

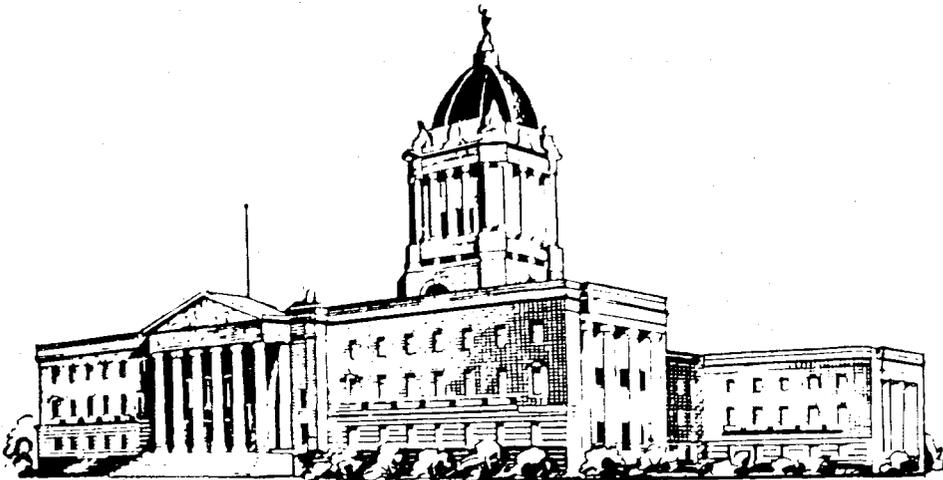


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	ROM 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Pl., Winnipeg	R3J 3L8
BIRTLE-RUSSELL	HARRY E. Graham	P.C.	Binscarth, Man.	ROJ 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	Les Osland	NDP	66 Radisson Blvd., Churchill	ROB 0E0
CRESCENTWOOD	Harvey Patterson	NDP	978 Garwood Ave., Winnipeg	R3M 1N7
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0V8
EMERSON	Steve Derewianchuk	NDP	Vita, Manitoba	ROA 2K0
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	ROB 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Lloyd Axworthy	Lib.	132 Osborne St. S., Winnipeg	R3L 1Y5
GIMLI	John C. Gottfried	NDP	44 - 3rd Ave., Gimli, Man.	ROC 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	ROJ 0T0
INKSTER	Hon. Sidney Green, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	ROC 3H0
LA VERENDRYE	Bob Banman	P.C.	Steinbach, Man.	ROA 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	David Blake	P.C.	Minnedosa, Man.	ROJ 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	ROG 1K0
OSBORNE	Hon. Ian Turnbull	NDP	Legislative Bldg., Winnipeg	R3C 0V8
PEMBINA	George Henderson	P.C.	Manitou, Man.	ROG 1G0
POINT DOUGLAS	Donald Malinowski	NDP	23 Coralberry Ave., Winnipeg	R2V 2P2
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	135 - 16th St. S.W., Portage la Prairie, Man.	R1N 2W5
RADISSON	Harry Shafrensky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Arnold Brown	P.C.	Winkler, Man.	ROG 2X0
RIEL	Donald W. Craik	P.C.	3 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	Legislative Bldg., Winnipeg	R3C 0V8
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	ROJ 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	ROK 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0V8
RUPERTSLAND	Harvey Bostrom	NDP	Manitotagan, Manitoba	ROE 1E0
ST. BONIFACE	J. Paul Marion	Lib.	394 Gaboury Place, Winnipeg	R2H 0L4
ST. GEORGE	Hon. Bill Uruski	NDP	10th flr., 330 Portage Ave., Wpg.	R3C 0C4
ST. JAMES	George Minaker	P.C.	318 Ronald St., Winnipeg	R3J 3J8
ST. JOHNS	Hon. Saul Cherniack, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. MATTHEWS	Wally Johannson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	26 Hemlock Place, Winnipeg	R2H 1L7
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	R0L 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	ROK 1P0
SPRINGFIELD	Hon. Rene E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Ken Dillen	NDP	1171 Westwood Dr., Thompson	R8N 0G8
TRANSCONA	Hon. Russell Paulley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	ROM 0Z0
WELLINGTON	Philip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	J.R. (Bud) Boyce	NDP	777 Winnipeg Ave., Winnipeg	R3E 0R5
WOLSELEY	I.H. Asper	Lib.	Legislative Bldg., Winnipeg	R3C 0V8

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, May 23, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 56 students, Grades 10 and 11 standing of the Daniel McIntyre School. These students are under the direction of Mr. Rohs. This school is located in the constituency of the Honourable Member for Wellington.

And we have 30 students, Grade 5 standing, of the St. Malo School. These students are under the direction of Sister Berthe Alarie. This school is located in the constituency of the Honourable Member for Emerson. On behalf of all the honourable members I welcome you here today.

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

TABLING OF REPORTS

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I have a report of the Flood Forecasting Committee relative to Winnipeg River Flood outlet. I'm just going to give copies of it to the honourable members.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions.

MATTER OF URGENCY

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I would like to move, seconded by the Member from Charleswood, that the House do now adjourn to consider a definite matter of urgent public importance, namely: That the Government of Manitoba initiate immediate steps to negotiate with the Government of Alberta regarding the increased supply of gas to the Greater Winnipeg Gas Company, in view of the announcement this morning that the Greater Winnipeg Gas Company, effective immediately, there will be no new gas connections made within the City of Winnipeg to either private or commercial buildings. This announcement means that there will be a serious disruption in the economy of the province, construction will cease on new homes, hospitals, nursing care homes and public buildings. It would also cause serious high unemployment.

MR. SPEAKER: As prescribed under our Rule 27, first procedure is five minutes of debate indicating urgency of debate, not urgency of matter.

The other item I'd like to mention to all honourable members, since we have had the rule change, I would consider it more appropriate instead of making the motion to adjourn the House, to make it that we set aside the business as the rule calls for, which would be more appropriate. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker. The urgency of the debate, Mr. Speaker, for the government to contact or initiate discussion with the Government of Alberta so that the Greater Winnipeg Gas Company can have an increased supply of gas in order to serve the people of Winnipeg. Mr. Speaker, the Government of Alberta has not said that they will not increase the supply of gas but they have said . . .

MR. SPEAKER: Again I must say, not the urgency of matter, but the urgency of debate. The honourable member's getting into the matter of the question.

MR. F. JOHNSTON: Mr. Speaker, the decision has to be made within the next few days to decide whether the construction industry and the economy of the province will suffer in this city.

Mr. Speaker, I have some knowledge of the construction industry, and if there is going to be no more hook-ups of gas in the City of Winnipeg, that means that the public buildings and more especially the housing that is very much required in this city at the present time will be stopped immediately. It also means, Mr. Speaker, that the supply industry . . .

MATTER OF URGENCY

MR. SPEAKER: Order please. Again the honourable member's debating the issue and not the urgency of debate. Would he kindly conform?

MR. F. JOHNSTON: Well, Mr. Speaker, I'm trying to stay with the urgency of the debate because of the economy of the province. The urgency is, that as of today because of the announcement by the Greater Winnipeg Gas Company, there will be no hook-ups for gas to houses or public buildings; that the construction industry will probably have to close down, the houses which are badly needed in this province will have to be stopped, people who are in need of housing at the present time will not be able to move in them because there will be no heating in the houses. It is urgent because of the senior citizens homes that we are building will not be able to have senior citizens live in them because there will be no heating, Mr. Speaker. The urgency also means that suppliers of equipment who have stocks of equipment to supply the heating equipment to houses will sit with the investment. It also means, Mr. Speaker . . .

MR. SPEAKER: Order please. Again the honourable member is debating the issue and the matter itself, and it may be urgent, but the question that is before the House is urgency of debate - whether there are other avenues of debate or whether it cannot be debated, and that's what I wish the honourable member would apply himself to.

MR. F. JOHNSTON: Well, Mr. Speaker, with your ruling the way it is, the only sentence that I can make is that the urgency of debate is, that there will be complete chaos in the City of Winnipeg immediately if we have people laid off, because they can't do any installations of the heating equipment because all the equipment is required that is going into buildings that require gas will not be supplied. And, Mr. Speaker, if the people that will be put out of work because of the urgency of this debate is not done, or the urgency of having gas in this province is not of a serious consequence to be debated in this House, I really don't know what is right now. Right now, Mr. Speaker, the urgency is that the construction industry could possibly not be building any houses or having houses moved into until at least next spring if the decision or the announcement of the gas company is carried through. And, Mr. Speaker, if that isn't urgent to the City of Winnipeg from the point of view of public housing, houses and employment and economic, I don't know what is. And it's very obvious, Mr. Speaker, that some of the members who are not really concerned about the construction business don't realize what the urgency of the debate is. Thank you.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, I would suggest that although the problem is a critical problem, nevertheless everything that is required to be done is being done by the government at the present time and therefore there is no urgency of debate. I have spent most of yesterday and part of today on the telephone with the federal Minister of Energy, the Honourable Donald Macdonald, advising him of the situation. I have also had lengthy discussions by telephone with the Minister of Mines and Minerals, the Honourable Bill Dickie of Alberta, apprising him of the situation. I've also had discussions with the officials of the Greater Winnipeg Gas Company about the matter and, Mr. Speaker, . . .

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I rise on a point of order. You have admonished the Member for Sturgeon Creek for not dealing with the question of urgency. What the Minister of Industry and Commerce is doing right now is participating in the very debate that we're seeking to precipitate and this is really the kind of information that we should be getting during the course of a debate. I would presume from the Minister's remarks that he's arguing for the urgency of a debate, and in that event he should be saving his remarks for the debate when I am sure you will allow the debate to proceed, because it is a matter that does require debate. And what the Minister is doing now is carrying on the debate that will follow after you've made your . . .

MR. SPEAKER: Order please. The honourable member has made his point of order. It is well taken but I have allowed a certain amount of latitude to one side and I am going to do the same to the other. The Honourable House Leader wish to speak to the point of order.

MR. GREEN: Just on the point that is raised by the Honourable Member for Morris. If the motion were put to the extent that a debate is necessary to determine what is happening, then I would possibly concede that he is making a point, but the direct wording of the motion is so that there is urgency for debate, so that negotiations can commence, and if that is the reason for urgency, that the negotiations can commence, then I submit that the Minister is

MATTER OF URGENCY

(MR. GREEN cont'd) entitled to say that that is taking place and that removes the platform for urgency.--(Interjection)--That is exactly what he is attempting to say.--(Interjection)--Well, Mr. Speaker, the Honourable Member for Sturgeon Creek has indicated that there is an urgency for debate so that certain steps can be taken, and once he makes his foundation for urgency that those steps be taken, then I submit that the Minister is perfectly entitled to say that the steps are being taken, there is no urgency of debate, because that is the basis of the motion.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): On the point of order, the honourable member is in a position, the Honourable Minister is in a position to certainly indicate that steps are being taken consistent with the claim for the emergency. The honourable member has indicated that he has taken steps which he may consider important, but they do not deal with the urgency of the debate, which is a discussion and negotiation between the Government of Manitoba and the Government of Alberta.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I was endeavouring to indicate that we feel that the situation is in hand so that there is no urgency of debate in our opinion, and I have attempted to indicate how the situation is in hand, Sir, as briefly as I possibly can. I believe everything that is possible is being done, that is everything by the Government of Manitoba that's within the jurisdiction of the Government of Manitoba is being done. We are in constant contact with the utility involved, Greater Winnipeg Gas Company, and I want to advise honourable members that we are in the process of discussions with Ottawa and with Edmonton. And I could also advise honourable members that the Honourable Bill Dickie, the Minister responsible for Energy Supply in Alberta, indicated to me that he was optimistic that further gas could be supplied on an interim basis. I so advised the Greater Winnipeg Gas Company; they're considering this course of action and I expect them to get back to me very shortly.

Mr. Speaker, I submit again that everything that is required to be done on the part of the Province of Manitoba is being done, and there is no point - I don't see any positive results coming out of a debate on this particular matter.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Well, Mr. Speaker, I presume you are going to allow the debate because . . .

MR. SPEAKER: The honourable member may be making an error in his presumption. I haven't made a decision yet.

MR. G. JOHNSTON: Well then I would suggest, Mr. Speaker, that a majority of the members here feel a debate has been going on for the last ten minutes and I hope that you will rule that the debate will be allowed to continue, if only for the one reason that hasn't been mentioned yet. I believe it's for the first time in Canada's history that a product which is being exported abroad has been denied licence to be used within this country, and I think this is a very serious matter. And I think it is urgent, I think it is extremely urgent that there should be a debate about this matter that perhaps if only through the result of the debate that we get our colleagues in Ottawa to look into a very serious matter, where raw material can be exported out of the country yet a licence or more of the product is denied within Canada.

MR. SPEAKER: Order please. The honourable member is debating the matter. The Chair has had some difficulty because it has had no real direction as to what the honourable members really desire. I can inform the honourable members there is room for debate on this matter and it doesn't necessarily mean urgency at this present time. Concurrences in respect to Consumer Affairs is still available to the honourable members and is coming up shortly. Therefore I rule the matter out at this present time. Industry and Commerce as well.

Oral Questions; Orders of the Day.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, further to the information supplied by the Honourable Minister of Industry and Commerce with reference to the purchase of gas from Alberta, I wonder if he can indicate whether there is a commitment from Alberta to now supply gas until this matter is settled or until the national energy policy is settled.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: The position of the Government of Alberta is that they wish to assess their provincial requirements, which will be done at a set of hearings in about June of this year, after which the Alberta Government, the Alberta Cabinet, will be making a decision on the availability of gas for consumers outside of the Province of Alberta. However, as I indicated, the Minister responsible, Mr. Dickie, indicated that there was all likelihood of interim supply being granted very quickly. I might add, Mr. Speaker, for the information of the honourable member, the Honourable Leader of the Opposition, that all three utilities were represented in Calgary with me at a meeting, an extensive meeting, last Thursday at which we discussed the matter in general, and at that time Greater Winnipeg did not expect that it would be faced with a shortage of supply so soon. What happened in effect was an underestimation of their growth load or demand for their particular commodity and their particular services.

MR. SPIVAK: Yes. I wonder, then, if the Minister can confirm that both he and his Department's advisers did not anticipate this particular situation arising and are only aware of it, or have only become aware of it within the last week.

MR. EVANS: Mr. Speaker, we have been aware of this for some months. Discussions were held. We were aware of the general situation for some months and we have had a number of discussions with the Alberta Government. The Premier discussed the matter with Premier Lougheed in general, and it was fully expected that Greater Winnipeg Gas would have received additional supply for one more year at the hearing of the Energy Resources and Conservation Board of Alberta last April. However, there was an intervention filed by certain Alberta gas utilities, therefore a hearing was required. This delayed the procedure; this was unexpected; and as a result today Greater Winnipeg is faced with a shortage. But, Mr. Speaker, I want to elaborate by saying that the amount that Greater Winnipeg requires or requested was less than 100 billion cubic feet and the Alberta authorities could have granted this without a hearing. But as I said, because of the interventions made, they felt that it was necessary to have the hearing. Unfortunately Greater Winnipeg seems to have been caught up in some red tape that they did not anticipate, and secondly, they also underestimated their growth in the demand curve.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I direct a question to the First Minister. It's on the same topic. With the conference that has been held, the National Energy Conference, and other meetings pursuant to that, was there not any sort of a discussion or agreement that would place Canadian consumers in a priority position over exports outside of Canada?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, while the subject of natural gas supply and pricing was not a specific item of agenda discussion at the previous Energy Conferences which were preoccupied exclusively with oil, I might nevertheless indicate to the Honourable the Member for Riel that it is an implicit part of National Energy Board policy that before exports are approved, exports of natural gas are approved, that it has to meet the test of, first, the exporter provide assurance that Canadian domestic requirements will be met. What is at issue in this particular case is presumably disagreement as to price at which additional supplies will be made available.

MR. CRAIK: Mr. Speaker, I didn't gather from the Minister of Industry and Commerce comments that it was a matter of price, I gathered it was a matter of supply. Can I ask the First Minister or the Minister of Industry and Commerce whether any discussions or complaints or otherwise have been aired or held with the Department of--or with the National Energy Board?

MR. EVANS: May I apologize to the honourable member. I didn't hear the last half of his question, I'm sorry. Would he mind repeating it?

MR. CRAIK: Mr. Speaker, the question is whether there have been any discussions with the National Energy Board on this matter apart from the Minister of Energy Donald Macdonald, has there been any discussions directly with the NEB?

ORAL QUESTIONS

MR. EVANS: Well, Mr. Speaker, our normal channel is to go to the Minister. My staff has been in touch with the National Energy Board. I am advised by the Honourable Don Macdonald that he has spoken, in the absence of the Chairman he has spoken to the Vice-Chairman of the Energy Board. They are involved also, because they have to approve a length of pipeline about seven miles in dimension, but I have had assurances that this would be expedited by the National Energy Board.

I want to say also, Mr. Speaker, that the Government of Manitoba has consistently taken the position in many hearings of late before the National Energy Board with regard to the exportation of natural gas. We have taken the position that we are concerned about the level of exports of natural gas in Canada, from Canada rather, and we've made this point known very well. I agree the policy of Canada is that there should be no exportation of natural gas until Canadian domestic needs are satisfied, and obviously this is not the case. There is a temporary shortage due to regulation and other matters in Manitoba. Therefore . . .

MR. SPEAKER: Order please. The honourable member is stretching it. The Honourable Member for Riel.

MR. CRAIK: Could I ask the Minister again the first question: Is it a matter of price or supply?

MR. EVANS: It's really a matter of both, Mr. Speaker. The Alberta Government does believe that natural gas is underpriced and therefore is looking towards getting higher prices from various utilities across Canada including the Trans-Canada Pipeline, but in this particular situation, in this specific instance it's a matter of regulation of the gas supply. Greater Winnipeg has an amount lined up in Alberta. It's a matter of regulations that have to be contended with.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW (Flin Flon): I direct this question to the Minister of Northern Affairs, Mr. Speaker. Would the Minister inform the House what road construction work will be contained in the Northern Manitoba DREE Agreement?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. RON McBRYDE (Minister of Northern Affairs) (The Pas): Mr. Speaker, the agreement isn't officially signed but the province has agreed to certain proposals and since they have been announced I guess I could re-announce them. One is the improvement of 16 miles of Provincial Road 392 that runs to Snow Lake; the improvement of 60 miles of Provincial Road No. 391 between Lynn Lake and Thompson and between Thompson and the junction of Highway No. 10; and the improvement of 17 miles of Provincial Road No. 304 that runs north towards Manigotagan from the Winnipeg River; and finally the construction of a road link from Easterville west to Highway No. 10. Mr. Speaker, it should be emphasized that we certainly welcome the Federal Government's willingness to participate with us in this program, but the thing has not been officially approved by the Federal Government as of yet.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable Minister of Industry and Commerce. I'm wondering since the May 3rd meeting which the Honourable Minister held with the federal Transport Minister if the Minister is prepared now to announce any changes re the expanded use of the Port of Churchill in this province.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, the meeting that was scheduled for May 3rd was postponed at the request of the federal Minister so there was no meeting--at least I think I've got the dates. We've had so many meetings--I think that was the one that was postponed.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker. My question is to the Minister of Industry and Commerce. Did the Greater Winnipeg Gas Company indicate to the Minister that if they receive approval of increased gas right now, it would take almost six months to get it to the people in Winnipeg?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Yes, they indicated it would take a matter of months, but this would not stop construction because presumably the additional pipeline facility required by Trans Canada Pipeline would be put in place over the summer and therefore the home builders or other contractors in the City could proceed with construction, expecting the gas to be available this coming fall.

ORAL QUESTIONS

MR. F. JOHNSTON: Mr. Speaker, another question to the Minister. Did the Minister of Industry and Commerce in Alberta indicate that they were doing a report regarding their own consumption that would take six months before they made a decision?

MR. EVANS: I'd like to ask the member whether he meant the Minister of Industry or did he mean the Minister of Mines and Minerals?

MR. F. JOHNSTON: The Minister he was in negotiation with in Alberta.

MR. EVANS: Mr. Dickie, the Minister responsible for gas allocations, indicated that there would be a hearing or a series of hearings in June. They expected a report, the Cabinet expected a report by July or August, and that they would be able to make a decision by September. This was more or less their time frame.

MR. F. JOHNSTON: My last question, Mr. Speaker. If the decision is made in September it will then take approximately six months to get the gas to people in Manitoba.

MR. EVANS: Mr. Speaker, as I indicated earlier, the Honourable Mr. Dickie said that he was hopeful and quite optimistic that they could obtain interim supply immediately, or if not immediately, within a matter of days or a couple of weeks, approval for interim supply.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): My question is to the Honourable Minister of Industry and Commerce. Has the Minister of Industry and Commerce met with the house building industry in Manitoba to offer some assistance and perhaps give direction to type of installation the builders should be putting in the houses. They may have to resort now to electric heat or some other form of heat. Has the Minister met with the building industry and offered some assistance in this respect?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I have not. This is a matter that came upon us very suddenly and I'm hopeful that the problem will be solved soon.

MR. PATRICK: A supplementary. Will the Minister be meeting with the house building industry, because I think it's very important because . . .

MR. SPEAKER: Order please. The Honourable Minister.

MR. EVANS: Mr. Speaker, we will do everything that's necessary and required to assist industry in the province, including the house building industry if that is the case.

MR. SPEAKER: Orders of the Day. The Honourable Member for St. Vital.

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I have a question for the First Minister. Could the First Minister inform the House whether a decision has been made regarding the provision of provincial assistance towards the cleaning up of flood-damaged premises?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I indicated to the House the other day that we were attempting to organize through the offices of the Student Employment and Manpower Office, a mechanism by which student manpower could be made available for the purpose of assisting those who require assistance in cleaning up dwelling premises as a result of flooding in the past 30 days, or as a result of the flooding that took place in basements in the past week, the past few days in the City of Winnipeg, and I am able to confirm that through the offices of the Student Manpower Program that students will be available, through this program, for purposes of assisting pensioners and those infirm and handicapped with the cleaning up of basement flooding and premise flooding wherever such may have occurred, in the City of Winnipeg and outside of the City of Winnipeg. We expect that by this weekend, that is to say tomorrow, Saturday, Sunday, that several hundred students will be available through Student Employment for this purpose.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. I wonder if he can indicate whether there has been a commitment given by the Winnipeg Gas Company to the government that they will complete the installations for homes that are now almost complete with respect to gas heating, including commercial and industrial buildings, pending the approval and the ultimate supply, even in the interim basis, of the gas requirements. Is there a commitment that they will proceed with the installations and the completion of them?

MR. SPEAKER: The Honourable Minister.

MR. EVANS: Yes, Mr. Speaker. The president indicated that they would fulfill these

ORAL QUESTIONS

(MR. EVANS cont'd) commitments but they are not in a position to take new applications that come in fresh as of now, but those that they have received and accepted will be honoured.

MR. SPIVAK: Well then, based on the information that's supplied that they are not in a position to take new commitments, will this affect the house building industry in Manitoba?

MR. EVANS: Well if one wants to assume that no further supply is forthcoming in the near future, you know, if you want to assume the worst with regard to gas supply, obviously there will be some effect. I suspect what will happen is that the builders will be looking to alternative sources of home heating, for example, such as electric power heating or perhaps oil heating, but I would indicate, Mr. Speaker, again that the level of demand for housing and other structures is extremely high in Winnipeg indicative of the buoyant economy, so much so that the utility in question did underestimate the rate of growth in the city.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Thank you, Mr. Speaker. My question is to the Honourable the Minister of Agriculture. It pertains to a reply he gave to a question I asked about a week ago in regard to the delay in renewing the licenses of the artificial insemination technicians in Manitoba. Would he now confirm to the House--he mentioned at that time that the delay was being the subject of internal discussions. Would he now confirm to the House that those technicians who have applied for renewal licenses have been requested to come to Winnipeg for personal interrogation and their licenses will only be renewed if they sign an agreement to purchase semen only from the Provincial Semen Distribution Centre?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I know that there are discussions under way with respect to the way in which we want to handle the program and that is part of it, but it is not in the context that the honourable member suggests.

MR. BLAKE: A supplementary, Mr. Speaker, to the same Minister. Would he be in a position to inform the House when the renewal licences will be forwarded to the technicians in order that they may continue to operate legally within the Province of Manitoba?

MR. USKIW: Again, Mr. Speaker, because of the changes taking place, this is a matter that will be announced in due course.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I just received in the past few minutes several copies of the supplementary report of the City of Winnipeg Boundaries Review Commission, and inasmuch as the Commission was requested to report back by the 23rd of May, I would ask for leave to make available copies, five copies to the clerk.

MR. SPEAKER: Agreed? The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I direct a question to the Minister of Industry and Commerce regarding the earlier topic. Can he advise whether any moves have been made to switch over industrial consumers of large quantities of natural gas to other sources of energy supply, and I ask him particularly whether Manitoba Hydro, which burns natural gas in some of its plants - particularly at Brandon, but has optional facilities available to it - will be switching over to make that gas available to domestic consumers?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Well I agree with the, I suppose the implication of the question that residential consumers should take priority. I don't believe the utility, the Greater Winnipeg Gas utility, has considered at this point in switching from existing contracts with industrial customers to virtually what amounts to its non-existent customers or potential customers. I want to emphasize that there is no suggestion of existing contracts being affected. Those residential commercial and industrial customers are guaranteed of continuous gas supply and there is a contractual obligation by the utility to not only residential and commercial but also to their industrial customers. With regard to the example referred to at Brandon, that particular utility, the Manitoba Hydro Thermo Plant at Brandon, is serviced by Plains-Western Gas Company which is another utility. I pose that as an alternative to the officials of Greater Winnipeg Gas as a possibility of interchange between other Manitoba utilities that may have some surplus but apparently there's some difficulties in this respect.

MR. CRAIK: Mr. Speaker, I didn't quite get the tail end. I gather then that some negotiation has gone on regarding switching the natural gas from the Hydro plant at Brandon

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(MR. CRAIK cont'd) possibly to the Greater Winnipeg company.

MR. EVANS: No, Mr. Speaker, no such negotiations have gone on. What I'd indicated was that the plant at Brandon is supplied by a different company, Plains-Western (Manitoba) Limited, and as such it would therefore be a matter of interchange between the two utilities, but I've suggested this as a short term emergency measure to the Greater Winnipeg Gas people. But as I indicated, there apparently are some difficulties in this respect.

MR. CRAIK: I wonder if the Minister can advise whether the Greater Winnipeg Gas Company has cut off interruptible gas supply to industrial companies in order to divert it for domestic use.

MR. EVANS: Mr. Speaker, the question of the interruptible supply is just that - interruptible supply; and those existing customers that have interruptible contracts, which include incidentally, Mr. Speaker, hospitals--all the hospitals in Winnipeg are on an industrial interruptible basis which I found rather surprising, but that is the case. A great deal of the industrial customers are not really industry customers as such. This I don't believe has been considered because, as I indicated, we're not talking about any existing customers of the utility.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. Mr. Speaker, I direct a question to the Honourable the Minister of Mines, Natural Resources and Environmental Management, the Minister responsible for the Water Control Division of the department. Is the Minister prepared to indicate to the City of Winnipeg that his department will consider assistance with respect to the Sturgeon Creek waterway in the particular areas, the difficulty on Portage and perhaps Ness and Hampton Street, as obviously new construction will have to be required there.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: I'm not sure the honourable member is referring to financial contribution assistance. If so, I would think that it would have to come within the confines of the Flood Assistance Program to municipalities, which has already been announced. If the honourable member is also referring to technical assistance, I'm sure that that type of co-operation would generally be forthcoming. I'm not at this point certain that the aspect that the honourable member refers to comes within the Flood Assistance Program, but if it does, certainly they would be able to make application.

MR. ENNS: A supplementary question. As I would interpret the Flood Assistance Program it would be to replace as was, and my question really is that it's rather obvious that there is probably some major new works that have to be instituted, particularly on Portage Avenue, with respect to the Sturgeon Creek.

MR. GREEN: Well, Mr. Speaker, there is a program, provincial-municipal program, with regard to major streets, that goes through the Department of Urban Affairs and the Department of Highways, and I'm not at the moment certain but I would think that it would be appropriate to see whether it can come within the confines of that program.

MR. ENNS: Mr. Speaker, I have another question for the Honourable the Attorney-General as the Minister responsible for the Liquor Commission. My question arises out of the information recently released by the Chairman of the Manitoba Liquor Commission, or Liquor Control Board, that a dry table wine available both in red and white has been recently released and named Reserve de Lili in honour of the First Minister's wife. Now my question to him is, could he perhaps supply us with a list of the other Cabinet members' wives so that we could familiarize ourselves with the anticipated new Manitoba Wines List?

MR. SPEAKER: Orders of the Day. The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is for the Honourable the House Leader. I wonder if we've reached the stage in the proceedings of this session where the House Leader could give the House some idea of the number of bills which his government intends to introduce.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I would say that there would be approximately ten more or less.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, my question's to the Honourable Minister of Consumer

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(MR. McKENZIE:cont'd) Affairs. It's related to a news service item dated May 3rd wherein the item states that the Minister of Industry and Commerce speaking at Lloydminster, that he was going to meet with the Honourable Jean Marchand on . . .

MR. SPEAKER: Question please.

MR. McKENZIE: Well, Mr. Chairman, can I ask why the news service quotes articles that are not truthful? It said that the Honourable Minister of Industry and Commerce would meet on May 3rd with the Honourable Jean Marchand. No correction ever came across my desk and I wonder why it wasn't corrected.

MR. SPEAKER: Orders of the Day. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I direct a question to the First Minister regarding his earlier announcement regarding flood assistance. I wonder if he can advise whether the government has given any further consideration to some form of financial assistance because of the damage in the area as a result of the torrential rains.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I had a meeting at noon today for approximately two hours with representatives of the City of Winnipeg in order to ascertain whether the City of Winnipeg had any course of action under way in terms of estimating the numbers of households affected and the approximate amount of damage, and the City of Winnipeg is proceeding with a survey to make such a determination, following which we would want to be advised whether the municipal authority will want the application of a flood compensation program that might involve some municipal contribution, the parameters of which were discussed with the city as well. At the same time, we have communication under way to Ottawa today to ascertain whether the kind of damage that was sustained as the result of the 3.6 inches of rainfall last weekend comes under the ambit of the Federal-Provincial Peacetime Disaster Compensation Program. We expect to have definitive indication or we hope to have definitive indication in that respect next week as well as further word from the city as to its desires in this respect.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): I direct a question to the First Minister and the Minister of Mines and Natural Resources. The whole discussion as far as water damage is concerned has been centred around a few thousand basements in Winnipeg.

MR. SPEAKER: Question please.

MR. WATT: The question is, what is the province doing in regard to the millions of acres of land that are flooded throughout the Province of Manitoba that is multiplied a hundred per cent of the damage that has occurred in Winnipeg through Sturgeon Creek or whatever area you want to refer to?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, on the 30th of April an Order-in-Council was passed which designated certain watersheds as being areas in which persons suffering damage as a result of flooding by whatever natural cause would be eligible to apply for assistance, and in looking at the appendix which designates the watersheds in question, which covers the property damage in question, I do note the Souris River along with approximately 20 other watersheds in the province, so that I don't think it can be said that we have not made provision for flood damage wherever it has occurred.

MR. WATT: A supplementary question, Mr. Speaker. I'm not referring to flood damage. I'm referring to the fact that the farmers cannot put a crop in.

MR. SPEAKER: Question please.

MR. WATT: Well, the Honourable Minister says, what are we supposed to do?

MR. SPEAKER: Question please.

MR. WATT: I am asking the First Minister what provision is going to be made for those farmers, and it's practically over the whole southwest or the southern area of Manitoba that we can't put our crops in. There hasn't been an acre sowed.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, two points. The first point is that under the terms of the--Well, first of all I would indicate to my honourable friend something which he more than most people very well knows, and that is that until about the 10th of June it is too early to assume that wheat cannot be seeded and until about the last week of June it is too early to

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(MR. SCHREYER cont'd) assume that barley or oats can't be seeded. So it is still premature to assume that fields that are pretty wet right now will not yet be seeded before the end of the seeding season, which stretches all the way until the end of June, and in fact I can recall, Sir, when barley was seeded about the 3rd of July, so therefore.

The second point is that under the terms of the Federal-Provincial Peacetime Disaster Financing Agreement, that it is not possible to provide assistance in the case of such damages as might be recoverable at law or insurable under existing insurance programs.

MR. WATT: A further supplementary question. I'd like to ask the Minister where you would find barley seed right now, or oats.

MR. SCHREYER: Well right now, Mr. Speaker, I would agree that I can't see barley being seeded but I am perhaps, unlike the Honourable Member for Arthur, just a little optimistic that before the end of the month of June that substantial acreages will be seeded, if not to wheat then to barley, but hopefully even to wheat, and until the 10th of June it is still not too late.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a final question from me to the Minister, or the Attorney-General. Can he supply us with a list of the liquors that are to be delisted from the Manitoba Liquor Commission?

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I don't think there would be any difficulty in that, as soon as the list has been prepared in its complete form.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker, I wonder if you'd now proceed to the bills standing on the Order Paper, debates on second reading.

BILL NO. 55

MR. SPEAKER: The proposed motion of the Honourable First Minister. Bill No. 55. The Honourable Member for Souris-Killarney.

A MEMBER: Not here.

MR. SPEAKER: Proposed motion of the Attorney-General, Bill No. 58. The Honourable Member for Morris.

MR. JORGENSEN: On the bill standing in the name of the Honourable Member for Souris-Killarney, the member is ill and it's doubtful that he'll be back for some time, and I've been attempting to get in contact with him. But I think that we would be prepared to let this bill go rather than keep it on the Order Paper as named, unless somebody else wants to speak on it. But I think that it can be removed from the name of the Member for Souris-Killarney.

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

MR. J. PAUL MARION (St. Boniface): Thank you, Mr. Speaker. Just a few comments with respect to Bill 55. I can readily appreciate what the attempt is in excluding from municipal taxes organizations that are representative of cultural and recreational endeavours. It would seem to me that everyone in this House can readily understand that in the three cases, the three specific cases referred to in this Bill, there is no doubt that any kind of financial aid will help the organizations who are operating these cultural and recreational endeavours to at least break even, and this would not be the case, of course, if the tax-exemption status is not given to the three of them. I think, Mr. Speaker, the City of Winnipeg had an experience with respect to the former St. Boniface Cultural Centre, the organization which preceded Le Centre Culturel Franco-Manitobain and the Municipal Government realized then that it had a responsibility of subscribing some \$27,000 which amounted to the municipal taxes that were levied on this particular establishment. I think that there is an inequity, however, even after having said that, Mr. Speaker, and that inequity is that the municipal governments, by the very fact that we're contemplating to pass such a measure as Bill 55, will have to carry the entire load, and I don't think that this really is the kind of situation that should prevail when already municipal governments are having the kind of financial difficulties in meeting their responsibilities as they are presently. I think that the First Minister, when he introduced this measure, mentioned that

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(MR. MARION cont'd) of course the establishments in question would be removed from the assessment roll. I would like to suggest that this does not give the possibility, however, of the municipal governments meeting the kinds of responsibilities that they have nonetheless. I think one has but to look at the situation which prevails in Brandon to realize that the situation there can reach rather alarming proportions. The Keystone Centre in Brandon, or the City of Brandon, had an agreement with the Provincial Government whereby they shared deficits on a 50-50 basis. Well, with one clean swoop--and I must add that in this sharing there were tax revenues to the Municipal Government of Brandon of some \$115,000.--(Interjection)-- I hear a little voice shouting "no," from his seat, Mr. Speaker, and I would say that the Mayor of the City of Brandon should know wherefor he speaks and he is the person who told me or gave me the information that I am now quoting.--(Interjection)--I get my information from all sorts of sources, Mr. Speaker.

But I feel that there are a number of precedents being set here that are rather dangerous and in the case of the City of Brandon can affect the ratepayer of that city in some large measure. If in essence, then, we had an agreement that existed with the province, between the City of Brandon and the Province of Manitoba, and with one swoop of the pen we revoked that agreement and we then leave the city in this kind of situation where it is then deprived of tax revenue of \$115,000, Mr. Speaker, the--(Interjection)--of course it was in their budget. It was included in the revenue side of their budget. And, Mr. Speaker, over and above this, the agreement called for a 50-50 sharing of deficits. Now you've removed that \$115,000, which is a great deal more than the share of the deficits which were, in 1973, \$70,000, you're in essence asking the City of Brandon to pick up an additional \$45,000. And that's not all, Mr. Speaker, because there were some other factors to be considered. The Province of Manitoba did obtain revenues from the operation of the Keystone Centre inasmuch as they received receipts from telephone services, hydro-electric power, and everyone realizes that there's a margin of profit in these receipts and I am told that the utilities yield an amount of profit into the operation of the provincial coffers, and there's no doubt, Mr. Speaker, that this further affects the deficit picture that now the City of Brandon by itself will have to pick up.

I think, Mr. Speaker, there are further things to be considered. The local improvement balance with respect to the Keystone Centre is \$30,000 today. Now that means in essence that the City of Brandon will have to make this up out of current revenue. That represents almost one mill because I said a moment ago, Mr. Speaker, that a mill is the equivalent of \$50,000 in the City of Brandon. I think that although the aims and objectives of the bill are honourable, I think that consideration should be given to the municipal governments that are faced with picking up the entire tab. And I think that the section that deals with the fact that we will not, the province is not ready to grant, to give grants in lieu of taxes, it would seem to me should be revised, and the First Minister could perhaps look at the situation that prevails particularly with respect to the Keystone Centre where I feel that this city is really going to be handicapped by this measure.

Mr. Speaker, I think that there's another situation that can't be forgotten with respect to Brandon and I know I referred to this kind of situation when I talked of Assiniboine Park. I'm now referring to the equity portion that the City of Brandon has in the Keystone Centre. It personally put up an amount of \$1.6 million. The Federal Government put up a further \$500,000 and there were public subscriptions to the tune of \$900,000. So you have a facility where contributions of 3.1 million were made by other than the Provincial Government, and the province itself included one million dollars. The total cost of that project was \$4.1 million. It would seem to me that the municipal government has already demonstrated its interest in its centre and has made all of the financial contributions that we could expect it to make. This would further serve the cause that I'm trying to, or the point that I'm trying to make with the First Minister, that already a great deal of contribution has been made by the municipal government. Surely the province can grant in lieu of these taxes that are being foregone, should grant to the municipal government the amounts of money necessary for it to at least meet the kinds of obligations that were referred to by my honourable friend from Sturgeon Creek. And I'm referring now to the kinds of services that are ongoing and that will have to be picked up by the remaining ratepayers if you remove that revenue of \$115,000.

With respect to the City of Winnipeg, it is being asked to give up \$350,000 in back taxes. I think that here again the City of Winnipeg has a number of financial responsibilities that it

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(MR. MARION cont'd) will find very difficult to meet if at least this portion of back taxes cannot be considered when the First Minister takes into account the pleading that some of us have been doing with respect to Bill 55. I would submit, Mr. Speaker, that this is a very substantial amount--(Interjection)--Well, I would rest my case. The First Minister says that the Mayor of the City of Winnipeg has agreed to forego this \$350,000 - am I right? And the Finance Committee have agreed. It would seem to me that they are being much more liberal since I left, with the amounts of money that are being dispensed. In any event I will not stress the case of the Art Gallery. I think that my case has been withdrawn by the fact that the Committee of Finance have agreed. But I think I have a strong case and I can make a strong case for the Keystone Centre. I think that there should be some very serious consideration given to the City of Brandon because it is being asked a large financial sacrifice and, on the other hand, we're superseding an agreement without having given it any forewarning and I feel that this again lends to the fact that the financial considerations there should be given certainly more consideration.

MR. SPEAKER: The Honourable First Minister will be closing debate. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I listened very closely to the remarks of the Honourable the Member for St. Boniface and I would not want to embarrass him by what I am about to say. He is one of those honourable members whom I listen to very closely because I sincerely believe that politics is not such with him that he is prepared for the sake of it to engage in deceit and deception, and he is not one of those who is likely to rise in this Chamber and try to pretend that four is eight or that 55,000 cubic feet per second will cause less flooding than 28,000, or similar manners of deception and outright dishonesty. So my honourable friend the Member for St. Boniface holds a place of high esteem, I think, with many. All the more reason, Mr. Speaker, why I am disappointed that he has, however, allowed himself to be deceived or misled, because in his analysis which I gather he was helped to arrive at by briefings and information that he obtained in diverse ways, he seems to have really quite a substantial misunderstanding as to the background which lies behind this bill with respect to the Keystone Centre and also with respect to this bill's effort to clear up the matter of the financing of the Winnipeg Art Gallery and municipal taxes. And I will attempt, Mr. Speaker, to take a run at this in as brief and clear a way as I can.

First of all, my honourable friend the Member for St. Boniface, and others who have spoken, including the Member for Brandon West, make a great deal about the point that the City of Brandon is being asked to forego a certain amount of municipal taxation by virtue of the fact that Keystone under this bill will not be subject to municipal taxes. I'd like to advise my honourable friends that the predecessor to the Keystone Centre - the Provincial Exhibition Properties - never yielded municipal taxation to the City of Brandon. I'd like to point out to my honourable friends that the City of Brandon has, as a number of other urban municipalities, enjoyed substantial increases in revenue from provincial sources which did not exist before or which, if they did exist, existed in much smaller terms. I'll give you just two or three examples which make this amount involved in Bill 55 pale in relative insignificance.

In 1971 we took the decision to abolish the artificial five percent limitation that applied to provincial grants in lieu of taxes payable to any municipality on behalf of provincial assets and properties owned in those municipalities, as a result of which the revenues available to the City of Brandon, in that one respect alone, were increased from \$300,000 to \$800,000 - a half a million dollars, Mr. Speaker, in one crack. And it has to be regarded as unanticipated windfall increment in revenue to the City of Brandon because there was no promise, no commitment that we would remove this artificial five percent ceiling on provincial grants in lieu of taxes to municipalities, but we did so because we regarded it to be equitable. So the City of Brandon's revenues increased by half a million in that one respect alone.

And then, in addition, the City of Brandon enjoyed an expansion of boundaries which brought it an additional assessment base in the order of 335--no, an actual tax yield in the order of \$335,000. Then I note a reference here to taxes paid by MHRC in the City of Brandon, but I will not include that because presumably the MHRC tax yield is hopefully a self-carrying thing and it doesn't yield more than the costs associated with it. So I make no point about that, although it, too, provides 66,000.

But significantly, a third item is the transit operation subsidy. Under the old formula

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(MR. SCHREYER cont'd) of urban public transit subsidy by the province, the City of Brandon enjoyed a revenue in the amount of \$12,400 from the province, and of course with inflation and with increased costs of operation, even the old formula would have increased the amounts available perhaps; instead of \$12,000 it would be in the order of \$18,000 or \$20,000. But, Mr. Speaker, as a result of the enrichment of the formula itself of public transit grants payable by the province, the City of Brandon this year will be receiving not 12 or 18 thousand dollars but in the order of 80 - 80 - eight zero thousand dollars, and that is a substantial amount which makes the amount that is being quibbled about in this bill pale into relative unimportance. And then there are many other formulae involved here and additional grants and revenues available to Brandon because of changes in provincial policy.

Surely it can't be the amount of money. It is really, Sir, the principle that is involved here, and I will not make any hypocritical effort to mask my true feelings as to what happened in the episode of the Keystone Centre. Somewhere along the way it got into someone's head that while the Provincial Exhibition Properties were not subject to municipal taxation, Keystone conceivably could be, could be made subject to municipal taxation, and although the understanding and the spirit of understanding all along in the case of Keystone, the Member for Brandon did give us a very modest and quiet low-key credit to the provincial administration for confirming a rather vague previous undertaking by the previous administration as to the financing of Keystone, we did firm it up, confirmed that the province would be participating in the capital cost, and Keystone was proceeded with in the same spirit and intent as other Centennial projects.

Now, the municipal tax status of most of the major Centennial projects that involved federal and provincial dollars has been quite clear. Unless there be any lingering unclarity, this bill attempts to put all on the same basis and same status with respect to their municipal tax status; that they shall be, as most of them are already, tax exempt. It was never in the cards, it was never in the stars, Mr. Speaker, that there was any--there was never any assumption by the province that Keystone would be subject to municipal taxation. Now I realize that there are some who argue, and the Mayor of Brandon in particular - although I won't dwell on that - that they assumed that it would be, and it is interesting to note, Mr. Speaker, that initially even Keystone, not just the Provincial Exhibition Properties, but Keystone initially did not have provision in it for municipal taxes and the budget was approved in the first year by the city and the province without municipal taxes being part of it. The assumption, therefore, was always clear to me, and the infuriation of it all, Mr. Speaker, that subsequent to the construction, subsequent to agreeing on an operating cost or deficit cost-sharing, that the question of municipal taxes should be brought into the picture. And of course, Mr. Speaker, it nullifies the spirit and intent of deficit cost-sharing because the amount of the municipal tax yield to the city is almost as great, if not as great - or greater, which would be the ultimate absurdity - than the amount of their share of the cost-deficit . . .

A MEMBER: They made twelve thousand . . .

MR. SCHREYER: Of the deficit cost, rather. Well, then, Mr. Speaker, we would be playing games. It would be a completely conduit type of arrangement and that was never the intent or spirit, nor are we prepared to proceed along those lines. Again, not that the dollars involved are that great, but we cannot feel that there was acting in good faith when subsequent to the event, subsequent to agreeing on construction, the allocation of federal and provincial moneys for the construction, subsequent to the first year's operating budget being approved without municipal taxes in, there should then be the suggestion that municipal taxes are a corporate part of the operating costs of this facility, which is a regional and community facility at one and the same time, private, non-profit, with substantial senior government moneys involved in the construction.

Now in the case of the Winnipeg Art Gallery, here again, sure, there are those who could argue that the City of Winnipeg is being asked to give up a significant amount of tax revenue by virtue of agreeing to the Art Gallery being municipal tax--or at least real property tax exempt. But I want to advise my honourable friend the Member for St. Boniface - he can check this with the Finance Committee of the City of Winnipeg if he wishes - that back in February, and since, there has been an exchange of reports and letters in which it is indicated that it is agreed that if the province is prepared to continue its current level of financing, plus make funds available to deal with the deficit that the Art Gallery is burdened with, that on the basis of that kind of

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(MR. SCHREYER cont'd) increased level of financing by the province, the City would be prepared to cancel the back taxes owing and also to agree to the real property tax of the Art Gallery being exempted into the future, provided that the statute also made clear that the amount of assessment would be also removed from the roll. And that's understandable. If it is not yielding a tax yield to the city, it should not be involved in the formula upon which the balance assessment is calculated for purposes of foundation levy for school program, etc. So that what we have here is something, as far as the Winnipeg Art Gallery is concerned, that has been under considerable discussion, has received the endorsement of the Finance Committee conditional on the province doing certain things which the province is and has confirmed it will undertake to do, and I frankly don't see any preferred alternative to solving this particular problem.

Then, too, I should say by way of final point in the matter, that over the course of the past decade the Province of Manitoba has each year had to incur an additional share and an additional amount in absolute dollars of the cost of operating the cultural facilities that exist in this province, and with the Centennial years of course, some expensive cultural installations - if that's the word - have been built; and with the building of them, while no doubt they have gone to enhance the quality of life in our province and our city, nevertheless it has brought about an increased operating cost, and therefore the amount that this Legislature approves each year for provincial contribution towards the support of the literary and performing arts, of various Centennial cultural facilities, is far, far greater than what we were looking at ten, even five years ago. I hope I would be forgiven if I were to express some very rueful sentiments with respect to the extent to which this is an incursion upon provincial revenues which otherwise would go towards I guess what we could call bread and butter programs that would go to bring about more equality of the human condition in our province. But, like so many things in life, there is always need to provide balance between the more mundane and essential programs provided by government in our day and age, and on the other hand the need - and I would admit it is a need - to provide at least base support, base support for the continuance and enhancement of the arts, recreation and cultural activity.

But it is important then, Mr. Speaker, to make a distinction between base support, or auxiliary support, and support which becomes so great that in fact it is greater than any other source of support, in which case then we run the danger of the state being called upon to become the principal source of sustenance for culture, recreation and the arts, and that is not desirable either. So, Mr. Speaker, we are certainly prepared, and the budget of the province proves it, we are prepared to increase really more than we would like to but, recognizing reality, we are prepared to increase the amount of provincial support, but we do insist on a meaningful participation by the city state, by urban society, and that, I am happy to say, is forthcoming from the City of Winnipeg in a reasonable way. At least we do not face the situation we did a year or two ago when there was, it seemed, such adamancy that nothing, that no reconciliation would have been possible, in which case I say frankly to the Member for St. Boniface that we would indeed, insofar as we were involved and concerned, have been prepared to let the Art Gallery go for tax sale. What, in practical terms, Mr. Speaker, what good would that have done anyone? It wouldn't have done the City any good. It wouldn't have done the Art Gallery patrons any good, nor the province; but, on the other hand, any alternative would have been equally undesirable, so it was not bluff. We would have been prepared to let it go for tax sale. It wouldn't have solved the problem, however. I'm happy to say that there was application of rational thought to the problem. The city took a reasonable position. We feel the province's position is equally reasonable, and to the best of my knowledge the Minister of Tourism has confirmed this; it certainly meets with the concurrence of those who have been principally involved as private citizens with the Winnipeg Art Gallery, so that I really don't see that anyone is losing in this particular proposed solution. And so as far as Le Centre Culturel is concerned, I don't think that there is anything at issue in that respect in this bill, it's merely clarification; and insofar as Keystone is concerned, I regret that the confusion arose. I do not feel that the province was the source of that confusion. I believe that we do have records to indicate that the majority of the councillors of the City of Brandon and members of the Board of Directors of Keystone understand clearly what the initial intent and spirit was. Unfortunately it got side-tracked into a bit of a, oh, how shall one say? It got side-tracked into a bit of a game--well, that's close enough, Mr. Speaker, so therefore it requires clarification in this

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(MR. SCHREYER cont'd) fashion; nothing serious involved, I do hope, but this will go to avoid a lot of staff man years, administration, letters back and forth in the future, if the bill becomes in effect this spring.

QUESTION put, MOTION carried.

MR. SPEAKER: Bill No. 58. The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Stand all three, Mr. Speaker, please.

. . . . continued on next page

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MR. SPEAKER: At the present time we are on Health and Social Development. The Honourable Member for St. Boniface. You've got 24 minutes left.

MR. MARION: Thank you, Mr. Speaker. I hear an Honourable Member would like to pass the Member for St. Boniface.

A MEMBER: Never.

MR. MARION: Mr. Speaker, before we recessed for the dinner hour I was trying to make a point with respect to the Estimates of the Department of Health and Social Development. I think that I had covered the points with respect to the confrontation between doctors and the government. I had also covered the point insofar as I wanted to with respect to the shortage of hospital beds, and I was getting to the point where I felt that we should - I wanted to give some advice to the Honourable Minister of Health. And I'm glad to see that he's now in the Chamber so he can accept this free gratuitous advice that I'm willing to give him, and he can receive it. What he does with it after having received it, is entirely up to him, Mr. Speaker. But inasmuch as it's being given gratuitously and it has been well thought out, I would hope that he would retain some of these good points.

The point I wanted to make, Mr. Speaker, deals with medical specialists. I think that we have a situation in our province where the present level of medical services being offered are second to none, but during the rumble that went on in the first three months of the year and the last, perhaps it was the last two of 1973, there were a number of specialists who felt that if they couldn't operate under better climate, under better understanding, they would be forced to leave the Manitoba community. To my knowledge there have been some cases, a few, I shouldn't use some, I should use a few cases, where some of the specialists have left the province and gone elsewhere. The Minister would probably be much more aware than I of the situation since that point. What we're trying to say right now, Mr. Speaker, is that surely everything in the government's power should be made to encourage the specialists in remaining in our province, because without their stay here the high calibre of medical services that are being afforded in this province could be made to suffer, and consequently of course Manitobans would be the losers in the long run. I would think, Mr. Speaker, that we want no part of that, and that the Minister would give this as much attention as is required.

I would like to touch very briefly, Mr. Speaker, on the amounts of money, or the curtailment of the amounts of money, that was directed when budgets were pegged as it were to an 8 percent increase over the previous year. Now in making my point I would like to refer to the fact that the total Health and Social Development Budget went from 220.97 million, 222.97 million to 271.99 million. That's an increase, Mr. Speaker, of roughly \$50 million, or 22 percent. Now it is extremely difficult for me to comprehend that where the government, because of the situation it faces, has to increase its outlays by 22 percent, it would then request of hospitals that their budget be maintained within an 8 percent ceiling. Now I realize that the Minister had made some public utterances whereby he said that the lid was coming off and they would be permitted to spend further sums, but I think that there was never any intent by the Minister of giving them a free hand, and the restrictions insofar as I can ascertain, Mr. Speaker, have always remained at or about the eight percent level.

Now I need not dwell on the fact that a number of items being used in very huge quantities by the hospitals have doubled and tripled in prices, and that that ceiling is one that has necessitated a great curtailment in hospital services. I remember posing a question with respect to the Bethesda Hospital in Steinbach where they had - the hospital board had insinuated that it would have to reduce in large measure the kinds of services being offered because of this ceiling on increases over previous years. I trust that the Minister, and I'm certainly not encouraging him to act without all due care and all due consideration to the amounts of moneys that the ratepayers of the province will be asked to raise, or to pay into the coffers, Mr. Speaker, but I think that there should be some judicious kind of application, and I think that eight percent is far too modest a level to permit the hospitals to function properly.

Mr. Speaker, another point that I would like to cover has to do with the community health centres or the health clinics. I think that I can't help but use as my base of

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(MR. MARION cont'd). . . . information an article I read that was written by Dr. F. P. Doyle in the Tribune of March 23rd. Now I think that the attitude taken by Dr. Doyle in this article is one of moderation. He is offering as an alternative to the possibilities of community health centres, he is saying that if the government wants to foster this kind of plan it should do so in the areas where private community clinics or private clinics are not presently in operation in fulfilling the responsibility to the citizens of the area. I think that this is a very objective kind of an attitude, and I certainly feel that foisting on Manitobans the community committee concept, the community clinic concept, without due regard to the existing services is one that in the long run will not serve the Manitoba community well. I think it will engender this conflict that I was talking about this morning, it will reactivate it, and that also will be a deterrent to good quality medical services in the province.

I can't help also when we're referring to community clinics, Mr. Speaker, refer to the experiences that have been met in the Regina area. And I refer to the fact that the Regina Clinic itself has gone through some ups and downs, but they've been mostly downs, and they've really had all of the difficulties imaginable in obtaining and keeping medical practitioners in this clinic concept. It would seem to me that before the Minister permits anyone in his department, or anyone of his advisors, to influence him in developing further the community clinic concept that he will give just regard to the experiments that have gone on in the Province of Saskatchewan and I must say that these experiments have been blatant failures. I think that the situation which arose in northern Manitoba is another area, the Leaf Rapids Clinic is the one I'm referring to, and it has peculiarities of its own. But it also, Mr. Speaker, should be thought about, and should become part of the basis of rationale when the community clinic concept is further advanced.

This, Mr. Speaker, now brings me to an area where I would like to encourage the government to develop plans on its own hook, avant-garde plans that would interest young people in the Province of Manitoba, both male and female, in embracing the nursing profession. I think that again this year, and there's no doubt that some of the hospital beds will go unoccupied, notwithstanding the tremendous waiting lists I referred to this morning, but some of these beds will go unoccupied because we don't have enough people in the nursing profession. It would seem to me that it would be the time to embark on a program of enticing young people, because after all it is a viable and rewarding profession, enticing young people, both male and female, and this would be a first I would think inviting male graduates of going into the nursing profession. I think that if we were able to drum up the kind of enthusiasm that I'm sure a properly conceived plan could do, we would alleviate this kind of problem that again is recurring. Every year in my private conversation with the Minister I'm told, that every year there is a problem, there is a very acute shortage of nursing people, nurses, because of the fact that most of them are married people and they go back to home care during the summer months. Well it would seem to me that that indicates that there is a shortage in the profession itself. There's no way that today private nurses are obtainable, or if they are certainly they're --(Interjection)-- That's right. The middle class, the middle poor class of this province is in no way capable of affording their services. I think that a well conceived plan whereby we would interest young people in Manitoba to embrace the nursing profession could pay dividends.

A MEMBER: ". . . embracing the nursing profession."

MR. MARION: I'm thinking of it in a broader sense than my friend the Honourable Member for Lakeside. But I think that there's nothing wrong with that, Mr. Speaker, but right now I'm thinking of the sick that are wait-listed and not in that hospital bed because there is a shortage of nurses.

Mr. Speaker, I think that the last point I would like to make with respect to the budget or the Concurrence motion on the budget of the Minister of Health is the cost-sharing that is, the capital cost-sharing that is being requested of municipal governments. I have already talked to the Minister and it seemed that in my initial talk I was not able to bring tears of sympathy to his eyes. He did not seem to be touched by the fact that I felt municipal governments just were not in a position to afford the 20 percent in capital costs that are now being "extracted from them" might I say. It would seem to me that the provincial government is fully responsible and should in essence take care of all of the capital costs involved in building hospitals.

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(MR. MARION cont'd)

Now, Mr. Speaker, I would like to go one step further. I think that when we talk of the shortage of hospital beds and the wait-listing that has grown to alarming proportions, I can't help but allude to the Seven Oaks Hospital. I've already made a pitch in that regard, and I know that here the Minister of Health is not immune to my pleading because he has certainly taken the matter in hand, inasmuch as he sees it fit to take in hand. I would like him to reconsider very seriously the cutbacks that were made on the services that will be afforded by the Seven Oaks Hospital. That a hospital, which is being built in a completely new area, that will be inhabited by young families which will need pediatric and obstetrical services to see the hospital removed, or to see the services, those services removed from that hospital, to me is an irreconcilable kind of fact. I hope that the Minister will give this some further thought. I'm sure that both of these services would prove to be beneficial to the new area. I would trust that the Minister of Health will impose his will on his colleagues to reincorporate those services in the hospital plan.

I think that, Mr. Speaker, in conclusion I would like to talk about something which is really up to date on obstetrical services. I talked this morning on co-operation between the Manitoba Medical Association and the present government. The Manitoba Medical Association is now reported to espouse a program where there would be centralization of obstetrical services. Mr. Speaker, it would seem to me that the time has come for the government to sit down with representatives of MMA and really research the program that they are advancing in this area. It would seem to me it would be an exercise in showing that the government is willing to co-operate in every reasonable way in new programs that, not only it has conceived but the profession who is first and foremost concerned with health of Manitobans. I would think that some of the wound healing could be done with this kind of a case whereby the government would be able to sit at the same table and dialogue so that a fruitful kind of program on obstetrical services could be brought about. I know that the Manitoba Medical Association feels very strongly about this centralization aspect, and it would be nice for the government to listen to what they have to say and then formulate its own policy, because, notwithstanding any of the comments I have made this morning, I still feel that after there has been dialogue policy should be in the hands of government because government were elected by the people to administer its needs.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Yes, Mr. Speaker, I believe that the Minister's final sentence was an appropriate time for me to take the floor on the issue which I've been waiting to discuss throughout the honourable member's speech. Because during the honourable member's speech he made the statement that the Manitoba Medical Association never wanted a veto power over government policy. And I said that that was false. The honourable member says that that is his understanding and if that is false, that I have to prove to him that that is false. Mr. Speaker, I'm sure that I can prove it to my own satisfaction, to the satisfaction of members on this side very easily. What may be more astounding to the honourable member is that I believe that if he will listen, that I can prove it to his satisfaction that the statement that he made is false.

I regret, Mr. Speaker, that the subject has been opened. I would have thought that because there were difficulties as between the government and the Manitoba Medical Association which threatened what I would consider to be a disaster in the Province of Manitoba, that is a withdrawal of medical services with the consequent harm that would be done to citizens of the Province of Manitoba, that because that was averted I would have thought that all members in the House would have thought that it is best to leave sleeping dogs lie. However the government dealt with this situation there appears now to be a feeling of co-operation between the Government of Manitoba and the deliverers of medical services, including physicians and surgeons, and that it is not in the interests of the people of Manitoba, just as occurs after any settlement of this type of dispute, for one side to start calling names to the other side. I think that generally members have been willing to not try to seek out a subject or a target of abuse with respect to this particular dispute. Because the honourable member knows full well that the same can happen under any government. It wasn't a New Democratic Party Government in the Province of Quebec that had a strike of doctors, it was a Liberal Government. It wasn't a New Democratic Party Government that passed a law in

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(MR. GREEN cont'd). . . . the Province of Quebec saying that any doctor who does not serve his patients, and I'm paraphrasing, shall go to jail; it was a Liberal Government. It wasn't a New Democratic Party Government that had a strike of hospitals in the Province of Saskatchewan; it was a Liberal Government. It wasn't a New Democratic Party Government that had a strike of teachers in the Province of Ontario. . .

A MEMBER: Almost had one here.

MR. GREEN: ". . . it was a Conservative Government. Mr. Speaker, in none of those cases did I fault the government or try to lend agitation to one side or the other, with an exception. I did say that as far as the Province of Quebec is concerned I considered it abominable that they would pass a law requiring a doctor to treat his patient or go to jail, and that I would never want to pass such a law. I hope that I would have the courage that when the time comes that I would not be party to the passing of such a law. That is what I told the medical profession in the Province of Manitoba, and that is what I said at the time that the Liberal Government of the Province of Quebec passed such a law. But that, Mr. Speaker, is generally talking about events.

I do not believe that it is useful to open up a can of worms when the problem has died away. But the honourable member gets up and says that somehow the Province of Manitoba created a confrontation with the doctors, and that that confrontation should never have existed, and that the province was taking an unreasonable position because they were saying that the medical profession was demanding veto power. I want the Honourable Member for St. Boniface to know that when I was part of the Manitoba position, and I fully subscribe to the government position with respect to the doctors, that I wasn't protecting the New Democratic Party Government. If the honourable member ever hopes to be a member of a government, I was protecting the democratic process for the day that maybe he would someday be in government; and I was protecting the democratic process for the day that maybe the Member for Lakeside would someday want to be in government; and that he should be aware that what was being done here was in his protection, and many many honourable members knew it. I did not ask them to come to our assistance, nor did I expect them. I didn't expect the Member for Morris or the Member for Lakeside to say that the government is right, because they are correct; it is our problem; we have to live with it, and we have to get out of it. But they didn't do the other thing. They didn't say that the doctors were right. It was the Member for St. Boniface, who I saw on television, who said to the people of Manitoba, "The doctors are perfectly right they're not asking for anything. They're asking for an agreement to be consulted with health care and the government of Manitoba refuses to do that." Now I say to the credit of many honourable members who know what it's all about that although they did not congratulate us, they did not spur on the doctors, because they knew that what the doctors were asking for was unreasonable.

I said that I would prove this to the satisfaction of the Member for St. Boniface if he will listen. The Manitoba Federation of Labour approaches the supposed Minister of Labour, the Member for St. Boniface, he is now sitting on the Government benches. They say to him that we want an agreement with respect to the labour laws of the Province of Manitoba, and that agreement has to be agreed to by you and us as to what those laws shall be. Secondly, that until we agree as to changes those laws shall not be changed. Thirdly, if you do not do this there will be a general strike in the Province of Manitoba and we will close up every business in which organized labour works. Now what does the honourable member do? He's shaking his head. He says he will not do that. You know why? Because he's protecting the democratic process; he's protecting the right of the people of the Province of Manitoba to legislate what those labour laws will be; and he is saying that the subject of policy, which he referred to in his last sentence, is something which will never be compromised as between the elected representatives of the people and a particular group in society. And he agrees with that. So, Mr. Speaker, I have now proved it to his satisfaction. Because that's exactly what the medical profession said to the Province of Manitoba. They said that there will be an agreement with regard to medical care in the Province of Manitoba; that that agreement has to be negotiated between the Province of Manitoba and the Manitoba Medical Association. Regardless of what the nurses say, regardless of what hospital boards say, there has to be an agreement between the province and the Medical Association; but that agreement has to relate to the delivery of health care; that that agreement has to be signed by the Province of Manitoba, and that there is to be no

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(MR. GREEN cont'd). . . changes in that agreement until a new agreement is arrived at as between the people of Manitoba and the Medical Association. If you do not do this we will withdraw our services, to the injury of all of the people of the Province of Manitoba. Would you want me as your representative -- forget that you are now the Member for St. Boniface -- to enter into such an agreement?

Now, Mr. Speaker, that is the nub of the dispute, and that is the only thing that the Government of Manitoba said that they wouldn't do. They said that they would -- not only that but they sent numerous documents to the Medical Association undertaking to consult with them, listing those things about medical care that the doctors in Manitoba felt should be stated and enunciated as government policy. The one thing that we said we would not do, is that we would not put that in an agreement and say that these things are agreed to between the people of Manitoba and the Manitoba Medical Association.

Now, Mr. Speaker, the honourable member says that the Association never asked for a veto. First of all, it depends on what your word veto means. I presume a veto to be that the government cannot act without the consent of the Medical Association. The Medical Association says that there shall be no delivery of service unless there is an agreement between the Medical Association and the Government of Manitoba, so that they will not accept a health policy which is not agreed to by the Manitoba Medical Association. Now what is that? The very suggestion that there shall be no policy without the agreement of the Manitoba Medical Association is a veto. That is the definition of veto. That we cannot have a policy without their approval. And if they only stuck to those words saying that there had to be a contract, a legally binding contract -- let me explain to the honourable member what that means, and he knows that there is a difference.

Let us say that -- well, this government happens to agree that there should be an alternative form of health delivery services, that fees for services should be one form of practice, and that we should have tried to encourage another form of practice where doctors work within a clinic agency, and work as employees of that agency in terms of delivering services on a salaried basis. He may not agree with it, but it's an alternative policy. Let us say that we have an agreement with the medical profession which says something as simple as this, that medical services shall be delivered in such a way as to be the best provided to the people of Manitoba. Now, that sounds like a simple thing to agree to, isn't it? I mean, who could disagree that medical services should be in the best form. Okay? --(Interjection)-- Then the Province of Manitoba after consultation with the medical profession says, yes, we have a fee for service. We are also going to try to set up a salaried system, and the doctor says that's contrary to our agreement; that is not the best form of delivery of services. We say, we think it is the best form of delivery of service. They say, we think it's not, and that is a breach of contract. Now, is the policy then set by the elected representatives of the people? No, there is a suit. They go over to a judge and they file an injunction suggesting that the Province is breaking its agreement with the medical profession by installing an alternative form of delivery of services. And at that point it's not the elected representatives of the people who decide, it's a judge of the Court of Queen's Bench, or the Court of Appeal, or the Supreme Court of Canada.

I'll tell you something, if I wanted policy decided in that way I would have stayed in the Law Courts. It's because I didn't like what they were doing over at the Law Courts that I came here, and if once I get here I should give it back to the Law Courts, I've wasted a lot of time and effort. I would no sooner trust the Court of Queen's Bench with the setting of health policy than I would trust them to count the ballots if I was in a close election. There's no way. You know, I'll win or lose in my constituency; once I get into that courthouse, I tell you I lose. And if you're saying that that is a suggestion of bias on the part of the Court of Queen's Bench judges, I say absolutely not. Mr. Speaker, I'm not talking about some conscious deliberate policy of electing your people, I'm saying that every counting of a ballot is subjective, and I will show it to the Honourable Member for St. Boniface, who knows full well that it is objective.

I'm not saying that we got undone by the judges of the Court of Queen's Bench. All I know is that we will not win elections in court until we appoint the judges. And that's not saying anything about the existing judges, that's saying that our judges will do it.

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(MR. GREEN cont'd) Not that the existing judges have done anything bad. Well, Mr. Speaker, the fact is that we can go into this a great deal. I am suggesting that in any close election, and if any subjectivity is involved then as honest as the person is, if there is any subjectivity that can make it go one way or the other -- and I believe that people are subjective -- that that subjectivity will make itself found in the counting of ballots. Why not? Would the honourable member say that I will count ballots; that if the member for Lakeside, and the Member for St. Johns, ended up in a dead heat and there was one ballot which could go one way or the other and I was the judge, now, how much would you give for the chances of the Member for Lakeside. (Laughter) Now if you accept that, if you accept that, then what have I said that is --(interjection) -- Pardon me? Well, I'll tell you, the Honourable Member for Lakeside is the only member of the assembly who's been an astute thinker, and maybe there would be a problem. But the fact is that that is the situation, and I do not say that on that account the judges are biased. But everything -- you know they sent me to law school, they taught me certain things. They taught me about jurisprudence. They taught me that Mr. Justice B. . . . said that the law is not logic but experience, and that every single judgment depends on what the judge's base in that particular premise is. Now am I to dismiss that from my mind? Well they shouldn't have taught it to me in Law School if that's what they wanted me to dismiss from my mind.

But nevertheless I said that I would prove it to the honourable member, that that's what the medical association was asking for. Now, Mr. Speaker, here is the first document that was sent by the association, and I'll read it to the honourable members, and you tell me whether this doesn't say "veto". First of all it's an agreement as to health policy, containing the very things that I say would have to be interpreted, not by the people of Manitoba but by a court. You know, very innocent things: And it's the right of a person to select the physician from whom he wishes to receive medical services;

It is in the public interests that the parties hereto co-operate;

The fee for service method of remunerating medical service shall be changed only by mutual agreement of the parties;

Acceptable hospital standards are those established by the Canadian Council of Hospitals;

Every physician shall have the right to have admitting privileges.

Many of these things entirely satisfactory, Mr. Speaker, but to subject them in an agreement.

We sent back a document undertaking that this is the policy of the Province of Manitoba, and I'll read that to the honourable member, that this is our policy; that we will not change this policy without consenting the medical profession.

A MEMBER: Consulting.

MR. GREEN: Yes, consulting, excuse me. Well, I'll now read it to the honourable member. And by the way, he should have the material. I believe that we sent this material to every honourable member, and if he can read and understand, then he should not have made the statement that he did because we undertook those things. Here's what it says: "This agreement shall become effective from and including January 1st, 19(blank), shall continue in effect up until and including December 31st, 19(blank), and shall remain in force and effect from year to year thereafter unless written notice of request to negotiate a renewal or revision of this agreement, or to negotiate a new agreement, is given by any party at least 90 days prior to the anniversary date thereof, provided that no such notice shall be required for implementation of positions of Article 4 hereof. During the period required to negotiate a renewal, revised or new agreement this agreement shall remain in full force and effect."

Now, Mr. Speaker, "The parties receiving notice within 15 days clear of receiving same shall forward to the party giving notice of their respective proposals, if any, for the renewal or revision of this agreement, or for a new agreement. And the parties in the negotiation shall be restricted to the matters raised in their respective proposals."

So what happens? You have an agreement now with regard to health policy, which you only have because you have had to agree with the doctors or they will withdraw their services. Now during the agreement you cannot change health policy without the consent of the doctors, or you can consult with them, or they can say that you are in violation of this

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(MR. GREEN cont'd)... .agreement. Then the agreement continues until you negotiate a new one, or until they say the same thing to you. That unless you are agreed as to what we want with regard to health policy, we will not work. Now, does the honourable member consider that to be a veto, or does he not consider that to be a veto? Because, Mr. Speaker, we sent them documents, and the honourable member has them, indicating in every respect that we were prepared to give our statement and declaration of policies that this is the way the Manitoba Government intends to proceed. And I don't think even the doctors themselves knew what the implications of their requests were. They didn't realize that what -- they wanted an undertaking from the government and, you know, I can go through the entire procedure and prove that they did not know.

They were, Mr. Speaker, engaged in an adventure largely directed by a lawyer that I was involved with in labour negotiations, who I think was carrying over to some extent his argument with me, vis-a-vis labour negotiations into the dispute between the doctors and the Province of Manitoba, and got up at a public meeting of 800 doctors, and do you know what he said? He said, you know we're dealing with a kind of guy who I dealt with in the courts, that when he didn't like what the judges said he went right to the Supreme Court of Canada, and when he lost there he took it into the House and changed the law. Well, I don't know what's the matter with that? But that was part of his pitch to the medical profession in the Province of Manitoba.

Now, would the honourable member say that I protected his right as a legislator if I signed this agreement? And you know, would the next step be an agreement with the Manitoba Federation of Labour, because I told them all the same thing. I told the Federation of Labour that they will have to fight for their rights, and it will be the government that sets labour policy, not the Manitoba Federation of Labour. And when the Manitoba -- would he sign an agreement, would the Honourable Member for Lakeside sign an agreement as to the agricultural policy with the Manitoba Farmers Union that there will be an agreement between he and they as to policy, and it cannot be changed without the agreements of the Manitoba Farmers Union? Well, the honourable member is laughing at me. I'll tell you what, he wouldn't even do it if it was the Manitoba Federal of Agriculture or the Manitoba Farm Bureau.

At the convention of the New Democratic Party, the Manitoba Farmers Union presented, or people sympathetic with their position presented a resolution that the Manitoba Government recognize the Manitoba Farmers Union as a certified agent for all farmers in the Province of Manitoba. I told them the same thing as I told the Manitoba Medical Association. No way. If you want the support of the farmers in the Province of Manitoba, you feel that you'll represent them, go ahead, get their support. But no way do we recognize that the Manitoba Farmers Association represents all farmers in the Province of Manitoba. And I've told the same thing to the Federation of Labour and I've told the same thing to the Manitoba Medical Association.

The Honourable Member for St. Boniface is suggesting that he would have entered into this agreement. Well Mr. Speaker, if he would have entered into the agreement, he would have started to set up a system in this province whereby not the last sentence that he made that it should be the government that sets policy, but that policy would have to be negotiated in each area with different groups, different powerful groups, and the very negotiation of that policy makes them more powerful, because then the farmer knows that he can't come to the Member for Lakeside to present a grievance. The Member for Lakeside is going to go to the Farmers Union and say, what shall I do with this man? And a doctor who says that there should be different health policies, he won't be able to come to the Province of Manitoba; we'll say we have to go to the MMA and negotiate our policy with them, or nurses or anybody else.

Now Mr. Speaker, I tell you what I told the Medical profession, that I am scared silly of a withdrawal of medical services in the Province of Manitoba. Nothing terrifies me more except one thing, to turn over the democratic process of this province to the Medical Association of the Province of Manitoba, that that scares me more. (Applause) It should scare the honourable member more, because that's what we're involved in, and it's only at the last minute that they themselves were really brought to bear as to what it was being suggested. That they themselves on the last letter that was sent to Dr. Wylie by the Minister

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(MR. GREEN cont'd).....of Health, it was put quite clearly, we're prepared to discuss anything; we're prepared to have all kinds of consultations, but we will not sign an agreement with the doctors which ties us to a health policy which takes the decisions vis-a-vis that policy, and the interpretation of that policy, out of this Chamber into a Court. We will not do that. And do you know what Dr. Wylie said? Dr. Wylie said, that the Minister of Health is ignorant. He's stupid. He doesn't understand legislation. That's not what we are asking for. But the next day he found out that that's what they were asking for, and that resolved the medical dispute; the medical dispute ended without this contract that was being suggested had to be signed by the government with the doctors as to health policy.

If we were unreasonable, why did they -- and I don't want to open wounds. As far as I am concerned the medical profession behaved honourably. The government behaved honourably. They had differences and they reconciled them. And it's wrong after the dust has settled for somebody to try to find a problem here. I'll tell you who were the big problem here. The problem was largely the editorial board of the Winnipeg Free Press and the Winnipeg Tribune, more so the Winnipeg Free Press.

On October 15th we sent a letter to the Medical Association and the end of that letter, Mr. Speaker, and I think it's worth reading if I'm not overstepping my time. The letter sent to the association, a statement indicating, a document which said, "Here are the things you have asked us to agree to. We have put them down as a Statement of Policy, and we undertake we won't change it without consulting you." Does that sound reasonable to the honourable member? Have you read that document? Have you looked at it? Was it a reasonable document? He's nodding his head, it was. It was not accepted. It was said, that we will not accept this. We want -- as a matter of fact it was called by the Winnipeg Free Press, a "Confrontation". And I want to get to that point. Here is the last sentence of the letter: "Some question has arisen as to whether or not government will enter into an agreement which reflects such policy." We indicated the policy. "As you are aware public policy concerning any group is usually not reduced to a formal written agreement. Indeed an agreement of this kind is probably foreign to the democratic process since policies may change from time to time and no group can be given an absolute guarantee that the democratic process will not result in change. However, we are aware that there is some sensitivity in this respect and we are of the opinion that if the substance of what we are just discussing can be mutually understood and accepted there will be little difficulty in reaching understanding as to what type of formal or informal instrument should be devised in order to record a meaningful memorandum of such understanding". So we set a few. You can agree to what you want, like that there's good health care, or that doctors treat their patients nice -- hospitals treat the doctors nicely, or that doctors will have the option of working for "fee for service". We'll list these things and we'll tell you that this is our policy, and we will also tell you that we will not change it without consulting with you. That's a reasonable position. This letter was referred to as a "confrontation" between the doctors, the Government of Manitoba and the MMA by the Winnipeg Free Press. Well, that's interesting.

We then held a meeting and we said virtually the same thing with the Medical profession. They asked that the press come, and we said we'd welcome the press; and the press came and reported the meeting; and they said that they cannot discuss anything with the government on this basis because it does not give them a written contract. We knew that we were in a problem. So we took the same letter -- it was October 15th -- we took the same letter and we sent another letter October 22nd, dealt with some points which had not been dealt with before, and then copied verbatim -- Mr. Speaker, we used the same words and the same paragraphs as to how we intended to deal with this question of agreement and consultation. If the honourable member has the letter he can read the two, and I tell him that it's not by accident, the last page and a half of the letter setting out the position is verbatim. We got a letter from Dr. Wylie saying that "we are glad to see the change in the government's position," that they are now prepared to enter into an agreement; and the Winnipeg Free Press wrote an editorial and said Mr. Toupin's position, the Minister of Health, has now moved away from confrontation and he's sent a very reasonable suggestion now to the . . . The same letter was referred to as a confrontation and as a reasonable document, because the position of the Association had to change, and when the position of the

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(MR. GREEN Cont'd) Winnipeg Free Press changed.

How many times have you read in the Winnipeg Free Press, how many times have you read in the Winnipeg Free Press that the issue, the issue in the British Election, is who is going to govern the country, the elected representatives of the people or the trade unions? When there was a railway strike, the issue now was, who is governing the country? The elected representatives of the people or the trade unions? When this happened, it wasn't who was going to govern the country, the elected representatives of the people or the MMA, it was "God, the government has created a confrontation between themselves and the MMA and the doctors are going to stop working. What the hell is going on with this government?" That was the position of the Winnipeg Free Press. The position of the Winnipeg Free Press was that the doctors passed an ultimatum, and I'm sure that if the Member for Lakeside was to receive such an ultimatum, or the Member for St. Boniface . . . which said that you will meet with us on this day, that you will present your credentials, that you will present your credentials; that there will be an agreement by such and such day; that you will give us the names of your negotiating team. The Member for Lakeside, I saw him, and at that moment I was admiring the honourable member, because he received such a document from the Vegetable Growers, and he had it in his hand; and he looked at the members of the House and said, "This is what I think of that." That's what he did in 1967. He was right, because that's the kind of document it was. We didn't do that. You know, we have to be more reasonable than Caesar's wife.

A MEMBER: Beyond reproach.

MR. GREEN: We sent them a letter saying, "We have received your ultimatum. We comply. Our representatives will be at this room at this time, etc. We are sending you a contract -- or not a contract, we are sending you a declaration indicating our policy." What does the Free Press do? They wrote an editorial saying that the response of the Government to the doctor's ultimatum is a terrible thing because they didn't name the representatives, We named the representatives. What we said is that "they will not present special credentials and we will not ask you for your credentials." Now how much dirt do you have to eat in order to satisfy the Winnipeg Free Press or the Manitoba Medical Association? How much would you want me as your Minister to eat?

A MEMBER: I am not . . .

MR. GREEN: Well then, don't go on television in the midst of that kind of a dispute and say that "My God, the doctors are only asking the Government to be reasonable, to sign an agreement with them, and to give good health care. Don't we all want that?" And don't get up in this House and say that they weren't asking for veto power, because they didn't know what they were asking for, and when they found out what they were asking for, Mr. Speaker, there was an agreement with respect to medical fees. The doctors are working. They're doing reasonable well. I do not begrudge it to them. I know that I have always tried to do well. I have not tried to earn less money, I have tried to earn more money. I think that every citizen in society would like to have a better position. I regret - and that's why I'm in politics, that one of the things that I'm trying to change is that some people have very very strong bargaining power to get a fee for the services that they render, and some people have relatively weak bargaining power to get a fee for the services that they will render. And that is the real disparity of wealth that exists in society.

It has not to do, as is often alleged, by the fact that that disparity of wealth appears because of greater brain power, or harder work, or a greater contribution to society. It happens to exist because you have chosen - and I don't think that this is wrong; that people have wound up for one reason and another in a position where they have better bargaining power. I assure you that when the medical profession says that they are going to go on strike, that they have a bigger weapon vis-a-vis societies than is the case when the employees of CCIL go on strike. And that has something to do with the fact that the medical profession is in a very high income group and the members of CCIL are in a more modest income group. That has something to do with it. It's not just the fact that somebody went to school and he can perform an operation, or somebody can make a speech before a court, that that's why lawyers have the better position. It has something to do with the economic status that they have gained for themselves in society and the potential which they have of demanding a higher fee, and I do not begrudge the medical profession that. And I say that we have negotiated with the medical

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(MR. GREEN Cont'd) profession, we have a relatively stable situation; that we are to be, not congratulated, no, no, but we are to be at least found that we so behaved as to not divorce the Member for Lakeside from the potential seats of government power which he is attempting to achieve - and the same I hope for the Member for St. Boniface; that we have not impaired the sovereignty of the people of the Province of Manitoba to enact their own laws, such as we would if we entered into an agreement with the International Nickel Company that said that there will be no changes in mining policy in the Province of Manitoba without the consent of the International Nickel Company of Canada or the mining company. Or if the lawyers came to the Member for St. Boniface, and said that they want an agreement that there will be no changes in the system of legal jurisprudence to practice in the courts the laws under which people get the courts without the consent and approval of the legal profession of the Province of Manitoba; or of the Manitoba Farmers Union, or of the Manitoba Federation of Labour, or the nurses, or the teachers or anybody else. And if some government does that to me when I'm a citizen of the Province of Manitoba, says that my rights are no longer going to be determined through the legislative process, but that it's going to be the subject of agreement between the government and the teachers, that educational policy will be the subject of an agreement between teachers - but that the government shouldn't consult the teachers. My God, read the documents. We sent them three documents undertaking to consult with them before any changes were made.

MR. SPEAKER: Order please. The honourable member has five minutes.

MR. GREEN: And those documents were sent out to every doctor in the Province of Manitoba. And what happened? Why are you sending the doctors this information? Well, who would make such a statement? Surely the medical profession is entitled to know the position that was taken by the Manitoba Government. Surely we had reason to believe that our position somehow was not coming through. We have, Mr. Speaker, you know this again, where I blame the newspapers. I went to a meeting, I was called to a meeting of the Medical Legal Society, public interest group, to come and explain the position. There were lawyers and doctors there, and I spoke to Dr. Connelly who was on the panel with me - and I spoke and I explained to them that yes, we are prepared to enter into an agreement for fees and we are prepared to give them a declaration with regard to medical policy, which would indicate that we agree in most respects with that they are saying and that we will not change without consulting them. I was asked, would we enter into an agreement concerning this, and I answered by reading the last page of the letter which I've read to the honourable member. The next day the Premier received a letter from Dr. Wylie: "I am informed that Sid Green appeared at this meeting and said that the Province of Manitoba would under no circumstances enter into an agreement with the Medical Association of the Province of Manitoba. Kindly advise whether this is the position of the Government." That's the letter we got from Dr. Wylie. So I went back to the Medical Legal Society and I said look, I came as an innocent lamb, I was trying to do a public service. What happens? I said here is a letter that Dr. Wylie sent the Premier. Did that happen at the meeting? Well, now here is an impartial observer - the honourable member knows Mr. O'Sullivan. And here was Dr. Wylie claiming that we were creating the confrontation, that we were trying to get doctors to go on strike. So I told Mr. O'Sullivan that if that's not what happened, and not for any other reason, and Joe wouldn't of course do it for any reason. He was the Chairman of the Medical Legal Society. He wrote a letter to Dr. Wylie stating the following - by the way, nobody in the press, despite the fact that we were creating the confrontation, we made this letter public, it did not appear in any newspaper. You see whether under the circumstances and under the suggestion by the editorial pages that we were causing the trouble and that we were creating a confrontation, and that we were trying to create a strike in the Province of Manitoba - and that's what the doctors said, that there are people in the government who want to strike.

Here's the letter: "It has come to my attention that you have written to the Honourable E. Schreyer stating that you were advised that at a meeting of the Manitoba Medical Legal Society on November 27th that the Honourable Sid Green had stated that the government would not enter into an agreement with the Manitoba Medical Association. I would like to tell you that you have been incorrectly informed. I was the Chairman of the meeting. I had invited your association to participate in a discussion. Your association by a letter of November 2nd, 1973 accepted my invitation and said that you agreed that the program should not be a debate or confrontation on the issues which you are endeavouring to resolve between the association and

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(MR. GREEN Cont'd) the government. Your association was represented at the meeting by Dr. Peter Connelly, who reviewed the experience of the Association in dealing with the government and the MHSC. Mr. Green responded and read extensively from a letter from Mr. Toupin to your association dated October 27, 1973. Mr. Green did not say that the government was unwilling to enter into an agreement with the MMA. On the contrary, he said explicitly that the government was prepared to enter into an agreement with the association. He said explicitly that a fee schedule could be a part of such an agreement. He furthermore said that on policy matters the government was willing to set out its position in a statement and that it was willing to agree that such policy as set out in the statement would not be changed without consultation with the association. In this connection, he read verbatim from the letter of October 27, 1973 referring to the government's willingness to enter into a memorandum covering these points. Mr. Green made clear that the government was not willing to concede to the MMA a veto in its duty to formulate public policy, and that the government is not willing to submit policy matters to the judgment of an arbitrator during the life of an agreement. Dr. Connelly expressly disclaimed any suggestion that the MMA wanted a veto or any agreement which would better the government in the discharge of its duty to develop public policy subject to the rights of the Legislature. I thought that the meeting had accomplished its purpose of focusing attention on the general principles of concern to both the association and the government. I thought the result of the discussion was that the MMA had made it clear that it does not seek to have a veto power over its public policy but that it is not satisfied with the mechanics of consultation. I thought Mr. Green made clear that the government was willing to consider any proposals by the MMA to make such consultation more meaningful than in the past." And I want the honourable member to pay attention to the last paragraph: "Your letter is a complete distortion of the position taken by Mr. Green at the meeting, and appears to me to be an improper use of a constructive dialogue in order to further a confrontation that can only do harm to the public."

Now this is an impartial observer, who was there at the meeting . . .

MR. SPEAKER: Order please.

MR. GREEN: Mr. Speaker, I'm going to conclude my remarks, if I'm given one second.

He said that somebody was trying to distort events for the purpose of creating a confrontation where none exists. Now, Mr. Speaker, I charge in particular the Winnipeg Free Press, to a lesser extent the Winnipeg Tribune, of deliberately trying to create a confrontation between the Manitoba Medical Association and the Government of Manitoba for political ends and that that confrontation did not in fact exist but was being artificially created.

A MEMBER: Hear hear.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, the nature of my remarks really are in the form of questions to the Minister of Health and Social Development, about a situation involving a private medical laboratory with which everybody in the Chamber is familiar and what the government is going to do now. The Honourable House Leader who has just spoken has made reference to charges and countercharges having to do with the manipulation or the planning of a confrontation between this government and the medical profession at a certain level of medical activity. The question appears to be still open on that particular issue, but I think that there is little question that there has been a forced confrontation on the part of this government and on the part of the Department of Health and Social Services where private medical laboratories in the province are concerned.

I think that I can say that there has been clear evidence that the Department of Health and Social Services in this province has been on a deliberate course over the past five years of attempting to close out and eliminate as many private medical laboratories as possible and to nationalize as it were that element of the medical business. One laboratory in particular, one service of that type in particular that was in the news for some considerable time a few months ago is now back in the news, that is the former Bio-Science Laboratories now known I believe as Medi-Lab Limited but now under different ownership. It's back in the news as most members or all members know, Mr. Speaker, as a consequence of the conclusion of a court action involving the former proprietor and operator of that laboratory, that private laboratory, one Dr. John Greff. At the time that this government set out on its

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(MR. SHERMAN Cont'd) determined and deliberate course to force Dr. Greff's laboratory to close and to force Dr. Greff out of business, that principle, that individual was confronted with accusation and allegations I think of fraud - or certainly of offences almost as serious as fraud, and the result was that Dr. Greff was forced out of business and was ultimately faced with 29 legal charges, 29 court charges. It's my understanding that his laboratory was then purchased in whole or in part by a former official of the province, a former officer of the Department of Health and Social Development, and now the laboratory is under an entirely different ownership, and as I said a moment ago is known as Medi-Lab Limited. In the meantime however, Dr. Greff is out of business as far as Manitoba is concerned. He's not out of business entirely, he has moved elsewhere on this Continent. I believe he's in Toronto and I believe he's operating a successful enterprise in the medical laboratory field there. But he was forced out of business in Manitoba. He was put through the costly and intimidating experience of having to fight an expensive legal battle. He did find himself denied compensation by the Manitoba Health Services Commission for bills that he submitted. I believe the total amount of bills, invoices submitted by him to the Manitoba Health Services Commission, which in the end were not paid by the Manitoba Health Services Commission, came to something close to \$20,000. I don't want to be committed to that figure, but I believe it came to something close to \$20,000. Anyway it was a substantial sum, Mr. Speaker, and Dr. Greff and his laboratory never to my knowledge received that remuneration. Now on top of that he had a costly legal battle to wage and all 29 charges against him have been dismissed. I understand all 29 charges against him have been dismissed.

In other words the court, the judge dealing with the case is saying that Dr. Greff did not commit fraud or any other offence, any other crime, that he was not guilty of what the Manitoba Health Services Commission and in effect this government accused him of, and that everything that he was doing was within the ambit of the law. That's fine. The court has found him not guilty on all 29 charges. The only trouble is, Mr. Speaker, that he was forced out of business and he's still not been paid the \$20,000, approximately, owing him from the Health Services Commission and he had the expense of the legal battle on top of that.

He is, as I say, to my knowledge I believe operating successfully, or relatively successfully in the Toronto area, but that doesn't alter the fact that he was forced out of business here and it was an expensive proposition for him. And that on the surface at least it appears that this government or the Health Services Commission owes him a substantial amount of money. Now, it may be that there is very good reason why he should not be remunerated, or recompensed. It may be that there is very good reason why he should not be recompensed, but the issue at the moment is that the court found him not guilty or dismissed all 29 of those charges. That's a rather substantial catalogue of alleged offences to have been erased at one stroke. So it wouldn't seem to me, Mr. Speaker, that the courts feel that this government and the Manitoba Health Services Commission had much of a case. I rise at this juncture in this Concurrence debate simply to place that on the record and request of the Minister that he advise members of the House as to what action the government intends to take now. Will any restitution be made that particular individual? Will the invoices submitted by him to the Health Service Commission be honoured? Will any opportunity for him to re-establish business in Manitoba if he wishes to do so be made available to him? Or what's the course of action now? In other words, is it legitimate and is it acceptable for this government to force an enterpriser in the medical profession or any other field out of business and out of the province and cost him a substantial amount of money, then find in the judgment of the courts that they were wrong, - the government was wrong, the individual was all right after all and then just merely dismiss it and do nothing in terms of making restitution to him. That's the question I put to the Minister, Mr. Speaker, and I would hope you'll have an opportunity to reply to me on that; to advise the House what is being done, if anything.

As I say in closing, I repeat, I do not know what the circumstances surrounding the relationship between the Health Services Commission and that particular individual Dr. Greff are or were. There may be extenuating circumstances, but they certainly weren't introduced at the time that the doctor was charged. They certainly were not introduced during the disposition of those

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(MR. SHERMAN Cont'd) charges in the court case. All that we know about it, all the public knows about it is that the 29 charges were dismissed and he was found to be not guilty of the offences with which he was charged and which he was alleged by this government to have committed. I don't think allegation is sufficient justification for forcing a person out of business, out of province and out of several thousands of dollars.

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

MR. GEORGE MINAKER (St. James): Thank you, Mr. Speaker, I would like to make a few comments at this time through you, Mr. Speaker, to the Minister. I appreciate that it is a relatively new portfolio that he is responsible for and a rather large department, and I had at some time ago talked very briefly to the Honourable Minister in regards to a problem with one of my constituents who happens to be a paraplegic; and the problem surrounded the area of a definition of personal care for an individual who wished to stay at home and to try and make the best of things in his own home rather than to take up a bed in a personal care home or in a hospital. And in particular my questions to the Minister would be that he would look into the amendments which were made to the Public Health Service Insurance Act last year under Bill 63. In particular the amendments which dealt with the definition of "personal care" and that area of providing supervision of activities of daily living together with goods and services that are required by such individuals who choose to stay at home and try and make the best of things. In particular, in the area of whether or not his department under this Health Insurance Act is considering at this time defining regulations of what the goods and services cover. In particular such things as prescription drugs and non-prescription drugs that would be and are required by such people in our province. Also in addition if the Minister could review with his department the providing of personal assistance in the area of house-keepers for such people. In the case of my constituent, he is at home alone for a considerable time during the weekdays because his wife is out working and his children attend school.

It is my understanding that at the present time the Home Care Service provides some-what what we are asking about to the rural divisions but at the present time I do not believe there is any definite policy of providing this type of service to the area within Winnipeg because I understand the Victorian Order of Nurses provide some type of service, but not the complete service that is required by these people.

Mr. Speaker, I'm not necessarily expecting any answers today, but I would like to draw to the attention of the Minister the problem that does exist and that I would hope he would review it with his administration and hopefully arrive at some regulation covering the goods and services that would be included in this amendment which occurred last year, and I understand took effect I believe last year in June of 1973, so that people such as the individual that I'm referring to -- and I'm sure there are many more in Winnipeg -- will have some idea of what they will be covered by under the Health Service Insurance Act. I know that this type of service is available under Social Assistance, but I believe in the case of many people that they don't want to have to go on to welfare and have their properties liened if there is in fact an amendment to the Health Services Insurance Act that would cover this area once the regulations have been clearly defined. So that we hope that the Minister will take these comments under consideration and will hopefully have his department making recommendations and decisions on defining these particular items as at the present time are not clearly defined, and it is almost a year since the passing of this particular amendment.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I would like to expand on something that my colleague from Birtle-Russell brought up the other day; refers specifically to the smaller hospitals in rural Manitoba as well as some of the Personal Care Homes. I would like to refer to the letter that he tabled several days ago. The problem that is facing the smaller hospitals and the Personal Care Homes is the one of remaining within the expenditure limits that the Manitoba Health Services Commission has outlined. The biggest problem facing these people is that the employees that they employ in the hospitals, specifically the people doing the kitchen work, the laundry work and the different tasks in the hospital, are facing the wage squeeze and the cost squeeze that we all are facing so the Board as a rule would like to see to it that these people receive proper rate increases. But what is happening now is that the hospitals that are not unionized are having their budgets rejected.

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(MR. BANMAN Cont'd) However, the hospitals that do have a negotiated agreement - I again refer to the letter that was sent out to many of the administrators for employees whose salary rates are covered, or based on negotiated agreements, salary allowances are allowed in accordance with these agreements: "If cost contracts are currently under negotiation allowances will be in accordance with these rates approved in 1973 pending settlement of the contract. Approved salary allowances for all other staff reflect a normal rate increase for '74." The problem that the board is having is -- they're having problems negotiating with the people that are not unionized because the Board has limited them to a certain amount of expenditure for the year. I refer specifically to a hospital like Bethesda Hospital where the Personal Care Home has actually had a decrease of a little over one percent over 1973, and the total expenditures for that total complex, for the Personal Care Home, the hospital and the extended care has really an expenditure increase over the '73 increase, the allowance that they've been given is a little better than six percent.

The members of the Board and also some of the employees are wondering in the hospital if it's the governments intention to try and force these people into a union situation whereby they can get a collective agreement and thereby get their expenses ratified. I would urge the Minister to have an immediate look at this situation because it's something that's really beginning to bother the Board as well as the employees in the hospital. I'd like to see that this matter could be straightened out so that the employees of the hospital as well as the Board and the administrator could have a good rapport and again help the employees at the hospital meet their costs because of the increased cost of living.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I rise only for the purpose of asking leave of the House to ask for a substitute on the Standing Committee of Municipal Affairs. I'd like to move, seconded by the Member for Brandon West that the name of Mr. Henderson be substituted for the name of Mr. Watt on the Standing Committee in Municipal Affairs.

MR. SPEAKER: (Agreed) The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): . . . substitute the name, the Honourable Member for Emerson for that--pardon me, the Honourable Member for Crescentwood for that of the Honourable Member for Emerson on Law Amendments Committee--Municipal Affairs Committee.

MR. SPEAKER: (Agreed) The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you, Mr. Speaker. I just want to take this opportunity in the concurrence motion to come back to an issue which has been of some frequent discussion in this House over the past two or three months, but like many issues the discussion has not yielded in a particular amount of action, and because time is short in this session and we are now in the "Choke-Up" period, that very few opportunities will remain to us to once again try to stimulate the government at the present moment to treat seriously the issue of housing in the Province of Manitoba. And particularly because of the daily accumulation of more difficulty and more problems and certainly the complexity of the problem which has been posed at the specific moment by the very strong and almost unbelievable rise in the rate of mortgages throughout Canada, in fact, throughout again North America, where at the present moment in the City of Winnipeg the prime mortgage rate is now close to 11-3/4 percent and by most indications will rise even higher than that. Now what that really presents, Mr. Speaker, is a barrier of almost insurmountable proportions for, oh I would estimate close to 90 percent of the population, if they have any intention of home purchase. And probably most seriously it will begin to seriously affect the capacity of the housing market both public and private in the province to meet the supply. I think as we all know, or should know by this time, that if we are going to in any way try to respond to the demands of an inflationary period the first thing that one must do is increase supply of any commodity and we have in this case a shortage of the commodity of capital per se, and the secondary shortage of the supply of land. I think these are areas where there can be no absolutism at all of provincial responsibility, because housing in the primary sense is a provincial responsibility. They stand at the centre between the municipalities which in many cases are responsible for delivery of certain basic services, and between the Federal Government which basically is confined to a role as banker and the machine in between that can in many cases affect the quantity and quality and control that's supplied is at provincial level. And as we've been saying in this House at the present moment, we do not have a housing policy that covers all aspects

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(MR. AXWORTHY Cont'd)and is comprehensive or total in its approach, we simply have a public housing policy, and a public housing policy which in fact is not producing much public housing.

So that in effect if we are going to in any way respond to the present close to crisis proportions, one that simply is not affecting a small percentage of people in our population but most people in our population, then it is about time that we began to treat seriously the issue of the lack of supply of two basic quantities; and that is both money and land, because it is within the powers of the province to do something about it, or at least I would propose it is in the powers of the province. To begin with, in the issue of land there is two areas that could be immediately undertaken. One is, that the province itself owns well over five hundred acres of land within the perimeter of Winnipeg which is being held for a variety of purposes, and it would be important if some indication was made that that land would be released for housing purposes under the present circumstances. The Federal Government has proposed mortgage arrangements in which there can be a very quick turnover of land. So it wouldn't mean that the money would be lost or that future land couldn't be acquired for longer term purposes, but it would mean that there would be land available on the market where there is a shortage of land now.

Secondly, there is a good deal of private land that is on the market which is being held, and it would be very important if this government rather than simply throwing the onus back on the municipality or the City of Winnipeg, as it keeps doing, would undertake the same kind of action that its counterparts and two or three other provinces have done, and declare a different kind of tax which would basically tax the capital again or the speculative value of land. I think there is no longer - why we should any longer tolerate without any kind of return the inflationary pressure on land without sort of beginning to apply a proper kind of tax system that would discourage land holding and land speculation. And I think I could probably get agreement from the Minister of Mines at least that we should be moving to some form of land value taxation system, which again is a provincial responsibility to introduce. It is not something the City of Winnipeg itself can do. And I would only point out that the Province of Ontario just recently brought in a fairly significant capital gains tax on the transactions in land. --(Interjection)-- Well, I'm not so sure - the Minister of Housing says it's not working. There is contrary evidence to indicate that perhaps it might be. In any event it would certainly put on notice that the withholding of land from the market which now is given tax shelter and tax benefit would no longer be given those benefits or those incentives that would be taking away - and as a result, the consequence would be in moving the land back into the market itself. And that's - no one else can do that. The responsibility is right here. And again nothing is really being done - it's mañana, it's tomorrow it's someone else's responsibility.

So on the question of land, I think that we'd like to propose that considering the present extreme shortage and the lack of action, that the province has the responsibility first of saying what land, that it now - it is becoming one of the major land owners in the city. To what degree it can release its own land for purposes, and secondly, turn it into a variety of market purposes. Now that could be a mixture of social and private housing. I'm sure that all kinds of arrangements can be worked out - but it should be released.

Secondly, that they could be looking at the question of a form of either land value tax system or capital gains tax system to penalize the holding of land and to provide incentive to move it into the market. And the issue that is raised about that, Mr. Speaker, is this, that I just listened to the Minister of Mines and the House Leader say that they're prepared to talk to people, they negotiate, they're reasonable, they get along with everybody. They have not met once with the house builders of this province --(Interjection)-- yes, I will.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Would the honourable member indicate at what rate of taxation he would prefer a capital gains tax on land speculation?

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Speaker, I think that the Minister of Agriculture with his 2,000 some odd employees, and the Minister of Health and Social Development with his three or four thousand, would certainly have a much better technical capacity to make that judgment than I as a single MLA. I would suggest however that a 50 percent range would be

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(MR. AXWORTHY Cont'd) certainly suitable to begin with. --(Interjection)-- You just got and answer - and I would think that that would be a starting point for discussion, that we would certainly be prepared to consider, that that would be the thing. That may not be the only or best alternative. It may be that - it could be in fact a graded scale. One of the proposals that is being used in an American city, I think in Tennessee if I'm not mistaken, where the tax scale is graded according to the length of time in which it's held, and so the quicker the turnover, the lesser the tax scale. In other words, there is a number of variations on the theme that could be applied or introduced if some thought and initiative was being taken to do so, and it would certainly be a proper subject and topic for debate in this House to look at what the proper scale would be. But certainly the issue is, you know, you've got the capacity, you've got the information, you set the proposals, and then we can sort of talk about it. But do it. Okay? That's the major thing.

Now that's the issue I want to come back to though, is that in many cases there isn't much talk and much discussion going on; that there have been a series of concerns raised by builders in the city about the problems of the City of Winnipeg Act, of the problems of acquiring land and mortgage money. But who's talking to them? Certainly not our Provincial Government. They're not even into a confrontation situation as there might have been with the doctors, there's just almost no communication at all on the issue. And yet they are one of the major instruments of supplying housing. And I know that there are certain members on the other side of the House who would like to see Manitoba Housing Renewal Corporation do it all, but unfortunately they can't do it all - and fortunately they can't do it all, I should say. Someone else has got to be doing it, and they need the wherewithal to make it work. And then it has to be worked out in a spirit of co-operation with government agencies, both civic and provincial; it's got to be worked out according to some design and to some plan; it's got to be worked out in relation to how they can exchange and share the resources that they have and apply some basic plan so that they can eliminate the road blocks. Because if you're trying to deal with the problem of supply, the best inflationary fight is to take away the handicaps, take away the road blocks, eliminate where the shortages are. And if the shortages are in the industrial base, if it's a lack of skilled labour, if it's in the lack - wherever lacks may be, then we should be working out how to overcome those road blocks, which we're presently not doing. And again the people who suffer are those who simply either can't find a place to live, or their rents or their taxes or their mortgage payments go up.

Now let me come back to one other issue in relation to this problem of supply, Mr. Speaker, and that is how can you get some capital presently to try to reduce or at least in some way affect the mortgage rates that are presently operative in the Province of Manitoba? Well, obviously CMHC and the Federal Government have a major responsibility for calculating mortgage funds based upon the bank rates, based upon the supply of money that they can effect from banks and trust companies. I think however that there would be some areas, possible investigation on the provincial level that could be supplied. Now let me raise one: That a large - in fact, hundreds of millions of dollars every year contributed to pension plans, usually through sort of teachers, Crown corporation employees, civil servants - large amounts of money go into pension funds. Those pension funds are invested in a variety - either in equity or forms of securities. One of the areas in which that investment could be made is in the mortgage field. Now one of the reasons why our pension funds don't like to get in the mortgage field is because the marketing is difficult and the administration is difficulty, and they don't want to be involved in the business of taking care of foreclosures and taking care of the administration of the transfer of payments. I would think it would be of some importance and of some interest if the Provincial Government could begin holding discussions with the investment board and pension boards that handle the investment portfolios, certainly of the public pension funds in the province, to see if there are ways of directing large parts of that capital into the mortgage market in Manitoba.

Now one thing that we do not have in this province, in fact we don't have in Canada is - which the Americans have - which is a nice institution, is the savings and loan operations which sort of channel a lot of local money into local housing and building programs. We don't have that in the province, and it's unfortunate that we don't; that we might be able to start sort of diverting some supply of capital into the mortgage fund in our own area from moneys

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(MR. AXWORTHY Cont'd) . . . derived from Manitoba sources, so that we could start providing package mortgages for apartment block building and for residential building, again in the province, to again try to meet what is a very immediate problem.

Now again I, in deference to the Minister of Agriculture before he asks another question, would say I have not come with a full blown plan worked out. I would say however, that going through the Estimates, you got plenty of highly paid professionals on your staff who might be able to work that kind of system out, at least undertake the possibility of it; and also provide that as a stimulus again to the mortgage market in the province, which is now desperately short of funds. And history serves us well, we know that a large part of those mortgage funds will be directed in terms of eastern Canada because of the weight of the market there, especially the apartment market. So I would say, let us see if we can use Manitoba derived mortgage sources, which are sort of invested in our major pension portfolios to be invested in this province.

Finally Mr. Speaker, I'd like to raise the issue, that the other kind of strategy that should be applied to deal with the problem of inflation, is not only the one of working in all areas to improve supply but also to provide some assistance to those who are burdened by the increasing costs and find because of the static nature of their own incomes that they can't respond as quickly as others. In this case, I would strongly advocate that we undertake a housing allowance program in this province to meet the accommodation requirements of many people on lower or fixed or even lower middle incomes, whose rental properties in particular have risen and are rising on the basis of 15 to 20 percent and who simply cannot meet the economic rent increases that are now being imposed and will be imposed next fall. That they will either be forced to leave their present accommodation or will be forced to borrow the funds from other commodities, whether it's food or clothing or what other essentials they may have, simply because we do not have a renting allowance scheme in this province. And again, there is nothing particularly radical or new about it, because other provinces have a housing allowance scheme. I believe last year the Province of Ontario had something close to two to three thousand housing allowance arrangements in process. The Provincial Government is prepared to help pay for housing allowances through the Canada Assistance Plan in many cases and through CMHC. Again it's something that we are not applying, only in a very limited scale here. The Minister might respond, but my understanding is that we may not have any more than a couple of hundred housing allowance arrangements outside of the public housing market in the province. So again, if you're trying to meet the housing problem while you're working diligently to improve supply, we should be moving just as diligently to offset the rising costs that people can't meet, and I think the housing allowance at this time is the only kind of program that makes sense.

Now all of us say we would also like to encourage as much as possible the Minister to urge on his corporation to begin providing more low income housing directly through the public housing operation, and also to begin providing the stimulus that is required in the third sector of housing, the non profit co-op fields. One interesting development - again, Ministers in this House, particularly in the last few days, have been labouring city officials - but I know for example that the City of Winnipeg has now identified throughout the city a number of vacant lots that are now available for housing purposes; in many cases they may be infill operations, they may be small scale ones, and they're prepared to offer those to the different community committees for housing purposes, for residential purposes, for development purposes. But as we've pointed out in this House before, that's the first step. They now may have the space that's available to the city but the next step is to get the financial assistance, which can be gotten through the Federal Government, but they also need an essential form of technical assistance on how to translate that into actual housing on the ground, to provide the kind of administrative and organizational work to bring that about. And again, very little of that assistance is available, but could be available. We've got lots of professionals in the city that could provide that transition between the availability of the raw materials into the finished product. And again I think it could be a very interesting discussion to have with the builders of the city, to say again, okay, you want to get more houses on the lots - because we're prepared to buy some of your services to help the non profit groups and the co-op groups and the community groups to put housing into those lands that the city now says is available, which again would be another technique to bring it about.

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(MR. AXWORTHY Cont'd) And they've made the offer they've identified the projects, but we need to make the transition and resources that are required to make that transition work out.

So in those kinds of areas, Mr. Speaker, I would suggest that we simply shouldn't be sitting around sort of speculating on the possibilities and probabilities. The issue is much too serious, because if the kind of proposals or others - and I'm certainly prepared to consider others - are not implemented now and soon, that we are going to find that literally thousands of people in this city and throughout the province are going to be deprived of the opportunity to purchase housing or to maintain proper rental accommodation. They will be squeezed on their own budgets and will simply find that housing will become a serious millstone around the neck of many citizens, and the responsibility will be borne properly by this House because we haven't done anything to meet that problem. And I would say that - I would use perhaps this last opportunity that we have to talk once more about housing, to say - for goodness sake, do something and do it soon, because if you don't do it, then we are going to find ourselves with a highly complicated problem of tragic proportions by next fall. It's got to be done while the building season is still available to us.

MR. SPEAKER: Very well. I got the message. The hour being 5:30, the House is not adjourned and stands adjourned until 10:00 a.m tomorrow. Committee of Municipal Affairs meets at 8:00 tonight.