

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, March 24, 1969

Opening Prayer by Mr. Speaker

PRESENTING PETITIONS

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. JAMES COWAN, Q.C. (Winnipeg Centre): Mr. Speaker, I beg to present the Petition of Rachel Roy and Others praying for the passing of an Act respecting Misericordia General Hospital; And the Petition of The Fidelity Trust Company praying for the passing of an Act respecting The Fidelity Trust Company; And the Petition of Les Soeurs de Misericorde de Winnipeg praying for the passing of an Act respecting Les Soeurs de Misericorde de Winnipeg.

MR. SPEAKER: The Honourable Member for St. John's.

MR. SAUL M. CHERNIACK, Q.C. (St. John's): Mr. Speaker, I beg to present the Petition of Saul Benjamin Zitzerman and Others praying for the passing of an Act to incorporate The Talmud Torah Foundation.

MR. SPEAKER: Reading and Receiving Petitions; Presenting Reports by Special and Standing Committees; Notices of Motion.

INTRODUCTION OF GUESTS

MR. SPEAKER: I wonder if I might take a moment to introduce our young guests today. We have 23 students of Grade Five Standing of the Brock-Corydon School. These students are under the direction of Mr. J. Barron. This school is located in the constituency of the Honourable the Minister of Industry and Commerce.

We also have with us today 27 students of Grade 6 standing from the River Elm School. These students are under the direction of Mr. Dueck. This school is located in the constituency of the Honourable Member for Elmwood

We also have 55 students of Grade 9 standing of the Andrew Mynarsky School. These students are under the direction of Mr. Dooley and Mr. Reznick. This school is located in the constituency of the Honourable Member for Inkster.

On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here today.

INTRODUCTION OF BILLS

HON. GURNEY EVANS (Minister of Finance) (Fort Rouge) introduced Bill No. 17, an Act to amend The Insurance Act.

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry) introduced Bill No. 21, The Intoxicated Persons Detention Act.

ORAL QUESTION PERIOD

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

MR. ELMAN GUTTORMSON (St. George): I'd like to address a question to the Minister of Mines and Natural Resources. Is it true that the government sold 200,000 bags at eight cents apiece which they purchased from prices ranging from 11.9 to 26.5 cents? I'm referring to sandbags stored at MacDonald.

HON. HARRY ENNS (Minister of Mines and Natural Resources) (Rockwood-Berville): Mr. Speaker, I'll accept that question as notice.

MR. GUTTORMSON: Will he also advise the House, when he replies, who the bags were sold to and what was the date of the sale?

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I wish to direct my question to the Honourable Minister of Health. I've received complaints from husbands separated from their wives under an order or agreement releasing the husband from the obligation of support or maintenance for his wife. However, they are being billed for their hospitalization premiums and it appears that they may continue to be billed for the Medicare premiums. Could the Minister check into this matter and rectify this inequitable situation?

HON. GEORGE JOHNSON (Minister of Health and Social Services) (Gimli): I may take the question as notice and try and find out - I'm not too sure of the background of this but I'd be happy to try and find out.

MR. HANUSCHAK: Mr. Speaker, if I may. This deals with the matter of couples separated by virtue of a court order or mutual agreement and there is no provision for maintenance for the wife within the agreement, but by reason of the fact, apparently, because there's still a marriage in existence, the husband is billed for the hospitalization premium.

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

MR. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, before the Orders of the Day, I'd like to address a question to the Honourable the Minister of Health. Is it intended that any veteran whose medical services are presently covered by the Department of Veterans' Affairs, should pay premiums re Medicare coming in next month?

MR. JOHNSON: I believe, Mr. Speaker, that pensionable disability -- the DVA cover their people for the pensionable disability only, as you understand. The pension of a chap who has lost a leg can get free treatment for that condition at a DVA hospital, or a person may have a fractured wrist that's never healed, he gets a disability pension; this does not preclude him from exemption from the hospital medical premiums.

MR. DESJARDINS: Mr. Speaker, it is my understanding that these people, the veterans are admitted at Deer Lodge and they have the doctor who's looking after them for any reason at all, and if so, will the Minister look into this? I think this is quite important, and if what the Minister has said is true, is it the intention to reduce the premium?

MR. JOHNSON: I'll take that question as notice, if I may, and get further information.

MR. SPEAKER: The Honourable Member for Ethelbert Plains.

MR. MICHAEL KAWCHUK (Ethelbert Plains): Before the Orders of the Day, I'd like to address a question to the Honourable the Provincial Treasurer. Is it true that there have been applications disallowed with respect to the sales tax exemption on granaries and prefabricated grain bins, especially if they're of the quonset type?

MR. EVANS: Mr. Speaker, I'll make enquiries.

MR. SPEAKER: The Honourable Member for Hamiota.

MR. EARL DAWSON (Hamiota): Mr. Speaker, my question is directed to the Minister of Agriculture, so I would address it to the Minister of Mines and Natural Resources. The Commons Agricultural Committee is holding a public hearing in Selkirk in mid-April. Is it the intention of the Department of Agriculture to present a brief on behalf of the farmers of Manitoba?

MR. ENNS: Mr. Speaker, I'm not in a position to presume what my honourable colleague will do. I might point out to him that the last occasion when the Federal Committee on Agriculture appeared in the city this was the practice and the provincial department did make a presentation. I would rather suspect that the same would apply on this occasion.

While I'm on my feet, Mr. Speaker, may I table with the House an Order for Return No. 18; also a further Order for Return No. 7, dated March 5th.

I might also alert the members of the House that I've asked the Clerk to distribute to the honourable members a bulletin that my department has prepared entitled "Commercial Fishing". It may be of some help to them in the discussions when I introduce our fish marketing legislation. It contains, in the centre portion of the booklet, The Federal Act setting up the Crown Corporation. The members will be receiving this shortly.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL MILLER (Seven Oaks): Mr. Speaker, I'd like to ask the First Minister whether he can indicate to the House when we might expect the Bill dealing with redistribution?

HON. WALTER WEIR (Premier) (Minnedosa): Mr. Speaker, when it's ready.

MR. SPEAKER: The Honourable Leader of the New Democratic Party.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): I wonder if the Honourable the First Minister may clarify that to a degree. Are they working at the present time on legislation?

MR. WEIR: Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Before the Orders of the Day are proceeded with, I would like to direct a question to the House Leader. When a resolution is placed on the Order Paper, either by the government or the opposition, and that resolution passes unanimously, calling for the Federal Government to take action, what steps are taken as a result of it passing unanimously.

MR. SPEAKER: I question the advisability of that question, particularly as I have that

(MR. SPEAKER cont'd) . . . subject under advisement at the moment. At least I presume it's what happened on Friday afternoon that the Honourable Member is alluding to, particularly that resolution, of which I have yet to come forward with a finding

MR. SHOEMAKER: No, Mr. Speaker, it has to do with any resolution that's passed in the House and is asking the Federal Government to do certain things. Then, what follows?

MR. LYON: Mr. Speaker, the question is one that might we' be directed to the Chair, because it then becomes the property of the House, it goes to the Clerk's office and the Clerk, as I am informed, makes sure that copies are made and sent on to the appropriate authorities.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB FROESE (Rhineland): Mr. Speaker, I'd like to address a question to the First Minister. In view of the delegation headed by the First Minister that went to Ottawa, I think last week, or some time ago in connection with the Rivers Base, could we have a statement from him on this matter? Other members might be informed in this House, but I certainly haven't.

MR. WEIR: Well, Mr. Speaker, I don't know that any statement can be made except that the delegation was well received and that there was an indication that the matter would be looked at again by the Government of Canada with not just the narrow interests of the Department of Defence in terms of the Rivers Base but in terms of regional development and the impact on the economy of western Manitoba and western Canada, and I think we have to await the re-examination by the departments of government before we can make any specific comment. Essentially, the delegation attempted to put forth the Manitoba position as strongly as they could and sought this re-examination which was agreed to by the Ministers that were there.

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

MR. GUTTORMSON: Mr. Speaker, I'd like to direct a question to the Minister of Education. A public meeting has been called for Steep Rock tomorrow evening at 8:00 o'clock, and on the notice it states that a representative of the Department of Education will be there to discuss new school construction. My question is, how is this representative of government able to discuss new school construction in view of the fact that the Minister informed us last week that the Boundaries Commission report has not been presented to him.

HON. DONALD W. CRAIK (Minister of Youth and Education) (St. Vital): Mr. Speaker, I'm not aware of the meeting or at this moment of the representative that is speaking at the meeting. He could be talking about any number of things, I suppose, but I can assure you that he's not talking about a current program at this moment.

I think it might be timely though to advise the House that the final report of the Boundaries Commission for the Interlake has been received by the department and we are currently examining it. I expect that we will be able to circulate it to the members of the Legislature as soon as additional copies are made, and this will be done at the earliest possible date.

Also, in connection with this we will be holding meetings with the various areas involved in the Interlake, and as a first priority, I would think that the west side of the Interlake in the Lakeshore School Division will be one of the first things that will be attended to by the government. We will be discussing with that area, and the other areas, the final recommendations of the Boundaries Commission, then at the earliest possible date working out with the school divisions the program for expanded educational facilities.

MR. GUTTORMSON: The representative that this notice makes reference to, will he have an opportunity to peruse the report prior to attending this meeting tomorrow night?

MR. CRAIK: No, I don't expect so, Mr. Speaker. We just received it, and whoever is going hasn't had a look at it yet.

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: I wish to direct my question to the Honourable the Minister of Industry and Commerce. Would he be good enough to indicate what agreement, if any, has been arrived at with respect to a protection for the Indians at the Roseau River Indian Reserve in the event of possible floods.

MR. ENNS: I'm not the Minister of Industry and Commerce but I'm assuming he was directing his question to the Minister of Mines and Natural Resources. I think that we can report that there are negotiations under way between us and the federal authorities, the Department of Indian Affairs, at this very moment with a view to establishing fiscal responsibility involving the diking of the Roseau Reserve. Up until a very short time ago a feasible diking plan had not presented itself to the province because of the scattered-out nature of the settlement.

(MR. ENNS cont'd) . . . I understand the band has accepted a townsite, or a new townsite scheme that has been proposed to them by the Federal Department of Indian Affairs. This makes diking feasible and I believe the Minister of Municipal Affairs, in a meeting last Friday, gave this indication to the group that were assembled for the emergency meeting on the matters of the Red River Valley.

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

MR. DESJARDINS: Mr. Speaker, my question is directed to the Honourable the Minister of Health. Is a widow or widower with a child, who normally would be past the age where he would be covered without cost under the Medicare plan but is exempted because he is a student, now is the widow or widower forced to pay the family premium in this case to cover that child? In other words, is there any exemption for the child, or must they pay double. And if this is the case, I wonder if the Minister could tell us how long this discrimination will be allowed to continue.

MR. JOHNSON: I believe, Mr. Speaker, this has been the law for 11 years under the hospital scheme.

MR. DESJARDINS: Could the Minister tell me — his answer is that it's been the law for 11 years, and this is the reason why they're allowed to discriminate?

MR. JOHNSON: Mr. Speaker, it's the family premium versus a single premium, and on the family premium there might be six children in attendance at school till their 21st birthday.

MR. DESJARDINS: Mr. Speaker, I want to tell my honourable member that — I'm not suggesting there are six children; I can understand that. I'm talking about a widow with one child. Does the Minister feel that this child is exempted or does he agree with me that this is discrimination.

MR. JOHNSON: I'll double-check, Mr. Speaker, but it's my understanding that a chap who has a family pays the family premium. I believe that is the case. — (Interjection) — That's a matter of opinion, but I'll look into it.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. GILDAS MORGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, I would like to address a question to the Minister responsible for Public Utilities. Last week I asked him a question regarding the method of selling power to the military bases in Manitoba and whether any increase had been put into effect. Does he have an answer yet?

HON. J. B. CARROLL (Minister of Consumer and Corporate Affairs, and Minister of Tourism and Recreation) (The Pas): No, Mr. Speaker, I was going to check to see whether some application had been made to the Public Utility Board with respect to rates. I'm not aware of any. I believe possibly that question might better now be directed to the Minister in charge of the Manitoba Hydro.

MR. EVANS: Well, Mr. Speaker, if the matter of the involvement of the Public Utility Board has now been dealt with, I will enquire about the actual rates under which power is made available to the establishments my honourable friend speaks of.

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, I wish to direct my question to the Honourable the Minister of Transportation. Are our airport facilities adequate to handle some of the larger aircraft that Air Canada and likely others will be putting into use shortly? I'm thinking primarily of Boeing 747 and other aircraft much larger than what it now handles.

HON. STEWART E. McLEAN Q. C. (Minister of Transportation) (Dauphin): Mr. Speaker, that is a question which is not within the competence of the Provincial Legislature or government.

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

MR. GUTTORMSON: Mr. Speaker, I would like to direct a question to the Minister of Government Services. Has anyone in the government, or anyone on behalf of the government or any of its agencies, negotiated with the Great West Life with a view to buying the Great West Life building?

HON. THELMA FORBES (Minister of Government Services) (Cypress): No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, a subsequent question to the Minister of Transportation. In the interests of Winnipeg becoming a transportation centre, could he determine whether the air facilities now here are sufficient to handle the newer type of supersonic aircraft that are going to be used by Air Canada?

MR. McLEAN: Mr. Speaker, yes, we could make enquiries if that information is available to us.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JOE BOROWSKI (Churchill): Mr. Speaker, I have a question for the Minister of Labour. Is he aware that the DRO's employed by the Provincial Government during a provincial election are paid below the minimum wage, and if true, are they going to increase this wage?

MR. LYON: Perhaps I could answer that by saying that the stipends that are payable are set pursuant to an Act of the Legislature. If my honourable friend will consult that Act, he will see it is quite legal.

MR. SPEAKER: The Honourable Member for Churchill has a supplementary?

MR. BOROWSKI: This is a different question, Mr. Speaker, but it is also directed to the Minister of Labour. If we pass this motion today cutting the Minister's salary to 98 cents, will we be guilty of unfair labour legislation?

MR. SPEAKER: The Honourable Minister of Health and Social Services.

MR. JOHNSON: Mr. Speaker, the other day the Honourable the Member from Selkirk asked about the training program for correctional officers that's proceeding in the province. I thought I would make a report that all correctional officers are required, providing they are more than five years from retirement, to take a two year in-service training course in correctional methods. It is primarily a survey of the sociological, psychological, and treatment approaches with which they are likely to come in contact; and in addition to the information in the manuals, all officers receive 12 full days of instruction each year and they are expected to turn in assignments, which work is done at home, plus writing tests throughout the year and a final examination at the end of each year. It is anticipated that this course will prepare the majority of officers to work in conjunction with professionally trained staff within the institution and from outside social agencies, and obviate the barriers sometimes associated with the conflicts arising between professional and non-professional correctional workers. Considerable emphasis, apart from the imparting of basic information, is placed upon improving attitudes and encouraging staff to see their job in a creative light. At the end of two years successful completion of this course, the officers are awarded a diploma certifying them as correctional officers and they receive an increase in salary of \$360 per year.

Following the basic course, the more promising officers go on to additional study in admission and classification procedures and the techniques of group counselling and group work. The course lasts for 30 days and involves practical demonstration in this type of work as well as conveying the theories that underlie the practice. Upon completing this more advanced course, it is proposed to re-classify such officers as rehabilitation officers, providing a body of semi-professional staff to work under the direction of the other professionally trained people. Rehabilitation officers receive an increase of salary over their present as correctional officers. This procedure, I might mention, is fully in line apparently with the latest correctional trends and theories as the so-called non and semi-professional officers frequently are able to be more effective immediate instruments in bringing about rehabilitation, but they do need professional staff as consultants. To date, 175 have graduated from the two year course, and it's estimated another 100 will complete the course this spring and 21 will be qualifying as rehabilitation officers later in the year. A copy of the two year program is available if any of the members of the house would care to peruse it.

I would like to, while I am on my feet, also bring to the attention of the House something I was going to deal with at Estimate time, but because I have one possibility at the moment of a dentist in a community and we have already a doctor gone to Churchill on the understanding that this would be available, we have a rural incentive grant program worked out for so-called doctor and dentist-poor areas. Provisions of bursaries at the undergraduate level have not succeeded entirely in bringing doctors and dentists to rural areas, and the government has approved the establishment of a program of financial grants to a limited number of doctors and dentists who in turn would be required to practice in rural areas approved by the Minister of Health and Social Services.

The program is really one of a doctor, agreeing to practice in an approved rural area, receiving a grant of \$5,000. The doctor or dentist would in turn agree to practice his profession in the rural area for three years. The grant would take the form of a loan to the recipient from a chartered Canadian Bank and be repaid on a monthly basis so long as the doctor or

(MR. JOHNSON cont'd) ... dentist continued to practice his profession in the agreed upon rural area; repayment on the basis of \$1,000 in the first year, \$1,500 in the second, and \$2,500 during the third and final year. If the recipient discontinued his rural practice the province would cease repaying the loan and the balance of the loan outstanding would be the personal obligation of the recipient. The purpose of the grant is to assist the practitioner to establish his practice in medicine or dentistry. Approval of this has been — worked it out, and the professional associations concerned agree to it and have been told of it. The program will be instituted on a limited trial basis — I am estimating 20. The grant is not restricted to new or recent graduates. It's not an income subsidy; it is a grant to assist in the establishment of such practices, and I think it is encouraging to note that one physician has been attracted to Churchill on the understanding there would be this kind of agreement. I have some rural communities looking for dentists and this may be helpful to them.

I might, while I am on my feet also, ask the Clerk of the House in a few moments to distribute to the honourable members a couple of bulletins which have gone out from the Medical Care Corporation to the physicians of the province, which might answer some of your questions which you have in mind re the kind of information that has been imparted in recent weeks and be of possibly some assistance to the members. I have enough copies for every member, and I thought you might like to have them today.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Minister of Mines and Natural Resources. On Friday, speaking on his departmental estimates — and I'm referring to Hansard, Pages 623 and 624 — the Minister stated that the town water supply of Churchill is not in jeopardy and will not be in jeopardy, that they will have adequate water supply in the town of Churchill for a community 100 times that size with sewer and water. When pressed for further information, he stated that there will be some 4,000 cubic feet per second going downstream the Churchill River after the development has taken place. Could he tell the House whether the 4,000 cubic feet per second are at Missi Falls, at the location of the dam, or at the Churchill town location?

MR. ENNS: Mr. Speaker, I don't wish to appear to speak on technical matters such as this without the benefit of all my information. I think at the time I made that statement I indicated that I was using approximates. I can inform the Honourable Leader of the Opposition that I was making some comparisons between what supplies of water supply the half million people in the City of Winnipeg, and I believe I said some 400 cubic feet per second flow through the viaduct from Shoal Lake. In actual fact, I am given to understand it is 158 cubic feet per second that supplies the city with their water supply from Shoal Lake. The proposed regulations at Missi Falls will be between 1,500 to 4,000 and it is anticipated, in speaking at the engineering level, that maximum flows would be possible for the greater period of time on the Churchill River. Precisely what this means at the mouth of the river I am not prepared to state, but again this is a technical matter that I am sure will be brought out at subsequent hearings.

MR. MOLGAT: If I may have a subsequent question, I take it then that the Minister says that the minimum flow at any time at Missi Falls will be 1,500 cubic feet per second and hopefully up to 4,000. Will this be part and parcel of the licence that will be granted? Will it be stated that this will be the minimum flow, 1,500 cubic feet?

MR. LYON: Mr. Speaker, perhaps that question could be addressed during the discussion of the estimates which will come on as soon as we get off Orders of the Day, or very shortly thereafter.

MR. MOLGAT: I just thought, Mr. Speaker, that we might not reach Estimates today. I understand we are going into the Medicare Bill, and if the Minister had the question now, he might have the information at the time of estimates.

ORDERS OF THE DAY - MOTIONS FOR PAPERS

MR. SPEAKER: The Honourable Member for Gladstone.

MR. SHOEMAKER: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. Boniface, that an Order of the House do issue for a Return showing the following information for each fiscal year beginning April 1, 1965 up to and including the estimates for the year ending March 31, 1970:

(1) The amount of grant made or estimated to be made by the province of Manitoba to:

(a) the Manitoba Committee on Alcohol Education and the government agency that has

(MR. SHOEMAKER cont'd) ... assumed the function formerly served by the Manitoba Committee on Alcohol Education

- (b) Alcohol Education Service
- (c) The Alcoholism Foundation of Manitoba
- (d) the Salvation Army Harbor Light Centre for Alcoholics.

(2) The amount of grant received or estimated to be received by the Province of Manitoba from the Government of Canada by agreement (s) under the Act re the Vocational Rehabilitation of Disabled Persons and with respect to the work of

- (a) the Alcoholism Foundation of Manitoba
- (b) the Salvation Army Harbor Light Centre for Alcoholics.

(3) The amount of revenue derived or estimated to be derived by the Province of Manitoba under the operation of the Liquor Control Act.

(4) In the event that there has been any reduction in grants to the Manitoba Committee on Alcohol Education and/or to Alcohol Education Service since 1967-68 on what basis has such reduction been made.

(5) In the past two years has the government made any grants to organizations for education about drug abuse, and does it plan to make any such grants in 1969-70.

MR. SPEAKER presented the motion.

MR. LYON: Mr. Speaker, I think that we are prepared to accept this Order, subject to information that is not already contained in written reports or journals available to my honourable friend.

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

MR. SHOEMAKER: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. Boniface, that an Order of the House do issue for a Return showing:

- (1) Number of persons convicted for using "purple gas" in their vehicles;
- (2) The occupation of each;
- (3) Amount of revenue received from fines; and
- (4) Number of persons convicted to serve jail terms.

MR. SPEAKER presented the motion.

MR. LYON: Mr. Speaker, we are prepared to accept this. We can't give the information required or requested in paragraph 2 because it is not recorded and not available to us, and I presume that the Order would refer to the current fiscal year. There is no time stated on it, but there was a similar order filed for 1965 and 1966. If my honourable friend would say it's for the current fiscal year, we can satisfy that.

MR. SHOEMAKER: Yes, that's right.

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

MR. SPEAKER: The Honourable Member for Rhineland,

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Inkster, that an Order of the House do issue for a Return showing:

- (1) The aggregate Expenditures of School Boards.
- (2) The aggregate Teachers' Salaries.
- (3) Salaries as percentage of expenditure.
- (4) Number of teachers employed.
- (5) Average salary.

For the years 1966, 1967 and 1968 as of December 31st of each year.

MR. SPEAKER presented the motion.

MR. CRAIK: Mr. Speaker, we can accept this order, I think, as far as the information is available to us. For instance, I think 1968 would be difficult, because I assume that he is referring to non-unitary as well as unitary divisions, and 1968 information - the annual reports I know are not in and the auditors' reports.

MR. FROESE: On a point of order, could he give it for the other two years that would be acceptable to them.

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

MR. LYON: Mr. Speaker, I believe the Minister of Finance would now like to proceed with the introduction of supplementary supply and then interim supply, which can subsequently be referred to the Committee of Supply.

MR. EVANS: Mr. Speaker, I have a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: The Lieutenant-Governor transmits to the Legislative Assembly of

(MR. SPEAKER cont'd) . . . Manitoba estimates of further sums required for the service of the province for the fiscal year ending the 31st day of March, 1969, and recommends these estimates to the Legislative Assembly.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the message of His Honour, together with the estimates, be referred to the Committee of Supply.

MR. SPEAKER presented the motion.

MR. EVANS: Mr. Speaker, before the motion is put, I might say that it would be my intention to discuss these estimates when we next meet in the Committee of Supply, presumably later on today.

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

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that leave be given to introduce a Bill No. 23, an Act for granting to Her Majesty certain sums of money for the public — (Interjection) — this is Interim Supply. I find I'm not in order to be placing this motion at this time, and with your permission, Sir, I will withdraw what I have said.

MR. LYON: If there's nothing further then on either of these items this afternoon -- can those be distributed, do you want to do that now?

MR. EVANS: Yes.

MR. LYON: Mr. Speaker, can we now ask you, Sir, to call Bill No. 33.

MR. SPEAKER: Second reading, Bill No. 33. The Honourable the Minister of Health and Social Services:

MR. JOHNSON: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Bill No. 33, an act to amend The Manitoba Medical Services Insurance Act, be now read a second time.

MR. SPEAKER presented the motion.

MR. JOHNSON: Mr. Speaker, at this second reading of the Bill, I propose to outline some of the changes where principle is concerned, together with some of the major administrative changes which reflect our present plans for the operation of the scheme in Manitoba.

The honourable members will first note that the Act itself has been changed from the Manitoba Medical Services Insurance Act to the Manitoba Health Services Insurance Act. As well, the Manitoba Medical Plan is being renamed the Manitoba Health Plan, and the Manitoba Medical Services Insurance Corporation will be known as the Manitoba Health Services Insurance Corporation. Throughout the Bill, where appropriate, the word "medical" is changed to "health" to conform. The reason for this is obvious, as we propose to cover optometric and chiropractic services in the health plan. You will note we are making provision whereby the Lieutenant-Governor-in-Council may order that this Act apply to these services other than medical services, and to insurance in respect to the cost of such services.

The differentiation between medical and other health services is carried through with a new subsection that provides for a special funding of medical services as opposed to these other health services. This will ease the administrative operations in dealing with the federal government on matters of coverage.

In the new Bill the definition of "recipients of public assistance" is moved from the Act to the regulations to provide flexibility in the designation of such persons. The honourable members are aware that the recipients of public assistance, both insofar as hospital and health services are concerned, include recipients of social allowance; wards of the government as defined in the Child Welfare Act or those children otherwise in the care and custody of our welfare director or a Children's Aid Society; those in receipt of blind persons' or disabled persons' allowances, or those on old age assistance. With the Old Age Security provisions moving closer and closer to the 65 age, the methods of helping those 65 and over who otherwise would have been recipients of old age assistance have to be revised. The current procedures provide that a person in receipt of the old age security — that is, the universal and federal pension — whose annual income, if unmarried, is less than \$1,620 a year or a married couple whose annual joint income is less than \$2,940, are considered as being eligible as "recipients of public assistance" insofar as hospital and medical premiums are concerned.

In the original Act there was a provision which stated that a person must have paid his premiums as a condition of entitlement to medical services under the plan. In actual practice, with respect to hospital services — a practice which will apply in health care — no resident

(MR. JOHNSON cont'd) . . . of Manitoba is denied hospital or health care because he happens to be in arrears or has not paid his premiums. The amendments bring this practice into law. Consequently, the expression in the old Act which reads: "to entitle them and dependents to benefits" no longer applies. This, of course, does not mean people will be excused from payment of premiums. The Act makes payment of premium a requirement, and contains rules and procedures with respect to ensuring that such payments are made.

Because of the change to the premium collection system which standardizes the common collection of both hospital and medical premiums, a number of additional changes were required to both the Hospital Services Insurance Act, which will be coming before us, and the Manitoba Medical Services Insurance Act to ensure compatibility and consistency.

In addition, the government has already decided that premiums should be collected one month in advance and on a monthly basis rather than has been done under the hospital plan to date. Amendments in this Act provide for this change. Similar amendments will be introduced in a Bill to amend The Hospital and Diagnostic Services Insurance Act.

The Bill describes that each resident is an insured person and is entitled to benefits "subject to such waiting period as may be prescribed in the regulations". There is no waiting period for residents of Manitoba. This section is put in to enable the dove-tailing of health plans for persons coming into the province to live. For example, all hospital plans in Canada have a three-month waiting period, but each plan has a three-month overlap at the end. This means a person moving to Manitoba, while awaiting a three-month period before being officially entitled to benefits under our plan, is covered in the interim by the plan in the province which he left. So what we are doing in fact is asking authority to make regulations which will reflect such provisions in other medical plans.

The most important amendment in the Bill provides that the Lieutenant-Governor-in-Council may make regulations respecting assignments of monies received from the corporation by a patient who has received medical services from a medical practitioner who has elected to operate outside the medical care plan. The provision has been drafted in such a way as to enable the Lieutenant-Governor-in-Council to permit such assignments and the terms and conditions under which the assignments may be made, if at all.

As stated on Friday last, it is my intention to recommend to the Lieutenant-Governor-in-Council regulations which will permit assignments by insured persons only in respect of medical services rendered in conjunction with the teaching of Medicine. It is my view that this type of regulation will enable the Faculty of Medicine to continue with the minimum of dislocation its work in teaching and, as we said, resolve a problem which has produced serious concern to the university, medical profession and to the government.

Beyond the recommendation to which I have just referred, it is not the intention of the government to recommend any other provisions respecting assignment at the present time. I would point out to the members that the provision is drafted in such a manner as to give full authority to the Lieutenant-Governor-in-Council in this regard. It is impossible at this time to tell what arrangements will be necessary as the plan comes into operation to make it work in the public interest until we gain more experience. It would be our intention to consider any further arrangements in the general field of assignment only in relation to the effective and efficient operation of the plan and to enable the most effective health care to be given to the people of Manitoba. The underlining principle will be that the first consideration must be given to the citizens of the province to enable the medical care plan to operate in the most effective manner from the standpoint of these citizens.

In order to assist the honourable members, I have taken the liberty, Mr. Speaker, of having copies made of my statement on this second reading, and I would ask the Clerk to distribute these copies to the honourable members.

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

MR. DESJARDINS: Mr. Speaker, as I am leading off for the Liberal Party in this debate, I will be enunciating some principles of our Party, and therefore with your kind permission I intend to follow my notes a little more closely than I usually do.

Just to set the tone of my speech, Mr. Speaker, I will start by suggesting a correction, which I am sure that all the members will approve, and this is that on the fourth line of Sub-section (4) of Section 39, the word "persons" is misspelled. Now that we all agree, Mr. Speaker, let me continue. I must say that I intend to discuss some sections, many sections of the Bill when we come to committee.

(MR. DESJARDINS cont'd) . . .

Sir, I do not believe that any major program brought in by any federal government has been brought in with as much poor judgment, as many errors and mistakes, and as much trouble, and I do not believe that many programs will cost as much as this Medicare plan. Here in Manitoba we did not need Medicare, and I am sure that no-one in this House, including the members of the New Democratic Party, if he is truly and sincerely interested in the welfare of our people, would hesitate one minute to turn the clock back to 1965 when MMS was doing such a wonderful job of providing one of the best possible plans for our citizens. No doubt it wasn't perfect, and the federal government could have shown its concern for the health of Canadians by making certain grants to the province, such grants of course earmarked for health services. Mr. Speaker, we could have done wonders.

The second mistake, and probably the most important one, was making this a compulsory plan and not allowing private carriers to continue in this field. This had much to do with destroying the good doctor-patient relationship enjoyed, especially here in Manitoba. All of the members of the House of Commons but two voted in favour of this compulsory plan, and one of these two gentlemen since then has changed his Party affiliation and no doubt has accepted the policy of the new Party. This plan, therefore, was imposed on us by all our federal representatives.

Another mistake, the federal government should have negotiated with the medical profession across the whole country re fees. This was not done. The members should have acted then with dispatch and introduced a plan shortly after it was announced. They failed to do so, and here the Liberal government should accept a larger portion of the blame because the other Parties introduced the motion to bring it in a year before it was actually brought into force. Now by delaying and refusing to negotiate with the medical profession, the government gave ample time to the doctors who were opposing the plan to organize. An agreement to protect the status quo, or at least a ceiling on the increase of fees until the plan came into force, could have been negotiated, could have been agreed between the parties. This wasn't done either.

Now, the province — or the provinces, I should say. Apparently at the start every single provincial government opposed the plan. Well, then they should have united and bargained as one with the federal government. This they failed to do because they were too divided.

And now we are getting close to home. The government of this province rushed blindly into the plan. It passed Bill 68 at the 1967 session and it did this without negotiating doctors' fees. Mr. Speaker, you will remember that at the time in committee I moved that the Bill be not reported, and that a schedule of fees be negotiated with the medical profession and presented to the Legislature. I suggested that we could call a special meeting and be asked to sit without pay to prepare a plan. This is what I mean by rushing blindly in; there was no need to pass that Bill that I did not consider adequate at the time.

I also suggested that during the interval we could try to have the provinces agree on such a plan and make their representation to Ottawa. You will remember that this wasn't done, Mr. Speaker, and you must admit that had my suggestion been accepted at the time much trouble could have been avoided. The government proceeded to name a 7-man Board of Directors, a Corporation, and placed them on the payroll. Then the Premier of this province advised the medical profession that it would defer Medicare for at least a year and made the official, formal announcement. The doctors were allowed to set up an astronomical fee increase. The MMS increased premiums and allowed extra billing. In other words, the medical profession was getting ready to bargain and to negotiate with the government. Of course it was intending to place itself in the best bargaining position possible, and no one could or should blame it. The Premier had asked that the status quo be preserved, but this wasn't done. In fact, the government did not enter into negotiations with the doctors re their fees. Dr. Tanner, Chairman of the Commission at the time, warned the doctors that they would not get away with fees which would send insurance costs soaring, but no action was taken, and the people of Manitoba were told that Premier Weir was watching and waiting; but he did nothing. The doctor-controlled MMS stripped the corporation and changed all the rules of the game before publicly stating that they no longer wished to control MMS.

Mr. Speaker, I have made a short review of what has transpired, of the many errors committed, to show why we are faced with such a sorry mess at this time. A decent and honourable profession, which had done so much for our province, is now being abused by the public. Much of this of course was caused by the action of a few of their leaders. We can not undo all

(MR. DESJARDINS cont'd) ... the harm caused so far, but surely we can still salvage something from this plan. But we will have to show courage and work together for the people we represent, and at this time, Mr. Speaker, I implore the government not to introduce a clause in the Act that may deprive our people of any good that could be derived from this plan.

We now have socialized medicine. Some of us might not like it but it is here; it is the law of the land; and soon it will be the law of the province. Well, if Clause (r) of subsection (1) of Section 24 is allowed to go through, it will place much of the value of the plan in grave danger and the government will be under constant pressure from the medical profession. Of course, Mr. Speaker, I agree that doctors engaged in teaching medicine at certain hospitals and out-patients clinics, while being privileged to opt out of the plan in regard to their private patients, could be considered as working with the plan while dealing with patients admitted at these teaching hospitals, but that is all. If unforeseen development makes it mandatory to make other exceptions of this kind, they should be decided by all the members of this House and not left to the Corporation with the approval of the Lieutenant-Governor-in-Council. This is a question of principle; this is very vital to the plan, Mr. Speaker.

At this time I wish to state that I do not agree with the approach and the attitude taken by the Honourable Member for Inkster while speaking on the subject a few days ago. I do not share his negative attitude, and if the Act gives the doctors a choice of opting out -- and I believe that we all voted in favour of this, this choice -- then let us be reasonable. No threats, no punishment for those who exercise their right to opt out; they must be free and without pressure to make their own choice. I believe that the member got carried away when he suggested that pressure should be brought to bear on these doctors, that they should pay their own university education, that we should make it uncomfortable for them and that people should be encouraged to refuse to pay the 15 percent that might be charged by these doctors. We are not in Russia and we do not intend, I am sure, to make of this country another Russia, another Czechoslovakia. I'm surprised that a member who has fought so hard, and is still fighting so hard to protect the rights of all individuals, is not ready to accord the same for all our people here in Manitoba.

Now having said this, Mr. Speaker, I would not wish to convey the impression that I'm advocating that we renege on our responsibility. We are the only ones left to protect the public which we represent. We must be fair, not only to the members of the medical profession but to all people living in Manitoba. The doctors are well organized, and in June, 1967, the Canadian Medical Association created a Department of Collective Negotiation, so therefore it is right to say that they are engaged in collective bargaining. The doctors across the country were told to organize and they have done just that. Some of the doctors have misinterpreted the facts about Medicare, have unjustly criticized the provincial government. I do not condone their actions and I intend to try and set the record straight.

During the next few minutes I will not deal with doctors as individuals, and certainly will not question the good that they do for mankind, but there is no doubt that some doctors have introduced the question of money, have made it the most important part of the plan, and because of this most of the public is under the impression that the only important factor for the doctors is the question of fees. Unfortunately, this impression is applied to the whole medical profession. Now doctors do not like it, but there is no doubt that the Manitoba medical profession has chosen to form its own trade union through its leaders. I do not criticize them for doing this, this is their privilege; but let them be fair, let them be honest about it and let them recognize that they leave us no other choice but to deal with them as we would with any other trade union.

And now I will discuss this medical trade union. The public, through the new media, has been informed by Dr. D. M. McPhail, President of the MMA, that the MMA had offered the Provincial Government a deal, and I quote it: "Let the Medicare Corporation pay the opt out doctors directly and they will agree to accept 85 percent of their fees as payment in full instead of extra billing." We are told that the Provincial Government refused this deal. Who is the medical trade union trying to fool? The only requirement or condition for doctors to be accepted as working in the plan is the acceptance of 85 percent paid by the Commission as payment in full. So there is no deal to be made. There's no big deal to be made, but this is what they want. If for some reason or other, that I can't understand, they do not want to be classified as "in", we don't care, Mr. Speaker, and we will agree with this deal and I'm sure the government will; and if the medical profession say that all the doctors will accept this, we will forget about doctors opting in and opting out, we will forget about listing doctors. This we are in accord with 100 percent. But I suspect that there might be a

(MR. DESJARDINS cont'd) catch, something that has never been mentioned in the news report - or at least I have never seen it - but I think that they wish to accept the Commission payments in full, but at times only and for some patients only, and this is utterly ridiculous.

Now let the doctors be honest with themselves and with the public. Do they wish to join the plan or not? They cannot have it both ways. They are talking about free enterprise, about patient-doctor relations, about competition, about the evil of the compulsory plan. They want to be treated as a profession, but they wish the government not only to guarantee their payment but to collect their fees. They do not wish to be criticized at all, so let them be practical. They have increased their fees by more than 50 percent during the past few years; I might say more than 90 percent in the last five years or so, and they are undoubtedly the profession with the highest average income. They themselves, while operating MMS, refused to pay the non-member doctors, or for that matter even the subscribers covered under MMS but who used the services of a doctor who was not a member of the health scheme. They did this from the very day that MMS was founded in the early '40's until January, 1966, and it is obvious that this was changed in 1966 only to enable them to be ready to make this absurd demand on the Medicare plan.

The question of fees has been introduced in this debate by the doctors themselves. They are crying that other provinces pay larger fees for their doctors. They are saying that they do not trust the public to pay their bills and they want the government to guarantee said bills. Too many people, they say, will use the money to buy booze. Some doctors are saying that they want nothing to do with the plan; they do not wish to deal with the government. They must at all cost protect their patient-doctor relation, their professional standing; they must make sure that the government should not control the medical profession. Well this is fair enough, so we give them the choice of opting out. But now, the doctors are not so sure. They will have to collect their own bills once more, and that is never pleasant. They might find that some of their bills are not paid, such as happens to other professions and to others in other fields. They do see some advantages to socialism after all; maybe they should make some exceptions, some small exception such as taking, demanding whatever is advantageous to them in this plan but nothing else. Mr. Speaker, is it any wonder that the public doubts their sincerity? I say to them: Doctors, if you opt out, you will not be punished and will operate under the free enterprise system like members of the other professions do, like those in other fields do. No one will fix your fees but no one but yourself would collect your bills. We will place no one between you and your patients. Dr. Gellman said that the money wasn't as important as the principle involved, and I say to him: Doctor, prove that you believe this yourself.

I have never heard it said before that in our free society, under a free enterprise system, the government must guarantee at least 85 percent of anyone's fees and must also collect this, and at no cost. I cannot accept this and I cannot imagine the Chamber of Commerce doing so either. Come on fellows, you've had your little joke. Nice try, but get serious once more. Stand on your own two feet; don't blame the government for your lack of decision. Are you in or out? You alone must decide.

Mr. Speaker, I said earlier that I had no objection to seeing doctors opting out, that we should not punish them, but we certainly have the right and the duty to bring in some inducement, some encouragement for those who wish to join the plan. We would not have one single doctor in his right mind join with the plan if he was allowed to be in one day and out the next, in when he feels like it or out when he doesn't, in with one patient at times and out with another, have his bad accounts guaranteed and extra charge those that he is sure will pay. In other words, use the plan for his own selfish reasons. Make no bones about it, that is exactly what some doctors want, and I for one do not intend to give in to that. This compulsory plan is here whether I like it or not, and it is my duty to try to make it work. This I intend to do and this my Party intends to do.

When I proposed an amendment to Bill 68 in 1967, an amendment that would create two categories only, those electing to work within the plan and those opting out, an amendment that did not allow for payment by the commission to the doctor who had elected to opt out, this is what I had to say - and I might add that this is just as valid today as it was then when all the members of this House agreed to support my amendment. You'll remember, Mr. Speaker, in Committee, the Liberals were the only ones that voted for my amendment, but then later on the members of the New Democratic Party and finally the members of the government voted in favor

(MR. DESJARDINS cont'd) . . . of this on third reading, and this is what I want to quote: "Action to cut extra billing rights came after Larry Desjardins, Liberal, St. Boniface, led a spirited attack on the proposal. 'Such power', he told the House, 'would negate the concept of a universal available Medicare program because persons able to pay doctors' extra fees would be able to demand better service. What we should gain under a compulsory plan we lose,' Mr. Desjardins said, adding that 'overworked doctors facing a heavy backlog of patients would naturally see patients able to pay an additional fee before those who could not.' "

The profession set up a Department of Collective Bargaining, and it is with this department that we are now dealing, and not with doctors in their professional capacity but solely as a group interested in collective bargaining. If it is true that all doctors are in accord with what is being said by their officials - and I doubt that they all agree; in fact I know that many don't - but until they speak up publicly we must include all of them in this group, and for the record assume that their officials are speaking for all of them, so we have no alternative but to speak as we do. And to this Collective Bargaining Department we say: We are not in accord with everything you say; we feel that you have misrepresented many facts and therefore have been unfair. We say that you have tried to scare the public, and we say that if all your demands are met it would be harmful to the plan, it would kill this plan and therefore be harmful to the public.

Mr. Speaker, I make no apology for speaking as I do. I weighed every word that I was going to say while preparing this speech. I am ready to send a copy of this speech to any member of the Medical Association, and I will debate on the subject of pay for the doctors opting out with any member of the profession at any time, any place, on any public platform. The only thing that I ask from them is not to misquote me and not to take my words out of context. I will face any of my many doctor friends with what I have said today. Now, Sir, this is enough discussion on the medical trade union.

I wish to state at this time that I believe that the Minister of Health was certainly within his rights in refusing to answer the many questions asked of him about the names and numbers of doctors who were opting out, about refusing to vilify or embarrass those wishing to do so. I repeat that the Honourable Member for Inkster was unduly critical of the Minister in his accusations in saying that the Minister did not care. That wasn't quite fair. But now is the time for the Minister to work for all the people of Manitoba. The doctors of this province must be told that they have a choice to make, that they will be allowed to make it freely, that those wishing to opt out will not be persecuted, pressured or punished, but admired if they are sincere, for I have no doubt that many of them are; but we certainly will feel free to encourage, to attract, and to do whatever we wish for those who wish to work within the plan. The true purpose of this plan is to cover all the medical bills of all our citizens and this must be our aim. To do this we must have enough doctors working in the plan. This is obvious, Mr. Speaker. If not, the intent of the plan will be completely changed. We will then have some kind of insurance plan that would cover only a certain percentage of cost, and as I said earlier, the one good point of socialized medicine would be wiped out. All the money coming in by the increased cost of medical care in the province would go in the doctors' pockets without one bit of benefit to the public at large. What would be gained? What would be achieved? Nothing!

Mr. Speaker, I repeat, I don't like this compulsory plan but it is here, and once this province enters the plan every single one of us is committed to make it work, to try to make it work. This is the democratic system of government; it is that simple. So let us have no more threats, either from the government and the public to the doctors, or from the doctors to the public. If a doctor feels that he can better himself in another province, and this is what he wants, then he is free to leave, although we will be sorry to see him go. But if we haven't enough doctors we must take steps to get more, and this is not a threat but an obligation on our part. If we must take over the control and administration of medical education in this province, we will do so. We might be required to make some changes, some changes in effect recommended by no less than the eminent Dr. M. R. MacCharles, co-founder and first president of MMS. We might consider admitting more candidates into medical school; we might use the facilities 12 months a year and therefore graduate twice the number of doctors each year; we might set up or help set up doctors' clinics in some areas that have a shortage of doctors working within the plan. If we must recruit doctors from other countries we will do so, but we must pledge ourselves to make this plan work if we introduce it and we must pledge ourselves to full coverage of medical services to all our citizens.

We would much rather work with the cooperation of all the members of the medical

(MR. DESJARDINS cont'd) . . . profession, but if we are refused the co-operation of some we will work with those who are interested enough. And when I talk about co-operation I do not necessarily mean that a doctor must choose to work within the plan, but I do insist that no one try to misrepresent facts for their own selfish purpose. It is impossible for anyone to have his cake and eat it too. Let us be sincere, let us be man enough, let us be honest and we will together re-establish the good name of the medical profession and the public will once more have every confidence in this honourable profession. We can do this, Mr. Speaker, by working together, and the government will do this with our help, our support, without the introduction of partisan politics, but only if it has the courage to stand up for what is right and only if once more it is big enough to support the amendment that I intend to introduce, that is the repeal of clause (r) of subsection (1) of Section 24. If the government refuses this, if this plan fails because of it, then let the government accept the responsibility for this failure. Of course as previously indicated, an accompanying amendment covering the question of doctors who have opted out being allowed to practice within the plan in regard to patients in teaching hospitals will also be introduced.

Mr. Speaker, you will notice that I do not deal with the question of premiums, but I do consider this of the highest priority as indicated by the proposed resolution that I have on the Order Paper. It is obvious now that this resolution will be discussed, if at all, only in the dying days of the session after this has been passed, this Act has been passed and after the Estimates of the Department of Health have been dealt with; therefore I intend to read this proposed resolution into the record at this time.

WHEREAS the Manitoba Government has announced that Medicare will start in Manitoba on April 1, 1969, and

WHEREAS the Manitoba Government has announced a schedule of fees substantially higher than those in effect in Saskatchewan, and

WHEREAS the Manitoba Government has announced a schedule of fees which does not make provision for those on low and fixed incomes as is done in British Columbia, and

WHEREAS Municipalities in Manitoba are concerned that some of the premium costs are going to be forced on them, and

WHEREAS the Federal Government is paying approximately one half of Manitoba's Medicare costs, and

WHEREAS the people of Manitoba are very concerned about the premium structure and do not have all the facts on how Medicare is to be financed,

THEREFORE BE IT RESOLVED that the whole financial structure of Medicare be referred immediately to the Public Accounts Committee for study and report during this session.

Well, I serve notice on the Minister and the government that, in view of the fact that the Federal Government is making such a substantial contribution, when we get into committee, I intend to demand all necessary information, all information in this resolution. I also serve notice that it is my intention to introduce a resolution re premiums, a resolution introducing the principle of ability-to-pay and making some provision for those on low and fixed income as is done in British Columbia.

Mr. Speaker, I cannot understand why the premiums are so high - \$4.90 for a single person, \$9.80 for a family - especially if we take the contribution of the Federal Government into consideration. Are the premiums meant to cover all costs of this plan other than the federal contribution? How does the government arrive at these amounts? Is it possible that as done previously for hospital premiums that the government is asking for more than is actually needed so that just prior to an election they can reduce premiums? It seems that the premium, in some cases at least, will be as high or even higher than those paid now under MMS. The Minister must be ready to furnish us with all these answers when we get in committee. In closing, Mr. Speaker, I might also add that I am still of the opinion - nothing has changed it - that the schedule of fees should be included in this Act.

MR. SPEAKER: The Honourable Leader of the New Democratic Party.

MR. PAULLEY: Mr. Speaker, I listened with a great deal of interest to my honourable constituent, the MLA for St. Boniface, and the more I listened to him the more I could feel for him and the more I could understand the predicament that he placed himself in in respect of Medicare, for here is a man who has opposed Medicare all the way down the line. I think the honourable member has taken a real reactionary approach to the provision of Medicare, both within and without this House. He keeps on referring back to MMS and the days before, keeps

(MR. PAULLEY cont'd) on referring to the fact and condemns the Federal Government because of the fact that they instituted a plan of Medicare in the federal arena and into the provinces by co-operation with the provinces. Surely it's time my honourable friend came out of the woods and realized that the only reason that there is Medicare schemes afloat today is because of the need and the necessity of providing for people. I note that recently almost every province in the Dominion are thinking towards joining in the scheme to make provision for their citizens. Lo and behold, my friend here today has reiterated what he has said in the past, that he and his Party have reluctantly been dragged into a scheme that will benefit the people of the province.

I think today he has really placed the doctors of Manitoba in an intolerable position when he discusses the question of opting in and opting out, because he says, if I recall correctly what he said, if the doctors are going to be honest and sincere they will come into the plan and will not opt out.

MR. DESJARDINS: No, I did not say that.

MR. PAULLEY: That was the inference of my honourable friend.

MR. DESJARDINS: No, Mr. Speaker. Mr. Speaker, I did not say that and I think that the member should refer to Hansard tomorrow.

MR. SPEAKER: to the member for St. Boniface.

MR. PAULLEY: Mr. Speaker, I'm prepared to if I'm misquoting him, but it was my understanding that he in effect said that, that the doctors of Manitoba should be honest and sincere. Now if my honourable friend did not mean that, why certainly I will withdraw the . . .

MR. DESJARDINS: Mr. Speaker, on a question of privilege, I did not say that at all; in fact I said the opposite. I said that I did not agree with my honourable friend from Inkster and I said that the doctors should be free to opt out if they wish, and I repeated and repeated that we should not punish them for doing so.

MR. PAULLEY: My honourable friend made reference to honesty and sincerity on the part of the doctors, and it was not at the time he was referring to my colleague from Inkster that I'm referring to — (Interjection) — Yes, and I would suggest to my honourable friend that he find it likewise. But it does seem to me that in the remarks of my honourable friend that he has put the doctors in an intolerable position insofar as accepting or rejecting the plan, but notwithstanding that, by his remarks today my friend the MLA for St. Boniface in my opinion has further given indication of opposition to the plan itself without — without suggesting that the plan should not be proceeded with.

I agree with him insofar as the proposals that we have before us by this amendment in respect to giving to the Lieutenant-Governor-in-Council the right to decide on the very important matter of assignment. I don't think that the Lieutenant-Governor-in-Council should have this right. I believe that once we have established a plan, with very few exceptions, that plan should not be changed except by this Assembly, and I say that for two reasons. First, because of the reasons given by the Honourable Member for St. Boniface; and secondly, Mr. Speaker, because the government opposite have only been dragged into Medicare reluctantly by their heels. Quite frankly, I don't trust the judgment of the government opposite in this, as I don't trust them in many other areas as well, but I think that it is far too important an issue, the question of the assignment of payments, to give to the Lieutenant-Governor-in-Council, and we too raise our objections as indeed we raise objections to many provisions within this plan. We object most strenuously, and have consistently, to the amount of the premiums, the methodology of payment for Medicare. We have said all along that this plan should be paid for on the basis basically of ability-to-pay, and I'm glad the Honourable Member for St. Boniface now joins us.

MR. DESJARDINS: Now?

MR. PAULLEY: Yes, now joins us, because he was opposed to the plan from the start; now he joins with us on the ability-to-pay basis. I can't for the life of me understand — and I trust and hope the Minister will explain sometime along the line — the astronomical costs of Medicare being estimated in Manitoba of somewhere in the neighborhood, if I remember correctly, of \$55 million. I have the report of the Saskatchewan Medicare Commission for the current year ending December, 1968, where the total cost there was about \$26 1/2 million. Now I can appreciate that starting the first of July of this year, providing legislation is passed, that there will be chiropractors and optometrists brought under our plan which are not covered in Saskatchewan, but it seems to me, subject to an explanation by the Minister, that the figures just don't add up, because of the relative equality of population in Saskatchewan and in Manitoba, that one should be about \$26 1/2 million; the other \$55 million. It just doesn't seem to jibe at all.

(MR. PAULLEY cont'd)

I also want to fault the Minister and the government insofar as Medicare is concerned, whether it is because of their reluctance really to get the scheme moving smoothly on the first of April or for some other reason, people of Manitoba and the doctors, Members of this House, still really don't know how Medicare is going to operate in ten days from now because we still haven't got the regulations dealing with Medicare. If there has been confusion, and indeed, Mr. Speaker, there is confusion among not only the doctors, but people, citizens of the province, then I think the onus rests with the government. As you know in the other areas, as I mentioned, they are attempting to come into the plan, deciding to come into the plan. I don't agree with this bogey that is raised from time to time of doctors leaving Manitoba because of the bringing in of what my honourable friend from St. Boniface calls a socialist plan of Medicare. Certainly it didn't happen in Saskatchewan, despite the fears that were expressed at that time that the doctors would move out holus-bolus from Saskatchewan. The fact of the matter is that they have more doctors in Saskatchewan today than they ever had before, and they were the pioneers of the scheme. My honourable friend the Minister of Health shook his head. I don't know if he has seen the last report or not of the Saskatchewan Medical Commission, but if he hasn't I will kindly let him read it. It indicates an increase of doctors in Saskatchewan, I have no fear that under proper guidance, and an opening of facilities for the teaching of doctors in Manitoba, we too will enhance so far as numbers are concerned in the Province of Manitoba.

Now I know, Mr. Speaker, one could go on and on and on dealing with the whole question of Medicare. It is not my purpose to delay this Bill going into committee; I think it is most important that it go into committee in order that the citizens of Manitoba can have an opportunity of talking to their legislators about what they think of Medicare. I think it would be well, too, for the Bill to go into committee so that the doctors of Manitoba would have their inning with us and would be able to present their proposition to the committee of the House. I know I have had a number of discussions with doctors - and I see them fairly frequently these days - but I have had a number of consultations with them and I think that in many instances they are wrong; I think their fears are unfounded in many instances. I don't agree with their approaches; I do agree with their rights, however, in many instances, and I think that it would be all to the well that they do appear before the committee and let's have a complete airing.

Again I say we are faced in this House with two different viewpoints. We have both on my right and on my left two political parties basically opposed to the principle of provision of Medicare in the Province of Manitoba. I remind my honourable friend from St. Boniface that his Party has historically in this House rejected resolutions from this Party calling for the establishment of Medicare in Manitoba. The Conservative Party in the past joined with them whether they were in government or the Conservatives were in government. There's one thing that I do agree with my honourable friend from St. Boniface is in that now we have a Medicare scheme let's get together and let's make it work and let's make sure that the people who are the prime concern, in my opinion, are given the necessary treatment in order that their lives may be fuller than they ever were before.

MR. WALLY McKENZIE (Roblin): Would the honourable member permit a question, Mr. Speaker.

MR. PAULLEY: Certainly.

MR. McKENZIE: Does the report that you have there from Saskatchewan indicate how many rural hospitals have closed in Saskatchewan in the past 12 months?

MR. PAULLEY: No, but I'm sure my honourable friend could find that quite readily in Saskatchewan, because under the present administration in Saskatchewan, they're closing hospitals holus bolus in many rural areas that require the services.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'm drawn to my feet for two reasons, one the statements that were made by the Honourable Member for St. Boniface, where he appeared, Mr. Speaker, to disagree with what I said approximately a week ago. I say he "appeared" to disagree because when one goes through his remarks one has to distinguish between what it is to discourage and what it is to encourage. He says that he shouldn't discourage anybody but we should encourage the doctors who are in. Mr. Speaker, I think it's too thin a line for me to draw, even with my legal training, that when one encourages one he does the opposite to the other and I concur wholeheartedly with what the member from St. Boniface says, that we must, if we are behind this plan, we must encourage those doctors who say they are opting in to go along with the plan.

But that's, Mr. Speaker, not the most important reason for me getting to my feet. I intend to deal with a few of the member's remarks later on in my address. What really brings me to my feet is the statement that has been made by the Minister with regard to the introduction of this bill. Because, Mr. Speaker, as I read his statement it occurs to me that the Bill 33 does now, today, introduced in this fashion, exactly what he said a week ago, or on Friday, it would not do, and that is it permits the doctors to receive an assignment of their account from their patients. Mr. Speaker, let me illustrate that this is the case. The Honourable the Minister says that he is going to ask for regulations which will enable him to permit, to allow assignments, to restrict assignments or to prohibit assignments. That is the effect of the legislation, and I've only used three terms; it actually says a great deal more. But basically, it permits the Minister to pass Orders-in-Council allowing, restricting or prohibiting assignments. Then he says in his statement that he is going to pass a regulation permitting an assignment with respect to a medical school. And then he says, "beyond the recommendation to which I have just referred, it is not the intention of the government to recommend any other provision respecting assignments at the present time." Now, Mr. Speaker, where does that leave assignments? He has legislation, which he is introducing, which he says, permits him to prohibit assignments. He indicates that he will pass no Orders-in-Council at the present time making use of that legislation. Which means, Mr. Speaker, as I understand it, and perhaps the member for Selkirk will be able to confirm or deny what I am saying, or any other lawyer in the House, that there is nothing to prohibit an assignment, because before the legislation was brought in, was there anything in the legislation which would prohibit a patient from assigning the benefits which he receives under the Act to a doctor. Now, Mr. Speaker, I happen to think that the intent of the Act would prohibit such assignments. But, Mr. Speaker, I've seen the intent of so many acts go down the drain when it's been ruled upon by people who are not interested in implementing the intent of the Act, and we are told by the Minister, we are told by the members to our right, we have been told for the past four years that they don't want this legislation, that this legislation has been forced upon them by members on this side of the House, by policies that have been pursued by socialists, as referred to by my honourable friend the member for St. Boniface. And therefore, what is to prevent a patient on April 1st receiving medical care and sending a letter to the government saying, pay the amount of fees which would normally be paid for this care directly to the doctor. Is there anything in our present legislation that prohibits it? Because I know that the medical profession has been arguing, and has been arguing for the last several weeks, that there is nothing to prohibit it. I happen to think, I repeat, that there may be the intent of the Act prohibits it. And I think, Mr. Speaker, that in law it's not the same as the ordinary type assignment, because surely the government is not supposed to accept an assignment of benefit which it proposes to pay over which it has no control, and if a doctor is out of the plan, gives services and then presents his patient a bill and the patient assigns the benefit to the government, which there is nothing to prevent them from doing under the existing act or the regulation, I would think that the government would have a reasonable position to resist payment on the basis that they have had no supervision over, do not acknowledge, and have had no control over the debt that the doctor is now claiming payment of. But, Mr. Speaker, if my position as I've now put it was sound, if it was sound, then why does the present bill say that the government may make regulations prohibiting the assignment of benefit, because they have considered that they need an Order-in-Council in order to make that prohibition, and if that prohibition is not made, and if the Minister says he has no intention of making it, then is that assignment presently permitted? Because, Mr. Speaker, if it's not then I would like to see something in the legislation, and I don't see it now;

(MR. GREEN cont'd.) or I would like to see the Minister indicate that there's going to be an Order-in-Council - and the present statement that he makes indicates that there won't be - indicating that assignments will be prohibited and that a doctor who is not practicing within the plan cannot receive an assignment of a benefit to which a patient is entitled. Without that, Mr. Speaker, I say that we have good reason to suggest that the Minister has presented us with several documents the result of which is the exact opposite of his intention as expressed in the House on Friday.

Mr. Speaker, in addition to that problem, and I submit that it is a serious problem and that it's one which is not cleared up merely by the elimination of Section 11, Subsection (r), that it has to be cleared up by the passing or by the placing in the bill of a specific provision which would prohibit assignments, or less satisfactorily, a regulation which prohibits assignments. I'm not one who would be completely satisfied with a regulation, I would prefer to see it directly in the Statute because that way we know that when we leave this House two months from now, or a month from now, as the case may be, and that there is no arena where these things can be aired, that we know that the Minister can't change his mind without the pressure of the legislators around him; and I would suggest, Mr. Speaker, that the soundest way of implementing the Minister's intention would be to enact legislation which makes it clear that there is no way in which a patient can assign his rights under the Act to a doctor who is not in the scheme.

Mr. Speaker, the second area of discussion which I would like to address myself to concerns the area of the premiums. These have been dealt on slightly by my honourable friend the member for St. Boniface when he first made his remarks, and I would like to deal with it in perhaps just a little more detail. Mr. Speaker, the premiums that are imposed by this plan are, to put it mildly, punitive; and I suggest that the First Minister last year gave a hint as to why the plan would be financed this way. First of all, let us recognize that this plan has been financed in such a manner as not to cost the provincial treasury of Manitoba a penny. The entire cost of the program is being imposed either by taxation raised through premiums or by the federal share, approximately 50 percent of each, I think it's a little more in premiums than it is in taxation, roughly 30 million to be picked up by premiums and 25 million to be picked up from the federal treasury. So the provincial treasury is not being asked to pay one cent of the medical care scheme as it's now devised. They will be paying something, but that has to do with what they were paying before, people on social assistance and what have you -- that the provincial treasury is not paying a penny.

Secondly, the form of taxation which has been used, mainly the premium tax, has been employed conscientiously for the purpose of demonstrating to the people that you should not force us into this type of program because we're going to make it cost you and cost you dearly. And that's what the Premier of the province told us last year. He said that he wants to impose the tax in this way so that no one will doubt that the implementation of this type of program will cost them in the most serious fashion, and that is by a head tax, a poll tax, a tax, Mr. Speaker, which taxes the honourable member for Winnipeg South to the House of Commons, the same as it taxes the Indian living in South Indian Lake; they pay the same tax on the basis of the premiums that have been charged on the people of the Province of Manitoba. And I say that the government has done this conscientiously and with considerable forethought, and for that reason, because they don't like the program. Because, Mr. Speaker, there is a much simpler way of collecting the tax, one which is based on ability to pay, and that is of course the income tax. Mr. Speaker, to raise \$30 million in income tax, which is the amount that this government would have to raise in order to finance the health program, would involve not a great deal of tax at all. The income tax is more difficult to figure out, but I think that if we go to the sales tax which I am against but which is ten times as good as the premium tax, it becomes very simple. Mr. Speaker, we raised last year, or we were scheduled to raise last year, \$50 million by levying a five percent sales tax which is 10 million per percent, one percent sales tax raises \$10 million; which means that three percent of sales tax would raise \$30 million, the provincial share of the Medicare program.

Now what does three percent in sales tax mean, Mr. Speaker? I'm not advocating a sales tax, but I want to show you just how serious the premium tax is, because everybody surely would be agitated and would be against an increase in three percent sales tax. Well, let's just see how much of a difference it is and let's take a category of people who are even above the average family income in the Province of Manitoba. Let's take a family earning

(MR. GREEN cont'd.) roughly \$5,000 a year. How much would three percent sales tax mean? Well, Mr. Speaker, such a family, and I'm going to estimate figures off the top of my head, but such a family -- and my honourable friends can correct me if I'm wrong -- would pay a minimum of \$1,500 for rent -- a husband and wife and two children, they couldn't get by with less than \$1,500 a year for their living accommodation, which would include their rent and their utilities and their heat and what have you. It's a small amount that I'm suggesting, \$125.00 per month. They would pay, Mr. Speaker, a minimum of another \$1,500 a year for food. which is a total of \$3,000 on which they pay no sales tax. They would pay, Mr. Speaker, I suggest to you a minimum of another \$1,000 on things such as transportation, children's clothing, entertainment, taxes of one form and another and other items on which they are non-sales taxable; leaving Mr. Speaker, I would suggest to you -- and I've indicated the figures so that people in the House would know how I arrived at them -- leaving I suggest to you a maximum of \$1,000 on which they could pay sales tax, which they could possibly pay sales tax on, because that's the only amount they'd have to spend on sales taxable merchandise. Mr. Speaker, three percent of that figure is \$30.00 a year; \$30.00 a year it would cost that family for a three percent sales tax, and this government is going to charge them \$120.00 a year as a premium tax, roughly a 12 percent sales tax for that family, by levying a premium instead of a sales tax. And I say that the sales tax is not the best form; that in income tax it comes out to even less. But that's not the intention of the government to collect its tax in the easiest way. And wouldn't that be the easiest way? Would they then have to go to the municipalities and say, put a lien on somebody's house and sell it because he didn't pay his premium. Wouldn't the administration all be there, wouldn't they have merchants such as Mr. Borowski and any other person here, wouldn't they have them as their tax machinery as they have now to collect the same 30 million dollars without levying one penny in premiums. But they didn't do that, Mr. Speaker, because they said, we want to show these people who forced us into a Medicare program, that we're going to make it hurt; they may need Medicare after we get through with them.

Maybe that's why the costs are going up. Maybe that's why the costs are going up, from 30 million to 50 million dollars in roughly four years without a Medicare program. They say that Medicare -- the honourable members on that side of the House, say that we talk about things being free, they say that if the government gets into it the costs will skyrocket. Mr. Speaker, the government hasn't been in it for the past two years and the costs have gone up from 30 million to 50 million dollars. That's based on your wonderful private enterprise system without the government being in it, and the only two provinces which have managed to hold Medicare costs are the Province of Saskatchewan and the Province of British Columbia, where they have what you would call socialized medicine. They're the only province that have been able to control Medicare costs, and the only time that we're going to be able to control Medicare costs is from now on, because in the past two years we've permitted your wonderful private enterprise system to raise the costs of that program from 30 million to 50 million dollars. Mr. Speaker, the deterrent fee in Saskatchewan which has been introduced by another great private enterpriser is admittedly saving the Province of Saskatchewan six million dollars a year by keeping out the sick -- not keeping out the sick, keeping out the "poor" sick. It doesn't keep out the rich sick, but if we can only keep out the needy sick we'll save our province six million dollars a year. That's what Mr. Thatcher is saving by the deterrent fee, that's what he says, which is six percent of one percent of the sales tax. That's what they're saving and still they have controlled costs in that province without the deterrent fee.

So, Mr. Speaker, I suggest to you that what this Bill doesn't do is to put these, the raising of the costs of Medicare on a sensible and equitable basis, which the government has in its power to do but won't do, because the Premier told us why -- because he wants to make sure that we are not put upon to get into this type of scheme and that's why we are going to make it hurt, and when we make it hurt then you'll need Medicare and you'll use it and the costs will go up. And that's what's happening, Mr. Speaker.

The Honourable Member from St. Boniface says that I want to punish people. Mr. Speaker, I advocated no punishment. What did I advocate? I said these people say that they are out of the plan on the basis of principle, on the basis that it's wrong for them to accept money without having the patient participate in the payment of the medical fees; that this amounts to socialized medicine. Well I said, Mr. Speaker, that those same doctors who are taking this position were starting to exercise pressure and there is no way of preventing them from doing it. There is no way of preventing them from saying that we will not refer patients to any

(MR. GREEN cont'd.) doctor who practises within the plan; and there is no way of preventing effectively, them from saying that if you are practising in the plan, you are going to have to wait to get a hospital bed or you're not going to be permitted to establish hospital privileges in this hospital. And that's what they did in Saskatchewan; and I suspect that that's what they're going to do in Manitoba. I said that that's their form of pressure and if they are such great believers in the fact that it's wrong to accept public money, then let's employ the opposite form of pressure. Let us say that if you think, if you are great rugged individualists and it's wrong to accept public money, then tell us when you go into medicine and we'll give you the free enterprise privilege of paying for the entire cost of your medical fee. Is that a form of pressure which these people should complain about? They are against taking that form of money; they are against socialized medicine. Is that a form of pressure?

My honourable friend, who believes in encouragement would probably agree that you should pay, and I agree with this too, that we should give somehow, some incentive to the students who would go into the plan and who would indicate that he will practise within the plan. Well, Mr. Speaker, you can't have it both ways. If you give it to one and you deny it to the other, call it what you like, the person who you deny it to will say that you are punishing him. The person who you give the favor to will say that you are encouraging him, but they are two sides of the same coin, to encourage one is to discourage the other, and I say that if we are in this plan that we should encourage those doctors who are willing to go along with it. My honourable friend would say that - he compared it to Russia or Czechoslovakia. I don't know why it is that every time a suggestion comes from this side of the House which is completely consistent with what our society is already doing in many other areas, that it has to be compared with this type of situation, but he compares it to Russia and Czechoslovakia.

Mr. Speaker, last year I made various suggestions about what could be done to combat the bargaining position of the doctors and that the government was doing nothing about it. I never heard from the Honourable Member from St. Boniface before, so perhaps I'm being unfair, maybe he did suggest it, but I suggested that we run all over the world and get doctors. Maybe the Member for St. Boniface thought that it was radical last year, but this year it's one of his suggestions. I said that we should set up public clinics in areas where doctors had indicated that they wouldn't practice, that we should pay them even more than they would get under the Medical Care plan. Well maybe last year my honourable friend thought it was radical, but this year it's one of his suggestions. I said that we should pay a thousand dollars per student to any student who would go to medical school, and that would be a cost of a million dollars a year, and that we would double the ranks of the Medical Colleges. Now maybe that was a radical suggestion, my honourable friend never mentioned it; but this year it's part of his proposal. Not the thousand dollars a year, but doubling the number of students who go to Medical School.

MR. DESJARDINS: I said that last year.

MR. GREEN: Well, Mr. Speaker, maybe I'm wrong. Maybe my honourable friend will show me where he said it. But last year it was our suggestion; this year it's no longer very radical. And I suggest to you, Mr. Speaker, that next year my honourable friend will not consider it radical to suggest that those people who indicate that they are great believers in the free enterprise system and can't stand public money, will relieve themselves of the right to collect that money to pay for their medical school. Maybe next year, my honourable friend will get the idea just as he has done so this year.

Mr. Speaker, there is nothing wrong with saying, just as members of the other side have said from time to time, we have to give tax incentives to encourage industry; we have to give tax incentives to encourage particular industries in particular towns. Mr. Speaker, I'm willing to give incentives to encourage those doctors who are willing to practise in our legislated plan. If my learned friend, my honourable friend says that is a punishment and a penalty to those who don't want to practise in it, then that's his definition. It's not my definition. I have consistently said that these people should be free to work outside the plan, and just as I have been told by members who say that we have a free press, that if I don't like it I can start my own newspaper; we have a free medical plan, if they don't like it they can start their own hospital, they can start their own medical school. They have the same freedom which I've advocated for anybody in this House. They have the same freedom which the trade unionists had, and nobody wants to take that away from them. My honourable friend is right, partly, about what he said about this party. Last year when he first introduced an amendment in

(MR. GREEN cont'd.) Committee which would restrict the right of doctors to charge in addition the majority of the members in my party voted with him. I voted against him. I admit it - not my party - I as an individual said, not the party, the majority, the majority of our group voted with the Member for St. Boniface.

MR. DESJARDINS: . . . in Committee.

MR. GREEN: Mr. Speaker, it's just now an argument between my honourable friend and myself. I know what criticism I got within my own group for having done what I did, but the others voted with him. And I said, Mr. Speaker, that I am willing to wait to see whether the doctors are willing to go along with the plan before I impose this kind of discouragement. Mr. Speaker, the next day, the day after we got out of Committee, the doctors indicated that they were going to charge 15 percent in addition on the MMS coverage. And the next day I changed my mind, it was one day later but I as an individual, not my party. My party was with you all the way.

MR. DESJARDINS: Oh no, not in second reading.

MR. GREEN: Well, Mr. Speaker, I suggest to my honourable friend that he will have to show me the difference somewhere recorded because I know how our party voted. But nevertheless, the next day, the next day I indicated that I was willing to wait to see what the doctors did. I waited one day, that was long enough. The very next day I said that if they're in the plan, they have to accept the fees that are paid under the plan and I voted with the Member for St. Boniface. But I don't think that the present system is any less free to them than what they're actually demanding. If they want to be outside of it let them be outside of it, but I'm prepared to encourage those who are inside of it, and if that makes things uncomfortable for the ones who are outside of it, then I say tough luck.

But, Mr. Speaker, that's not what the legislation says and that's not what the Minister's statement says. I think that he has to satisfy this House that his decision not to recommend any other provision regarding assignment leaves the Act in a position where the doctor cannot assign, because if that's so, then I find it difficult to understand the reason for the regulation which says that "he may make regulations prohibiting assignment." If he may make them and doesn't make them, then aren't they permitted to assign?

MR. SPEAKER: Are you ready for the question?

MR. DESJARDINS: Mr. Speaker, yes, I wonder if the last speaker would permit a question.

MR. SPEAKER: Order, order please. The debate has been on such a high level I hope it will be maintained that way as we go along.

MR. DESJARDINS: Absolutely, Mr. Speaker, absolutely. Now isn't it a fact that when my honourable friend spoke here in this House, the whole nature of his speech was a grievance against the doctors that were in? You spoke under grievance for one thing. Now wait a minute, I have another question, you can answer altogether. And then isn't it a fact that my honourable friend said that the government must take steps to make it uncomfortable for doctors operating outside the plan, not for those inside? And did my honourable friend say people should refuse to pay the extra 15 percent which will be charged by doctors outside the plan on the grounds that it is injurious price fixing?

MR. GREEN: Mr. Speaker, the honourable member is quoting me exactly. He is reading from Hansard. I don't think I said anything different today. With regard to the suggestion that they be made uncomfortable I repeated that. I said we should make things comfortable for those who are in the plan and if that makes things uncomfortable for those who are out, that's tough luck. And I am prepared to say that I will not do anything, if they want to be outside, if they want to practise their medicine entirely apart from what the legislature has enacted, I've said today, let them set up their own hospitals, let them not make use of the tainted socialist hospital money that they are getting and all the facilities that are in the hospital. Let them set up their own medical schools. Let's get into real competition with these rugged individualists. Let's fight them.

MR. DESJARDINS: I did not intend the honourable member to make another speech. He answered the question, that was good enough and I think he should know why I suggest that I didn't like his negative approach. That's all I've done.

MR. SPEAKER: Are you ready for the question?

MR. DOUGLAS CAMPBELL (Lakeside): May I ask a question of the Honourable Member for Inkster? Does the Honourable Member for Inkster know that he has proved to the satisfaction

(MR. CAMPBELL cont'd.) of himself and everybody else in the House that he agrees entirely with the Honourable Member for St. Boniface?

MR. GREEN: Mr. Speaker, I started my remarks by saying that there was only apparent disagreement. Would the Honourable Member for Lakeside agree that the Honourable Member for St. Boniface agrees entirely with the Honourable Member for Inkster?

MR. SPEAKER: The Honourable Member from Carillon.

MR. LEONARD A. BARKMAN (Carillon): Mr. Speaker, I beg to move, seconded by the Honourable Member for Assiniboia debate be adjourned.

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

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Attorney-General. The Honourable Member for Rhineland.

MR. EVANS: Mr. Speaker, in the absence of the Honourable Member would the House agree to allow the item to stand?

Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Transportation that Mr. Speaker do now leave the Chair and the House Resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

COMMITTEE OF SUPPLY

MR. EVANS: Mr. Chairman, I find it would be more convenient to proceed with the supplementary supply resolution at a later date. Perhaps my honourable friend the Minister of Mines and Natural Resources would now be prepared to go ahead with his Estimates.

MR. McLEAN: Mr. Chairman, if I may before the Honourable the Minister of Mines and Resources, I was asked during consideration of the estimates of the Department of Transportation certain questions on which I am now able to give the answers and place them on record in Hansard.

The Honourable Member for Gladstone-Neepawa requested certain information as follows: The number of persons suspended during 1968. The number is 13,391. I perhaps should interject here that we were speaking of license suspensions under the Highway Traffic Act.

The number of applications made to the Licence Suspension Appeal Board appealing from the suspension, 745. Of this number decisions were made in 702 cases while 43 cases have been deferred at the request of council or pending further enquiry.

The number of remissions granted by the License Suspension Appeal Board. It would be illusory to group all cases applying for remission from suspension. In more than half of the applications made to the Board the persons seeking remission had no previous record of any consequence. The balance were suspended by the registrar under Section 243 because of a bad driving record, or the person was suspended under Section 235, and 243 of the Act following conviction of an offense under the Criminal Code. Accordingly we have broken down the type of suspension from which an appeal was being made to the Board into three categories: 1. Those who were suspended only under Section 235 of the Act following conviction for impaired driving or other conviction under the Criminal Code. 2. Those suspended under Section 243 of the Act by the Registrar on the basis of an unsatisfactory driving record. And 3. Those suspended under Section 235 and 243 of the Act. We indicate the number of applications in each category and the number of remissions granted and denied: In the case of category one there were a total of 321 appeals where decisions were made. Of this number the percentage of remissions granted is 91.3 percent. In the case of category two, that is, suspensions imposed by the Registrar on the basis of an unsatisfactory driving record, there were 293 applications heard by the Board. Remission was granted in 239 cases and denied in 54 cases. The percentage of remissions granted was 81.6 percent, somewhat lower than in the case of category one, principally because the Board feels that in at least some of these cases it was not in the public interest to grant remission. In the case of category three there were 88 applications made to the Board. Of this number 58 were granted and 30 denied, 66 percent of such applications were granted. There were a total of 3,766 persons convicted of offences under the Criminal Code, as a result of which there was an automatic suspension under Section 235 of the Highway Traffic Act. Additionally there were a total of 2,295 suspensions imposed by the Registrar. There were a total of 6,061 suspensions from which the persons suspended had the right of appeal to the Licence Suspension Appeal Board. As only 745 elected to

(MR. McLEAN cont'd.) exercise this right, it would appear that in the majority of cases, there was no appeal. Only 12 percent of those suspended who have a right of appeal, exercised that right.

And, Mr. Chairman, on another item concerning the replacement costs during 1967-68 under the ORBIT programs: The total number of Orbits in service, 110; total replaced in 1967-68, 25. Replacement costs, 25 times \$133, including purchase and installation, \$3,325.00. The estimated reasons for replacement: accidental fires, 50 percent; gasoline fires, 25 percent; other vandalism, 25 percent. Total Orbit bags consumed, 500,000; cost of bags, \$3,875.00.

MR. CHAIRMAN: Members of the Committee, just to bring your memories back, last week we were discussing the amendment to the motion 1(a) Administration of Mines and Natural Resources, the Minister's salary, the motion by the Honourable Leader of the New Democratic Party, seconded by the Honourable Member for Ethelbert Plains, reducing the Minister's salary. The Honourable Minister of Mines and Natural Resources.

MR. ENNS: I believe I was in the process of replying to a few of the questions put to me before we rose on that occasion. Let me just finish these off before they become too dated. I was speaking specifically to some of the points raised by my honourable friend the Member for Churchill. He made reference, or made particular points to the royalties that this department receives from the mining operations in the north and was asking why the royalties in this particular case showed a decrease from last year. I might inform the members of the House that some of these functions have in the reshuffle of government organization been assumed by the Department of Finance and my colleague I'm sure is in a position to further enlarge upon them if he will. I'm prepared to give the information that was required of me last Friday. The decrease is there primarily because of a decline in net profits. The royalty tax is based on net profits and there has been apparently a decrease in the case of two operators, namely Sherritt Gordon and Inco and in this case this accounts for a slightly reduced royalty tax.

He made a point of telling the House and me of what he thought of the rate of taxation that was being applied. I believe "peanuts" was the term that he used in describing the amounts of money so derived by the people of Manitoba. I don't know, Mr. Chairman, I suppose we double the rate of that particular taxation and he would still call it peanuts and I would probably agree with him, because this really isn't the area wherein the province derives its net gain and the people of Manitoba derive its net gain from this great resource of ours. Surely attributable to this you have to consider the corporation taxes paid by these companies. I suppose you can add also the income taxes paid by the wage earners, the working force resulting from the development of these mines. You can attach in fact the whole economic life and activity of such towns as Thompson to the development and utilization of this resource. What I'm trying to say to him, Mr. Chairman, is that there is a belief sometimes about that it's simply a question of moving aside the overburden or sinking a shaft and you come directly upon the Canadian mint. It's what we do with that resource that makes it valuable. In itself, you can't put specific dollars and cents to it. He gave his own example, Mr. Chairman, about how a piece of driftwood becomes a taxable item but what he didn't say it that it's what he does with that driftwood, even just the simple act of picking it up and putting it on a mantle shelf somewhere makes something out of that piece driftwood. It is only then that some value is attached to it. The same thing applies by and large to most of our mineral development. It's what we do with the mineral when we take it out that brings the economic benefit and value to it. Let me point out to him, and to members of the House, how successful we are in doing that; how successful we are in attracting capital to help us do that. Certainly it's becoming much more complex and power, reasonable power, reasonable hydro rates becomes a very important part of that equation. We're not in the 17th - 18th century mining industry any more, where perhaps a bit of pan mining brought out a few gold nuggets and had an immediate commercial value as such. These are a few comments that I would pass on to him.

I believe I dealt with him with respect to the other remarks that he made regarding mine inspectors and so forth. I'm sure that in the process of indoctrination that he no doubt is undergoing, at least will be undergoing if he continues to associate with that group over there, they will very shortly introduce him to a gentleman by the name of Carter and he might want to tackle this government or myself or indeed my colleague, the Minister of Finance, on that particular subject, which I hold out to him as being a much more fruitful area, and one which unfortunately he's not going to get much more support from on this side of the House. But I'll

(MR. ENNS cont'd.) recognize that if you're talking about a better reapportionment or a reorganization of how the mining community is to contribute to the public at large then that may be an avenue or a door. I'm just simply saying that I cannot for once continue the suggestion that we should jeopardize these industries by putting ourselves into an uncompetitive position vis-a-vis the royalty tax. --(Interjection) -- I'm not familiar with what's being done in B. C. I'll have to ask the Honourable Member for Rhineland who sometimes has some specific information as to how affairs of state are run in B. C.

Dealing with the Honourable Member for Hamiota, who unfortunately is not in his chair, but he dealt with -- oh, I'm sorry, I didn't see his smiling countenance there -- he asked specific questions, why the potash development at St. Lazare did not proceed with it. I think the honourable member really knows that it's not the function of this government that dictates or creates of its own volition mining companies. We do our best and if my good colleague the Minister of Industry and Commerce were with me, he may have some more to add to that. We are sometimes criticized from the honourable members opposite for doing our best in this regard but in the final analysis it is the corporate decision of those involved, those companies involved in the pursuit, in the seeking of these endeavours that make these decisions.

I would like to commend to him for reading, if he has not already done so, on the other matter that he raised, namely the situation with deer and what this department should be doing with it. I thought there was rather an excellent article in the Weekend Leisure portion of the Free Press: "Deer and Winter Starvation". It's an article by a Mr. C. P. Barager, which indicates some of the problems with respect to how best we can help out our friends the deer when these kind of weather situations prevail. I'm not suggesting that we do nothing. Certainly we have a role to play and I'm satisfied we are. It can of course always be improved upon.

His comments with respect to the farmer being given some greater degree of consideration particularly with respect to possible crop loss, crop depredation, are well taken. I would inform the member that I'm very much concerned about this aspect myself and hopefully will be in a position to do something about it in short order. There is not being to the full extent possible, advantage taken of some of the programs being offered, particularly some of the federal programs in this area. The lure crop project and so forth, that are being offered through joint federal-provincial programs and in fact even private organizations that are interested in doing this. I think that aspect of it could be expanded but it's certainly an area this department is very keenly interested in, one that we would hope to extend and further.

The Honourable Member from Gladstone finished off this particular part of the questioning with the tantalizing suggestion that he may just not vote with the resolution before the House if I could assure him that something would be done with respect to the Whitemud River. Well, Mr. Chairman, I tried very hard over the weekend, but unfortunately, I'm afraid I'm going to have to make the decision for him just how he will vote in this particular resolution because he dealt at some length with The Water Conservation District Act. He felt that it had in fact been proclaimed or that that district had been proclaimed under that Act. The fact of the matter is that it has not, and partly for the reason that perhaps we're attempting to be too ambitious or take in too large of an area to make it worthwhile or to make it practical from a municipal standpoint of view. We have had numerous meetings, both myself and other Ministers and other governments have worked over the 10, 11 year period of time that he speaks of, but we have always failed to get the necessary degree of majority support for the programs that were envisaged thereunder.

In '65 with the adoption of the provincial waterways program some aspects of it, some of the specific drainage aspects of it were considerably altered, which changed the situation somewhat. I'm hopeful that the legislation that my colleague the Honourable Minister of Agriculture will be introducing, which is of a similar nature but defined more specifically to the soil and erosion and land use problems, which really are the problems that my honourable friend from Gladstone is plagued with in that part of the province and it really boils down to two specific municipalities that have the greater part of this problem. I have to inform him that the proposals that we had put forward or that were initially put forward by Errick Willis at that time, in the letter that he refers to, have never received the municipal support required to make it possible. I'm not saying this in attempting to throw it back on the municipalities. It was very difficult for 18 municipalities to agree to the total program, and it was that kind of a program that was being held out for them. I am hopeful that with the Act that we are now going to be considering and with the water provincial program moving along its course, that we

(MR. ENNS cont'd.) can resolve the problems that he has with respect to the Whitemouth River. I point out though that the real problems that are there do not really relate to a matter of digging ditches or improving the drainage system as such. It is related to the serious problems of land misuse in a few of the municipalities concerned - erosion and silting problems that have come from the clearing of land that perhaps should have been cleared on the escarpment, and this has caused no end of concern over these past 10 or 11 years in that area. I think the members recognize that it's not very easy to change traditional use of land and it also entails considerable expense. You don't do this overnight. You don't reforest land that was used or that was cleared and bring back reforestation programs overnight.

I think that really was the essence of the Honourable Member from Gladstone's remarks. He also questioned at some length with respect to the manner of bidding by Manitoba Hydro and felt that there was something amiss because of the relative spread in the bids received in the recent contracts that we were looking at the Missi Falls. I would ask him to ask the same questions to the members of Hydro when they are available to him at some committee or indeed my colleague the Minister of Finance responsible for Hydro, perhaps he can answer these questions more fully than I can at the time of his estimates. Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for St. John's

MR. CHERNIACK: Mr. Chairman, I wonder if I could just get clear from the Minister what he had to say about the collection or the imposition of royalties. Did he suggest that the royalties were related to profits, income, or gross production? Could he just clarify how it is related?

MR. ENNS: My understanding of the matter, Mr. Chairman, is that the profits are related to the net profits - the royalty tax is related to the net profits.

MR. CHERNIACK: I wonder if the Minister could clarify his statement, which I think I heard clearly, that profits have dropped and therefore royalties are dropping. Is that correct?

MR. ENNS: Correct.

MR. CHERNIACK: And the Minister is under the clear impression that he knows that the profits are down? Does he have statements to substantiate the fact that profits are down in these companies?

MR. ENNS: I'm not fully familiar with the precise formula on which the royalty tax is based. It bears a relation to the net profits and I would assume that the Minister of Finance would be in a position to make a full statement with respect to the matter of collection of royalty taxes during the course of his estimates.

MR. CHERNIACK: Mr. Chairman, since the Honourable Minister is charged with the management of the natural resources of this province, I would think that he would have a very definite interest in the payment to the people of Manitoba, who own the natural resources, for the use of the resources, rather for not just the use, for the depletion, and since it is - I think we can forecast that we will not be completing the work on his department this afternoon - would it be fair to ask the Minister to come back to us and give the information as to the royalties collected, the manner, the formula used and what the results are. It is not my impression that the royalties are based as he states, but if he is right then he would have statements from the company showing their profits and showing the manner in which the royalties were collected, and I think the simplest thing would be to recount to us any sample of any royalty calculation that was paid and shown in his department. I don't think it's enough to say that the Provincial Treasurer has the information; it's recorded in his report of his department; and I'm sure it's available there. Once we know the formula, then I assume that the Minister will be prepared to debate that because he says that he might agree that if the royalties were doubled it would still be peanuts, so let's find out what size peanuts we're talking about and what quantity, in order to be able to assess whether the natural resources of our province are making the proper return to the people that own them.

MR. EVANS: I think that it would be right to point out to the honourable member that these two taxing acts have been transferred to the Department of Finance, and it is a complex matter. It's a complex formula and I think it would be the right thing to debate it under the Minister now responsible for the administration of that Act. I'm quite prepared to do so, or will be by the time my estimates come up, and I'll be glad to discuss it in the fullest degree and to account for any differences that may have appeared in previous years' estimates.

MR. CHERNIACK: Mr. Chairman, I appreciate the Honourable Minister volunteering to give the information when we come to his estimates. In the back of his mind he probably

(MR. CHERNIACK cont'd.) also has a phrase, if and when we come to them, because it's quite possible that we won't come to them, and

MR. EVANS: My honourable friend should not impute that to me. I'm quite willing to discuss any matter under my jurisdiction. He should not impute to me a design to avoid discussing the matter. If he did not intend to say so, he should say that now.

MR. CHERNIACK: Mr. Chairman, the Minister has become so sensitive of late that he now interprets words that I state - and he has a right to - but this sensitivity is somewhat unlike him in previous years and I sort of sympathize with him in what must be some problem that he has in dealing with his work. I suggest to him that he is ninth on the list as I see it, on the estimates, and from the experience we have had in the last couple of years it's more than likely that we won't reach his estimates. To suggest or to state that I implied that he was afraid to do so is of course ridiculous. I know the Minister well enough, in spite of his recently acquired sensitivity or touchiness, that I still have no hesitation in knowing that he is prepared to deal with matters in his province, but since the report as to royalties appears in the Department of Mines, and we're dealing with past matters, then it certainly was in the province of this Minister whose salary we're debating. Certainly the Provincial Treasurer who has this information presumably - not presumably but certainly has the information, is not barred from entering into the debate and giving the information either to the Minister, who can transmit it to us, or to the House. I think he knows that we're always happy to hear from him and to learn that which he knows about the workings of his or any other department, and I would invite him to come in on this debate at this time and give us the information which I still believe relates to the work of the Department of Mines and Resources whose province it is to see to it that we get a proper return on our resources.

The Honourable Minister mentioned something about getting a return from other things such as the income tax of the workers. I'm also interested in the income tax of the companies, and I'm not so sure that the companies are paying income tax to the Province of Manitoba, so that if they are earning money in the province and if they are not paying income tax to the province, as is possible, then surely we have to look to the royalties to protect our interests. I think it's up to the Minister of Mines and Resources to do that, and I certainly invite him, if he doesn't have the information-- I don't expect that he has it right at hand - to get it, be it from his department head, be it from his co-frere the Provincial Treasurer - or the Minister of Finance, but be it how he gets it, let us have it while we're discussing his salary.

MR. CHAIRMAN: I was wondering, will we not be discussing this point, this particular issue on the Budget Speech? I would imagine this will come up on the mineral tax. The Honourable Member for Rhineland.

MR. FROESE: When it comes to the budget we just make our formal speeches, our formal addresses; we have no way of debating it the way we're doing it in committee right now.

MR. CHAIRMAN: The Honourable Minister.

MR. ENNS: I recognize that the honourable members perhaps want more information than I can pull out at this time, and I'll endeavour to enlarge on this reply perhaps at the point and time that we reach the particular section dealing with mines in the estimates, if I make myself clear.

MR. CHERNIACK: Do I understand you'll undertake to try and provide the information during your estimates?

MR. PAULLEY: Mr. Chairman, I appreciate the position taken by the Minister of Mines and Natural Resources and also the position taken by the Minister of Finance, but I'm wondering if somebody is trying to kid somebody else. I was pleased today to receive a Return from an Order of mine dealing with what I think is a very important matter pertaining to natural resource development in Manitoba; namely, copies of the last financial statement lodged with the government of Manitoba covering the operation of some seven mining companies, or companies who are doing mining in the Province of Manitoba. If I understand the Minister of Mines and Natural Resources correctly, he intimated that some of the return to Manitoba is based on the profits of the companies. Now surely the only way in which we can arrive at what the profits may be of the respective companies is from their financial statements, but in the reply handed to me today, the answer respecting each of the seven several companies was a "nil" reply.

Now if we don't know what their financial operations are in the Province of Manitoba, and we don't in accordance with this reply - which incidentally is a return by the Minister of Mines and Natural Resources but not the Minister of Finance - so I would suggest, by implication

(MR. PAULLEY cont'd.) at least, my honourable friend the Minister of Mines and Natural Resources is responsible, otherwise the reply would have come from the Minister of Finance. But if we don't know from financial statements from the companies mining in Manitoba, how are we able to make a reasonable assessment of what the returns should be from these companies to the taxpayer of Manitoba.

May I recall, Mr. Chairman, a year ago a matter was raised during the debates in the Assembly of an Order-in-Council which - I'm sorry I forget the number - but of an Order-in-Council which exempted a certain company from the payment of royalties because of their financial situation. I refer to the silica sand operation, and the Minister of Finance nods his head - and I'm recalling fairly well accurately without the figures - and yet, Mr. Chairman, one of the companies of whom I requested the information of their financial statement was the Winnipeg Supply and Fuel. Now last year by Order-in-Council the said company was exempted, because of the lack or small amount of income, from paying royalty taxes, and yet when I asked for this information by Order-in-Council the reply I get is a "nil" reply. Now, that's why I say, Mr. Chairman, something just doesn't jibe here, because if by Order-in-Council we can exempt the company from partial payment or complete payment of royalties on the basis of their financial operation, then surely we must have a financial statement. Now it might be that the Minister of Finance can reply to what I am now saying, or possibly the Minister is in error in the reply that he tabled today.

Now I appreciate the fact that the Minister of Mines and Natural Resources gave a statement to my colleague from St. John's a few moments ago that before we complete his estimates and get down to the question of royalties and allied matters, that possibly he will have the answers to clear this situation up. I do ask him - I do ask him, in view of my recollections of what transpired by Order-in-Council a year ago, particularly in respect to Winnipeg Supply, to have a second look at whether or not a financial statement was produced.

And another one - and I'm sure I might run afoul of a couple of members in the House who have informed the House that they are shareholders in International Nickel - that I'm interested in, we have a huge development in Thompson and Saub Lake and other lakes in northern Manitoba. We hear from time to time, or read from time to time of the profits of INCO, and also on the other side of the picture the amounts of money that they are investing in Manitoba and elsewhere in order to reap those profits, but I think, Mr. Chairman, that unless and until we have a division within the company, or at least of their operations in Manitoba, their operations in Ontario, we're not in a real position to assess whether or not they are making a fair contribution within our province. This is a matter I would like to have more discussion and more clarification of, because, as has been mentioned on a few occasions, when one looks at the expenditures in the Department of Mines and Natural Resources as against the income, and when one places an Order for Return like I did and gets a reply today that the Province of Manitoba apparently do not know what the financial statements of the companies are within the Province of Manitoba, is it any wonder, Mr. Chairman, that people wonder as to whether or not we're receiving a fair return from our natural resources in the Province of Manitoba, particularly our non-renewable natural resources.

MR. CHAIRMAN: Are you ready for the question? The Honourable Member for Churchill.

MR. BOROWSKI: Thank you, Mr. Chairman. I think our Minister must be getting pretty desperate when he starts comparing driftwood to nickel, because you know very well driftwood keeps floating in with no cost to anybody. It'll drift in for the rest of time, and if anything, I'm doing the people a favour by picking it up. But I do have to pay 12 percent, not one and one half percent. Nickel, on the other hand, is first of all a very scarce commodity. There's been a shortage of nickel for many years and I imagine that it'll stay that way, and once you've taken this precious nickel out there's just a hole in the ground, it's gone for all time. So really when you try and draw a comparison between the two, it's just nonsense; there is no comparison.

You mentioned another point which was just debated here a minute ago, and I'm not sure whether you're correct or not and I'm sure you'll clarify this, and that is your mineral tax is based on profits rather than tonnage. Now if it is based on profits rather than tonnage I hope you changed it, because if it isn't, of course we're in trouble. I mentioned the other day that International Nickel is spending \$160 million developing a deposit in Indonesia, and should Sukarno - Suhardo start fighting and take that place over, INCO's lost \$160 million which they

(MR. BOROWSKI cont'd.) will charge up against their profits and you and I will not even end up with peanuts; as a matter of fact, we may have to pay them money. So I would suggest to you that you look into this matter, and if it is based on profits that you immediately change it to tonnage, because it's tonnage that we're losing and the tax should be based on tonnage.

You mentioned something about me being in this group, and if I stay around long enough that I'll start accepting the recommendations of a fellow named Carter. Well, I've heard of Carter for a long time and I can assure you that I've read the report and I think it's a good report. I support it, not because this group does, but because I've read the report and knowing something about mining I think it is a heck of a good report and the sooner your people on your side of the House get enough gumption to take these companies on and implement the Carter recommendations the better off this whole province will be, especially the taxpayers. -- (Interjection) -- Well, it may happen, one never knows. Some people get sense in their old age.

As a matter of fact, he mentioned that if you put the taxes too high that you're going to drive away mining companies, that if you don't give them enough incentive they're going to leave. Well I'd just like to refer you to a small incident in Thompson that happened about three years ago. The business tax was increased in one year by 400 percent for all the businesses. I don't recall one business leaving Thompson because the business tax was increased by 400 percent, including my own. And do you know why they didn't leave? Because they're still making a mint. Nobody leaves a gold mine, and in the case of nickel it is a gold mine, because most of the gold mines in Canada have to be subsidized, as you all know, and they're closing at a rapid rate. Nickel is better than gold, and as I indicated earlier, nobody runs away from a gold mine. They're still making 150 or 160 or \$180 million a year. You take a \$10 million slice out of it, it may not pay all our taxes and it's certainly not going to discourage the company from staying there; \$10 million is not going to hurt it very much.

In your closing remarks of Friday you suggested that the reason you weren't too anxious to place a mining inspector in Thompson was because you felt there may be some coercion involved. That's a pretty strong statement.

You said that I was irresponsible in suggesting that 80 percent of the water is going to -- by taking away 80 percent of the water from Churchill that the people are going to suffer. You called this irresponsible, and I noticed from the press that they played it up as me being an irresponsible member, but really this thing here is very serious. We've called INCO a lot of names and I think in most cases we're justified, but you in effect are saying that this company is so rotten that by putting an inspector in there these guys are going to coerce them. Do you have that little faith in your inspectors? If you have, then you should fire them and put somebody in there you could trust. I'm sure you could find one or two individuals in this province that have enough backbone that when an accident happens they can go in the mine and investigate it and give a fair report to the Minister - to yourself. Surely there's a couple of individuals around, and if there isn't, maybe you'd consider taking somebody out of this House and making them an inspector, one of your backbenchers perhaps.

Getting back to Churchill, I'd like to read something in for the record and ask - this will be more of a question for the Minister - this is from the T. . . . Times dated March 19th and it says: "Churchill Needs Legal Advisor". It's a very brief statement and I'd like to read it into the record: "By taking advantage of Manitoba Hydro's offer and engaging a competent lawyer to help them assert their rights, the residents of South Indian Lake were able to make their plight known to the world and to obtain far better concessions from Hydro (enough to fill several pages when listed) than they would have otherwise received, yet South Indian Lake is a relatively tiny place in population. Churchill, which has a far larger population of Metis, whites, Indians and Eskimos, has no legal counsel to look into the matter of diversion of 80 percent of the Churchill River. All the organizations in Churchill should get together to demand similar rights to free legal counsel such as that afforded to South Indian Lake. The residents of Churchill are not versed in legal matters, have no self-government. A good attorney is an absolute necessity for the protection of Churchill's future health and well-being before it is too late."

I'd like to ask the Minister if he would consider - as a matter of fact I was in contact with somebody from Churchill over the weekend - would the Minister consider assigning a free legal counsel on the same basis that you assigned one to the Indians of South Indian Lake? Of course unless you have a statement to make as you made the other day that there's nothing to

(MR. BOROWSKI cont'd.) worry about, there's sufficient water, and of course if this is the case perhaps you can just make a statement explaining to them that there's really no problem, no need for anxiety, then of course they won't need legal counsel. That's all I have to say and thank you.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, just a few brief remarks. I'm not sure whether the matter of the Bissett Gold Mine comes under his department. Are we discussing that under his estimates? If so, what is the situation today? Could he bring us up to date on it? I remember at one time we made a loan - this government - to the mine, to the people that operate it, and this was to be repaid over a number of years, but since then a number of things have happened and I'm just wondering what is the actual situation today. Is it still in operation? If so, has the loan been repaid and is the same group still in charge of the mine? Is there a future in the mine and also for the people of Bissett? Or what is the situation at the present time?

MR. CHAIRMAN: Are you ready for the question?

MR. MOLGAT: I asked a specific question of the Minister following on my question before the Orders of the Day, Mr. Chairman, and I wonder if he has the information now regarding the flow in the Churchill River, as to whether or not the intention is in fact, his proposal to have the licence state that the minimum flow at Missi Falls will be 1500 cubic feet per second as he indicated at the question period.

MR. ENNS: Mr. Chairman, in reply to the Honourable Member from Ste. Rose, the licence will stipulate the minimum and maximum flows, and my understanding is that they range from 1,500 feet to 4,000 feet at Missi Falls.

With respect to the questions raised by the Honourable Member for Churchill, once again I think I've stated my position on several occasions with respect to the community of Churchill. I just fail to see the reasons for concern that he keeps rising in this House. If they had grounds for these concerns I suppose they themselves would be the first -- or be organizing themselves with respect to legal counsel or legal help. I might also point out to him that they would probably be in a better position to equip themselves with this help rather than a community of South Indian Lake. The matter of providing legal counsel I think is somewhat different when you're dealing with a community such as South Indian Lake than you are with Churchill, but the fundamental fact to keep before us is that Churchill is not in need of legal counsel because they do not have a problem, that is not a problem that will be accepted as responsibility by Hydro for any minimum disruption of water that may occur. I shouldn't say disruption of water, relocation of intake or outlet or whatever it may involve.

With respect to the Honourable Member for Rhineland's question in dealing with the situation at Bissett, honourable members in the House are aware that bankruptcy did occur and the assets of the San Antonio were placed under the trusteeship of court appointed trustees. I think that this government, while of course unhappy at any time a business venture, particularly when it affects a number of Manitobans otherwise gainfully employed, ceases to function, that we are not happy with the situation. The members are well aware of the long history attached to this operation, but the situation came to a head and bankruptcy was declared. All action possible was taken by this government. Different departmental agencies, both provincial and federal, moved in as rapidly as possible to see that all assistance possible would be provided to the community. Eventually, the trustees placed for sale the assets of the company. Of course in the interests of the creditors the highest price possible was sought. It is true that former principals of San Antonio repurchased the assets of the now defunct mine of San Antonio. I can report to him that the loan that the Manitoba Government provided this company with some time ago, I think initially amounting to some \$240,000, was repaid down towards some 86 or 87 thousand dollars, that this is fully secured. We are, along with a few others, in the secured creditors listing. Action was taken by the Department of Municipal Affairs that the wages, \$500.00 worth of outstanding wages to each employee were immediately paid. There is still an outstanding claim here for which the union can lay suit for.

I would be in a position to have the full financial details of the various creditors outstanding for the honourable member either after the supper hour adjournment or at a later point in my estimates, or indeed at question and answer period before the Orders of the Day. It's rather a long list. I can just assure him that the specific question that he asked, that is what is the status of our original loan to this company, that is fully secured and my understanding

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(MR. ENNS cont'd) . . . is the first payments have already been made or are due momentarily, and there's a schedule of full repayment of that loan to the government. That is, the public will not be out of pocket as a result of that loan made to San Antonio.

MR. CHAIRMAN: I'll call it 5:30 and leave the Chair until 8:00 o'clock.