tax -- but is it expected that it will produce \$7,400,000? I have an Information Services Bulletin before me, dated March 2nd, which indicates that that is the amount that they will collect -- \$7,400,000 as being the amount that they expect to collect from this special tax.

MR. JOHNSON (Gimli): With respect to the honourable member, the figure quoted here of \$12,848,000 is the net figure after all the Reductions we spoke of. We carried out the previous legislation as you know. With respect to some of the questions from the honourable member re premiums, the field staff collect premiums in unorganized territories through local government districts and so on, but we're really the agent. We act as a municipality with respect to these people by and large -- or pretty well. This will be in the new legislation. We

(Mr. Johnson, (Gimli), cont'd.) . . . say that the Minister of Municipal Affairs shall pay the premium when the patient does not pay the premium. We've made provision for that matter. I didn't quite get the last question of the honourable member -- the amount of money to be received by the new . . . .

MR. SHOEMAKER: The question that I asked, Mr. Chairman, was what does this government anticipate will be the net amount received from the new special tax or the new income tax, and will it all be used to supplement the premium income? The Information Services Bulletin dated March 2nd, 1962 -- I will read the first paragraph. "Led by a \$7,400,000 increase in provincial payments to the Manitoba Hospital Plan to replace a reduction in direct hospital premiums. Provincial estimates of current spending for the 1962-63 fiscal year rose by nearly \$17 1/2 million to reach a new record of \$121,264,196." It suggests to me that they expect to collect \$7,400,000 from this new tax that's been imposed.

MR. JOHNSON (Gimli): That's \$7 million -- not \$17 million. When I mentioned that figure there of -- we expect previous to the reduction in premium to receive, as you see on that sheet, \$19,573,000 for '62. That was our estimate previously, and we will receive under the new arrangements, \$12,848,000.00. The difference is the part of the subsidy of \$6.7 million. That's the loss in premium revenue, and then the arrangement is that the monies received under the new taxation are turned over to the MHSP and turned into consolidated revenue and, in turn, designated to the MHSP. This is the figure -- the Premier can probably give you the exact figure at the time of his budget analysis, but you will note that the figure \$10,378,000 is made up of about \$7,203,000, which is the additional requirements from the revenue for the plan next year plus the \$3,175,000. That's what the \$10,378,000 is made up of -- the original provincial contribution that was anticipated plus approximately \$7.2 million or \$7.3 million revenue.

MR. SHOEMAKER: Mr. Chairman, did the Minister supply us with the amount of money that is received from the various hospitals for the semi-private and private ward care?

MR. JOHNSON (Gimli): There's somewhere in this yellow book, which are pretty well accurate -- as you know, when the plan came in prior to my time, the arrangement was that hospitals were asked how they wanted this differential money handled, and it was decided by the Hospital Association that they would retain 50% of that and place it against shareable costs within their institution. The other 50% would be utilized to assist in the amortization of capital and then if you recall about a year and a half ago hospitals were given 10% of that differential to assist them in the purchase of special equipment. You also, of course, realize that a hospital must keep a minimum of 50% of their beds as standard ward beds.

MR. SCHREYER: Mr. Chairman, in the decision-making as to the acquisition of sites, land sites, for the construction or the expansion of existing hospital facilities, does the department play any part? Does it counsel the local hospital boards or does it consider itself as having no responsibility? Does it leave all of the decision-making up to the local board? And if it does consider having a responsibility have there been actual cases where it has been instrumental in changing plans for the acquisition of sites?

MR. JOHNSON (Gimli): The acquisition of land, usually in the smaller communities the local councils determine the availability of land and what land they'll need, and if in their long term planning it is contemplated this land might be used in the future expansion of a facility the hospital officials work with the local people in helping in acquiring this land. I think this is important to the future too. This has actually happened in two or three instances in rural hospitals. Usually the local district board will take the initiative in the matter. In the Greater Winnipeg area this is the -- as I understand it, the acquisition of property for a hospital is not -- you know the Minister of Public Works I think, under his act is allowed to expropriate for government purposes. A hospital can't expropriate land for its own purpose as I understand it now, and this has been the matter of some legal debate over the past year, and I was actually considering legislation in this regard but it hasn't materialized as yet. This is in Greater Winnipeg areas or crowded areas. I think we wouldn't want to give the hospital boards the right to expropriate in those areas.

MR. SCHREYER: Mr. Chairman, I really wasn't approaching the problem from that angle, the legal aspect. What I was really trying to establish is that it is conceivable that local hospital boards occasionally, and perhaps not very often, but occasionally make errors



(Mr. Schreyer, cont'd.) . . . because of short-term thinking as to planning in the acquisition of sites. I wasn't thinking so much of expropriation or financial problems, but rather the long-range planning needed, and I was suggesting -- if I didn't I suggest now that the department shouldn't be reticent in stepping in and giving counsel to some of the local boards in this matter.

MR. MOLGAT: I believe the Member from Gladstone or Neepawa asked some questions about the refunds that the government spoke about last year. I don't think he got an answer on that.

MR. JOHNSON (Gimli): The figures quoted at \$12,848,000 is the net after all refunds are made.

MR. SHOEMAKER: Mr. Chairman, I am still on that \$10 million subject. I am not certain whether the committee did receive an answer to this one or not, but under the expenditure item on the single sheet before us, I noticed that administrative expenses are up by about \$70,000 roughly, and they're now up over the estimated expenditure for 1963 in accordance with Schedule 9 -- Page 54 of the yellow book. I wonder if the Minister has an explanation for this or could it be due to the fact that so much extensive advertising was done late last year and early this year advising the people of the reduction in premiums, because that must have cost a lot of money.

MR. JOHNSON (Gimli): Well, the current estimate -- I'll go through the administrative expenses with the Committee -- the current estimate on salaries is \$1,079,100.00. As per premium report that the honourable member is referring to, it is \$964,000.00. Stationery and office supplies as per our estimate of \$65,000 is up to \$78,000, but with the newspapers, radio and TV of \$30,000 down to \$27,000.00. This is in connection with premium periods and spot announcements and so on. Furniture and equipment, the estimate of ten is the same; postage, express and delivery \$38,000 now \$35,000.00. Rental of office equipment is the same both under current and premium report of \$62,000.00. Rental and office premises \$80,000 now \$82,500.00. Automobile purchases \$2,500 now \$5,000 for extra staff. Travelling is \$43,000; current is \$44,000.00. The premium report called for maintenance of office premises of \$5,000; the current estimate is \$10,000.00. Professional services: the current estimate is \$63,000 and the premium report was \$16,000.00. Now this is where we have concurred with the commissioner in the need for three key people. One was the advertisement for a hospital administrator to assist us with the construction program. We're short on hospital administrators. The other person was a placement officer, another special placement officer, and I can't recall -- this was really in the need for the development of the construction division and there was one further chartered accountant required. The Civil Service Superannuation fund, of course. The telephone and telegraph is \$10,000 in both, and insurance is the same at around \$8,000, and miscellaneous and group insurance at \$2,000, and the estimates in the yellow book, as I must point out, did not reflect the general Civil Service increase which went through in '61, so the large items are the general increase in the Civil Service or the general salary increase across the board and the creation of the construction division under the plan; the acquisition of an accountant to help with budgets; the acquisition of an administrator and a placement officer to help with the day to day operations of the plan. I would say that our salaries are certainly not out of line. It is difficult to get the kind of personnel that you want in this type of operation.

MR. CHAIRMAN: (7) passed.

MR. E. I. DOW (Turtle Mountain): In regard to the administration, the Minister said he was conscious of and wanted to keep administrative costs down, but I am wondering, Sir, how he accounts for the fact of this bill that goes out on discharge to all patients that it says that they have paid this amount "on your recent hospital account." Now, Sir, that is not true. The hospitals get 1/24th of the budget every two weeks regardless of whether the patient's been there or not, and it's a confusing piece of literature that goes out. It's not a receipt; it is a receipt but it's not a bill; the receipt's good for nothing, and the confusing part is the people and patients will come to the secretary or matron or whoever is looking after the hospital, and suggest to them that they must have made more money because that person was a patient. I think this is one piece of administration cost that could be cut out and save the plan quite a bit of money.

MR. JOHNSON (Gimli): Now, Mr. Chairman, I read that article in the Free Press too,

(Mr. Johnson, (Gimli), cont'd.) . . . and this is where I disagree with my honourable friend from Turtle Mountain. Every bit of information that's put on that card that goes out has to be documented anyway, because since this Willard Report in our Research and Statistics Division, the IBM machinery is set up so that we know how many days of care each patient -- and how many patients were given care, and so on, and the precise information that goes on that card is the thing we send out to the patient after that patient is discharged and the monies are being paid to the hospital. It is done not as a public relations gimmick but because shortly after the plan began we had many people writing in: "Was my bill paid? Who paid my bill?" I think the Leader of the NDP will help me out here. "Was my bill paid? How much was paid?" And apparently private medical schemes find it a very helpful thing. Something that has proved a very good measure for them to adopt. The Commissioner assured me that in view of the fact that this precise information was the sort of thing he had to take off for his continuing record that it was not that much more to send out such a statement, and we have had frankly very few complaints. I can't recall a letter in the past year upbraiding me in any way as Minister for this practice of the department. I was kind of shocked when I saw this in the press and it is something which was not in being when we started; and it was something that seemed to evolve from public demand; and it was an idea that the Commissioner had when he saw that he was producing this information anyway.

MR. PETERS: On the Throne Speech debate I raised the question of people going to hospital and being told that there were no standard ward beds available, that they would have to take a semi-private bed. The Minister told me, or when he answered, at that time it wasn't so. Now I don't know who's to blame for this -- I know it is happening. I don't know whether it's the people who are in charge of the hospital or whether some clerk in the admitting office, but there are people that have phoned me; they've gone to the hospital and, as far as I'm concerned, it was an emergency occasion, and they were told that there were no standard ward beds, that they would have to take a semi-private. Actually the cases I refer to are mostly maternity cases and I'm just wondering who is it that is to blame. Is it the doctor, the clerk in the admitting office, or is it the orders from the people that are running the hospitals? And I'd like an answer to that.

MR. JOHNSON (Gimli): Well, the people who are running the hospitals -- I might say at this point that the government is charged with collecting the premium and the hospital renders the service and we're caught in sort of a squeeze. Fifty percent of hospital cost beds are standard beds and if a doctor sends a patient to a hospital as an emergency, such as maternity and so on, and says it's an emergency, if there are no standard beds available -- that is, they're all occupied -- that patient must be placed in hospital, either in a semi-private or private ward if necessary, and the same in the case of accidents. And this is left up to the hospitals, of course, to administer. They've got full time administration staffs and I think in complaints of this nature, in the first instance if the administrator, or administration of the hospital is notified, they can usually give the reason. Now I'm not including myself as the over-all authority in this by any means, but these are the ground rules of this game, that they must maintain 50% of the beds in standard, that emergencies must be admitted; that six beds in the major hospitals must be kept free for emergencies at all times; and that a patient if the standard wards are filled and the patient has to be admitted, and if they're placed in a private room, they can only be charged a standard rate.

MR. PETERS: . . . then, Mr. Chairman, if 50% of the beds are supposed to be standard ward, how is it that people that are not considered emergency, two cases that I know of, of hernias, had to wait three months and still didn't get a bed, so then they decided they would take a semi-private and they're immediately admitted.

MR. JOHNSON (Gimli): Cases of that nature might be referred to the office or to the Commission. We'd like to know. I would like to know.

MR. FROESE: Mr. Chairman, I'd like to ask a further question. Hospitals that are registered under this plan, are they required to have contracts or agreements with the doctors that operate within them?

MR. JOHNSON (Gimli): I didn't get that question.

MR. FROESE: The hospitals that are registered with this Hospital Services Plan, are they required to have agreements or contracts with the doctors who operate in those hospitals?

MR. JOHNSON (Gimli): No, not yet.

MR. PAULLEY: Mr. Chairman, the Honourable Minister just said that he couldn't hear the question a moment ago. May I suggest that you call for order because I'm a little closer than even the Minister and I couldn't hear him due to the rumbling that's going on in certain quarters in the House.

MR. SHOEMAKER: Mr. Chairman, several municipal men, particularly the secretary-treasurers of the various municipalities, have brought to my attention on more than one occasion what seems to be a bit of a problem to them, and I refer to the list of people that they receive semi-annually to collect premiums from. And it's only natural that there's a certain transient population going from one municipality to another, and these municipalities upon receipt of the list, they immediately start checking it over and say to themselves, "Well, here's two dozen people that we know nothing about, and we're not going to make any effort to hunt them up either, we'll just stroke them off the list." One municipal clerk has suggested to me that one way of probably overcoming this problem would be to present every person in the province, that is, every person who is employed, with a little pass book that must be stamped by the employer showing that his premium has been paid to such-and-such a date, and so on. That is, an up-to-date record of the money that has been paid. And then when he moves to another municipality he could present this pass book to show the state of his account with the Manitoba Hospital Services Plan. Now probably the Minister will say, "Well that will involve an awful lot of work, additional work for the Manitoba Hospital administrative staff." But I don't think it would, because the work would be done by the employer. That is, the employer knows how much he has deducted from the employees' pay for premiums and he could enter it in this little pass book, and then if the person was moving to a new municipality, and so on, he would then in turn present the pass book to the municipal clerk there, or to his new employer, whichever the case may be, and they would know at a glance where they were at in this regard. I wonder if the Minister has given this any consideration or has he given consideration to any other plan that might assist the municipal men in this regard? Because it is a bit of a problem to these men and to certain employers too.

MR. JOHNSON (Gimli): Yes, Mr. Chairman, this has received an awful lot of attention from the Commission and in this respect the employer is required on a person leaving his employ, it's written out in the Act how when he takes a person into his employ he determines immediately the premium status of the person concerned. And a person leaving his employ, he must notify the Plan office so that the Plan can process the next payment when it's due to the person concerned from the central office, which in turn relieves the municipality, and usually a copy of this, as I understand it, goes to the municipality.

I think the honourable member has hit on a point. The cases that have mainly come to my attention in his part of the province and in the western part of the province, there were employers did not carry out their function of notifying the central office where we have the card on an IBM machine as to what is left. Really, every employee leaving his employer is supposed to be provided with a statement showing the date to which he's paid, or that he is paid to date, or he is not. He gets one and we get one. So this should be overcome. The difficulties I have run into, in the few municipalities who have not guaranteed in the past, was where an employer did not give a slip to the person leaving his employ as to what date they were paid up to, nor did we know a thing about it, and the patient slid through the grate as it were. But in the guaranteeing municipalities this protects them you see. Once that slip-up is made we can check with the employer, and in all these cases where we have difficulties of any degree, and so on, the field man attached to that area will go and see the employer and the municipal clerk and try and straighten these out. And these lists in the early days of the Plan became quite cumbersome to the municipal men because they'd get a list and they'd say, "well a lot of these aren't ours." But gradually we're beating this by going out and sitting down with the clerk and where he recognizes a person is his municipal person, that it's included, and where not, we go and investigate to find out whose responsibility it is.

But I think there aren't too many chinks left in the armour when you have the guaranteeing arrangement.

MR. SHOEMAKER: Mr. Chairman, I want to thank the Minister for his reply in this regard. There is yet one other problem that has bothered us -- I'm referring to our office

(Mr. Shoemaker, cont'd.) . . . . now in Neepawa, to some degree -- and certainly bothered other employers to some degree that are hiring staff all the time, and that is this. When you hire a new office staff, whether they be male or female, who has up to that point been covered under the Family Contract and then you take them into your employ and in many cases -- and this has happened twice in our office -- you've had to collect six months premium immediately that you hire them. That is, they were covered under the Family Plan and in many cases you had to catch up so to speak; pay the premium six months in advance. Now as I said on one other occasion many of the employers in the province now as a fringe benefit are paying premiums on behalf of their employees, but they certainly don't want to be immediately loaded with a bill for \$36.00 or \$12.00, or whatever the case may be, and it's a pretty difficult thing to explain to an employee why they owe that. Now I think under the old Blue Cross set-up they took it upon themselves to notify members of the family when they were no longer covered under the Family Contract. I am certain that they did that. I am wondering if the government is considering following a similar rule in that regard. It's 11:00 o'clock. I guess, Mr. Chairman, that they're anxious that I cease.

MR. EVANS: . . . . I wonder if it would be satisfactory if the government followed a similar course the next day. I move that the committee rise.

MR. CHAIRMAN: Rise and report. Call in the Speaker.

Mr. Speaker, the Committee of Supply has asked me to report progress, and ask leave to sit again.

MR. MARTIN: I beg to move, seconded by the Honourable Member for Morris, that the report be received.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

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

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